



THE PERIA KARAMALAI TEA AND PRODUCE  
COMPANY LIMITED

107<sup>th</sup>

ANNUAL REPORT

2019-2020





# THE PERIA KARAMALAI TEA AND PRODUCE COMPANY LIMITED

Registered Office : 7, Munshi Premchand Sarani, Hastings, Kolkata - 700 022

Phone : 91-33-22233394 Fax : 91-33-22231569 E-mail : periatea@lnbgroup.com Website : www.periatea.com

**CIN: L01132WB1913PLC220832**

## CORPORATE INFORMATION

<b>Board of Directors</b>	:	Mr. Lakshmi Niwas Bangur	-	Chairman	
		Mrs. Alka Devi Bangur	-	Managing Director	
		Mr. Shreeyash Bangur	-	Deputy Managing Director	
		Mr. Harischandra Maneklal Parekh	-	Independent Director	
		Mr. Pudugramam Ramachandran Ramakrishnan	-	Independent Director	
		Mr. Narasimhan Swaminathan	-	Independent Director	
		Mr. Ashok Kumar Bhargava	-	Independent Director	
<b>Corporate Management Team</b>	:	Mr. Sanjeev Kumar Singh	-	Chief Executive Officer	
		Mr. Kannusamy Ashokan	-	Chief Financial Officer	
		Mr. Saurav Singhania	-	Company Secretary	
<b>Committees of Board</b>	:	<b>AUDIT COMMITTEE</b>	Mr. Pudugramam Ramachandran Ramakrishnan	-	Chairman
			Mr. Lakshmi Niwas Bangur	-	Member
			Mr. Harischandra Maneklal Parekh	-	Member
			Mr. Narasimhan Swaminathan	-	Member
			Mr. Ashok Kumar Bhargava	-	Member
		<b>NOMINATION AND REMUNERATION COMMITTEE</b>	Mr. Pudugramam Ramachandran Ramakrishnan	-	Chairman
			Mr. Lakshmi Niwas Bangur	-	Member
			Mr. Harischandra Maneklal Parekh	-	Member
			Mr. Narasimhan Swaminathan	-	Member
		<b>STAKEHOLDERS RELATIONSHIP COMMITTEE</b>	Mr. Lakshmi Niwas Bangur	-	Chairman
			Mr. Pudugramam Ramachandran Ramakrishnan	-	Member
			Mr. Narasimhan Swaminathan	-	Member
			Mr. Ashok Kumar Bhargava	-	Member
		<b>CSR COMMITTEE</b>	Mr. Lakshmi Niwas Bangur	-	Chairman
			Mr. Pudugramam Ramachandran Ramakrishnan	-	Member
			Mr. Narasimhan Swaminathan	-	Member
			Mr. Shreeyash Bangur	-	Member
<b>Statutory Auditors</b>	:	M/s. Srikishen & Co., Chartered Accountant, Coimbatore			
<b>Secretarial Auditors</b>	:	M/s Vinod Kothari & Co., Practising Company Secretaries, Kolkata			
<b>Internal Auditors</b>	:	M/s K N Narayanan, Chartered Accountant, Chennai			
<b>Bankers</b>	:	Union Bank of India HDFC Bank Ltd			
<b>Stock Exchanges</b>	:	NSE Limited, Mumbai The Calcutta Stock Exchange Limited, Kolkata			
<b>Registrar &amp; Share Transfer Agents</b>	:	M/s. SKDC Consultants Ltd., Kanapathy Towers, 1391/A-1, III Floor, Sathy Road, Ganapathy, Coimbatore - 641 006 Tel No. +91 (422) 4958995, 2539835 2539836 Fax No. +91 (422) 2539837 Email: info@skdc-consultants.com			
<b>Head Office</b>	:	"PANCHRATN", 286, Race Course Road, Coimbatore - 641 018			
<b>Corporate Office</b>	:	3rd Floor, Uptown Banjara, Road No. 3, Banjara Hills, Hyderabad - 500 034			



<b>Contents</b>	<b>Page</b>
Notice to Shareholders .....	3
Directors' Report .....	24
Management Discussion & Analysis.....	51
Report on Corporate Governance .....	53
Independent Auditors' Report .....	74
Financial Statements .....	82
Notes to Financial Statements .....	86
Consolidated Financial Statements .....	119



## NOTICE TO SHAREHOLDERS

Notice is hereby given that the 107th Annual General Meeting (AGM) of the Members of The Peria Karamalai Tea & Produce Company Limited will be held on Monday, the 28th day of September, 2020 at 10:30 A.M., Indian Standard Time ("IST"), through Video Conferencing / Other Audio Visual Means ("VC/OAVM"), to transact the following business(es):

### ORDINARY BUSINESS

1. To receive, consider and adopt:
  - (a) the Annual Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2020 including the Audited Balance Sheet as at March 31, 2020 and Statement of Profit & Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
  - (b) the Annual Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2020 including the Audited Balance Sheet as at March 31, 2020 and Statement of Profit & Loss for the year ended on that date and the Report of the Auditors thereon.
2. To declare dividend on equity shares for the financial year ended 31st March, 2020.
3. To appoint a director in place of Mr. Lakshmi Niwas Bangur (DIN 00012617), who retires by rotation and being eligible offers himself for re-appointment.
4. To ratify the appointment of M/s. Srikishen & Co., Chartered Accountants (Firm Registration No.004009S) as Statutory Auditors of the Company for the financial year 2020-21 and to fix their remuneration and in this connection to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provision of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the appointment of M/s Srikishen & Co., Chartered Accountants (Firm Registration No.004009S) Statutory Auditors of the Company be and is hereby

ratified as Statutory Auditors for the financial year 2020-21, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors of the Company based on recommendations of the Audit Committee."

### SPECIAL BUSINESS

5. Re-appointment of Mrs. Alka Devi Bangur as Managing Director of the Company

To consider and, if thought fit, to pass with or without modification, the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of sections 152, 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the "Act") read with allied rules framed thereunder (including any statutory modifications or re-enactments thereof for the time being in force), Regulation 17(6)(e) and all other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time), the applicable clauses of the Articles of Association of the Company and other applicable provisions, if any, and as recommended by the Nomination & Remuneration Committee, the Audit Committee and Board of Directors of the Company, the consent of the Members of the Company be and is hereby accorded to the reappointment of Mrs. Alka Devi Bangur (DIN: 00012894) as Managing Director of the Company, and whose period of office be liable to retire by rotation under the Act, for a further period of 3 (three) years, with effect from 17th September, 2020, upon such terms and conditions as detailed out in the Explanatory Statement annexed thereto, including remuneration payable from time to time, which at all times shall be within the limits of the Act or any statutory amendment(s) and/or modification(s) thereof.

RESOLVED FURTHER THAT in the event of any loss or inadequacy of profits in any financial year during the tenure of Mrs. Alka Devi Bangur (DIN:00012894) as Managing Director of the Company, the remuneration payable to her shall be in accordance with the limits prescribed in Schedule V read with Sections 196



and 197 of the Companies Act, 2013 and as may be amended from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company on recommendation of the Nomination and Remuneration Committee, be and is hereby authorized to alter and/or vary the terms and conditions, remuneration and other entitlements, as deemed necessary and proper in the best interest of the Company with requisite approvals and ceiling limits as provided under Section 197/Schedule V of the Act.

RESOLVED FURTHER THAT any of the Directors and/ or the Company Secretary of the Company, be and are hereby severally authorized to do and perform all such acts, deeds, matters and things, as may be considered necessary, proper, expedient or incidental to give effect to the above resolution."

6. Re-appointment of Mr. Shreeyash Bangur as Deputy Managing Director

To consider and, if thought fit, to pass with or without modification, the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of sections 152, 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the "Act") read with allied rules framed thereunder (including any statutory modifications or re-enactments thereof for the time being in force), Regulation 17(6) (e) and all other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time), the applicable clauses of the Articles of Association of the Company and other applicable provisions, if any, and as recommended by the Nomination & Remuneration Committee, the Audit Committee and Board of Directors of the Company, the consent of the Members of the Company be and is hereby accorded to the reappointment of Mr. Shreeyash Bangur (DIN: 00012825) as Deputy Managing Director of the Company, and whose period of office be liable to retire by rotation under the Act, for a further period of 3 (three) years, with effect from 5th November, 2020, upon such terms and conditions as detailed out in the Explanatory Statement annexed thereto, including remuneration payable from time to time, which at all times shall be within the limits of the Act or any statutory amendment(s) and/or modification(s) thereof.

RESOLVED FURTHER THAT in the event of any loss or inadequacy of profits in any financial year during the tenure of Mr. Shreeyash Bangur (DIN:00012825) as Deputy Managing Director of the Company, the remuneration payable to him shall be in accordance with the limits prescribed in Schedule V read with Sections 196 and 197 of the Companies Act, 2013 and as may be amended from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company on recommendation of the Nomination and Remuneration Committee, be and is hereby authorized to alter and/or vary the terms and conditions, remuneration and other entitlements, as deemed necessary and proper in the best interest of the Company with requisite approvals and ceiling limits as provided under Section 197/Schedule V of the Act.

RESOLVED FURTHER THAT any of the Directors and/ or the Company Secretary of the Company, be and are hereby severally authorized to do and perform all such acts, deeds, matters and things, as may be considered necessary, proper, expedient or incidental to give effect to the above resolution."

7. To approve Material Related Party Transactions

To consider and, if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 (the "Act") read with Rule 15 (3) of the Companies (Meetings of Board and its Powers) Rules, 2014, Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"), and other applicable provisions, if any, and the Rules made thereunder (including any statutory modification(s) or re-enactments thereof for the time being in force) and the Related Party Transaction Policy of the Company, consent of the members be and is hereby accorded to the Board of Directors of the Company to enter into contract or arrangement with the following related parties of the Company, as per Section 2 (76) of the Companies Act, 2013 and Regulation 2(zb) of the SEBI LODR, during the financial year 2020-21 and thereafter as mentioned below on such terms and conditions as the Board of Directors may think proper and beneficial for the Company, notwithstanding the fact that all these transactions during a financial year, in aggregate, may exceed 10% of the annual consolidated turnover of the Company as per its



last audited financial statement or any materiality threshold as may be applicable, from time to time, under the SEBI LODR –

Sl. No	Name of Related Party	Nature of Relationship	Nature and Particulars of Transaction	Maximum value of Transaction (Rs. in Crores)
1.	LNB Renewable Energy Private Limited	Group Company	Granting of Loan	50
2.	Placid Limited	Group Company	Granting of Loan	50
3.	Kiran Vyapar Limited	Group Company	Granting of Loan	50

RESOLVED FURTHER THAT Mr. Lakshmi Niwas Bangur, Director, Mrs. Alka Devi Bangur, Managing Director and Mr. Shreeyash Bangur, Deputy Managing Director, be and are hereby severally authorised to do or cause to be done all such acts, deeds and things, settle any queries, difficulties, doubts that may arise with regard to any transaction with the related party, finalise the terms and conditions as may be considered necessary, expedient or desirable and execute such agreements, documents and writings and to make such filings as may be necessary or desirable, in order to give effect to this resolution in the best interest of the Company."

8. To approve Private Placement of Redeemable Non-Convertible Debentures.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014, and subject to all the applicable laws and Regulations, including but not limited to SEBI (Issue and Listing of Debt Securities) Regulations, 2008 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and subject to the provisions of the Articles of Association of the Company, approval of the members be and is hereby accorded to the Board of Directors of the Company to offer or invite subscriptions for listed/unlisted, secured / unsecured redeemable

non-convertible debentures, in one or more series/tranches, of the aggregate nominal value up to Rs. 75 crore (Rupees Seventy Five Crore Only), on private placement, from such persons and on such terms and conditions as the Board of Directors of the Company may, from time to time, determine and consider proper and most beneficial to the Company including, without limitation, as to when the said debentures are to be issued, the face value of debentures to be issued, the consideration for the issue, mode of payment, coupon rate, redemption period, utilization of the issue proceeds and all matters connected therewith or incidental thereto and that the amount that shall be raised as aforesaid shall be within the overall borrowing limits of the Company as may be approved by the Members from time-to-time;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution and for matters connected therewith or incidental thereto."

**By Order of the Board  
For The Peria Karamalai Tea & Produce Co. Ltd.**

**Kolkata  
15th June, 2020.**

**Saurav Singhania  
Company Secretary**

NOTES:

- In view of the outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and Ministry of Corporate Affairs ("MCA") has vide its General Circular No. 20/2020 dated 5th May, 2020, read with General Circular No. 14/2020 dated 8th April, 2020 and General Circular No. 17/2020 dated 13th April, 2020 (collectively referred to as "said Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC/OAVM, without the physical presence of the Shareholders at a common venue.

Accordingly, in compliance with the applicable provisions of the Companies Act, 2013 ("Act") read with the said Circulars and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Company has decided to convene its ensuing 107th AGM through VC/OAVM and the Shareholders can attend and participate in the ensuing AGM through VC/OAVM. However, for the purpose of technical compliance of the provisions of section 96(2) of the Companies Act,



2013, the venue of the AGM shall be deemed to be the Registered Office of the Company at 7, Munshi Premchand Sarani, Hastings, Kolkata - 700022.

2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. However, since this AGM is being held through VC/OAVM, whereby physical attendance of Shareholders has been dispensed with and in line with the said Circulars read with Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 ("said SEBI Circular") issued by the Securities and Exchange Board of India ("SEBI"), the facility to appoint a proxy to attend and cast vote for the shareholder is not made available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Institutional / Corporate Shareholders (i.e. other than Individuals / HUF, NRI, etc.) are requested to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution / Authorization etc., authorizing its representative to attend the AGM through VC /OAVM on its behalf and to cast vote through remote e-voting as well as vote at the AGM. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to [voting@vinodkothari.com](mailto:voting@vinodkothari.com).
4. The facility for Shareholders to join the AGM in the VC/OAVM mode will be kept open to join 15 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting. The Shareholders can join the AGM by following the procedure mentioned herein below in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 Shareholders on 'first come first serve' basis. This will not include large Shareholders (i.e. Shareholders holding 2% or more), Promoters, Directors, Key Managerial Personnel, the Chairperson(s) of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of 'first come first serve' basis.
5. The attendance of the Shareholders attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available electronically for inspection by the members during the Annual General Meeting.
7. In view of the outbreak of the COVID-19 pandemic, due to difficulties involved in dispatching of physical copies of the Annual Report and in line with the said Circulars issued by the MCA and said SEBI Circular, the Annual Report for the financial year ended 31st March, 2020 consisting of financial statements including Board's Report, Auditors' Report and other documents required to be attached therewith including Notice of the 107th AGM of the Company inter alia indicating the process and manner of e-voting is being sent only by Email, to all the Shareholders whose Email IDs are registered with the Company/Depository Participant(s) for communication purposes to the Shareholders and to all other persons so entitled.  
  
Members may also note that the Notice of the 107th AGM and the Annual Report 2019-2020 will also be available on the Company's website [www.periatea.com](http://www.periatea.com) and website of the Stock Exchanges i.e NSE Ltd., at [www.nseindia.com](http://www.nseindia.com) and CSE Ltd., at [www.cse-india.com](http://www.cse-india.com). The Notice of the AGM shall also be available on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com).
8. The relevant Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013, setting out the material facts concerning each item of Special Business to be transacted at the meeting is annexed hereto and forms part of the Notice.
9. In case of joint holders attending the meeting, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
10. Pursuant to Regulation 26(4) and 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2 (SS2) on General Meetings, details of directors seeking appointment /reappointment at the Annual General Meeting are furnished in "**Annexure A**" which forms part of the notice.
11. The Register of Members and Share Transfer Books of the Company will remain closed from 22nd September, 2020 to 28th September, 2020





- (both days inclusive) for determining the name of members eligible for dividend on equity shares, if declared at the meeting.
12. The Dividend, as recommended by the Board, if declared at the Annual General Meeting will be paid within 30 days from the date of declaration to those members whose names stand registered on the Company's Register of Members –
    - a. as Beneficial Owners as at 21st September, 2020 as per the list to be furnished by National Securities Depository Services Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL) in respect of shares held in electronic form; and
    - b. as members in the Register of Members of the Company in physical form on or before 21st September, 2020.
  13. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source ("TDS") from dividend paid to shareholders at the prescribed rates in the Income Tax Act, 1961 ("the IT Act"). For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. In general, to enable compliance with TDS requirements, the shareholders are requested to complete and/or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants (in case of shares held in demat mode). Members holding shares in physical form can submit such details by sending an email to the Registrar & Share Transfer Agent of the Company at [green@skdc-consultants.com](mailto:green@skdc-consultants.com)
    - a. A resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source at [green@skdc-consultants.com](mailto:green@skdc-consultants.com) Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.
    - b. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by submitting at [green@skdc-consultants.com](mailto:green@skdc-consultants.com).
  14. Members holding Shares of the Company in physical form through multiple folios in identical names or joint accounts in the same order of names are requested to consolidate their shareholding into single folio, by sending their original share certificates along with a request letter to consolidate their shareholding into one single folio, to the Registrar & Share Transfer Agent of the Company.
  15. In all correspondence with the Company/Registrar & Share Transfer Agent, Members are requested to quote their Folio Number and in case their shares are held in the dematerialized form, they must quote their DPID and Client ID number.
  16. National Electronic Clearing Service (NECS):
    - a. SEBI vide its Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018 has mandated that for making dividend payments, companies whose securities are listed on the stock exchanges shall use electronic clearing services (local, regional or national), direct credit, real time gross settlement, national electronic funds transfer etc. The Company and its Registrar and Share Transfer Agent are required to seek relevant bank details of shareholders from depositories/investors for making payment of dividends in electronic mode. Further, pursuant to recent General Circular 20/2020 dated 5th May, 2020 companies are directed to credit the dividend of the shareholders directly to the bank accounts of the shareholders using Electronic Clearing Service. Accordingly, Members are requested to provide or update (as the case may be) their bank details with the respective depository participant for the shares held in dematerialized form and with the Registrar & Share Transfer Agent in respect of shares held in physical form. In case of non-availability or non-updation of bank account details of the shareholders, the Company shall ensure payment of dividend to such shareholder(s) post normalization of postal services in the Country.
    - b. The Company has provided National Electronic Clearing Service (NECS) facility to the Members for remittance of dividend. NECS facility is available at locations identified by Reserve Bank of India from time to time. Members holding shares in physical form and desirous of availing this facility are requested to provide their latest bank account details (Core Banking Solutions





Enabled Account Number, 9 digit MICR and 11 digit IFSC Code), along with their Folio Number, to the Company's Registrar and Share Transfer Agent ('RTA'), M/s SKDC Consultants Limited. Members holding shares in electronic form are requested to provide the details to their respective Depository Participants.

- c. Members holding shares in electronic form may note that bank particulars registered against their depository accounts will be used by the Company for payment of dividend. The Company or its Registrar and Share Transfer Agent, M/s SKDC Consultants Limited cannot act on request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant by the members. Members holding shares in physical form and desirous of registering bank particulars against their respective folios for payment of dividend are requested to write to the Registrar and Share Transfer Agent of the Company.

17. Members holding shares in physical form are requested to intimate change in their registered address mentioning full address in block letters with pin code of the post office, mandate, bank particulars and Permanent Account Number(PAN) to the Company's Registrar and Share Transfer Agent ('RTA') and in case of members holding their shares in electronic form, this information should be given to their Depository Participants immediately.
18. Members holding shares in physical form, desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013 and rules made thereunder are requested to submit the prescribed Form No. SH-13 (Nomination Form) or SH-14 (Cancellation or Variation of Nomination), as applicable for the purpose, to the RTA of the Company i.e., SKDC Consultants Limited. Members holding shares in demat form may contact their respective Depository Participant for recording nomination in respect of their shares.
19. Members who have not registered their e-mail address so far, are requested to register their e-mail address for receiving all communications from the Company electronically.
20. As per the green initiative taken by the Ministry of Corporate Affairs, members are advised to register

their email address with the Company in respect of shares held in physical form and with the concerned Depository Participant in respect of shares held in demat form to enable the Company to serve documents in electronic form.

21. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat account(s). Members holding shares in physical form can submit their PAN details to the Company or to M/s. SKDC Consultants Limited, Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore – 641 006.
22. The Company has entered into necessary arrangement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to enable the Members to dematerialize their shareholding in the Company for which they may contact the Depository Participant of either of the above Depositories. In terms of Regulation 40 of the Listing Regulations, listed companies are not allowed to process a request of transfer of shares held in physical form. Accordingly, Members, who have not dematerialized their shares as yet, are advised to have their shares dematerialised to avail the benefits of paperless trading as well as easy liquidity as the trading in shares of the Company is under compulsory dematerialised form.
23. Members desirous of receiving any information on the accounts of the Company are requested to forward their queries to the Company at least seven working days prior to the meeting, so that the required information can be made available at the meeting.
24. Members wishing to claim dividend which remain unclaimed are requested to correspond with the Company or RTA of the Company. Members are requested to note that dividends not claimed within seven years from the date of transfer to the Company's unpaid dividend account will be transferred to the Investor Education and Protection Fund.
25. In terms of the erstwhile provisions of section 139(1) of the Companies Act, 2013, companies are required to place the matter relating to ratification of appointment of Statutory Auditor of the Company for approval of shareholders at every Annual General



Meeting ('AGM'). Further, in terms of the Companies (Amendment) Act, 2017, issued by the Ministry of Corporate Affairs vide its Notification dated 7th May, 2018, no further ratification of appointment of Auditors is required by the members at every AGM. Therefore, the requirement of ratification is not applicable on the Company. However, the Company has appointed M/s Srikishen & Co. as the Statutory Auditor of the Company, for a term of five years till the conclusion of the 108th AGM of the Company, subject to the ratification of such appointment by the shareholders at every AGM, hence, the Company is continuing to ratify their appointment in the AGM till the completion of their tenure.

26. Since the AGM will be held through VC/OAVM facility, the Route Map is not annexed to this Notice.

**27. Voting through electronic means:**

- a. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 w.e.f 19th March, 2015, Clause 7.2 of Secretarial Standard on General Meeting (SS-2), Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and MCA Circulars and SEBI Circulars the Company is pleased to provide to its members the facility of voting by electronic means in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
- b. Shareholders, who will be present at the AGM through VC/OAVM facility and who had not cast their vote by remote e-voting prior to the AGM and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
- c. The instructions for members for voting electronically are as under:
- i. The remote e-voting period begins on 25th September, 2020 at 10:00 A.M. and ends on 27th September, 2020 at 5:00 P.M. During this period, shareholders of the Company holding shares either in physical form or in dematerialised form as on the cut-off date (record date) i.e. 21st September, 2020 may cast

their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.

- ii. Shareholders who have already voted through remote e-voting prior to the meeting date would not be entitled to vote during the meeting through VC/OAVM.
- iii. The Shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- iv. Click on "Shareholders" tab.
- v. Now enter your user ID
  - a) For CDSL: 16 digits beneficiary ID
  - b) For NSDL: 8 character DP ID followed by 8 digit client ID
  - c) Members 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 - Myeasi 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](http://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 Members Holding Shares in Dematerialised Form and Physical Form**

<b>PAN</b>	<p>Enter your 10 digit alpha numeric PAN issued by the Income Tax Department (applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
------------	--



<b>Dividend bank details or Date of Birth (DOB)</b>	<p>Enter the Dividend bank details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company's records in order to login.</p> <p>If both the details are not recorded with the depository or company, please enter the member id/folio number in the Dividend Bank details filed as mentioned in instruction (v).</p>
---	---

- ix. After entering these details appropriately, click on "SUBMIT" tab.
- x. Members holding shares in physical form will then reach directly company screen. However, members holding shares in demat form will now reach "password creation" menu wherein they are required to mandatorily enter their login 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 members 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 relevant EVSN – "THE PERIA KARAMALAI TEA & PRODUCE COMPANY LIMITED" 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 you vote, click "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 out print of the voting by you by clicking on "Click here to print" option on the voting page.
- xviii. If demat account holder has forgotten the changed password then enter the User ID and Image Verification Code and click on Forgot Password & enter the details as prompted by the system.
- xix. Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

**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:**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to RTA at [green@skdc-consultants.com](mailto:green@skdc-consultants.com).
2. 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) by email to RTA at [green@skdc-consultants.com](mailto:green@skdc-consultants.com).

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

1. Shareholder will be provided with a facility to attend the 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 / IPads 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 from 22nd September, 2020 to 25th September 2020, mentioning their name, demat account number/folio number, email id, mobile number at [periatea@lnbgroup.com](mailto:periatea@lnbgroup.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 [periatea@lnbgroup.com](mailto:periatea@lnbgroup.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.
- a) Non Individual Shareholders (other than individuals, HUF, NRI etc.) and custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
  - b) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - c) 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.
  - d) The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - e) 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 scrutiniser to verify the same.
  - f) 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 at the e-mail address viz; [voting@vinodkothari.com](mailto:voting@vinodkothari.com) and to the Company at the email address viz; [periatea@lnbgroup.com](mailto:periatea@lnbgroup.com) (designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

#### INSTRUCTIONS FOR SHAREHOLDERS 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.
  4. 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.
- xx. Note for Non-Individual Shareholders and Custodians
- xxi. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto: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](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.



- xxii. Any person who acquire shares and become the member after despatch of Notice and hold shares as of the cut-off dates may obtain the sequence number for remote e-voting by sending a request to the Company's RTA.
- d. The voting shall be reckoned in proportion to a Member's share of voting rights on the paid up equity share capital of the Company as on the cut-off date of 21st September, 2020. A person who is not a member as on the cut-off date should treat this Notice for information purpose only.
- e. The Board of Directors of the Company at their meeting held on 15th June, 2020 has appointed, M/s Vinod Kothari & Company, Practicing Company Secretaries as the Scrutinizer to scrutinize the remote e-voting process and e-voting at the Annual General Meeting in fair and transparent manner.
- f. During the AGM, the Chairman shall formally propose to the Members participating through VC/OAVM Facility to vote on the resolutions as set out in the Notice of the AGM, if already not voted through remote e-voting. Voting at the AGM shall be kept open for a period of 30 mins after the AGM ends.
- g. Scrutinizer shall, after the 30 minutes of conclusion of the Meeting will unblock the votes cast during the meeting and through remote e-voting in the presence of at least two witnesses not in the employment of the Company and within period not exceeding 48 hours from the conclusion of the meeting make a consolidated Scrutinizer's Report of the votes cast in favour or against, if any, and submit the same to the Chairman of the Company or any other person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- h. The result declared along with the Scrutinizer's Report shall be placed on the Company's website [www.periatea.com](http://www.periatea.com) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com) and shall also be displayed on the Notice Board of the Company at its registered office. Further, immediately after the declaration of result by the Chairman or a person authorised by him in writing shall communicate to National Stock Exchange of India Limited and The Calcutta Stock Exchange Limited.





## EXPLANATORY STATEMENT IN TERMS OF SECTION 102 OF THE COMPANIES ACT, 2013

Pursuant to Section 102 of the Companies Act, 2013 ('the Act'), the following Explanatory Statement sets out all material facts relating to the businesses mentioned under Item Nos. 5 to 8 of the accompanying Notice dated 15th June, 2020.

### Item No. 5

Mrs. Alka Devi Bangur (DIN:00012894) was re-appointed as the Managing Director of the Company in the meeting of the Board of Directors held on 26th May, 2017 for a term of 3 years with effect from 17th September, 2017, which was approved by the shareholders in the 104th Annual General Meeting of the Company held on 9th August, 2017. The said term is expiring on 16th September, 2020.

Members of the Company are aware that Mrs. Alka Devi Bangur holds Masters Degree in English, Hindi and Business Administration. She is associated with the Company since 1993. She has a vast experience in the management and administration of the Company. Under her leadership, the Company has registered steady progress and growing from strength to strength. Therefore, it is desirable that Mrs. Alka Devi Bangur should continue to lead the Company as Managing Director for a further period of 3 Years w.e.f 17th September, 2020.

The Board of Directors of the Company at their meeting held on 15th June, 2020 has recommended re-appointment of Mrs. Alka Devi Bangur as Managing Director for a further term of 3 years with effect from 17th September 2020, subject to the approval of the Members in the ensuing Annual General Meeting. The recommendation for re-appointment was also approved by the Nomination and Remuneration Committee and Audit Committee at their respective meeting held on 13th June, 2020 and was recommended to the Board for its approval. While approving the re-appointment of the Managing Director the Nomination and Remuneration Committee considered various parameters such as increase in scale of operation of the Company, increased involvement of the Managing Director in the overall growth of the Company, increased level of responsibility and remuneration of similar professional in similar industries etc.

The terms and conditions of Mrs. Alka Devi Bangur (DIN:00012894) for her reappointment as Managing Director, as recommended by the Nomination and Remuneration Committee and Audit Committee are as follows:-

1. Mrs. Alka Devi Bangur shall be responsible for advising and assisting the Board of Directors of the

Company in formulation of long term business plans and strategic thrust of the Company, for co-ordinating key affairs of business of the Company externally and where needed internally too, for formulation of and decision on developmental, diversification and growth plans of the Company including plans for major capital expenditure for reviewing and monitoring the execution of plans and conduct of overall affairs of the Company; and for all matters of strategic importance.

2. Mrs. Alka Devi Bangur shall have adequate communication facilities and necessary office establishment, appropriate set-up and systems built-up, provided to her by the Company, for the purpose of carrying out her above duties. Mrs. Alka Devi Bangur shall have power to visit the Registered Office and offices at various places, to have meetings, deliberations and negotiations with Bank/Institutions, Government Authorities and other concerned as and when needed for the purpose of discharging her duties as above.
3. Mrs. Alka Devi Bangur shall generally have all powers in the normal course of business of the Company to deliberate, deal, negotiate, interact and enter into agreements on behalf of the Company with whomsoever concerned. In respect of the business of the Company from time to time, and shall exercise and perform the above and such other powers and duties as the Board of Directors of the Company may, from time to time, subject to the provisions of law and the Articles of Association of the Company, further determine.
4. Mrs. Alka Devi Bangur while being away from her normal place of establishment shall be responsible to keep appropriate arrangements to keep communication with the Registered Office, other offices of the Company and other business associates, as may be necessary from time to time, for the purpose of discharging her duties.
5. Any actual expenses on travel, staying in hotel etc and any other expenses incurred by Mrs. Alka Devi Bangur for the purpose of carrying out her duties as above, will be reimbursable to her or payable to the party concerned by the Company.
6. Mrs. Alka Devi Bangur, while she continues to hold the office as Managing Director, in her capacity as Director of the Company, shall be subject to retirement by rotation under Section 152 of the Act and she shall





reckoned as a Director for the purpose of determining the number of directors liable to retire by rotation, but she shall ipso facto and immediately cease to be the Managing Director, if for any reasons she ceases to hold office as Director of the Company.

7. Since prior to re-appointment of Mrs. Alka Devi Bangur in capacity of the Managing Director with effect from September 17, 2020, she has remained in the services of the Company, she shall be deemed to be in continuous service of the Company for the purpose of the benefit of Gratuity.
8. In consideration of her services as Managing Director, Mrs. Alka Devi Bangur shall be entitled to receive the following by way of remuneration as recommended by the Nomination & Remuneration Committee:
  - a. **Salary:** Rs.1,87,500/- (Rupees One Lakh Eighty Seven Thousand Five Hundred Only) per month with such increments as may be determined by the Board of Directors of the Company from time to time in the salary range of Rs. 1,87,500/- to Rs. 2,60,417/-.
  - b. **Commission:** Commission on net profits of the company as may be determined by the Board of Directors within the overall limits laid down under the Act.
  - c. **Perquisites:**
    - i. In addition to salary and commission, Mrs. Alka Devi Bangur, Managing Director shall also be entitled to interchangeable perquisites like furnished accommodation, where accommodation is not provided 60% of the salary as HRA, gas electricity, water, furnishings, medical reimbursement, LTA for self and family, fees of clubs, medical insurance, personal accident insurance etc. in accordance with the rules of the Company.
    - ii. Leave in accordance with the rules applicable to the managerial staff of the Company. Encashment of unavailed leave as per rules of the Company.
    - iii. Use of Company's car, cell phone and telephone at residence for official purposes, encashment of unavailed leave at the end of tenure, contribution to Provident Fund, Superannuation Fund and Gratuity Fund will not be considered as perquisites.
    - iv. Gratuity payable shall not exceed half a month's salary for each completed year of service or at the rate as may be modified from time to time.

- d. In the event of loss or inadequacy of profits in any financial year, the Managing Director shall be paid remuneration by way of salary, allowances and perquisites as specified under Section II of Part II of Schedule V of the Companies Act, 2013 or within such ceilings as may be prescribed under Schedule V from time to time of the Companies Act, 2013 and as may be amended from time to time.
- e. The Managing Director shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.
- f. The Managing Director shall be entrusted with substantial powers of management and shall exercise her powers subject to the superintendence, control and direction of the Board of Directors
- g. The appointment of three years may be determined by either party by giving three months' notice in writing to the other party.
- h. The Managing Director shall be subject to liable to retire by rotation under section 152 of the Companies Act, 2013.

Further, pursuant to Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, any payment of remuneration to the executive directors of the Company being promoters or members of the promoter group in excess of higher of Rupees 5 crore or 2.5 per cent of the net profits to one such director or 5% of net profits in aggregate to all such directors will require the approval of the members of the Company by way of a special resolution.

A brief resume of Mrs. Alka Devi Bangur, nature of her expertise in specific functional areas and names of Companies in which she holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between Directors inter-se, etc., as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 are given in an annexure, annexed hereto and marked as "Annexure-A" to this Notice. Further, Disclosure as required under Clause (iv) of Part B of Section II of Schedule V of the Companies Act, 2013 is given hereunder and annexed hereto and marked as "Annexure-B" to this Notice.

Accordingly, Members of the Company are requested to approve the limits of remuneration as set out above to Mrs. Bangur as an executive director.



Except Mr. Lakshmi Niwas Bangur, Mrs. Alka Devi Bangur and Mr. Shreeyash Bangur, none of the Directors, Key Managerial Personnel or their relatives is concerned or interested financial or otherwise in the resolution.

The Board recommends passing of the resolutions as set out under Item No.5 of the notice for approval of the members as Special Resolution.

#### Item No. 6

Mr. Shreeyash Bangur (DIN:00012825) was re-appointed as the Deputy Managing Director of the Company in the meeting of the Board of Directors held on 3rd August, 2015 for a term of 5 years with effect from 5th November, 2015, which was approved by the shareholders in the 102nd Annual General Meeting of the Company held on 28th September, 2015. The said term is expiring on 4th November, 2020.

Members of the Company are aware that Mr. Shreeyash Bangur is a graduate in Accounting and Management from University of Wales, Cardiff, United Kingdom. He also holds Post Graduate Degree in Engineering Business Management from Warwick Manufacturing Group, United Kingdom. He is associated with the Company since 2012. He has rich and varied experience and has led the company with his leadership and entrepreneurial ability. Therefore, it is desirable that Mr. Shreeyash Bangur should continue to lead the Company as Deputy Managing Director for a further period of 3 Years w.e.f 5th November, 2020.

The Board of Directors of the Company at their meeting held on 15th June, 2020 has recommended re-appointment of Mr. Shreeyash Bangur as Deputy Managing Director for a further term of 3 years with effect from 5th November, 2020, subject to the approval of the Members in the ensuing Annual General Meeting. The recommendation for re-appointment was also approved by the Nomination and Remuneration Committee and Audit Committee at their respective meeting held on 13th June, 2020 and was recommended to the Board for its approval. While approving the re-appointment of the Deputy Managing Director the Nomination and Remuneration Committee considered various parameters such as increase in scale of operation of the Company, increased involvement of the Deputy Managing Director in the overall growth of the Company, increased level of responsibility and remuneration of similar professional in similar industries etc.

The terms and conditions of Mr. Shreeyash Bangur (DIN:00012825) for his reappointment as Deputy Managing Director, as recommended by the Nomination and Remuneration Committee and Audit Committee are as follows:-

1. Mr. Shreeyash Bangur shall be responsible for advising and assisting the Board of Directors of the Company in formulation of long term business plans and strategic thrust of the Company, for co-ordinating key affairs of business of the Company externally and where needed internally too, for formulation of and decision on developmental, diversification and growth plans of the Company including plans for major capital expenditure for reviewing and monitoring the execution of plans and conduct of overall affairs of the Company; and for all matters of strategic importance.
2. Mr. Shreeyash Bangur shall have adequate communication facilities and necessary office establishment, appropriate set-up and systems built-up, provided to him by the Company, for the purpose of carrying out his above duties. Mr. Shreeyash Bangur shall have power to visit the Registered Office and offices at various places, to have meetings, deliberations and negotiations with Bank/Institutions, Government Authorities and other concerned as and when needed for the purpose of discharging his duties as above.
3. Mr. Shreeyash Bangur shall generally have all powers in the normal course of business of the Company to deliberate, deal, negotiate, interact and enter into agreements on behalf of the Company with whomsoever concerned. In respect of the business of the Company from time to time, and shall exercise and perform the above and such other powers and duties as the Board of Directors of the Company may, from time to time, subject to the provisions of law and the Articles of Association of the Company, further determine.
4. Mr. Shreeyash Bangur while being away from his normal place of establishment shall be responsible to keep appropriate arrangements to keep communication with the Registered Office, other offices of the Company and other business associates, as may be necessary from time to time, for the purpose of discharging his duties.
5. Any actual expenses on travel, staying in hotel etc and any other expenses incurred by Mr. Shreeyash Bangur for the purpose of carrying out his duties as above, will be reimbursable to him or payable to the party concerned by the Company.
6. Mr. Shreeyash Bangur, while he continues to hold the office as Deputy Managing Director, in his capacity as Director of the Company, shall be subject to retirement by rotation under Section 152 of the Act and he shall reckoned as a Director for the purpose of determining



the number of directors liable to retire by rotation, but he shall ipso facto and immediately cease to be the Deputy Managing Director, if for any reasons he ceases to hold office as Director of the Company.

7. Since prior to re-appointment of Mr. Shreeyash Bangur in capacity of the Deputy Managing Director with effect from November 5, 2020, he has remained in the services of the Company, he shall be deemed to be in continuous service of the Company for the purpose of the benefit of Gratuity.

8. In consideration of his services as Deputy Managing Director, Mr. Shreeyash Bangur shall be entitled to receive the following by way of remuneration as recommended by the Nomination & Remuneration Committee:

**a. Salary:** Rs.1,00,000/- (Rupees One Lakh Only) per month with such increments as may be determined by the Board of Directors of the Company from time to time in the salary range of Rs. 1,00,000/- to Rs. 1,25,000/-.

**b. Commission:** Commission on net profits of the Company in each year computed in accordance with Section 198 of the Companies Act, 2013 subject to such limit as may be determined by the Board of Directors.

**c. Perquisites:**

i. In addition to salary and commission, Mr. Shreeyash Bangur, Deputy Managing Director shall also be entitled to perquisites which shall not exceed 100% of his salary.

ii. Leave in accordance with the rules applicable to the managerial staff of the Company. Encashment of unavailed leave as per rules of the Company.

iii. Use of Company's car for official purposes, cell phone, laptop/tablets and telephone at residence, encashment of unavailed leave at the end of tenure, contribution to Provident Fund, Superannuation Fund and Gratuity Fund will not be considered as perquisites.

iv. Gratuity payable shall not exceed half a month's salary for each completed year of service or at the rate as may be modified from time to time.

d. In the event of loss or inadequacy of profits in any financial year, the Deputy Managing Director shall be paid remuneration by way of salary, allowances

and perquisites as specified under Section II of Part II of Schedule V of the Companies Act, 2013 or within such ceilings as may be prescribed under Schedule V from time to time of the Companies Act, 2013 and as may be amended from time to time.

e. The Deputy Managing Director shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.

f. The Deputy Managing Director shall be entrusted with substantial powers of management and shall exercise his powers subject to the superintendence, control and direction of the Board of Directors

g. The appointment of three years may be determined by either party by giving three months' notice in writing to the other party.

h. The Deputy Managing Director shall be subject to liable to retire by rotation under section 152 of the Companies Act, 2013.

Further, pursuant to Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, any payment of remuneration to the executive directors of the Company being promoters or members of the promoter group in excess of higher of Rupees 5 crore or 2.5 per cent of the net profits to one such director or 5% of net profits in aggregate to all such directors will require the approval of the members of the Company by way of a special resolution.

A brief resume of Mr. Shreeyash Bangur, nature of his expertise in specific functional areas and names of Companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between Directors inter-se, etc., as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 are given in an annexure, annexed hereto and marked as "Annexure-A" to this Notice. Further, Disclosure as required under Clause (iv) of Part B of Section II of Schedule V of the Companies Act, 2013 is given hereunder and annexed hereto and marked as "Annexure-B" to this Notice.

Accordingly, Members of the Company are requested to approve the limits of remuneration as set out above to Mr. Bangur as an executive director.

Except Mr. Lakshmi Niwas Bangur, Mrs. Alka Devi Bangur and Mr. Shreeyash Bangur, none of the Directors, Key Managerial Personnel or their relatives is concerned or interested financial or otherwise in the resolution.



The Board recommends passing of the resolutions as set out under Item No.6 of the notice for approval of the members as Special Resolution.

#### Item No. 7

Regulation 23 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 requires shareholders' approval by means of an ordinary resolution for all material related party transactions, even if such transactions are in the ordinary course of business of the Company.

A transaction with a related party shall be considered material under the Listing Regulations, if the transaction/ transactions in a contract to be entered into individually or taken together with previous transactions during a financial year exceeds 10% of the annual consolidated

turnover of the Company as per the latest financial statement of the Company.

Further, the aggregate value of these transactions is likely to exceed the aforesaid limit during Financial Year 2020-21, as per the last audited financial statements of the Company and may exceed such threshold limits in the subsequent years based on the financials applicable for the respective years. Therefore, the said transactions would be considered to be material related party transactions for the purpose of provisions of Regulation 23 of SEBI LODR and thus, would require the approval of the Members of the Company through an Ordinary Resolution.

The Audit Committee and the Board of Directors have reviewed the terms & conditions of these transactions and recommended to the Members for their approval by way of an Ordinary Resolution.

Details in respect of the related party transactions as per Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are specified below:

SI No	Particulars	Details		
1.	Name of the Related Party	<b>LNB Renewable Energy Private Limited</b>	<b>Placid Ltd</b>	<b>Kiran Vyapar Limited</b>
2.	Name of Director(s) or Key Managerial Personnel who is related	1. Sheetal Bangur 2. Shreeyash Bangur 3. Yogesh Bangur	1. Lakshmi Niwas Bangur 2. Sheetal Bangur 3. Yogesh Bangur	1. Lakshmi Niwas Bangur 2. Sheetal Bangur 3. Shreeyash Bangur
3.	Nature of Relationship	Group Company	Group Company	Group Company
4.	Monetary Value (Max. Amount – Rs in Crores)	50	50	50
5.	Nature of the transaction	Granting of Loan	Granting of Loan	Granting of Loan
6.	Duration of the contract	2020-21 and thereafter	2020-21 and thereafter	2020-21 and thereafter
7.	Material terms of the contract/ transaction	The material terms of transactions will be decided by the Board of both the Companies mutually and the Loan shall be at a rate of interest not lower than the prevailing bank rate as declared by Reserve Bank of India from time to time.		
8.	Whether the transactions have been approved by Audit Committee and the Board of Directors	Yes	Yes	Yes
9.	Any other information relevant or for the Members to make a decision on the proposed transactions	N.A.	N.A.	N.A.

The Board is of the opinion that the aforesaid related party transaction is in the best interests of the Company.

None of the Directors or Key Managerial Personnel (KMPs), except to the extent of their shareholding, of the Company either directly or through their relatives are, in any way, concerned or interested, whether financially or otherwise, in the proposed resolution.



The Board, therefore, recommends the Resolution set out at Item No. 7 of the Notice for the approval of the Members in terms of Regulation 23 of the SEBI LODR and applicable provisions of Companies Act, 2013.

#### **Item No. 8**

The Board may, at an appropriate time, consider offering or inviting subscriptions for listed/unlisted, secured/unsecured redeemable non-convertible debentures, in one or more series / tranches, on private placement, issuable / redeemable at par, in order to augment long-term resources for financing inter alia the ongoing capital expenditure and for general corporate purposes.

Section 71 of the Act which deals with the issuance of debentures read with Section 42 of the Act which deals with the offer or invitation for subscription of securities of a company on private placement and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 provide that a company which intends to make a private placement of its non-convertible debentures, shall, before making an offer or invitation for subscription, obtain approval of its shareholders by means of a special resolution. It shall be sufficient if the company passes a special resolution only once in a year for all the offers or

invitations for such non-convertible debentures during the year.

Keeping in view the above, consent of the members is sought for passing the Special Resolution as set out at Item No. 8 of the Notice. This enabling resolution authorises the Board of Directors of the Company to offer or invite subscription for redeemable non-convertible debentures, as may be required by the Company, to time and as set out herein, for a period of one year from the date of passing this resolution.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution, set out at Item No. 8 of the Notice.

The Board recommends the Special Resolution set out at Item No. 8 of the Notice for approval by the members.

**By Order of the Board  
For The Peria Karamalai Tea & Produce Co. Ltd.**

**Kolkata  
15th June, 2020.**

**Saurav Singhania  
Company Secretary**



**Annexure A**

**Details of Directors seeking Appointment / Reappointment at the ensuing Annual General Meeting**

(Pursuant to Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Secretarial Standards 2 (SS- 2 on General Meetings)

Name of Director	Mrs. Alka Devi Bangur	Mr. Shreeyash Bangur	Mr. Lakshmi Niwas Bangur
DIN	00012894	00012825	00012617
Age / Date of Birth	66 years / 28.11.1954	40 years / 01.06.1980	71 years / 26.08.1949
Date of First Appointment on the Board	17.09.1993	05.11.2012	01.04.1988
Expertise in Specific functional areas	Industrialist	Industrialist	Industrialist
Qualifications	MBA	MSC in Engineering & Business Management	B.Com
Terms and condition of appointment/ re-appointment	As per Note No. 5 of Explanatory Statement given in the Notice.	As per Note No.6 of Explanatory Statement given in the Notice.	Director Liable to Retire by rotation and eligible for reappointment
Remuneration last drawn by such person, if applicable	Rs. 42.08 lakhs per annum	Rs. 27.24 lakhs per annum	N.A.
List of outside directorship held excluding alternate directorship	<ol style="list-style-type: none"> <li>1. Rupa&amp; Company Ltd</li> <li>2. Maharaja Shree Umaid Mills Limited</li> <li>3. Apurva Export Pvt. Ltd</li> <li>4. The Marwar Textiles (Agency) Private Limited</li> <li>5. Mugneeram Ramcoowar Bangur Charitable &amp; Religious Company</li> </ol>	<ol style="list-style-type: none"> <li>1. Kiran Vyapar Ltd</li> <li>2. SidhidataTradecomm Ltd.</li> <li>3. Sidhidata Solar Urja Ltd.</li> <li>4. Eminence Agrifield Pvt. Ltd.</li> <li>5. Navjyoti Commodity Management Services Limited.</li> <li>6. LNB Renewable Energy Pvt. Ltd.</li> <li>7. Satyawatche Greeneries Pvt. Ltd.</li> <li>8. Parmarth Wind Energy Pvt. Ltd.</li> <li>9. Palimarwar Solar Project Pvt. Ltd.</li> <li>10. Manifold AgricropsPvt. Ltd.</li> </ol>	<ol style="list-style-type: none"> <li>1. The Swadeshi Commercial Company Limited</li> <li>2. M B Commercial Co Ltd</li> <li>3. Shree Krishna Agency Limited</li> <li>4. The Marwar Textiles (Agency) Private Limited</li> <li>5. Kiran Vyapar Limited</li> <li>6. The Kishore Trading Company Limited</li> <li>7. The General Investment Company Limited</li> <li>8. Placid Limited</li> <li>9. Mugneeram Ramcoowar Bangur Charitable &amp; Religious Company</li> <li>10. Apurva Export Pvt Ltd</li> <li>11. Amalgamated Development Ltd</li> <li>12. LNB Real Estates Private Limited</li> <li>13. Purnay Greenfield Private Limited</li> <li>14. Sidhyayi Greenview Private Limited</li> <li>15. Maharaja Shree Umaid Mills Limited</li> </ol>





<b>Name of Director</b>	<b>Mrs. Alka Devi Bangur</b>	<b>Mr. Shreeyash Bangur</b>	<b>Mr. Lakshmi Niwas Bangur</b>
Chairman/ Member of the Committees of the Board of Directors of the Company	NIL	NIL	Chairman of Stakeholders Relationship Committee, Member of Audit Committee and Nomination & Remuneration Committee
Chairman/ Member of the Committees of the Board of Directors of other companies in which he/she is a director	Chairman of Stakeholders Relationship Committee and Member of Audit Committee in Maharaja Shree Umaid Mills Limited.	Member of Audit Committee and Nomination & Remuneration Committee in Sidhidata Solar Urja Ltd.	<ol style="list-style-type: none"> <li>1. Member of Nomination &amp; Remuneration Committee in Maharaja Shree Umaid Mills Limited.</li> <li>2. Chairman of Audit Committee and Nomination &amp; Remuneration Committee in Placid Ltd.</li> <li>3. Member of Stakeholder Relationship Committee and Member of Nomination &amp; Remuneration Committee and Audit Committee in Kiran Vyapar Limited.</li> <li>4. Member of Audit Committee and Nomination &amp; Remuneration Committee in The General Investment Company Limited.</li> </ol>
No. of Equity shares held in the Company	37638	NIL	25481
Number of Board Meetings attended during FY 2019-20	4 (Four)	5 (Five)	4 (Four)
Relationship with other Directors, Manager and other Key Managerial Persons of the Company	Spouse of Mr. Lakshmi Niwas Bangur, Chairman and Mother of Mr. Shreeyash Bangur, Deputy Managing Director.	Son of Mr. Lakshmi Niwas Bangur, Chairman and Mrs. Alka Devi Bangur, Managing Director.	Spouse of Mrs. Alka Devi Bangur, Managing Director and Father of Mr. Shreeyash Bangur, Deputy Managing Director.

**Annexure-B**

Disclosure as required under Clause (iv) of Part B of Section II of Schedule V of the Companies Act, 2013 is given hereunder:

**I. General Information**

<b>i. Nature of Industry</b>	The Company engaged in the production and distribution of Tea, generation and distribution of power and Investment.
<b>ii. Date or expected date of commencement of commercial production:</b>	Not Applicable since the Company has already Commenced its business activities
<b>iii. In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:</b>	N.A.

**iv. Financial performance based on given indicators:** As per Audited Financial Results for the year ended 31<sup>st</sup> March, 2020:

**(Amount in Lakhs)**

<b>Particulars</b>	<b>2019-20</b>	<b>2018-19</b>
Revenue from Operation	3938.21	4920.12
Profit / (Loss) before interest, depreciation and tax	496.47	961.48
Profit/(Loss) before Tax	(180.98)	407.12
Profit/(Loss) after tax	(361.66)	293.57
Other Comprehensive Income	(313.29)	(12.59)
Total Comprehensive Income	(674.95)	280.98
Earning per equity share:		
Basic	(11.68)	9.48
Diluted	(11.68)	9.48

**v. Foreign Investment or collaborators, If any:** The Company does not have any Foreign Collaboration.



## II. Information about the appointees:

Particulars	Mrs. Alka Devi Bangur	Mr. Shreeyash Bangur
a. Background details Job profile and suitability and Recognition or awards	Mrs. Alka Devi Bangur holds Masters Degree in English, Hindi and Business Administration. She is associated with the Company since 1993. She has a vast experience in the management and administration of the Company. Under her leadership, the Company has registered steady progress and growing from strength to strength.	Mr. Shreeyash Bangur is a graduate in Accounting and Management from University of Wales, Cardiff, United Kingdom. He also holds Post Graduate Degree in Engineering Business Management from Warwick Manufacturing Group, United Kingdom. He is associated with the Company since 2012. He has rich and varied experience and has led the company with his leadership and entrepreneurial ability.
b. Past remuneration	Rs. 42.08 lakhs per annum	Rs. 27.24 lakhs per annum
c. Remuneration proposed	As per Note No.5 of Explanatory Statement given in the Notice.	As per Note No.6 of Explanatory Statement given in the Notice.
d. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Taking into consideration the size of the Company, scale of operations of the Company, the profile, knowledge, skills and responsibilities of Mrs. Alka Devi Bangur, the Board of Directors considers that the remuneration proposed to her is commensurate with the remuneration packages paid to similar professionals in similar industries.	Taking into consideration the size of the Company, scale of operations of the Company, the profile, knowledge, skills and responsibilities of Mr. Shreeyash Bangur, the Board of Directors considers that the remuneration proposed to him is commensurate with the remuneration packages paid to similar professionals in similar industries.
e. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Besides the remuneration proposed to be paid to Mrs. Alka Devi Bangur and holding of 37638 equity shares in promoter category she does not have any other pecuniary relationship with the Company. She is Spouse of Mr. Lakshmi Niwas Bangur, Chairman and Mother of Mr. Shreeyash Bangur, Deputy Managing Director. Except as above she does not have any relationships with any other managerial personnel	Besides the remuneration proposed to be paid to Mr. Shreeyash Bangur, he does not have any other pecuniary relationship with the Company. He is Son of Mr. Lakshmi Niwas Bangur, Chairman and Mrs. Alka Devi Bangur, Managing Director. Except as above he does not have any relationships with any other managerial personnel.



### III. Other Information

<p>a. Reasons of loss or inadequate profits</p>	<p>The Profit of the company has reduced due to reduction in the Turnover of the Company. The main reason for the reduction in turnover is reduction in sale of tea due to reduced demand for CTC tea during last one year. Further in our existing production facilities, the usefulness of life of most of the machineries have already expired and therefore the company has been spending huge amount for frequent maintenance resulting the increased maintenance cost.</p> <p>According to the current scenario another major reason for decrease in revenue and profit is due to the Covid 19 Pandemic restrictions and lockdown across the entire country. Due to pandemic situation the entire world economy is in turmoil and the export of tea was drastically affected.</p>
<p>b. Steps taken or proposed to be taken for improvement</p>	<p>The Demand for CTC tea has reduced during last one year. On the contrary the Orthodox tea and Green tea demand for exports as well as local market is picking up slowly. By changing the product mix, the company can increase the production capacity for orthodox tea and green tea in future. Further to remove the existing constraints and bottlenecks, we have to increase the additional facility in manufacturing set up and other infrastructures. As the COVID 19 pandemic situation still continues in India and the rest of the world, we are concentrating only on the local market (private sales as well as auction sales). Now the company is also exploring a market for auction sales through the Conoor Auction Centre. We hope the company expects a good market from the Conoor Auction Centre which will help the company to improve the revenue as well as profitability in future. We are also exploring to change the worn out machineries as well as looking for automation subject to the availability of finance facilities from the bank as well as generation from the company.</p>
<p>c. Expected increase in productivity and profits in measurable terms</p>	<p>The aforesaid steps taken or proposed to be taken by the company are expected to improve the Company' productivity and performance in the coming period.</p> <p>Since due to the Covid-19 Pandemic restrictions and lockdown across the entire country, the increase in the production capacity is getting delayed and we hope the same may be completed once the normalcy happens.</p>



## DIRECTORS' REPORT

Your Directors have pleasure in presenting the 107th Annual Report for the year ended 31st March 2020.

### 1. FINANCIAL RESULTS Rs. in lakhs

Particulars	2019-20	2018-19
<b>Profit / (Loss) before interest, depreciation and tax</b>	<b>496.47</b>	<b>961.48</b>
Less: Interest	253.40	207.84
<b>Profit/(Loss) before depreciation</b>	<b>243.07</b>	<b>753.64</b>
Less: Depreciation	424.05	346.52
<b>Profit/(Loss) before Tax</b>	<b>(180.98)</b>	<b>407.12</b>
Less: Tax expenses	(180.68)	113.55
<b>Profit/(Loss) after tax</b>	<b>(361.66)</b>	<b>293.57</b>
Other Comprehensive Income	(313.29)	(12.59)
Total Comprehensive Income	(674.95)	280.98
<b>Appropriations</b>		
<b>Profit/(Loss) after tax</b>	<b>(361.66)</b>	<b>293.57</b>
Add: Balance brought forward from previous year	4746.30	4480.73
<b>Profit available for appropriation</b>	<b>4384.64</b>	<b>4774.30</b>
Less: Dividend including tax on dividend	(27.99)	(28.00)
<b>Balance carried forward to the Balance Sheet</b>	<b>4356.65</b>	<b>4746.30</b>
<b>Earning per equity share:</b>		
Basic	(11.68)	9.48
Diluted	(11.68)	9.48

The financial statements for the year ended 31st March, 2020 have been prepared in accordance with the Indian Accounting Standards (IND AS) notified under Section 133 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014.

### 2. Operations

#### **Production**

During the financial year 2019-20, your Company produced 30,33,291 kg of made tea as against 31,16,955 kg of made tea produced in 2018-19.

### **Price & Sales**

Your company's tea realized average price of Rs.117.66/- per kg as against Rs.126.04/-per kg realized last year. During the year, the Company has made a total sales realization of Rs.3,139 lakhs compared to Rs. 3,951 lakhs last year.

### **Wind Power Generation**

During the year under review, the Wind Mills generated 28,90,449 units as against 32,42,286 units generated during the same period last year.

### **Solar Power Generation**

During the year under review, the Solar Power generated 46,22,832 units as against 45,23,652 units generated during the same period last year.

### 3. Impact of COVID-19 Pandemic

The outbreak of COVID-19 pandemic and the resulting lockdown enforced from 23rd March 2020 did not affect the company's regular operations for this financial year significantly Tea is our major product is classified as an essential commodity.

The Company has considered the possible effects that may result from the pandemic on the carrying amounts of property, plant and equipment, investments, inventories, receivables and other current assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external information which are relevant in determining the expected future performance of the Company. The Company has evaluated its liquidity position, recoverability of such assets and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial results may differ from that estimated, as at the date of approval of Director's Report.

### 4. Material Changes and Commitments, if any, affecting the financial position of the Company

There are no material changes and commitments, affecting the financial position of the Company that have occurred between the end of the financial year 2019-20 and the date of the report.

**5. Dividend**

The Board of Directors is pleased to recommend a dividend of Re.0.50 /- per share (last year Re.0.75/- per share) for the year ended 31st March 2020 subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company.

**6. Transfer to Reserves**

No amount has been transferred to the Reserves during the financial year 2019-20.

**7. Change in the nature of business**

During the year under review, there were no changes in the nature of the business of the Company.

**8. Share Capital**

The paid up Equity Share Capital of the Company as at 31st March 2020 is Rs. 3,09,58,790/-. During the year under review, your company has neither issued and allotted any fresh equity shares (including ESOP) nor has granted any stock options and sweat equity as on 31st March, 2020. None of the Directors of the Company hold instruments convertible into equity shares of the Company.

**9. Transfer of Shares and unclaimed dividend to Investor Education and Protection Fund**

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Government of India, after the completion of seven years. Further according to the Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority. Accordingly, the Company has transferred the unclaimed and unpaid dividends of Rs. 7,82,265/- for the financial year 2011-12 to IEPF Authority during the financial year 2019-20. Further 6,353 Corresponding shares were transferred to IEPF Authority as per the requirement of the IEPF rules.

**10. Extract of Annual Return**

The extract of Annual Return as required under section 134(3)(a) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 in Form No. MGT-9, is annexed to this Report as **Annexure A**.

**11. Number of Meetings of the Board of Directors**

The Board meets at regular intervals to discuss and decide on Company's business Policy and strategy apart from other broad business. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions through circulation, as permitted by law, which are confirmed in the subsequent Board Meeting.

The notice of Board Meeting is given well in advance to all the Directors. The Agenda of the Board/ Committee Meetings is circulated at least 7 (seven) days prior to the date of the meeting as per Section 173(3) of the Companies Act, 2013 read with Secretarial Standard on meeting of the Board of Directors (SS-1). The Agenda for the Board and Committee Meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

The detailed information chart showing the date of the meeting of the Board and its various Committees as well as details of the Directors who attended the meeting are given in the Corporate Governance Report forming part of this Annual Report.

**12. Committees of the Board**

During the financial year ended 31 March 2020, the Company has 4 (four) committees as mentioned below:

1. Audit Committee
2. Stakeholders Relationship Committee
3. Nomination and Remuneration Committee
4. Corporate Social Responsibility Committee

Details of the Committees along with their charters, composition and meetings held during the year are given in the Corporate Governance Report forming a part of this Annual Report.

**13. Public Deposits**

During the financial year 2019-20, the Company has not accepted any deposits from the public under section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

**14. Listing**

Your Company's shares are listed on National Stock Exchange of India Limited and The Calcutta Stock Exchange Limited. The Company has paid the Annual Listing Fees to all the Stock Exchanges for FY 2020-21.





### 15. Directors' Responsibility Statement

In terms of provision of Section 134(3)(C) and 134(5) of the Companies Act, 2013, your Director's state that:

- a. in the preparation of the annual accounts for the financial year ended 31st March 2020, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the Loss of the company for that period;
- c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. the directors had prepared the annual accounts on a going concern basis;
- e. the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- f. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 16. Fraud Reporting

There have been no instances of frauds identified or reported by the statutory auditors during the course of their audit pursuant to sub - section 12 of section 143 of the Companies Act, 2013 and as per Companies (Amendment) Act, 2015.

### 17. Declaration by Independent Directors

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. During the financial year 2019-20, all Independent Directors of the Company have registered themselves with the Independent Directors data Bank.

### 18. Company's Policy relating to Directors appointment, payment of remuneration and other matters provided under Section 178 (3) of the Companies Act, 2013

The Board on the recommendation of the Nomination and Remuneration Committee framed a policy for the selection, appointment, fixing and revising remuneration of Directors, Key Managerial Personnel, Senior Management Personnel and employees of the Company. The Nomination and Remuneration Policy of the Company is annexed herewith as **Annexure B** and can also be accessed on the Company's website [www.periatea.com](http://www.periatea.com).

### 19. Disclosure of inadequacy of profits

Mrs Alka Devi Bangur was re-appointed as Managing Director for three years and Mr. Shreeyash Bangur was re-appointed as Deputy Managing Director for five years at the Annual General Meetings of the Company held on 9th August, 2017 and 28th September, 2015 respectively on such remuneration as may be permissible under the provisions of section 197 of the Companies Act, 2013 read with Schedule V.

During FY 2019-20, the Company was having inadequate profits to pay managerial remuneration to above mentioned managerial persons considering the minimum remuneration fixed by the shareholders in the aforesaid meetings. Your Company has paid managerial remuneration to the managerial personnel of the Company in pursuance with the provisions of section 197 read with Part A of Section II of Schedule V of the Companies Act, 2013. In this regard, the general information to be provided in pursuance of Part B clause (iv) are furnished in the Explanatory Statement to Notice of ensuing Annual General Meeting.

### 20. Particulars of loans, guarantees or investments made under Section 186 of the Companies Act, 2013

The loan given, guarantee given and investment made by the Company during the financial year ended March 31, 2020 are within the limits prescribed under Section 186 of the Companies Act, 2013. Further, the details of loan given, investments made, guarantees given pursuant to Section 186 of the Companies Act, 2013 have been given in the notes to the financial statements.



## 21. Particulars of contracts or arrangements with related parties

During the year under review, all transactions with related parties during the financial year 2019-20 were in the ordinary course of business and on arm's length basis. Further, during the financial year, the Company has not entered into any contract/ arrangement/ transaction with related parties which could be considered material in accordance with the Company's policy of Materiality of Related Party Transactions. Hence, no transaction are reported in Form No. AOC-2 in terms of Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014.

The policy on related party transactions as approved by the Board of Directors has been uploaded on the Company's website [www.periatea.com](http://www.periatea.com).

Further, as required by Schedule V of SEBI (LODR) Regulations, 2015, disclosures of transactions with any person or entity belonging to the promoter/ promoter group which hold(s) 10% or more shareholding in the Company in the format prescribed in the relevant Accounting Standards, has been made in the relevant Notes to the Financial Statements.

## 22. Conservation of energy, technology absorption, foreign exchange earnings and outgo

The information on conservation of energy, technology absorption, foreign exchange earnings and outgo stipulated under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed herewith as **Annexure C**.

## 23. Risk Management

The Company has in place mechanism to identify, assess, monitor and mitigate various risks that may impact key business objectives of your Company.

The specific objectives of the Risk Management Policy are to ensure that all the current and future material risk exposures of the Company are identified, assessed, quantified, appropriately mitigated and managed, to establish a framework for the company's risk management process and to ensure companywise implementation to ensure systematic and uniform assessment of risks and to enable compliance with appropriate regulations, wherever applicable, through the adoption of best practices and to assure business growth with financial stability.

Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuous basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company. The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by Statutory and Internal Auditors. Significant audit observations and follow up actions thereon are reported to the Audit Committee.

## 24. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Guidance Notes issued by SEBI in this regard, the Board and Nomination and Remuneration Committee has formulated criteria for evaluation of the performance of the Board of Directors, its committees, Independent Directors, Non-Independent Directors, Chairman, CEO and the Managing Directors. Based on those criteria, performance evaluation has been done.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations, ethics and compliances, financial reporting process and monitoring activities.

Performance parameters for the Board as a collective body, included parameters like qualification and diversity of Board members, method and criteria for selection of independent directors to ensure independence, availability, appropriateness, clarity of understanding on risk scenarios faced by the Company, existence, sufficiency and appropriateness of policy on dealing with potential conflicts of interest, involvement of Board members in long-term strategic planning etc. Based on these criteria, the performance of the Board, various Board Committees, Chairman, CEO, Managing Director and Individual Directors (including Independent Directors) was found to be satisfactory.

Independent Directors have reviewed the performance of Board, Non- Independent Director and Chairman in their separately held meeting without the participation of other Non-Independent Directors and members of management. Based on their review, the Independent Directors, hold an unanimous opinion that the Non-Independent Directors, including the Chairman to the Board are experts with sufficient knowledge in their respective field of activities.



## 25. Directors and Key Managerial Personnel

### a. Details of Directors retiring by rotation

Mr. Lakshmi Niwas Bangur (DIN: 00012617), Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. Brief profile of Mr. Lakshmi Niwas Bangur, who is to be re-appointed is furnished in the notice of the ensuing Annual General Meeting as per Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards 2. The Board of Directors of your Company recommends the re-appointment of Mr. Lakshmi Niwas Bangur at the ensuing Annual General Meeting.

### b. Appointment/Reappointment of Directors / Key Managerial Personnel

Mrs. Alka Devi Bangur (DIN: 00012894) Managing Director of the Company whose term expires on 16th September, 2020 have been recommended by the Nomination and Remuneration Committee, Audit Committee and by the Board for re-appointment, for the further period of 3 years w.e.f 17th September, 2020 by the shareholders at the ensuing Annual General Meeting. Brief profile of Mrs. Alka Devi Bangur, is furnished in the Notice of the ensuing Annual General Meeting as per Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards 2.

Mr. Shreeyash Bangur (DIN: 00012825) Deputy Managing Director of the Company whose term expires on 4th November, 2020 have been recommended by the Nomination and Remuneration Committee, Audit Committee and Board of Directors for re-appointment, for the further period of 3 years w.e.f 5th November, 2020 by the shareholders at the ensuing Annual General Meeting. Brief profile of Mr. Shreeyash Bangur, is furnished in the Notice of the ensuing Annual General Meeting as per Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards 2.

All the Directors have confirmed that they are not disqualified from being appointed as Directors in terms of Section 164(2) of the Companies Act, 2013.

Apart from the aforesaid appointment/reappointment of directors and KMP, there were no other changes in position.

## 26. Reports on the performance and financial position of each of the subsidiaries, Associates and Joint Venture Companies included in the Consolidated Financial Statements

The Company has two subsidiaries namely PKT Plantations Ltd and Shivphal Vinimay Private Limited.

There has been no change in the number of subsidiaries or in the nature of business of the subsidiaries, during the year under review. There are no associate companies or joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013 ('the Act').

In accordance with Section 129(3) of the Companies Act, 2013, the Company has prepared a consolidated financial statement of the Company consolidating its subsidiary companies, which is forming part of the Annual Report. A statement containing salient features of the financial statements of the subsidiary companies in Form AOC-1 is also attached to the Consolidated Financial Statement and forms part of the Annual Report.

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiaries are available on the website of the Company. Shareholders interested in obtaining a copy of the audited annual accounts of the subsidiary company or companies may write to the Company Secretary at the Company's registered office.

## 27. Details of significant and material orders passed by the Regulators or Courts or Tribunals

During the year under review, no significant and material order passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operation in future.

## 28. Adequacy of Internal Financial Controls with reference to the financial statements

The Company is having adequate internal financial control which is commensurate with the nature of its size and business. The Directors have laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively. The Internal Financial Control systems of the Company are monitored and evaluated and reviewed by the Audit Committee.



Your Board confirms the following:

1. Systems have been laid to ensure that all transactions are executed in accordance with management's general and specific authorization. There are well laid manuals for such general or specific authorization.
2. Systems and procedures exist to ensure that all transactions are recorded as is necessary to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements, and to maintain accountability for aspects and the timely preparation of reliable financial information.
3. Access to assets is permitted only in accordance with management's general and specific authorization. No assets of the Company are allowed to be used for personal purposes, except in accordance with terms of employment or except as specifically permitted.
4. The existing assets of the Company are verified/ checked at reasonable intervals and appropriate action is taken with respect to any differences, if any.
5. Proper systems are in place for prevention and detection of frauds and errors and for ensuring adherence to the Company's policies.

Based on the above, your Board is of the view that adequate internal financial controls exist in the Company. Further, the certificate from Chief Executive Officer and Chief Financial Officer, in terms of Regulation 17(8) of the SEBI (Listing Obligations & Disclosure Requirements), Regulations 2015, provided in this Annual Report, also certifies the adequacy of our Internal Control systems and procedures.

### 29. Statutory Auditors

M/s. Srikishen & Co. Chartered Accountants have been appointed as the Statutory Auditors of the Company for a period of 5 (five) years from the conclusion of the 103rd Annual General Meeting till the conclusion of the 108th Annual General Meeting. The consent have been received from the Statutory Auditors of the Company towards ratification of their appointment for the Financial Year 2020-21.

The Board now recommends the appointment of M/s. Srikishen & Co. for ratification by the shareholders at the ensuing Annual General Meeting of the Company.

### 30. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company has appointed M/s Vinod Kothari & Company, Company Secretaries to undertake the Secretarial Audit of the Company. The report of the Secretarial Auditors is annexed herewith as **Annexure D** which is self-explanatory. The said Report does not contain any qualifications, reservations or adverse remark.

### 31. Internal Auditors

The Board of Directors at its meeting held on 15th June 2020 has appointed M/s Kumbhat & Co., Chartered Accountant, Chennai as Internal Auditor of the Company for the financial year 2020-21. Further, the Audit Committee considers and reviews the Internal Audit Report submitted by the Internal Auditor on a quarterly basis.

### 32. Auditors' Report

The notes on financial statements referred to in the Auditors Report are self- explanatory and do not call for any further comments. The Auditors Report does not contain any qualifications, reservations or adverse remarks.

### 33. Industrial Relations

The relation between management and labour was cordial during the year.

### 34. Particulars of employees

Disclosure pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is marked as **Annexure E** which is annexed hereto and forms a part of the Board Report.

### 35. Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place policy on Sexual Harassment of Women at workplace in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaint Committee has been set up to redress complaints received. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The Committee has not





received any complaint from any employee during the financial year 2019-20.

### 36. Whistle Blower Policy/Vigil Mechanism

The Board of Directors of the Company has established a Vigil Mechanism or Whistle Blower Policy for directors and employees in terms of Section 177 of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 to report concerns about unethical behavior, wrongful conduct and violation of company's code of conduct or ethics. The details of which have been given in the Corporate Governance Report annexed to this Report and also posted on the Company's website [www.periatea.com](http://www.periatea.com).

### 37. Corporate Social Responsibility (CSR)

The Board has constituted a Corporate Social Responsibility Committee in accordance with section 135 of the Companies Act, 2013. The Annual Report on CSR activities including the details about the development of CSR Policy and initiatives taken by the Company on Corporate Social Responsibility during the year, as required by the Companies (Corporate Social Responsibility Policy) Rules, 2014 is given in the **Annexure F** to this report. The Corporate Social Responsibility Policy has been posted on the website of the Company [www.periatea.com](http://www.periatea.com).

### 38. Management Discussion and Analysis Report

The Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(2)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the Annual Report.

### 39. Corporate Governance

Your Company is committed to observe Good Corporate Governance practices. The report on Corporate Governance for the financial year ended March 31, 2020, as per Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Annual Report and annexed to this Report. The requisite certificate from Statutory Auditors M/s. Srikishen & Co, Chartered Accountants confirming compliance with the conditions of corporate governance is attached to this Annual Report.

### 40. Certificate from CEO/CFO

The CEO/CFO certification pursuant to Regulation 17(8) read with Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year under review forms part of this Annual Report.

### 41. Annual Secretarial Audit under Listing Regulations

In line with the SEBI Circular dated February 08, 2019, an Annual Secretarial Compliance Report confirming compliance of all applicable SEBI Regulations, Circulars and Guidelines by the Company was issued by appointed M/s Vinod Kothari & Company, Practicing Company Secretaries and was filed with the Stock Exchanges.

### 42. Code for prevention of Insider Trading

The Company has adopted a Code of Conduct for prevention of Insider Trading and Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information' (UPSI) as prescribed in SEBI (Prohibition of Insider Trading) Regulations, 2015.

### 43. Secretarial Standard

The Company complies with all applicable Secretarial Standards.

### 44. Maintenance of Cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013

The Company has maintained cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

### 45. Acknowledgements

The Board express their gratitude to the shareholders, customers, vendors, financial institutions and banks for the support extended by them. The Board also appreciate of the hard work and commitment of the employees of the Company at all levels during the year.

**For and on behalf of the Board**

Kolkata  
15th June, 2020.

**L.N. Bangur**  
Chairman  
(DIN 00012617)



## Annexure A

## FORM NO. MGT-9

**EXTRACT OF THE ANNUAL RETURN  
as on the Financial Year ended 31.03.2020**

[Pursuant to section 92(3) of the Companies Act 2013 and rule 12(1) of the Companies  
(Management and Administration) Rules 2014]

**I. REGISTRATION AND OTHER DETAILS:**

i)	CIN:	L01132WB1913PLC220832
ii)	Registration Date	5th July 1913
iii)	Name of the Company	The Peria Karamalai Tea & Produce Company Limited
iv)	Category / sub category of the Company	Public Company Limited by shares
v)	Address of the Registered office and contact details	7, Munshi Premchand Sarani, Hastings, Kolkata 700 022 Phone : +91 33 22233394 E-mail : periatea@lnbgroup.com Website : www.periatea.com
vi)	Whether listed company	Yes
vii)	Name Address and Contact details of Registrar and Transfer Agent if any	SKDC Consultants Limited Kanapathy Towers Ganapathy Coimbatore - 641 006 Phone: 91-422-2539835, 2539836 Fax: 91-422-2539837 E-mail ID: info@SKDC-Consultants.com

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

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

S. No	Name and Description of main products / services	NIC Code of the Product /service	% of total turnover of the Company
1	Tea Manufacturing	10791	80.77%
2	Wind Power Generation	35106	0.19%
3	Solar Power Generation	35105	5.99%
4	Investment	64990	13.05%

**III. PARTICULARS OF HOLDING SUBSIDIARY AND ASSOCIATE COMPANIES**

S. No	Name and address of the Company	CIN	Holding/ Subsidiary/ Associate/ Joint Venture	% of shares held	Applicable Section
1	PKT Plantations Limited "Panchratn", 286, Race Course Road, Coimbatore - 641 018	U01132TZ2009PLC015537	Subsidiary	100%	Section 2(87)(ii)
2	Shivphal Vinimay Private Limited 7, Munshi Premchand Sarani, Hastings, Kolkata 700 022	U51909WB2011PTC168574	Subsidiary	100%	Section 2(87)(ii)





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

##### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1-April-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>1. Indian</b>									
a) Individuals/ Hindu Undivided Family	105678	19901	125579	4.056	105678	19901	125579	4.056	—
b) Central Government/ State Government(s)	—	—	—	—	—	—	—	—	—
c) Bodies Corporate	1370811	—	1370811	44.279	1375931	—	1375931	44.444	0.165
d) Financial Institutions/ Banks	—	—	—	—	—	—	—	—	—
e) Any Others(Specify)	—	—	—	—	—	—	—	—	—
<b>Sub Total(A)(1)</b>	<b>1476489</b>	<b>19901</b>	<b>1496390</b>	<b>48.335</b>	<b>1481609</b>	<b>19901</b>	<b>1501510</b>	<b>48.500</b>	<b>0.165</b>
<b>2. Foreign</b>									
a) Individuals (Non-Residents Individuals/ Foreign Individuals)"	—	—	—	—	—	—	—	—	—
b) Bodies Corporate	—	—	—	—	—	—	—	—	—
c) Institutions	—	—	—	—	—	—	—	—	—
d) Qualified Foreign Investor	—	—	—	—	—	—	—	—	—
e) Any Others(Specify)	—	—	—	—	—	—	—	—	—
<b>Sub Total(A)(2)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	<b>1476489</b>	<b>19901</b>	<b>1496390</b>	<b>48.335</b>	<b>1481609</b>	<b>19901</b>	<b>1501510</b>	<b>48.500</b>	<b>0.165</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds/ UTI	—	—	—	—	—	—	—	—	—
b) Venture Capital Funds	—	—	—	—	—	—	—	—	—
c) Alternate Investment Funds	—	—	—	—	—	—	—	—	—
d) Foreign Venture Capital Investors	—	—	—	—	—	—	—	—	—
e) Foreign Portfolio Investors	—	—	—	—	—	—	—	—	—
f) Financial Institutions / Banks	2122	1792	3914	0.126	2122	1792	3914	0.126	—
g) Insurance Companies	360138	—	360138	11.633	346773	—	346773	11.201	(0.432)
h) Provident Funds / Pension funds	—	—	—	—	—	—	—	—	—
i) Any Other (specify)	—	—	—	—	—	—	—	—	—
<b>Sub-Total (B)(1)</b>	<b>362260</b>	<b>1792</b>	<b>364052</b>	<b>11.759</b>	<b>348895</b>	<b>1792</b>	<b>350687</b>	<b>11.327</b>	<b>(0.432)</b>
<b>2. Central Government/ State Government(s)/ President of India</b>	<b>9238</b>	<b>18477</b>	<b>27715</b>	<b>0.895</b>	<b>9238</b>	<b>18477</b>	<b>27715</b>	<b>0.895</b>	<b>—</b>
<b>Sub-Total (B)(2)</b>	<b>9238</b>	<b>18477</b>	<b>27715</b>	<b>0.895</b>	<b>9238</b>	<b>18477</b>	<b>27715</b>	<b>0.895</b>	<b>—</b>



Category of Shareholders	No. of Shares held at the beginning of the year [As on 1-April-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>3. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	89386	11819	101205	3.269	89872	11768	101640	3.283	0.014
ii) Overseas	—	—	—	—	—	—	—	—	—
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	583598	212705	796303	25.722	611167	190544	801711	25.899	0.177
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	148543	—	148543	4.798	136073	—	136073	4.395	(0.403)
c) Others (specify)									
a) Directors & Other Relatives	300	150	450	0.015	300	150	450	0.015	—
b) Trust	—	—	—	—	447	—	447	0.014	0.014
c) Foreign Nationals	188	415	603	0.019	188	415	603	0.019	—
d) Non- Resident Indians	11065	2674	13739	0.444	13089	1086	14175	0.457	0.013
e) Clearing Members	10235	—	10235	0.331	17381	—	17381	0.561	0.230
f) Hindu Undivided Families	27968	—	27968	0.903	28458	—	28458	0.919	0.016
g) IEPF Authority	108676	—	108676	3.510	115029	—	115029	3.716	0.206
<b>Sub-Total (B)(3)</b>	<b>979959</b>	<b>227763</b>	<b>1207722</b>	<b>39.011</b>	<b>1012004</b>	<b>203963</b>	<b>1215967</b>	<b>39.278</b>	<b>0.267</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)</b>	<b>1351457</b>	<b>248032</b>	<b>1599489</b>	<b>51.665</b>	<b>1370137</b>	<b>224232</b>	<b>1594369</b>	<b>51.500</b>	<b>(0.165)</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	—	—	—	—	—	—	—	—	—
<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>2827946</b>	<b>267933</b>	<b>3095879</b>	<b>100.000</b>	<b>2851746</b>	<b>244133</b>	<b>3095879</b>	<b>100.000</b>	—

**ii) Shareholding of Promoters**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Placid Limited	663454	21.430	—	668574	21.595	—	0.165
2	Kiran Vyapar Limited	470224	15.189	—	470224	15.189	—	—
3	M B Commercial Company Limited	121275	3.917	—	121275	3.917	—	—
4	Lakshmi Niwas Bangur (HUF) .	61200	1.977	—	61200	1.977	—	—
5	Shree Krishna Agency Limited	53446	1.726	—	53446	1.726	—	—
6	Smt. Alka Devi Bangur	37638	1.216	—	37638	1.216	—	—



Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
7	Mugneeram Ramcoowar Bangur Charitable & Religious Company	34500	1.114	—	34500	1.114	—	—
8	Shri. Lakshmi Niwas Bangur	25481	0.823	—	25481	0.823	—	—
9	The General Investment Company Limited	21000	0.678	—	21000	0.678	—	—
10	Navjyoti Commodity Management Services Limited	6912	0.223	—	6912	0.223	—	—
11	Ms. Sheetal Bangur	1260	0.041	—	1260	0.041	—	—
	<b>TOTAL</b>	<b>1496390</b>	<b>48.335</b>	<b>—</b>	<b>1501510</b>	<b>48.500</b>	<b>—</b>	<b>0.165</b>

iii) Change in Promoters' Shareholding (Please specify, if there is no change)

Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Share holding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Placid Limited				
	At the beginning of the year	663454	21.430	663454	21.430
	Increase/ (Decrease) in Promoters shareholding during the year	5120	0.165	668574	21.595
	At the end of the year	668574	21.595	668574	21.595

iv) Shareholding pattern of top ten shareholders (other than Directors Promoters and Holders of GDRs and ADR)

Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	LIFE INSURANCE CORPORATION OF INDIA				
	At the beginning of the year	207712	6.709	207712	6.709
	Transfer of Shares on 09/08/2019	-100	-0.003	207612	6.706
	Transfer of Shares on 16/08/2019	-1917	-0.062	205695	6.644
	Transfer of Shares on 23/08/2019	-82	-0.003	205613	6.642
	Transfer of Shares on 30/08/2019	-193	-0.006	205420	6.635
	Transfer of Shares on 06/09/2019	-538	-0.017	204882	6.618
	Transfer of Shares on 20/09/2019	-7000	-0.226	197882	6.392
	Transfer of Shares on 27/09/2019	-50	-0.002	197832	6.390
	Transfer of Shares on 04/10/2019	-715	-0.023	197117	6.367



Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Transfer of Shares on 11/10/2019	-203	-0.007	196914	6.361
	Transfer of Shares on 18/10/2019	-109	-0.004	196805	6.357
	Transfer of Shares on 25/10/2019	-333	-0.011	196472	6.346
	Transfer of Shares on 01/11/2019	-513	-0.017	195959	6.330
	Transfer of Shares on 29/11/2019	-93	-0.003	195866	6.327
	Transfer of Shares on 06/12/2019	-250	-0.008	195616	6.319
	Transfer of Shares on 10/01/2020	-1168	-0.038	194448	6.281
	Transfer of Shares on 24/01/2020	-101	-0.003	194347	6.278
	At the end of the year	194347	6.278	194347	6.278
2	MAHENDRA GIRDHARILAL				
	At the beginning of the year	115373	3.727	115373	3.727
	Transfer of Shares during the year	—	—	—	—
	At the end of the year	115373	3.727	115373	3.727
3	INVESTOR EDUCATION AND PROTECTION FUND*				
	At the beginning of the year	108676	3.510	108676	3.510
	Transfer of Shares on 18/10/2019	6353	0.205	115029	3.716
	At the end of the year	115029	3.716	115029	3.716
4	THE ORIENTAL INSURANCE COMPANY LIMITED				
	At the beginning of the year	76354	2.466	76354	2.466
	Transfer of Shares during the year	—	—	—	—
	At the end of the year	76354	2.466	76354	2.466
5	UNITED INDIA INSURANCE COMPANY LIMITED				
	At the beginning of the year	76072	2.457	76072	2.457
	Transfer of Shares during the year	—	—	—	—
	At the end of the year	76072	2.457	76072	2.457
6	GOVERNOR OF KERALA				
	At the beginning of the year	27715	0.895	27715	0.895
	Transfer of Shares during the year	—	—	—	—
	At the end of the year	27715	0.895	27715	0.895
7	VIVEK KUMAR				
	At the beginning of the year	18170	0.587	18170	0.587
	Transfer of Shares on 06/12/2019	282	0.009	18452	0.596
	Transfer of Shares on 13/12/2019	2027	0.065	20479	0.661
	Transfer of Shares on 27/12/2019	161	0.005	20640	0.667
	Transfer of Shares on 31/12/2019	60	0.002	20700	0.669
	At the end of the year	20700	0.669	20700	0.669



Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
8	HANUMAN SHARE & STOCK BROKERS LIMITED				
	At the beginning of the year	19650	0.635	19650	0.635
	Transfer of Shares during the year	—	—	—	—
	At the end of the year	19650	0.635	19650	0.635
9	THE INDIAN COTTON PURCHASERS LIMITED*				
	At the beginning of the year	17850	0.577	17850	0.577
	Transfer of Shares during the year	—	—	—	—
	At the end of the year	17850	0.577	17850	0.577
10	INDO COLCHEM LTD*				
	At the beginning of the year	14830	0.479	14830	0.479
	Transfer of Shares during the year	—	—	—	—
	At the end of the year	14830	0.479	14830	0.479
11	PRAVIN KUMAR AGRAWAL #				
	At the beginning of the year	15000	0.485	15000	0.485
	Transfer of Shares on 02/08/2019	-2711	-0.088	12289	0.397
	Transfer of Shares on 31/03/2020	-3998	-0.129	8291	0.268
	At the end of the year	8291	0.268	8291	0.268

\* Not in list of Top 10 Shareholders as on 01/04/2019. The same has been reflected above since the Shareholder was one of the top Shareholders as on 31/03/2020

# Ceased in list of Top 10 Shareholders as on 31/03/2020. The same has been reflected above since the Shareholder was one of the top Shareholders as on 01/04/2019

#### v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	SHRI LAKSHMI NIWAS BANGUR				
	At the beginning of the year	25481	0.823	25481	0.823
	Transfer of shares during the year	—	—	—	—
	At the end of the year	25481	0.823	25481	0.823
2	SMT ALKA DEVI BANGUR				
	At the beginning of the year	37638	1.216	37638	1.216
	Transfer of shares during the year	—	—	—	—
	At the end of the year	37638	1.216	37638	1.216



Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
3	SHRI P.R. RAMAKRISHNAN				
	At the beginning of the year	300	0.010	300	0.010
	Transfer of shares during the year	—	—	—	—
	At the end of the year	300	0.010	300	0.010
4	SHRI N. SWAMINATHAN				
	At the beginning of the year	150	0.005	150	0.005
	Transfer of shares during the year	—	—	—	—
	At the end of the year	150	0.005	150	0.005
5	SHRI SHREEYASH BANGUR				
	At the beginning of the year	—	—	—	—
	Transfer of shares during the year	—	—	—	—
	At the end of the year	—	—	—	—
6	SHRI H.M. PAREKH				
	At the beginning of the year	—	—	—	—
	Transfer of shares during the year	—	—	—	—
	At the end of the year	—	—	—	—
7	SHRI A.K. BHARGAVA				
	At the beginning of the year	—	—	—	—
	Transfer of shares during the year	—	—	—	—
	At the end of the year	—	—	—	—
8	SHRI S.K. SINGH				
	At the beginning of the year	—	—	—	—
	Transfer of shares during the year	—	—	—	—
	At the end of the year	—	—	—	—
9	SHRI K. ASHOKAN				
	At the beginning of the year	—	—	—	—
	Transfer of shares during the year	—	—	—	—
	At the end of the year	—	—	—	—
10	SHRI SAURAV SINGHANIA				
	At the beginning of the year	—	—	—	—
	Transfer of shares during the year	—	—	—	—
	At the end of the year	—	—	—	—



**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Amount in Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal amount	2,386.84	—	—	2,386.84
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	9.42	—	—	9.42
<b>Total (i + ii + iii)</b>	<b>2,396.26</b>	<b>—</b>	<b>—</b>	<b>2,396.26</b>
<b>Change in Indebtedness during the financial year</b>				
i) Addition	300.00	—	—	300.00
ii) Reduction	157.50	—	—	157.50
<b>Net Change</b>	<b>142.50</b>	<b>—</b>	<b>—</b>	<b>142.50</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal amount	2,527.10	—	—	2,527.10
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	11.66	—	—	11.66
<b>Total (i+ii+iii)</b>	<b>2,538.76</b>	<b>—</b>	<b>—</b>	<b>2,538.76</b>

**VI. Remuneration of Directors and Key Managerial Personnel**

(A) Remuneration to Managing Director, Whole time Director and / or Manager (Amount in Lakhs)

Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager		Total Amount
		Mrs. Alka Devi Bangur	Mr. Shreyash Bangur	
1	Gross salary			
	a) Salary u/s 17(1) of the Income Tax Act 1961	36.00	24.00	60.00
	(b) Value of perquisites u/s Section 17(2) of the Income Tax Act 1961	3.38	1.80	5.18
	(c) Profits in lieu of salary u/s 17 (3) of the Income Tax Act 1961	—	—	—
2	Stock Option	—	—	—
3	Sweat Equity	—	—	—
4	Commission - as % of profit - others specify	—	—	—
5	Others (Contribution to Provident Fund etc.,)	2.70	1.44	4.14
	<b>Total (A)</b>	<b>42.08</b>	<b>27.24</b>	<b>69.32</b>
	Ceiling as per the Act	<b>The remuneration is well within the limits prescribed under the Companies Act, 2013 and as per Schedule V of the Companies Act, 2013</b>		



**(B) Remuneration to other directors**

(Amount in lakhs)

Sl. No.	Particulars of remuneration	Name of Directors					Total Amount
		Mr. Lakshmi Niwas Bangur	Mr. Ashok Kumar Bharagava	Mr. Harischandra Maneklal Parekh	Mr. Pudugramam Ramachandran Ramakrishnan	Mr. Narasimhan Swaminathan	
1	<b>Independent Directors</b>						
	(a) Fee for attending Board / Committee Meetings	—	0.25	0.25	0.35	0.45	1.30
	(b) Commission	—	—	—	—	—	—
	(c) Others please specify	—	—	—	—	—	—
	<b>Total (1)</b>	—	<b>0.25</b>	<b>0.25</b>	<b>0.35</b>	<b>0.45</b>	<b>1.30</b>
2	<b>Other Non-Executive Directors</b>						
	(a) Fee for attending Board / Committee Meetings	0.25	—	—	—	—	0.25
	(b) Commission	—	—	—	—	—	—
	(c) Others please specify	—	—	—	—	—	—
	<b>Total (2)</b>	0.25	—	—	—	—	0.25
	<b>Total (B)=(1+2)</b>	<b>0.25</b>	<b>0.25</b>	<b>0.25</b>	<b>0.35</b>	<b>0.45</b>	<b>1.55</b>
	<b>Total Managerial Remuneration (A+B)</b>	—	—	—	—	—	<b>70.87</b>
	Overall Ceiling as per the Act	The remuneration is well within the limits prescribed under the Companies Act, 2013 and as per Schedule V of the Companies Act, 2013					

**(C) Remuneration to Key Managerial Personnel other than MD / WTD/ Manager**

(Amount in Lakhs)

Sl. No.	Particulars of Remuneration	CS	CFO	CEO	Total
		Saurav Singhania	Kannusamy Ashokan	Sanjeev Kumar Singh	
1	Gross salary				
	a) Salary u/s 17(1) of the Income Tax Act 1961	9.31	21.07	70.46	100.84
	(b) Value of perquisites u/s Section 17(2) of the Income Tax Act 1961	—	—	8.93	8.93
	(c) Profits in lieu of salary under section 17(3) Income-tax Act 1961	—	—	—	—
2	Stock Option	—	—	—	—
3	Sweat Equity	—	—	—	—
4	Commission	—	—	—	—
	- as % of profit	—	—	—	—
	others specify...	—	—	—	—
5	Others (Contribution to Provident Fund, Gratuity etc.,)	0.73	1.64	5.54	7.92
	<b>Total</b>	<b>10.04</b>	<b>22.71</b>	<b>84.93</b>	<b>117.68</b>


**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

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



## Annexure - B

### NOMINATION AND REMUNERATION POLICY

#### 1. Preamble

1.1 Sub-section (3) of Section 178 of the Companies Act, 2013 states that the Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

1.2 Section 178 of the Companies Act, 2013 has been made effective from April 1, 2014 by the Central Government by notification no. S.O. 902(E) issued on March 26, 2014. Therefore this Nomination and Remuneration Policy ("the Policy") has been framed in compliance with the provisions of the Act and Rules made under the Act.

1.3 Pursuant to the amendments in Regulation 19 read with Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 vide SEBI (LODR) (Amendment) Regulations, 2018 and the Companies (Amendment) Act, 2017, the Policy has been further revised and adopted by the Board in its Meeting held on January 2, 2019.

The Policy provides a framework for remuneration to the members of the Board of Directors ("Board"), Key Managerial Personnel ("KMP") and the Senior Management Personnel ("SMP") of the Company (collectively referred to as "**Executives**").

The expression "senior management" means officers/ personnel of Company who are members of its core management team excluding directors comprising all members of management one level below the chief executive officer/managing director/whole time director/ manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer.

Further, the term "Applicable Law" includes any statute, law, regulations, ordinance, rule, judgment, order, decree, bye-law, clearance, directive, guideline, policy, requirement, notifications and clarifications or other governmental instruction and/or mandatory standards as may be applicable to the Company from time to time.

All the other terms used in the Policy shall have the same meaning as assigned to them under the Applicable Law.

1.4 The Members of the Nomination and Remuneration Committee ("the Committee or NRC") shall be appointed

by the Board and shall comprise three or more non-executive directors out of which not less than one-half shall be independent directors. Any fraction in the one-half shall be rounded off to one.

1.5 This Policy will be called "Peria Nomination & Remuneration Policy" and referred to as "the Policy".

1.6 The Policy will be reviewed at such intervals as the Nomination and Remuneration Committee will deem fit.

#### 2. Objectives

2.1 The objectives of the Policy are as follows:

2.1.1 To set criteria for determining qualifications, positive attributes and independence of a director, and remuneration of the Executives.

2.1.2 To enable the Company to attract, retain and motivate highly qualified members for the Board and other executive level to run the Company successfully.

2.1.3 To enable the Company to provide a well-balanced and performance-related compensation package, taking into account shareholder interests, industry standards and relevant Indian corporate regulations.

2.1.4 To ensure that the interests of Board members & senior executives are aligned with the business strategy and risk tolerance, objectives, values and long-term interests of the company and will be consistent with the "pay-for-performance" principle.

2.1.5 To ensure that remuneration to directors, KMP and senior management employees of the Company involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

#### 3. Principles of remuneration

3.1 Support for Strategic Objectives: Remuneration and reward frameworks and decisions shall be developed in a manner that is consistent with, and supports and reinforces the achievement of the Company's vision and strategy.

3.2 Transparency: The process of remuneration management shall be transparent, conducted in good faith and in accordance with appropriate levels of confidentiality.

3.3 Internal equity: The Company shall remunerate the Executives in terms of their roles within the organisation. Positions shall be formally evaluated to determine their relative weight in relation to other positions within the Company.



3.4 External equity: The Company strives to pay an equitable remuneration, capable of attracting and retaining high quality personnel. Therefore the Company will remain logically mindful of the ongoing need to attract and retain high quality people, and the influence of external remuneration pressures. Reference to external market norms will be made using appropriate market sources, including relevant and comparative survey data, as determined to have meaning to the Company's remuneration practices at that time.

3.5 Flexibility: Remuneration and reward shall be sufficiently flexible to meet both the needs of individuals and those of the Company whilst complying with relevant tax and other laws.

3.6 Performance-Driven Remuneration: The Company shall establish a culture of performance-driven remuneration through the implementation of the Performance Incentive System.

3.7 Affordability and Sustainability: The Company shall ensure that remuneration is affordable on a sustainable basis.

#### **4. Terms of Reference and Role of the Committee**

**4.1** The Terms of Reference and Role of the Committee as set by the Board of Directors are as under:

4.1.1 Evaluate the current composition and organization of the Board and its committees in light of requirements established by any Regulatory Body or any other applicable statute, rule or regulation which the Committee deems relevant and to make recommendations to the Board with respect to the appointment, re-appointment and resignation of Independent, Executive and Non-Executive Directors of the Company;

4.1.2 Review the composition and size of the Board in order to ensure that the Board is comprised of members reflecting the proper expertise, skills, attributes and personal and professional backgrounds for service as a Director of the Company, as determined by the Committee;

4.1.3 Review and recommend to the Board an appropriate course of action upon the resignation of current Board members, or any planned expansion of the Board, and review the qualifications, experience and fitness for service on the Board of any potential new members of the Board;

4.1.4 Review all stockholder proposals submitted to the Company (including any proposal relating to the nomination of a member of the Board) and the timeliness of the submission thereof and recommend to the Board appropriate action on each such proposal;

4.1.5 Formulate, administer and supervise the Company's Stock Option schemes, if any, in accordance with relevant laws;

4.1.6 Ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;

4.1.7 Ensure that relationship of remuneration to performance is clear and meets appropriate performance benchmarks;

4.1.8 Ensure that remuneration to Directors, Key Managerial Personnel (KMPs) and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals;

4.1.9 Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel (KMPs) and other employees of the Company;

4.1.10 Formulate the criteria for evaluation of Independent Directors and the Board;

4.1.11 Devise a policy on Board diversity;

4.1.12 Identify the persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal;

4.1.13 Specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Committee or by an independent external agency and review its implementation and compliance;

4.1.14 Recommend to the Board of Directors of the Company, all remuneration, in whatever form, payable to the senior management;

4.1.15 To decide whether to extend or continue the term of appointment of the independent director, on the basis of report of performance evaluation of independent directors;

4.1.16 Deal with such matters as may be referred to by the Board of Directors from time to time;

#### **4.2** The Committee shall:

4.2.1 review the ongoing appropriateness and relevance of the Policy;



4.2.2 ensure that all provisions regarding disclosure of remuneration, including pensions, leave encashment, gratuity, etc. are fulfilled;

4.2.3 obtain reliable, up-to-date information about remuneration in other companies;

4.2.4 ensure that no director or executive is involved in any decisions as to their own remuneration.

**4.3** Without prejudice to the generality of the terms of reference as set out above, the Committee shall:

4.3.1 operate the Company's share option schemes (if any) or other incentives schemes (if any) as they apply to. It shall recommend to the Board the total aggregate amount of any grants to the Executives including individual limit and make amendments to the terms of such schemes, as the case may be;

4.3.2 liaise with the trustee / custodian of any employee share scheme, which is created by the Company for the benefit of employees or Directors.

4.3.3 review the terms of Executives service contracts from time to time.

## **5. Procedure for selection and appointment of the Board Members**

### **5.1 Board membership criteria:**

5.1.1 The Committee, along with the Board, shall review on an annual basis, appropriate skills, characteristics and experience required of a Board Member. The objective is to have a Board with diverse background and experience in business, government, academics, technology and in areas that are relevant for the Company's global operations.

5.1.2 In evaluating the suitability of individual Board members, the Committee shall take into account many factors, including general understanding of the Company's business dynamics, global business and social perspective, educational and professional background and personal achievements. Directors must possess experience at policy-making and operational levels in large organizations with significant international activities that will indicate their ability to make meaningful contributions to the Board's discussion and decisionmaking in the array of complex issues facing the Company.

5.1.3 Director should possess the highest personal and professional ethics, integrity and values. They should be able to balance the legitimate interest and concerns of all the Company's stakeholders in arriving at decisions,

rather than advancing the interests of a particular constituency.

5.1.4 In addition, Directors must be willing to devote sufficient time and energy in carrying out their duties and responsibilities effectively. They must have the aptitude to critically evaluate management's working as part of a team in an environment of collegiality and trust.

5.1.5 The Committee shall evaluate each Director with the objective of having a group that best enables the success of the Company's business.

### **5.2 Selection of Board Members/ extending invitation to a potential director to join the Board:**

5.2.1 One of the roles of the Committee is to periodically identify competency gaps in the Board, evaluate potential candidates as per the criteria laid above, ascertain their availability and make suitable recommendations to the Board. The objective is to ensure that the Company's Board is appropriate at all points of time to be able to take decisions commensurate with the size and scale of operations of the Company. The Committee also identifies suitable candidates in the event of a vacancy being created on the Board on account of retirement, resignation or demise of an existing Board member. Based on the recommendations of the Committee, the Board evaluates the candidate(s) and decides on the selection of the appropriate member.

5.2.2 The Board then shall make an invitation (verbal / written) to the new member to join the Board as a Director. On acceptance of the same, the new Director may be appointed by the Board.

## **6. Procedure for selection and nomination of KMP and SMPs**

The Chairman and the Managing Director (MD) along with the Head of Human Resource (HR) Department, identify and appoint suitable candidates for appointing them as KMPs (excluding Executive Directors) or SMPs of the Company on the basis of their academic, professional qualifications, relevant work experience, skill and other capabilities suitable to the position of concerning KMP or SMP.

Further, in case of KMP (excluding Executive Director) appointment, approval of the Board of Directors / concerned Committee shall be taken in accordance with provisions of relevant Act, statutes, regulations etc. existing as on that date. The appointment and/or removal of KMPs shall be placed before the NRC and / or Board of Directors at regular intervals.

Further, in case of appointment of SMPs (excluding KMPs), the appointment and all remuneration, in





whatever form as approved by the MD and Head of the HR Department shall be placed before the NRC at regular intervals.

## **7. Compensation Structure**

### **7.1 Remuneration to Non-Executive Directors**

The Non-executive Directors of the Company will be paid remuneration by way of fees only for attending the meetings of the Board of Directors and its Committees. The fees paid to the Non-executive Directors for attending meetings of Board of Directors shall be such as may be determined by the Board within the limit prescribed under the Companies Act, 2013 which is currently Rs. 100,000/- per meeting i.e. Board or Committee. Beside the sitting fees, they are also entitled to reimbursement of expenses and payment of commission on net profits.

The fees of the Non-executive Directors for attending meetings of Board of Directors and the Committees thereof may be modified from time to time only with the approval of the Board in due compliance of the provisions of Companies Act, 2013 and amended from time to time.

An Independent Director shall not be entitled to any stock option and may receive remuneration only by way of fees and reimbursement of expenses for participation in meetings of the Board or Committee thereof and profit related commission, as may be permissible by the Applicable law.

If any such director draws or receives, directly or indirectly, by way of fee/remuneration any such sums in excess of the limit as prescribed or without the prior sanction, where it is required, under the Applicable law such remuneration shall be refunded to the Company and until such sum is refunded, hold it in trust for the Company.

### **7.2 Remuneration to Executive Directors, KMPs & SMPs**

The Company has a credible and transparent framework in determining and accounting for the remuneration of the Managing Director / Whole Time Directors (MD/WTDs), KMPs and SMPs. Their remuneration shall be governed by the external competitive environment, track record, potential, individual performance and performance of the company as well as industry standards. The remuneration determined for MD/WTDs shall be approved by the Board of Directors at a meeting which shall be subject to the approval of members at the next general meeting of the Company and by the Central Government in case such appointment is at variance to the conditions specified in Schedule V of the Companies Act, 2013. As a policy, the

Executive Directors are not paid any fees for attending the Board and/or Committee meetings.

If any Director draws or receives, directly or indirectly, by way of remuneration any such sums in excess of the limit as prescribed or without the prior sanction, where it is required, under the Applicable law, such remuneration shall be refunded to the Company and until such sum is refunded, hold it in trust for the Company.

A Director who is in receipt of any commission from the Company and who is a managing or whole-time director of the Company may receive any remuneration or commission from any holding or subsidiary company of the Company, subject to its disclosure by the Company in the Board's report.

The remuneration (including revision) of KMPs (excluding Executive Directors) and SMPs on the recommendation of the Committee, shall be determined by Chairman along with the MD and Head of Human Resource (HR) Department after taking into consideration the academic, professional qualifications, work experience, skill, other capabilities and industry standards.

Further, the remuneration (including revision) of KMPs (excluding Executive Directors) shall also be subject to approval of the Board of Directors/concerned Committees, if stipulated by any Act, statute, regulations etc.

## **8. Powers of the Committee and Meetings of the Committee**

The Committee shall have inter-alia the following powers:

8.1 Conduct studies or authorise studies of issues within the scope of the Committee with full access to all books, records, facilities and personnel of the Company;

8.2 Retain or seek advice of consultants and experts for performance of their role under this Policy and the costs relating thereto shall be borne by the Company;

8.3 Delegate its powers to any Member of the Committee or any KMP of the Company or form sub-committees to perform any of its functions or role under this Policy.

The Committee shall meet as per the requirements of law or at such larger frequency as may be required.

## **9. Approval and publication**

9.1 This Policy as framed by the Committee shall be recommended to the Board of Directors for its approval.



9.2 The policy shall be placed on the website of the Company.

9.3 The Policy along with the web address of the same shall form part of Director's Report as required under Section 178(4) of the Companies Act, 2013.

## 10. Supplementary provisions

10.1 This Policy shall formally be implemented from the date on which it is adopted by the Board of Directors.

10.2 Any matters not provided for in this Policy shall be handled in accordance with relevant laws and regulations, the Company's Articles of Association.

10.3 The right to interpret this Policy vests in the Board of Directors of the Company.

### Annexure - C

#### Conservation of Energy, Technology absorption & Foreign Exchange Earnings and Outgo

##### A. Conservation of Energy

###### Steps taken for conservation of energy

Focus is on the need to reduce the cost of energy. In this regard the company has taken host of initiatives.

###### Steps taken by the Company for utilising alternate source of energy

The existing Wind Turbine Generators have outlived in its economic life, the company has already installed and commissioning solar power project on 23rd February 2018 (Alternative green energy).

###### Capital investment on energy conservation equipments

Nil.

##### B. Technology Absorption

###### i) Efforts made towards technology absorption

The company had been continuously adopting suggestions / recommendation of scientist apart from the company owned efforts in the process of quality of leaf improvement as well as more efficient agricultural practice to reduce cost.

###### ii) Benefits derived

Cost reduction improvement in yield Quality up-gradation of the field and on the field.

###### iii) Import of technology - Nil

###### iv) Expenditure incurred on Research & Development - Nil

#### C. Foreign Exchange Earnings & outgo

	31.03.2020	31.03.2019
i) Earnings in Foreign Exchange	Nil	Nil
ii) Expenditure in Foreign Currency – Travelling	Nil	3,34,856
iii) CIF Value of Imports:		
a) Raw Materials	Nil	Nil
b) Consumable stores and spares	Nil	Nil
c) Capital Goods	Nil	Nil
iv) All Store items consumed indigenously	100%	100%

### Annexure - D

#### 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 of Managerial Personnel) Rules 2014]

To

The Members,  
The Peria Karamalai Tea & Produce Company Limited  
7, Munshi Premchand Sarani,  
Hastings,  
Kolkata - 700 022

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by The Peria Karamalai Tea & Produce Company Limited (hereinafter called the "Company") for the financial year ended 31st March, 2020 ['Audit Period']. Secretarial 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 the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company as provided in **Annexure A1** and also the information provided by the Company, its



officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during audit period, complied with the statutory provisions listed hereunder and also that 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 as maintained by the Company for the financial year ended on March 31, 2020 according to the provisions of:

1. The Companies Act, 2013 (the "Act") and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
3. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment;
5. The following Regulations 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 (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - e. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.
6. Secretarial Standards 1 and 2 as issued by the Institute of Company Secretaries of India.

We report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

1. Tea Act, 1953;
2. Plantation Labour Act, 1951 and Rules made thereunder;
3. Tea Marketing Control Order, 2003;
4. Food Safety and Standards Act, 2006.

#### **Management Responsibility:**

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit;
2. We have followed the audit practices and the 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. Wherever our Audit has required our examination of books and records maintained by the Company, we have also relied upon electronic versions of such books and records, as provided to us through online communication. Wherever for the purposes of our Audit, there was a need for physical access to any of the places of business of the Company, the same has not been uniformly possible in view of the prevailing lockdown.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company as well as correctness of the values and figures reported in various disclosures and returns as required to be submitted by the Company under the specified laws, though we have relied to a certain extent on the information furnished in such returns;
5. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc;
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis;
7. Due to the inherent limitations of an audit including internal, financial, and operating controls, there is an unavoidable risk that some misstatements or material non compliances may not be detected, even though the audit is properly planned and performed in accordance with audit practice;



8. The contents of this Report has to be read in conjunction with and not in isolation of the observations, if any, in the report(s) furnished/to be furnished by any other auditor(s)/agencies/authorities with respect to the Company;
9. 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.

**Recommendations as a matter of best practice:**

In the course of our audit, we have made certain recommendations for good corporate practices to the compliance team, for its necessary consideration and implementation by the Company.

**We report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no change in the composition of the Board of Directors during the Period under review.

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

Majority decision was carried through, while there were no minuted instances of dissent in Board or Committee meetings.

**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.

**We further report that** during the Audit Period, the Company has not incurred any specific event that can have a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

**For M/s. Vinod Kothari & Company  
Company Secretaries in Practice**

**Munmi Phukon**

ACS No. : A60355

C P No. :22846

Place : Kolkata

Date : 15th June 2020

UDIN: A060355B000341801

**Annexure - A1**

**LIST OF DOCUMENTS**

1. Minutes of the following meetings (final draft of minutes provided through electronic mode on account of lockdown due to COVID-19)
  - a. Board Meeting;
  - b. Audit Committee;
  - c. Nomination and Remuneration Committee;
  - d. Stakeholders Relationship Committee;
  - e. Corporate Social Responsibility Committee;
  - f. Annual General meeting;
2. Annual Report 2018-19;
3. Notice and Agenda for Board and Committee Meeting on sample basis.
4. Memorandum and Articles of Association;
5. Disclosures under Act, 2013 on sample basis and those under Listing Regulations;
6. Policies framed under Act, 2013 and Listing Regulations;
7. Forms and returns filed with the ROC on sample basis;
8. Compliance Report obtained by the Company from Internal Auditor for ascertaining the compliance with the specific laws, on a sample basis;
9. Disclosures under SEBI (Prohibition of Insider Trading) Regulations, 2015 made to the stock exchange;
10. Disclosures under SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 made to the stock exchange.



## Annexure - E

Statement pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### 1. Particulars pursuant to Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

#### I. Name of the Top Ten employees in terms of remuneration drawn:

Sl No	Name of Employee	Designation	Remuneration received	Nature of Employment, Whether contractual or otherwise	Qualification of employee	Experience	Date of commencement of employment	Age of the employee	The last employment held by such employee before joining the Company	Percentage of equity shares held by such employee	Whether any such employee is a relative of any director or manager of the Company and if so, name of such director or manager
1	Mrs. Alka Devi Bangur	Managing Director	42,07,500	Permanent	MBA	29 Yrs	17/09/1993	66	—	1.22%	Mr. L N Bangur, Chairman & Mr. Shreeyash Bangur, Dy. Managing Director
2	Mr. Shreeyash Bangur	Dy. Managing Director	27,24,000	Permanent	M.Sc (Engineering)	13 Yrs	16/11/2011	40	International Paper APPM Ltd.	Nil	Mr. L N Bangur, Chairman & Mrs. Alka Bangur, Managing Director
3	Mr. S.K. Singh	Chief Executive officer	84,92,680	Permanent	MBA	22 Yrs	21/07/2012	48	Helbriya Estates	Nil	Nil
4	Mr. Rohan Jhawar	Principal Executive Officer	54,00,887	Permanent	BE	14 Yrs	23/05/2012	37	Videocon Industries Ltd	Nil	Nil
5	Mr. K. Ashokan	Chief Financial Officer	22,71,000	Permanent	M.Com, FCA & ACWA	32 Yrs	01/06/2017	57	Ticel bio Park Ltd	Nil	Nil
6	Mr. J Prabhakar Reddy	General Manager-Legal	16,50,288	Permanent	M.A., LLB	27 Yrs	02/04/2014	52	IVRCL Limited	Nil	Nil
7	Mr. Saurav Singhania	Company Secretary	10,04,208	Permanent	B.Com, CS	8 Yrs	11/11/2017	35	Green ply Industries Ltd	Nil	Nil
8	Mr. A D Varghese	Manager-Sales & Marketing	9,12,588	Permanent	Intermediate	31 Yrs	02/03/2015	53	Contemporary Tea Auction	Nil	Nil
9	Mr. N Murugan	Sr. Manager-Estate	8,92,031	Permanent	M.Sc	25 Yrs	14/03/2018	53	Tea Estate India Ltd	Nil	Nil
10	Dr. Abishegan	Medical officer	8,55,980	Permanent	MBBS	5 Yrs	24/02/2016	33	Thai Health Care Hospital	Nil	Nil

#### II. Employed throughout the year and was in receipt of remuneration not less than Rupees One crore and two lakhs per annum

There were no employees who were in receipt of remuneration exceeding Rupees one crore and two lakhs per annum.

#### III. Employed for the part of the year and was in the receipt of remuneration not less than Rupees Eight lakhs fifty thousand per month

There were no employees who were in receipt of remuneration exceeding Rupees eight lakhs fifty thousand per month.

#### IV. Employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.

NIL



**2. Particulars pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

**a) The ratio of remuneration of each director to the median remuneration of the employees of the company for the financial year is given below:**

Name	Ratio
<b>Executive Directors</b>	
Mrs. Alka Devi Bangur (Managing Director)	53.89 : 1
Mr. Shreeyash Bangur (Deputy Managing Director)	34.89 : 1
<b>Non Executive Directors</b>	
Mr. Lakshmi Niwas.Bangur (Director)	N.A
Mr. Harischandra Maneklal Parekh (Independent Director)	N.A
Mr. Pudugramam Ramachandran Ramakrishnan (Independent Director)	N.A
Mr. Narasimhan Swaminathan (Independent Director)	N.A
Mr. Ashok Kumar Bhargava (Independent Director)	N.A

Note: None of the Non-Executive Directors (including Independent Director) receive any remuneration from the Company except sitting fees for attending the meeting of the Board or Committee thereof.

**b) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year:**

Name	Category	Percentage
Mrs. Alka Devi Bangur	Managing Director	Nil
Mr. Shreeyash Bangur	Deputy Managing Director	Nil
Mr. Lakshmi Niwas Bangur	Director	N.A
Mr. Harischandra Maneklal Parekh	Independent Director	N.A
Mr. Pudugramam Ramachandran Ramakrishnan	Independent Director	N.A
Mr. Narasimhan Swaminathan	Independent Director	N.A
Mr. Ashok Kumar Bhargava	Independent Director	N.A
Mr. Sanjeev Kumar Singh	Chief Executive Officer	0.88%
Mr. Kannusamy Ashokan	Chief Financial Officer	4.41%
Mr. Saurav Singhania	Company Secretary	14.00%

Note: None of the Non-Executive Directors (including Independent Director) receive any remuneration from the Company except sitting fees for attending the meeting of the Board or Committee thereof.

**c) Percentage increase in the median remuneration of employees in the financial year: 2.46%**

**d) Number of permanent employees on the rolls of the Company: 1,547**

**e) Average percentile increase already made in the salaries of the employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and any exceptional circumstances for increase in the managerial remuneration:**

There was no Average increase in remuneration of employee excluding key managerial personnel while the average percentile increase in the key managerial personnel by 1.59%

**f) Affirmation that remuneration paid is as per the Remuneration Policy of the Company**

It is affirmed that the remuneration is paid as per the Remuneration Policy of the Company.





## Annexure F

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

### 1) A Brief outline of the Company's CSR policy:

The Company's CSR Policy and Programmes are directed towards education, basic sanitation facilities, promote gender equality, women empowerment, environmental sustainability, protection of National Heritage, culture, music, drama, sports, fine arts and rural development projects. The detailed policy on the Corporate Social Responsibility has been posted on the website of the Company [www.periatea.com](http://www.periatea.com).

### 2) Composition of CSR Committee:

- |   |            |
|---|------------|
| a. Mr. Lakshmi Niwas Bangur                 | — Chairman |
| b. Mr. Pudugramam Ramachandran Ramakrishnan | — Member   |
| c. Mr. Narasimhan Swaminathan               | — Member   |
| d. Mr. Shreeyash Bangur                     | — Member   |

### 3) Average Net Profit of the Company for the last three financial years 2016-17 to 2018-19:

Rs. (2.99) Lacs.

### 4) Prescribed CSR Expenditure (2% of the Average Net Profit):

NIL

### 5) Details of CSR spent during the financial year:

- a) Total amount to be spent for the financial year : The Company was not required to spend any amount on CSR activities.
- b) Amount unspent if any : Nil
- c) Manner in which the amount spent during the financial year:

As the Company was not required to spend any amount on CSR activities the disclosure with regard to the manner in which the amount was spent during the financial year does not arise.

- d) Reason for not spending the amount:

The Company was not required to spend on CSR activities as the average net profit of the immediately preceding three financial years of the company was negative.

### 6) Responsibility Statement by the CSR Committee

The CSR Committee confirms that the implementation and governance of CSR Programs have been elaborated in the Company's CSR policy. The CSR Committee further confirms that the implementation and monitoring of CSR Policy is in compliance with CSR Objectives and policy of the Company.

**SHREEYASH BANGUR**  
Deputy Managing Director  
(DIN : 00012825)

Place : Hyderabad  
Date : 15th June 2020

**L.N. BANGUR**  
Chairman CSR Committee  
(DIN : 00012617)

Place : Kolkata  
Date : 15th June 2020



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### a. Industry Structure & Development

India produced 1390.08 million kg in 2019 compared to 1338.63 million kg in 2018. South Indian Tea industry produced 218.99 million kg in 2019 compared to 224.87 million kg in 2018. North India produced 1171.09 million kg in 2019 compared to 1113.76 million kg in 2018.

All India auction average sale price stood at Rs.140.73 per kg in 2019 compared to Rs.140.80 per kg in 2018. North India average sale price was Rs.152.26 per kg in 2019 compared to Rs.150.29 per kg in 2018. South Indian Tea average sale price was Rs.100.57 per kg in 2019 compared to Rs.104.77 per kg in 2018.

Export of tea from India was 248.29 million kg in 2019 compared to 256.06 million kg in 2018.

### b. Opportunities & Threats

Automation of tea processing in the light of Global competition and shortage of estate workers is imperative for future growth of tea industry. Sharing the social cost by the State Governments will reduce the cost of production and thereby increase the competitive strength of Indian tea

- Increase in Labour wages:
- Inflated price of inputs like fertilizers, firewood, etc.
- Erratic weather, global warming effect.
- Deforestation
- Increasing trend of pest and disease. Dwindling of labour force.
- Longer period of dry spell.

### c. Segment wise Performance

The price of orthodox tea is attractive and stable. Our company has been producing and selling of good quality of orthodox tea from the financial year 2018-19 onwards as a major diversification.

Tea business accounted for 80.77% of the total revenue of the Company, Income from power generation is 6.18% and Investment income accounted for 13.05%.

### d. Forward looking statements / Outlook

Certain statements included above may be forward looking and would involve number of risks uncertainties and other factors that could cause actual results to differ materially

from those suggested by the forward looking statements. The Company undertakes no obligation to publicly update or revise any forward looking statements whether as a result of new information / future events or otherwise.

### e. Risk & concerns

Risk management is an integral part of the business process. With the help of experienced professionals the company mapped the risks at the business processes and enterprise levels and evolved a risk management framework. Risk mitigating measures have been identified and these would be periodically reviewed by the Board of Directors.

During the financial year 2019-20 our total production was 30.33 Lakhs kg as against 31.16 lakhs kgs during the same period of last year. There was 0.84 Lakhs kgs tea short fall approximately 2.68%.

### f. Internal Control

The Company has adequate internal control system to monitor internal business process financial reporting and compliance with applicable laws. The internal control system ensures that all assets are protected against loss from unauthorized use and all transactions are recorded and reported correctly. The Company periodically reviews the adequacy and effectiveness of the control systems. The Audit Committee of the Board assures the existence of effective internal control environment.

### g. Discussion on financial performance with respect to operational performance

This section is covered in the Board's Report under the section of financial results and operation.

### h. Human Resource

Relationship with employees at all level remains cordial. Training and development of employees continue to be an area of prime importance. The devotion and commitment of employees has enabled the Company to fulfil its targets and deadlines in time. The total number of employees on the rolls of the Company as on 31st March 2020 was 1547.

### i. 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 therefore, including:



Particulars	FY ended 31st March 2020	FY ended 31st March 2019	% of Changes between FY'20 and FY'19	Explanation
Debtors Turnover	23	23	—	—
Inventory Turnover	80	36	122.22	Due to total sales of the tea was decreased drastically during 2019, the huge stock was piled up at the end of the year, which results turnover ratio was increased.
Interest Coverage Ratio	0.29	2.96	(90.20)	As the total sale of tea was decreased by Rs.7.70 crores when compare with previous financial year and labour cost also keep on increasing for every quarter (% of DA), net margin was affected abnormally and thereby coverage ratio was reduced drastically.
Current Ratio	1.85	1.34	38.60	Due to covid-19 outbreak in China in the month of November'19, demand for orthodox tea was drastically affected and due to which whatever we produced for export market through third party, was not happened which ultimately piled up the inventory in the March end. Therefore the current ratio was increased over the previous financial year.
Debt-Equity Ratio	0.21	0.18	16.67	—
Operating Profit Margin	11.50	18.79	(38.80)	Please refer the explanation given in the interest coverage ratio.
Net Profit Margin	(4.55)	8.22	(155.35)	Please refer the explanation given in the interest coverage ratio.

**j. Details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof.**

Particulars	FY ended 31st March 2020	FY ended 31st March 2019	% of Changes between FY'20 and FY'19	Explanation
Return on Net Worth	(1.10)	2.38	(146.22)	During the year 2019, the demand for tea and sale was reduced drastically, which results company could not meet the sales target and therefore the company incurred a loss in tea business. That is a reason for negative growth in return on network.



## REPORT ON CORPORATE GOVERNANCE

As required under Regulation 34(3) read with Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “Listing Regulations, 2015”) the details of compliance by the Company with the norms on Corporate Governance are as under:

### 1. Company’s philosophy on code of Corporate Governance

Corporate Governance is the combination of voluntary practices and compliance with laws and regulations leading to effective control and management of the organization. The Company’s philosophy on Corporate Governance is based on ethical governance practices, Integrity, transparency, accountability and compliance with laws which are the columns of good governance are cemented in the Company’s robust business practices to ensure ethical and responsible leadership both at the Board and at the Management level brings lasting shareholder value and enhances interest of all other stakeholders. The Company’s Code of Business Conduct and ethics and its well-structured internal control systems which are subjected to regular assessment for its effectiveness, reinforces integrity of Management and fairness in dealing with the Company’s stakeholders.

The Company has complied with the requirements of Corporate Governance as laid down under the Listing Regulations, 2015.

### 2. Board of Directors

#### a. Composition and category of Board and the number of other board of directors or committees in which a directors is a member or chairperson including the names of the listed entities where the person is a director and the category of directorship

The Board consists of 7 (seven) Directors, out of which five are Non-Executive Directors and two are Executive Directors. Mrs. Alka Devi Bangur and Mr. Shreyash Bangur are Executive Directors and all other are Non-Executive Directors.

Name of the Director	Category	Name of the other listed entities in which is a Director and their category	Other Directorships #	Membership of other Board Committees ^	
				Member*	Chairman
Mr. Lakshmi Niwas Bangur	Non-Executive Chairman- Promoter Director	1. Kiran Vyapar Ltd - Non-Executive Chairman 2. Amalgamated Development Ltd- Non-Executive Director	9	4	1
Mrs. Alka Devi Bangur	Managing Director - Promoter Director	Rupa& Co- Non- Executive Independent Director	2	2	1
Mr. Shreyash Bangur	Deputy Managing Director - Promoter Director	Kiran Vyapar Limited-Executive- Managing Director	9	1	0
Mr. Harischandra Maneklal Parekh	Non-Executive- Independent Director	1. The GROB Tea Co Ltd– Non Executive- Independent Director 2. Diana Tea Co. Ltd – Non Executive- Independent Director 3. Williamson Magor & Co. Ltd. – Non Executive- Independent Director	5	8	3
Mr. Pudugramam Ramachandran Ramakrishnan	Non-Executive- Independent Director	Nil	1	0	0
Mr. Narasimhan Swaminathan	Non-Executive- Independent Director	Nil	1	0	0



Name of the Director	Category	Name of the other listed entities in which is a Director and their category	Other Directorships #	Membership of other Board Committees ^	
				Member*	Chairman
Mr. Ashok Kumar Bhargava	Non-Executive-Independent Director	Nil	0	0	0

# excludes directorship in private companies, foreign companies and section 8 companies.

^ Only Audit Committee and Stakeholders Relationship Committee are considered.

\* Number of Membership also includes Chairmanship held in the Committee(s).

**b. Attendance of Directors at Board Meetings and Annual General Meeting**

The attendance of directors at the meetings of Board of Directors held during the financial year 2019-20 and at the last Annual General Meeting held on 9th September, 2019 is as under:

Name of the Director	Board Meeting		Annual General Meeting
	Held during the year	Attended	
Mr. Lakshmi Niwas Bangur	5	4	Yes
Mrs. Alka Devi Bangur	5	4	Yes
Mr. Shreeyash Bangur	5	5	Yes
Mr. Harischandra Maneklal Parekh	5	4	Yes
Mr. Pudugramam Ramachandran Ramakrishnan	5	2	No
Mr. Narasimhan Swaminathan	5	4	No
Mr. Ashok Kumar Bhargava	5	4	Yes

**c. Meetings of the Board of Directors**

During the financial year 2019-20, 5 (five) meetings of the Board of Directors were held on 20th May, 2019, 14th August, 2019, 9th November, 2019, 2nd December, 2019 and 8th February, 2020.

**d. Disclosure of relationship between directors inter-se:**

None of the Directors are related to each other except Mr. Lakshmi Niwas Bangur, Mrs. Alka Devi Bangur and Mr. Shreeyash Bangur.

Name of the Directors	Relationship between directors
Mr. Lakshmi Niwas Bangur	Spouse of Mrs. Alka Devi Bangur and Father of Mr. Shreeyash Bangur
Mrs. Alka Devi Bangur	Spouse of Mr. Lakshmi Niwas Bangur and Mother of Mr. Shreeyash Bangur
Mr. Shreeyash Bangur	Son of Mr. Lakshmi Niwas Bangur and Mrs. Alka Devi Bangur



**e. Number of shares and convertible instruments held by non-executive directors**

The details of Shares of the Company held by Non-Executive Directors are as follows:

Name	No. of Shares
Mr. Lakshmi Niwas Bangur	25481
Mr. Harischandra Maneklal Parekh	NIL
Mr. Pudugramam Ramachandran Ramakrishnan	300
Mr. Narasimhan Swaminathan	150
Mr. Ashok Kumar Bhargava	NIL

The non-executive directors of the Company do not hold any convertible instruments in the Company.

**f. Familiarization Programme for Independent Directors**

The Independent Directors were regularly provided with documents, reports and other internal policies of the Company to familiarise them with the Company's policies, procedures and practices. Periodic presentations are made at the Board/ Committee Meetings on the Company's operations, expansion, developments and various statutory compliances. A visit to the factories was arranged for the directors to have firsthand information about the manufacturing operations.

Field visits were arranged for the directors. They were apprised about the plucking operations, cultural practices like fertiliser application, spraying of chemicals to control pests and diseases, functioning of drip irrigation etc. They were taken around nurseries, replanted areas, check dam, areas where minor produces are grown etc. Further, they were apprised about the productivity, labour related matters, overall power consumption, cost savings and environmental protection activities undertaken by the factories.

The details of the Familiarization Programme has been disclosed on the website of the Company at [https://www.periatea.com/Familiarization\\_Programme.php](https://www.periatea.com/Familiarization_Programme.php)

**g. Skill, Competence and Expertise of Board of Directors**

Sl. No	Skill, Competence and Expertise	Mr. Lakshmi Niwas Bangur	Mrs. Alka Devi Bangur	Mr. Shreyash Bangur	Mr. Harischandra Maneklal Parekh	Mr. Pudugramam Ramachandran Ramakrishnan	Mr. Narasimhan Swaminathan	Mr. Ashok Kumar Bhargava
1	Industry experience including its entire value chain and indepth experience in corporate strategy and planning and Marketing	√	√	√	√		√	√
2	Understanding of the relevant laws, rules and regulations, policies applicable to Tea Industry	√	√	√	√	√		√
3.	Experience in finance, tax , Investment, risk management, legal, compliance and corporate Governance	√		√	√	√		√
4.	Experience in Human Resource Management, communication and Information technology	√		√				
5.	Leadership Quality including integrity and high ethical standards	√	√	√	√	√	√	√
6.	Social welfare orientation	√	√	√	√	√	√	√





#### **h. Separate meeting of the Independent Directors**

The Independent Directors meeting was held on 8th February 2020 without the attendance of Non-Independent Directors and members of Management. The independent directors reviewed the performance of Non-Independent Directors and to assess 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.

#### **i. Independent Directors Confirmation by 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 Listing Regulations. In the opinion of the Board, the Independent Directors, fulfil the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations.

#### **j. Detailed reason for the Resignation of Independent Director**

No Independent Director resigned from the Company during the Financial Year 2019-2020.

### **3. Committees of the Board**

At present, the Board has 4 Committees:

- a. Audit Committee.
- b. Nomination and Remuneration Committee.
- c. Stakeholders Relationship Committee.
- d. Corporate Social Responsibility Committee.

The Board constitutes the committees and defines their terms of reference. The members of the committees are co-opted by the Board.

#### **a. Audit Committee**

The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors. The primary objective of the Committee is to monitor and provide effective supervision of the financial reporting process to ensure reliability and timeliness of disclosures while ensuring integrity and quality of the reports.

#### ***Brief description of terms of reference of Audit Committee as per the Charter approved by the Board:***

##### **Powers of Audit Committee**

The powers of Audit Committee include the following:

1. To investigate any activity within its terms of reference.
2. To seek information required from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

##### **Role of Audit Committee**

The role of the Audit Committee includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors except those which are specifically prohibited;



4. Reviewing, with the management, and examination of the financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Modified opinion(s) in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties and scrutiny of the method used to determine the arm's length price of any transaction;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;



19. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments existing as on the date of coming into force of this provision.
21. Reviewing the compliance of internal control as required under the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.
22. Carrying out any other function as may be delegated by the Board of Directors from time to time or as may be required by applicable law or as is mentioned in the terms of reference of the audit committee.

#### **Review of information by Audit Committee**

1. The Audit Committee shall mandatorily review the following information:
  - a. Management discussion and analysis of financial condition and results of operations;
  - b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
  - c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - d. Internal audit reports relating to internal control weaknesses; and
  - e. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
  - f. Statement of deviations:
    - i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulations 32(1).
    - ii) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7).

#### **Composition**

The Board has constituted a well-qualified Audit Committee. All the members of the Committee are Non-Executive Directors with majority of them being Independent Directors including the Chairman as required under Regulation 18 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015. They possess sound knowledge on accounts, audit, finance, taxation, internal controls etc. The Company Secretary of the Company acts as the Secretary of the Committee.

The members of the Audit Committee as on 31st March 2020 comprised of:

<b>Name of the Director</b>	<b>Designation</b>	<b>Category</b>
Mr. Pudugramam Ramachandran Ramakrishnan	Chairman	Independent Non Executive
Mr. Lakshmi Niwas Bangur	Member	Promoter Non Executive
Mr. Harischandra Maneklal Parekh	Member	Independent Non Executive
Mr. Narasimhan Swaminathan	Member	Independent Non Executive
Mr. Ashok Kumar Bhargava	Member	Independent Non Executive



### **Meetings**

During the year under review, the Audit Committee met 4 (four) times on 18th May, 2019, 10th August, 2019, 5th November, 2019 and 5th February, 2020.

**Attendance of each member is given below:**

<b>Name of the Director</b>	<b>No. of Meetings held</b>	<b>No. of Meetings attended</b>
Mr. Pudugramam Ramachandran Ramakrishnan	4	4
Mr. Lakshmi Niwas Bangur	4	1
Mr. Harischandra Maneklal Parekh	4	0
Mr. Narasimhan Swaminathan	4	4
Mr. Ashok Kumar Bhargava	4	0

### **b. Nomination & Remuneration Committee**

The committee reviews and determines the Company's policy on managerial remuneration and recommends to the Board on the specific remunerations of Executive Directors and Key Managerial Persons, so as to ensure that they are fairly rewarded for their individual contributions to the Company's overall performance and their remuneration is in line with the industry standards.

**Brief description of terms of reference of Nomination & Remuneration Committee as per the Charter approved by the Board:**

- I. To formulate criteria for:
  - a. determining qualifications, positive attributes and independence of a director;
  - b. evaluation of performance of independent directors and the Board of Directors.
- II. To devise the following policies on:
  - a. remuneration including any compensation related payments of the directors, key managerial personnel and other employees and recommend the same to the Board of the Company;
  - b. Board diversity laying out an optimum mix of executive, independent and non-independent directors keeping in mind the needs of the Company.
- III. To identify persons who are qualified to:
  - a. become directors in accordance with the criteria laid down, and recommend to the Board the appointment and removal of directors;
  - b. be appointed in senior management in accordance with the policies of the Company and recommend their appointment or removal to the HR Department and to the Board.
- IV. To specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
- V. To carry out evaluation of the performance of every director of the Company;
- VI. To express opinion to the Board that a director possesses the requisite qualification(s) for the practice of the profession in case the services to be rendered by a director are of professional nature;
- VII. To decide whether to extend or continue the term of appointment of the independent director, on the basis of report of performance evaluation of independent directors;
- VIII. To recommend to the board, all remuneration, in whatever form, payable to senior management;
- IX. To carry out such other business as may be required by applicable law or delegated by the Board or considered appropriate in view of the general terms of reference and the purpose of the Nomination and Remuneration Committee.

The Nomination and Remuneration policy of the Company is annexed to the Board's Report and can also be accessed on the Company's website [www.periatea.com](http://www.periatea.com).



### **Composition**

The Board has constituted a well-qualified Nomination and Remuneration Committee. All the members of the Committee are Non-Executive Directors with majority of them being Independent Directors as required under Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

The members of the Nomination & Remuneration Committee as on 31st March 2020 comprised of:

<b>Name of the Director</b>	<b>Designation</b>	<b>Category</b>
Mr. Pudugramam Ramachandran Ramakrishnan	Chairman	Independent Non Executive
Mr. Lakshmi Niwas Bangur	Member	Promoter Non Executive
Mr. Harischandra Maneklal Parekh	Member	Independent Non Executive
Mr. Narasimhan Swaminathan	Member	Independent Non Executive

### **Meetings**

During the year 2019-20, Nomination and Remuneration Committee met on 20th May, 2019.

**Attendance of each member is given below:**

<b>Name of the Director</b>	<b>No. of meeting held</b>	<b>No. of Meetings attended</b>
Mr. Pudugramam Ramachandran Ramakrishnan	1	0
Mr. Lakshmi Niwas Bangur	1	1
Mr. Harischandra Maneklal Parekh	1	1
Mr. Narasimhan Swaminathan	1	1

### **Performance evaluation criteria for Independent Directors**

On the advice of the Board of Directors and the Nomination and Remuneration Committee and in consonance with Guidance Note on Board Evaluation issued by SEBI through circular number SEBI/HO/CFD/CMD/CIR/P/2017/004 dated January 5, 2017, the Company formulated criteria for evaluation of the performance of the Board of Directors, its committees, Independent Directors, Non-Independent Directors. Based on those criteria, performance evaluation has been done.

Details of the performance evaluation of Board of Directors of the Company including Independent Directors is provided in the Directors' Report forming part of the Annual Report of the Company.

### **c. Stakeholders Relationship Committee**

The Committee is responsible for the satisfactory redressal of investors' complaints pertaining to the transfer/transmission of shares, non-receipt of Annual Reports, dividend payments, issue of duplicate share certificates and other miscellaneous complaints. In addition to above the Committee also looks into other issues including status of dematerialization/re-materialization of shares as well as system and procedures followed to track investor complaints and suggest matter for improvement from time to time.

### **Brief description of terms of reference of Stakeholders Relationship Committee as per the Charter approved by the Board:**

1. To ensure proper and timely attendance and redressal of grievances of security holders of the Company in relation to:
  - a. Transfer/transmission of shares;
  - b. Non-receipt of annual reports;
  - c. Non-receipt of declared dividends;
  - d. All such complaints directly concerning the shareholders / investors as stakeholders of the Company; and
  - e. Any such matters that may be considered necessary in relation to shareholders and investors of the Company.



2. Reviewing the measures taken for effective exercise of voting rights by shareholders.
3. Reviewing the adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
5. Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from the shareholders from time to time;
6. To review and / or approve applications for transfer, transmission, transposition and mutation of share certificates including issue of duplicate certificates and new certificates on split / sub-division / consolidation / renewal and to deal with all related matters as may be permissible under applicable law.
7. To review and/or approve requests of dematerialization and rematerialisation of securities of the Company and such other related matters;
8. Appointment and fixing of remuneration of RTA and overseeing their performance;
9. Review the status of the litigation(s) filed by/against the security holders of the Company;
10. Review the status of claims received for unclaimed shares;
11. Recommending measures for overall improvement in the quality of investor services;
12. Review the impact of enactments/ amendments issued by the MCA/ SEBI and other regulatory authorities on matters concerning the investors in general;
13. Such other matters as per the directions of the Board of Directors of the Company and/ or as required under Regulation 20 read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, from time to time.
14. Any other issue within the terms of reference.

#### **Composition**

The Board has constituted a well-qualified Stakeholders' Relationship Committee. All the members of the Committee are Non-Executive Directors with majority of them being Independent Directors as required under Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

The members of the Committee as on 31st March, 2020 comprised of:

<b>Name of the Director</b>	<b>Designation</b>	<b>Category</b>
Mr. Lakshmi Niwas Bangur	Chairman	Promoter Non Executive
Mr.Pudugramam Ramachandran Ramakrishnan	Member	Independent Non Executive
Mr. Narasimhan Swaminathan	Member	Independent Non Executive
Mr. Ashok Kumar Bhargava	Member	Independent Non Executive

The Board has designated Mr. Saurav Singhania, Company Secretary as Compliance Officer.

#### **Meetings**

During the year, the Stakeholders Relationship Committee met 4 (four) times on 20th May 2019, 14th August 2019, 9th November 2019 and 8th February, 2020.





Attendance of each member is given below:

Name of the Director	No. of meeting held	No. of Meetings attended
Mr. Lakshmi Niwas Bangur	4	4
Mr. Pudugramam Ramachandran Ramakrishnan	4	1
Mr. Narasimhan Swaminathan	4	3
Mr. Ashok Kumar Bhargava	4	4

The status of complaints received from the investors during the financial year 2019-20 is furnished below:

Complaints pending as on 1st April 2019	Nil
Complaints received during the year	Nil
Complaints resolved during the year	Nil
Complaints pending as on 31st March 2020	Nil

#### **SEBI Complaints redress System (SCORES)**

The Company has registered with "SCORES" as per SEBI Circular CIR/OIAE/1/2014 dated December 18, 2014 in order to update the status of Investors Complaints. There is no complaint pending on this portal as on 31st March, 2020.

#### **d. Corporate Social Responsibility Committee**

The Company has constituted a CSR Committee as required under Section 135 of the Companies Act, 2013. The Committee has overall responsibility for: (i) identifying the areas of CSR activities; (ii) recommending the amount of expenditure to be incurred on the identified CSR activities; (iii) implementing and monitoring the CSR policy from time to time; and (iv) coordinating with Company or such other agency in implementing programs and executing initiatives as per CSR policy of the Company. The purpose and responsibilities of the Committee shall include such other items/matters prescribed under applicable law or prescribed by the Board in compliance with applicable law from time to time.

The Committee is also responsible for reporting progress of various initiatives and in making appropriate disclosures on a periodic basis.

#### **Brief description of terms of reference of Corporate Social Responsibility Committee as per the Charter approved by the Board:**

- To formulate and recommend to the Board a CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- To recommend the amount of expenditure to be incurred on the activities undertaken.
- To monitor CSR Policy of the Company from time to time.
- Any other matter that may be referred by the Board from time to time or as may be necessary for compliance with the Companies Act, 2013 or Rules made thereunder or any other statutory laws of India.

The Company's CSR Policy is uploaded on the website of the Company [www.periatea.com](http://www.periatea.com)

#### **Composition**

The Composition of the Committee is Comprised of Non-Executive and Executive member as per the provisions of section 135 of the Companies Act, 2013.



The members of the Committee as on 31st March, 2020 comprised of:

Name of the Director	Designation
Mr. Lakshmi Niwas Bangur	Chairman
Mr. Pudugramam Ramachandran Ramakrishnan	Member
Mr. Narasimhan Swaminathan	Member
Mr. Shreeyash Bangur	Member

#### Meetings

During the year under review, the Committee met on 20th May 2019 and 14th August 2019.

Attendance of each member is given below:

Name of the Director	No. of meeting held	No. of Meetings attended
Mr. Lakshmi Niwas Bangur	2	2
Mr. Pudugramam Ramachandran Ramakrishnan	2	0
Mr. Narasimhan Swaminathan	2	2
Mr. Shreeyash Bangur	2	2

#### 4. Remuneration of Directors

##### a) Remuneration to Executive Directors

The details of remuneration paid to Mrs. Alka Devi Bangur, Managing Director and Mr. Shreeyash Bangur, Deputy Managing Director during the financial year 2019-20 are given below:

Name	Designation	All elements of remuneration package, i.e. salary, benefits, bonuses, pension etc. for the year ended 31st March, 2020 (Amount in Lakhs)	
Mrs. Alka Devi Bangur	Managing Director	Salary and Allowances	36.00
		Perquisites	3.38
		Contribution to Provident Fund	2.70
Mr. Shreeyash Bangur	Deputy Managing Director	Salary and Allowances	24.00
		Perquisites	1.80
		Contribution to Provident Fund	1.44

##### a. Service Contract:

- (i) **Mrs. Alka Devi Bangur:** For a period of three years w.e.f 17th September, 2017. The Board of Directors at its Meeting held on 26th May, 2017 approved the re-appointment of Mrs. Alka Devi Bangur as the Managing Director of the Company for a further period of 3 years w.e.f 17th September, 2017 and the same was also approved by the shareholders at the Annual General Meeting of the Company held on 9th August, 2017.
- (ii) **Mr. Shreeyash Bangur :** For a period of five years w.e.f 5th November, 2015. The Board of Directors at its Meeting held on 3rd August, 2015 approved the re-appointment of Mr. Shreeyash Bangur as the Deputy Managing Director of the Company for a further period of 5 years w.e.f 5th November, 2015 and the same was also approved by the shareholders at the Annual General Meeting of the Company held on 28th September, 2015.



**b. Notice Period:** Three Months' notice from either side

**c. Severance Fees:** None

**d. Stock Options:** None

**b) Remuneration to Non-Executive Directors**

Name	Business relationship with the company	Sitting Fees (Amount in Rs.)	Commission	Total
Mr. Lakshmi Niwas Bangur	Promotor Non Executive	25000	—	25000
Mr. Harischandra Maneklal Parekh	Independent Director	25000	—	25000
Mr. Pudugramam Ramachandran Ramakrishnan	Independent Director	35000	—	35000
Mr. Narasimhan Swaminathan	Independent Director	45000	—	45000
Mr. Ashok Kumar Bhargava	Independent Director	25000	—	25000

The Company does not pay any performance incentive or severance fees. Apart from the above mentioned remuneration, the Company had no pecuniary relationship or transactions with the Non-Executive Directors during the financial year 2019-20.

In compliance with the requirements of Companies Act, 2013 and Rules made there under and pursuant to Regulation 19 of the SEBI (LODR) Regulations, 2015 read with Schedule II Part D to the said Regulations, the Board of Directors has a Nomination and Remuneration Policy for its Directors, Key Managerial Personnel and other employees of the Company.

None of the Directors hold any stock option in the Company.

**5. General Body Meetings**

**The location and time of the last three Annual General Meetings held are given as under:**

Year	Date	Time	Venue
2016-17	09.08.2017	10.30 A.M.	Sitaram Seksaria Auditorium, Bharatiya Bhasha Parishad, 36A Shakespeare Sarani, Kolkata 700017
2017-18	14.09.2018	10.30 A.M.	Far Pavillion, The Tollygunge Club Ltd., 120, Deshpran Sasmal Road, Kolkata – 700033
2018-19	09.09.2019	11.00 A.M.	Far Pavillion, The Tollygunge Club Ltd., 120, Deshpran Sasmal Road, Kolkata – 700033

**Special Resolution passed in the previous three Annual General Meetings**

Date	Description of Special Resolution passed
09.08.2017	Re-appointment of Mrs. Alka Devi Bangur as Managing Director of the Company for a further term of 3 years.



14.09.2018	<ol style="list-style-type: none"> <li>1. Special Resolution under Section 180(1)(c) of the Companies Act, 2013 for borrowing money upto Rs. 200 crores over and above the aggregate of the paid up share capital, free reserves and Securities Premium of the Company.</li> <li>2. Special Resolution under Section 180(1)(a) of the Companies Act, 2013 for mortgaging and/or charging immovable / movable properties of the Company upto Rs 200 Crores.</li> <li>3. Special Resolution for Approval in terms of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, for the payment of annual remuneration (including any fees or compensation payable) to the Executive Directors of the Company being promoters or members of the promoter group aggregate annual remuneration exceeding 5 per cent of the net profits of the Company.</li> <li>4. Special Resolution for Approval in terms of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, to the continuation of Mr. Harischandra Maneklal Parekh [DIN: 00026530], Non – Executive Independent Director whose age exceeds 75 years till the expiry of existing terms of his appointment.</li> <li>5. Special Resolution for Approval in terms of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, to the continuation of Mr. Narasimhan Swaminathan [DIN: 02743671], Non - Executive Independent Director whose age exceeds 75 years till the expiry of existing terms of his appointment.</li> </ol>
09.09.2019	<ol style="list-style-type: none"> <li>1. Special Resolution for Re-appointment of Mr. Harischandra Maneklal Parekh as an Independent Non-Executive Director.</li> <li>2. Special Resolution for Re-appointment of Mr. Narasimhan Swaminathan as an Independent Non-Executive Director.</li> <li>3. Special Resolution for Re-appointment of Mr. Pudugramam Ramachandran Ramakrishnan as an Independent Non-Executive Director</li> </ol>

No Extra-Ordinary General Meeting was held during the year under review.

No Special resolution was passed through postal ballot during the financial year ended March 31, 2020.

At present no special resolution is proposed to be conducted through postal ballot.

## 6. Means of Communication

### a. Financial Results

The Quarterly, Half Yearly and Annual Financial Results of the Company are sent to the Stock Exchanges immediately after these are approved by the Board. These are also published in the prescribed proforma within 48 hours of the conclusion of the meeting of the Board in which they are considered in English newspaper circulation the whole or substantially the whole of India and in one vernacular newspaper of the State where the registered office of the Company is situated [i.e. in Business standard(All India edition) and kalantar/Ekkin(Bengali)].

These results are simultaneously posted on the website of the Company at [www.periatea.com](http://www.periatea.com) and also uploaded on the website of the Stock Exchanges where the Shares of the Company are listed i.e National Stock Exchange of India Limited and The Calcutta Stock Exchange Limited.

The Company has no official news releases and also has not made any presentations to institutional investors or to the analysts during the year.



## b. Annual Report

Annual Report containing, inter alia, Audited Annual Accounts, Directors' Report, Corporate Governance Report, Management Discussion & Analysis Report, and other relevant/important information is circulated to members and other entitles.

## c. E-mail IDs for Shareholders/Investors

Investors may send their query/feedback to [periatea@lnbgroup.com](mailto:periatea@lnbgroup.com)

## 7. General Shareholder Information

### Date, time and venue of the Annual General Meeting

Particulars	Date & Time	Venue
107th Annual General Meeting	28.09.2020 10:30 A.M	Annual General Meeting through Video Conferencing / Other Audio Visual means Facility (Deemed Venue for Meeting: Registered Office, 7, Munshi Premchand Sarani, Hastings, Kolkata - 700 022)

**Financial Year :** The Company follows 1st April to 31st March as its Financial Year.

**Financial Calendar for FY 2020-21** (tentative and subject to change)

Particulars of meeting	On or before
Unaudited Financial Results for the quarter ending 30th June 2020	14th August 2020
Unaudited Financial Results for the quarter ending 30th September 2020	14th November 2020
Unaudited Financial Results for the quarter ending 31st December 2020	14th February 2021
Audited Financial Results for the year ending 31st March 2021	30th May 2021

**Date of book closure for payment of dividend** : 22nd September, 2020 to 28th September 2020 (both days inclusive)

**Date of payment of equity dividend** : Dividend shall be paid to all the eligible shareholders within 30 days from the date of Annual General Meeting.

### Listing on Stock Exchanges

The Company's Shares are listed in the following Stock Exchanges:

- National Stock Exchange of India Limited  
Exchange Plaza, C-1, Block-G  
Bandra Kurla Complex  
Bandra East  
Mumbai – 400 051
- The Calcutta Stock Exchange Limited  
7, Lyons Range,  
Kolkata – 700 001

The Company has paid the annual listing fees to each of the above mentioned Stock Exchanges.

### Stock Code

National Stock Exchange of India Limited	PKTEA
The Calcutta Stock Exchange Limited	10026140
ISIN (for Demat)	INE 43 1F01018



**Details of monthly high and low quotations of the equity shares of the company traded on National Stock Exchange of India Limited during the financial year 2019-20 with Performance in comparison to broad based indices:**

Month	PKTEA NSE (Rs.)			NSE NIFTY (Rs.)		
	High	Low	Month Close	High	Low	Month Close
April 2019	179.90	153.00	166.00	11856.15	11549.10	11748.15
May 2019	173.75	141.00	142.00	12041.15	11108.30	11922.80
June 2019	148.85	124.15	130.30	12103.05	11625.10	11788.85
July 2019	140.95	115.00	123.00	11981.75	10999.40	11118.00
August 2019	122.90	103.00	110.00	11181.45	10637.15	11023.25
September 2019	136.00	107.05	125.00	11694.85	10670.25	11474.45
October 2019	138.25	110.50	137.45	11945.00	11090.15	11877.45
November 2019	144.95	119.10	138.00	12158.80	11802.65	12056.05
December 2019	143.95	125.05	132.50	12293.90	11832.30	12168.45
January 2020	149.90	123.65	131.80	12430.50	11929.60	11962.10
February 2020	144.00	106.40	106.40	12246.70	11175.05	11201.75
March 2020	115.20	67.45	68.50	11433.00	7511.10	8597.75

There was no trading in the Calcutta Stock Exchange Ltd in last twelve months. Hence, the data is not available.

#### **Registrar and Share Transfer Agents**

SKDC Consultants Limited  
 Kanapathy Towers, 3<sup>rd</sup> Floor  
 1391/A-1, Sathy Road, Ganapathy  
 Coimbatore – 641 006  
 Tel No +91(422)6549995, 5239835, 2539836  
 Fax No +91 (422) 2539837  
 Email: info@skdc-consultants.com

#### **Share Transfer System**

Shares in physical form is processed and completed by the Registrar and Share Transfer Agents, SKDC Consultants Limited within a period of 15 days from the date of receipt of documents if the documents are complete in all respects. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants.

The Company obtains a certificate of compliance in respect of share transfer from a Practicing Company Secretary pursuant to Regulation 40(9) of the SEBI (LODR), Regulations, 2015.

However, as per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialised form with the depositories. Therefore, shareholders are requested to take action to dematerialize the Equity Shares of the Company promptly.




**Distribution of Equity Shareholding as on 31<sup>st</sup> March 2020**

Slab of shareholdings	Shareholders		Shares	
	Number of shareholders	%	Number of shares	%
1 – 500	3827	90.45	424428	13.71
501 – 1000	241	5.70	167103	5.40
1001 – 2000	98	2.32	131057	4.23
2001 – 3000	20	0.47	49616	1.60
3001 – 4000	8	0.19	26651	0.86
4001 – 5000	3	0.07	13592	0.44
5001 – 10000	14	0.33	110582	3.57
10001 and above	20	0.47	2172850	70.19
<b>Total</b>	<b>4231</b>	<b>100.00</b>	<b>3095879</b>	<b>100.00</b>

**Category of Shareholders as on 31<sup>st</sup> March 2020**

S. No.	Category	Number of shares	%
A	Indian Promoters & Promoters Group	1501510	48.500
B	Public Shareholding		
	1. Institutions		
	a) Financial Institutions / banks	3914	0.126
	b) Insurance Companies	346773	11.201
	c) Central / State Governments	27715	0.895
	d) Foreign Portfolio Investors	—	—
	2. Non Institutions		
	a) Bodies Corporate	101640	3.283
	b) Individuals	1114327	35.994
	Total Public Shareholding (1 + 2)	1594369	51.500
	<b>Total (A + B)</b>	<b>3095879</b>	<b>100.000</b>

**Dematerialisation of shares as on 31<sup>st</sup> March 2020**

S. No.	Name of the Depository	Number of shares dematerialised	% on Equity Share Capital
A	National Securities Depository Limited	2042463	65.97
	Central Depository Services (India) Limited	809283	26.14
	<b>Total</b>	<b>2851746</b>	<b>92.11</b>
B	Physical	244133	7.89
	<b>Total</b>	<b>3095879</b>	<b>100.00</b>

**Outstanding GDRs/ ADRs/Warrants or conversion Instruments, conversion date and likely impact on equity:**

No GDRs' ADRs' or Warrants have been issued by the Company during the year.

**Commodity price risk or foreign exchange risk and hedging activities**

During the financial year ended 31st March 2020, the Company did not engage in commodity or hedging activities.

**Estate Location**

- |   |  |
|---|--|
| 1. Karamalai Estate<br>Karamalai Bazaar Post<br>Valparai - 642 130      | 2. Akkamalai Estate<br>Akkamalai Branch P.O.<br>Valparai - 642 127 |
| 3. Vellamalai Estate<br>Karamalai,<br>Bazaar Post<br>Valparai - 642 130 | 4. Nadumalai Estate<br>Valparai - 642 127                          |

**Wind Mill Location**

Aralvaimozhi  
Muppandal  
Kanyakumari District  
Tamil Nadu

**Solar Power Project**

Kudipatty Village  
Peraiyur Taluk  
Madurai District  
Tamil Nadu

**Address for Correspondence****Head Office:**

The Chief Executive Officer  
The Peria Karamalai Tea & Produce Company Limited  
"PANCHRATN", No. 286, Race Course Road,  
Coimbatore - 641 018

**Registered Office:**

The Company Secretary  
The Peria Karamalai Tea & Produce Company Limited  
7, Munshi Premchand Sarani, Hastings  
Kolkata - 700 022

**Email ID for Investor Grievance Redressal:** periatea@lnbgroup.com

**Credit Rating**

The Company has not issued debt instruments and not involved in mobilization of funds under any fixed deposit programme or any scheme or proposal. Therefore, the requirement of obtaining Credit Rating is not applicable to the Company.

**8. Other Disclosures****a. Disclosure on materially significant related party transactions that may have potential conflict with the interests of listed entity at large**

All related party transactions are entered on arm's length basis in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act 2013 and the SEBI (LODR) Regulations, 2015. There are no materially significant related party transactions made by the Company with the Promoter Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large. The details of transactions with related parties are provided in the Company's financial statements in accordance with the relevant Accounting Standards.

The Related Party Transaction Policy as approved by the Board of Directors is uploaded on the Company's website at <http://www.periatea.com/investors.php>.



**b. Details of non-compliance by the listed entity, penalties and strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years**

There were no penalties, strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

**c. Details of establishment of Vigil Mechanism, Whistle Blower Policy, and affirmation that no personnel has been denied access to the audit committee**

The Company has adopted a Whistle Blower Policy to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior actual or suspected fraud or violation of the Company's code of conduct. The policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

The Whistle Blower Policy has been posted on the website of the Company at [www.periatea.com](http://www.periatea.com).

Your Company hereby affirms that no complaints were received during the year under review.

**d. Details of Compliance with mandatory requirements and adoption of the non-mandatory requirements**

The Company has complied with all mandatory requirements specified in regulation 17 to 27 and clauses of (b) to (i) of Regulation 46(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has also adopted the following non-mandatory requirements of (1) of Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

- i. Non -Executive Chairman Office: Chairman office is separate from that of the Managing Director
- ii. Shareholders Rights: The quarterly, half yearly and annual financial results of the Company are published in the newspapers on an all India basis and are also posted on the Company's website. Further significant events are informed to the Stock Exchanges from time to time and then the same is also posted on the website of the Company. The complete Annual Report is sent to every shareholder of the Company.
- iii. Audit Qualification: The Company's financial statement for the year 2019-20 does not contain any audit qualification.
- iv. Separate posts of Chairman and CEO: The Company has appointed separate persons to the post of Chairman and Managing Director or Chief Executive Officer.
- v. Reporting to Internal Auditor: The Internal Auditor reports to the Audit Committee.

**e. Web link where policy for determining material subsidiaries is disclosed:**

The Company does not have any material subsidiary. The policy for determining material subsidiaries is available on the website of the Company <http://www.periatea.com/investors.php>.

**f. Web link where policy for related party transactions is disclosed:**

The policy for Related Party Transactions is available on the website of the Company <http://www.periatea.com/investors.php>.

**g. Disclosure of Commodity Price Risk and Commodity Hedging activities:**

The Company has not dealt in Commodity Hedging activities therefore not threatened by any Commodity Price Risk.

**h. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A)**

The Company has not raised any funds through preferential allotment or qualified institutions placement during the Financial Year ended March 31, 2020.



**i. Certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of corporate affairs or any such statutory authority**

The Company has obtained a certificate from a Company Secretary in Practice stating that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Company by SEBI or Ministry of Corporate Affairs or any such statutory authority.

**j. Declaration that the board has accepted all recommendation of any committee of the board which is mandatorily required, in the financial year ended March 31, 2020.**

There has been no such incidence where the Board has not accepted the recommendation of the Committees of the Company during the year under review.

**k. Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.**

Details relating to fees paid to the Statutory Auditors are given in Note 30 to the Consolidated Financial Statements.

**l. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

SI.No	Particulars	Status
1.	Number of Complaints filed during the financial year	NIL
2.	Number of Complaints disposed of during the financial year	NIL
3.	Number of Complaints pending as on end of the financial year	NIL

**m. Non- Compliance of any requirement of Corporate Governance report of sub- paras (2) to (10) of SEBI (LODR) Regulations, 2015, with reasons thereof shall be disclosed**

The Company has complied with the requirements of Schedule V Corporate Governance Report sub paras(2) to (10) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**9) Code of conduct for Directors and Senior Management Personnel**

The Company has adopted a Code of Business Conduct and Ethics for its Directors and Senior Management Personnel. The same has been posted on the website of the Company. All Board Members and Senior Management Personnel have affirmed their compliance with the code of conduct for the year under review. The CEO has given a declaration that all the Directors and concerned Senior Management Personnel have affirmed compliance with the Code of Conduct.

**10) Disclosure with respect to demat suspense account/unclaimed suspense account**

- a) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year: NIL
- b) Number of shareholders who approached listed entity for transfer of shares from Suspense account during the year : NIL
- c) Number of shareholders to whom shares were transferred from suspense account during the year: NIL
- d) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year : NIL
- e) That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares: NIL



## **Declaration by the CEO under Regulation 26 (3) read with Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding Compliance with Code of Conduct**

To

The Members of  
The Peria Karamalai Tea & Produce Co. Ltd.

In accordance with Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the Financial Year ended on March 31, 2020.

**For The Peria Karamalai Tea & Produce Co. Ltd.**

**Place : Coimbatore**  
**Date : 15th June 2020**

**S K Singh**  
**Chief Executive officer**

## **AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

The Members of  
The Peria Karamalai Tea & Produce Co. Ltd.

We have examined the compliance of conditions of Corporate Governance by The Peria Karamalai Tea & Produce Co. Ltd. ("the Company"), for the year ended March 31, 2020 as per relevant Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

### **Management's Responsibility**

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

### **Auditor's Responsibility**

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

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on certification of Corporate Governance issued by the Institute of Chartered Accountants of India and the

Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India, which requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as specified in the relevant Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as applicable during the year ended 31 March, 2020. We state that such compliance is neither an assurance as to the future viability of the Company nor as to the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**Coimbatore**  
**15th June 2020**

**For SRIKISHEN & CO**  
**Firm Registration No: 004009S**  
**Chartered Accountants**  
**K. Murali Mohan**  
**Proprietor, Auditor**  
**Membership No. 014328**  
**(UDIN: 20014328AAAAGK1483)**



**CERTIFICATE FURNISHED BY THE CHIEF EXECUTIVE OFFICER AND THE CHIEF FINANCIAL OFFICER  
PURSUANT TO REGULATION 17(8) OF SEBI (LISTING OBLIGATION & DISCLOSURE REQUIREMENTS)  
REGULATIONS 2015**

To

The Board of Directors  
The Peria Karamalai Tea & Produce Co. Ltd

- (a) We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2020 and that to the best of our knowledge and belief:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- (b) There are to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee that:
- (i) there was no significant changes in internal control over financial reporting during the year;
  - (ii) there was no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) there were no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

**Date : 15th June 2020**  
**Place : Coimbatore**

**K Ashokan**  
**Chief Financial Officer**

**S K Singh**  
**Chief Executive Officer**





## INDEPENDENT AUDITORS' REPORT

To the Members of **The Peria Karamalai Tea and Produce Company Limited**

### Report on the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone Ind AS financial Statements of The Peria Karamalai Tea and Produce Company 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 Changes in Equity and Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the Profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

We conducted our audit of the standalone Ind AS financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone Ind AS 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 together with the ethical requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the standalone Ind AS 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 to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
<p>Adoption of IND AS 116:</p> <p>The Company has adopted Ind AS 116 "Leases" in the current year. The application and transition to this accounting standard is an area of focus in our audit since the Company has material impact in the standalone financial statements.</p> <p>Adoption of the standard involves significant judgements and estimates including, determination of the discount rates and the lease term.</p> <p>Refer Note no. 32(B)(1) of other notes to the standalone financial statements.</p>	<p>Our audit procedures on adoption of Ind AS 116 include:</p> <ul style="list-style-type: none"> <li>● Assessed the Company's evaluation on the identification of leases based on the contractual agreements</li> <li>● Evaluated the method of transition and related adjustments.</li> <li>● Assessed and tested the presentation and disclosures relating to Ind AS 116 including disclosures relating to transition.</li> </ul>



### **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone Ind AS financial Statements and our auditor's report thereon.

Our opinion on the standalone Ind AS 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 standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained during the course of our 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.

### **Responsibility of the Management and Those charged with Governance for the Standalone Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view

and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS 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 Standalone Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS 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 standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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 standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone Ind AS financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone Ind AS 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 standalone 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 standalone Ind AS financial statements of the current period 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 Companies Act, 2013, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit, 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 Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (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 and the operating effectiveness of such controls, refer to our separate Report in Annexure "B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.



g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations 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, 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 standalone Ind AS financial statements.

ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company except that certain dividend amounts has been kept on hold as per the stay orders issued by the Court.

Coimbatore  
15th June 2020

**For SRIKISHEN & CO**  
Chartered Accountants  
Registration No: 004009S

**K. Murali Mohan**  
Proprietor, Auditors  
Membership No. 014328  
UDIN: 20014328AAAAFU4344



## Annexure - A referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements

According to the information and explanations sought by us and given by the Company and the books and records examined by us during the course of our Audit and to the best of our knowledge and belief we report the following:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets of the company have been physically verified in a phased periodical manner, by the management, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties of the company shown under the Fixed Assets schedule are held in the name of the company.
- (ii) The physical verification of inventory has been conducted by the management at reasonable intervals. The Company has maintained proper record of inventory and the material discrepancies noticed if any on the physical verification of inventories have been properly dealt with in the books of account.
- (iii) The Company has not granted any loans, secured or unsecured to, firms, limited liability partnerships or other parties covered in the register maintained under section 189.

The Company has granted unsecured loan to Companies covered in the Register maintained under section 189 of the Act.

In respect of the above loan given, in our opinion,

- A) The terms and conditions of the grant of such loans are not prejudicial to the company's interest.
- B) No schedule of repayment of principal and payment of interest has been stipulated.

C) No amount is overdue warranting taking steps for recovery of principal and interest.

- (iv) The Company has not advanced any loans to its directors or any other person in whom the directors are interested or given any guarantee or provided any security in connection with any loan taken by the directors or such other person as contemplated under section 185 of the Act.

In respect of loans and investments, the provisions of section 186 of the Companies Act, 2013 have been complied with. The company has not given any guarantee or provided any security in connection with any loan as contemplated under section 186 of the Act.

- (v) The Company has not accepted any deposits and therefore paragraph 3(v) of the CARO is not applicable to the Company.
- (vi) The Central Government has prescribed the maintenance of cost records under section 148(1) of the Act, in respect of manufacture of tea as well as generation and transmission of electricity by the company. We have broadly reviewed the accounts and records of the company in this connection and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however carried out a detailed examination of the same.

- (vii) (a) The Company is regular in depositing undisputed statutory dues including Provident fund, Income-tax, Goods and service tax, Duty of customs, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

There are, no undisputed arrears of statutory dues which were outstanding as at 31 March 2020 for a period of more than six months from the date they became payable

- b) According to the information and explanations given to us, there are no disputed statutory



dues which have not been deposited by the Company.

- c) The details of disputed statutory dues are as under,

Name of the Statute	Nature of dues	Amount disputed (Rs. in lakhs)	Amount paid (Rs. in lakhs)	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	20.82	4.17	CIT (Appeals), Coimbatore.

- (viii) The Company has not borrowed from any financial institution and has not issued any debentures till date. The Company has not defaulted in repayment of loans and borrowings to banks.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). The term loans raised during the year were applied for the purpose for which it is availed.
- (x) No fraud by the Company or fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion the managerial remuneration has been paid in accordance with the requisite approval mandated by the provisions of section 197, read with schedule V of the Act.
- (xii) The Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) In our opinion the transactions with the related parties are in compliance with sections 177 and 188 of the Act and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) The Company has not made preferential allotment or private placement of shares or issued any debentures during the year.
- (xv) The Company has not entered into non-cash transactions with directors or persons connected with him.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Coimbatore  
15th June 2020

**For SRIKISHEN & CO**  
Chartered Accountants  
Registration No: 004009S

**K. Murali Mohan**  
Proprietor, Auditors  
Membership No. 014328  
UDIN: 20014328AAAAFU4344





## Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of **The Peria Karamalai Tea and Produce Company Limited ("the Company")** as of March 31, 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

The Board of Directors of the Company 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. 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 respective 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 internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### 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.

Coimbatore  
15th June 2020

#### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, 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 March 31, 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 the Institute of Chartered Accountants of India.

**For SRIKISHEN & CO**  
Chartered Accountants  
Registration No: 004009S

**K. Murali Mohan**  
Proprietor, Auditors  
Membership No. 014328  
UDIN: 20014328AAAAFU4344

**BALANCE SHEET AS AT 31ST MARCH 2020**

(Rupees in Lakhs)

	Note	31.03.2020	31.03.2019
<b>ASSETS</b>			
<b>1 Non-current Assets</b>			
a Property, Plant and Equipment	1	3,549.27	3,748.03
b Capital Work In Progress	1	109.97	165.28
c Intangible assets	1	0.42	0.59
d Right of use Asset	1	90.66	—
e Financial Assets:			
i) Investments	2	11,078.98	12,801.22
ii) Other Financial Assets	3	160.42	173.02
f Deferred Tax Asset (Net)	4	969.40	1,020.08
g Other Non-Current Assets	5	121.45	116.54
		<u>16,080.57</u>	<u>18,024.76</u>
<b>2 Current Assets</b>			
a Inventories	6	979.61	615.73
b Financial Assets:			
i) Trade receivables	7	211.66	389.70
ii) Cash and cash equivalents	8a)	172.51	54.53
iii) Bank Deposits other than (ii) above	8b)	17.86	92.33
iv) Loans	9	2,290.00	1,015.00
v) Other Financial Assets	10	91.97	95.17
c Other current assets	11	15.00	11.67
		<u>3,778.61</u>	<u>2,274.13</u>
<b>T O T A L</b>		<u>19,859.18</u>	<u>20,298.89</u>
<b>EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
a Equity Share capital	12	309.59	309.59
b Other Equity	13	16,094.28	16,797.22
		<u>16,403.87</u>	<u>17,106.81</u>
<b>2 Non-current Liabilities</b>			
a Financial Liabilities			
i) Borrowings	14	1,031.49	1,347.75
ii) Lease Liabilities	15	49.10	—
iii) Other Financial Liabilities	16	28.80	29.77
b Provisions	17	91.46	30.77
		<u>1,200.85</u>	<u>1,408.29</u>
<b>3 Current Liabilities</b>			
a Financial Liabilities			
i) Borrowings	18	1,278.46	924.63
ii) Trade payables	19		
a) Total outstanding dues of Micro and Small enterprises		0.96	—
b) Total outstanding dues other than Micro and Small enterprises		440.75	407.69
iii) Lease liabilities	20	45.39	—
iv) Other financial liabilities	21	241.42	143.38
b Other Current Liabilities	22	45.19	98.80
c Current Tax Liabilities ( Net )	23	116.86	124.55
d Provisions	24	85.43	84.74
		<u>2,254.46</u>	<u>1,783.79</u>
<b>T O T A L</b>		<u>19,859.18</u>	<u>20,298.89</u>
See accompanying notes to the financial statements	31		

In terms of our Report attached

For and on behalf of the Board of Directors

For Srikishen & Co  
Chartered Accountants  
Reg. No. 004009S

**Lakshmi Niwas Bangur**  
Chairman  
DIN : 00012617

**Alka Devi Bangur**  
Managing Director  
DIN : 00012894

**Shreeyash Bangur**  
Dy. Managing Director,  
DIN : 00012825

**K. Murali Mohan**  
Proprietor, Auditor M.No. 014328  
Coimbatore, 15th June 2020

**Sanjeev Kumar Singh**  
Chief Executive Officer

**Kannusamy Ashokan**  
Chief Financial Officer

**Saurav Singhania**  
Company Secretary

Kolkata, 15th June 2020

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2020**

(Rupees in Lakhs)

	Note No.	31.03.2020	31.03.2019
<b>Income:</b>			
Revenue from operations	25	3,938.21	4,920.12
Other income	26	39.01	31.03
<b>Total Income</b>		<b>3,977.22</b>	<b>4,951.15</b>
<b>Expenses:</b>			
Cost of materials consumed		264.71	301.64
Purchase of stock in trade		16.61	140.83
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	27	(428.29)	(176.24)
Employee benefits expense	28	2,497.79	2,498.04
Finance costs	29	253.40	207.84
Depreciation and amortization expense	1	424.05	346.52
Other expenses	30	1,129.93	1,225.40
<b>Total expenses</b>		<b>4,158.20</b>	<b>4,544.03</b>
Profit / (Loss) before tax		(180.98)	407.12
Tax expense:			
1. Current Tax Expense		130.00	240.00
2. Prior year taxes		—	261.87
3. Deferred Tax Liability Provided / (Reversed)		50.68	113.55
4. Mat Credit Entitlement		—	(501.87)
Profit from continuing operations for the year		(361.66)	293.57
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss			
i) Changes in fair value of FVOCI Equity Instruments			
- Quoted		(52.65)	1.22
- Unquoted		(269.09)	(25.12)
ii) Remeasurements of post employment defined benefit plans		8.45	11.31
iii) Income tax relating to these items		—	—
Other Comprehensive Income for the year net of tax		(313.29)	(12.59)
<b>Total Comprehensive Income for the Year</b>		<b>(674.95)</b>	<b>280.99</b>
Earnings per equity share:			
(1) Basic (Face Value of Rs 10/- per share)		(11.68)	9.48
(2) Diluted (Face Value of Rs 10/- per share)		(11.68)	9.48
See accompanying notes to the financial statements.	31		

In terms of our Report attached

For Srikishen & Co  
Chartered Accountants  
Reg. No. 004009S**K. Murali Mohan**  
Proprietor, Auditor M.No. 014328  
Coimbatore, 15th June 2020

For and on behalf of the Board of Directors

**Lakshmi Niwas Bangur**  
Chairman  
DIN : 00012617**Sanjeev Kumar Singh**  
Chief Executive Officer**Alka Devi Bangur**  
Managing Director  
DIN : 00012894**Kannusamy Ashokan**  
Chief Financial Officer**Shreyash Bangur**  
Dy. Managing Director,  
DIN : 00012825**Saurav Singhania**  
Company Secretary

Kolkata, 15th June 2020

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

(Rupees in Lakhs)

	<b>31.3.2020</b>	<b>31.3.2019</b>
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax	<b>(180.98)</b>	407.12
Adjustments for:		
Depreciation and Amortisation	<b>424.05</b>	346.52
Loss / (Gain) on sale of Property, Plant & Equipments (Net)	<b>(9.91)</b>	(10.33)
Net gain arising on Mutual Funds designated at FVTPL	<b>(233.49)</b>	(589.83)
Items debited/ (credited) to OCI	<b>8.45</b>	11.32
Gain on sale of Mutual Funds designated at FVTPL	<b>(115.10)</b>	(40.82)
Interest income on financial assets	<b>(168.63)</b>	(117.38)
Dividend income from investment in equity shares	<b>(0.14)</b>	(0.07)
Finance costs	<b>253.40</b>	207.84
Operating Profit before working capital changes	<b>(22.35)</b>	214.37
Adjustments for:		
Other financial liability	<b>(0.97)</b>	36.22
Trade receivables and other assets	<b>179.95</b>	(45.14)
Inventories	<b>(363.88)</b>	(154.07)
Trade payables & other liabilities	<b>34.91</b>	(160.82)
Short term borrowings	<b>353.83</b>	242.67
Cash generated from operations	<b>181.49</b>	133.23
Direct Taxes paid (net)	<b>(137.69)</b>	(352.12)
Net Cash from operating activities	<b>43.80</b>	(218.89)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant & Equipments	<b>(105.11)</b>	(283.98)
Sale of Property, Plant & Equipments	<b>13.76</b>	10.33
Purchase of Non-current Investments	<b>(102.12)</b>	—
Sale of Investments	<b>1,851.22</b>	860.00
Interest received from financial assets	<b>174.28</b>	118.51
Bank balance not considered as cash and cash equivalents	<b>74.47</b>	9.41
Intercorporate loans (given)/ received	<b>(1,275.00)</b>	(320.00)
Dividend received from investment in equity shares	<b>0.14</b>	0.07
Net Cash used in investing activities	<b>631.63</b>	394.34
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of Long term borrowings	<b>(213.58)</b>	(69.01)
Payment of Lease liabilities	<b>(64.72)</b>	—
Finance costs paid	<b>(251.16)</b>	(207.84)
Dividend paid including dividend distribution tax	<b>(27.99)</b>	(28.00)
Net Cash used in financing activities	<b>(557.45)</b>	(304.85)
Net increase / decrease in Cash and Cash Equivalents	<b>117.98</b>	(129.40)
Opening Cash and Cash Equivalents	<b>54.53</b>	183.93
Closing Cash and Cash Equivalents	<b>172.51</b>	54.53

In terms of our Report attached

For Srikishen & Co  
Chartered Accountants  
Reg. No. 004009S

**K. Murali Mohan**  
Proprietor, Auditor M.No. 014328  
Coimbatore, 15th June 2020

For and on behalf of the Board of Directors

**Lakshmi Niwas Bangur**  
Chairman  
DIN : 00012617

**Sanjeev Kumar Singh**  
Chief Executive Officer

**Alka Devi Bangur**  
Managing Director  
DIN : 00012894

**Kannusamy Ashokan**  
Chief Financial Officer

**Shreyash Bangur**  
Dy. Managing Director,  
DIN : 00012825

**Saurav Singhania**  
Company Secretary

Kolkata, 15th June 2020

**STATEMENT OF CHANGES IN EQUITY****EQUITY SHARE CAPITAL**

(Rupees in Lakhs)

	Face value	Amount
<b>As at 31.3.2019</b>	10	309.59
Changes in Equity Capital		—
<b>As at 31.3.2020</b>	10	309.59

**OTHER EQUITY**

(Rupees in Lakhs)

	Reserves and Surplus				Item of other comprehensive Income		Total
	Securities Premium	Capital Reserve	General Reserve	Retained Earnings	Equity Instruments through OCI	Remeasurements of Post-employment benefits obligations	
<b>Balance as at 01.04.2018</b>	<b>279.74</b>	<b>41.69</b>	<b>8,302.10</b>	<b>4,480.73</b>	<b>3,466.31</b>	<b>(26.33)</b>	<b>16,544.24</b>
Profit for the year				293.57	—		293.57
Other Comprehensive Income				—	(23.90)	11.31	(12.59)
Dividend paid				(23.22)	—		(23.22)
Dividend tax paid				(4.78)	—		(4.78)
<b>Balance as at 31.03.2019</b>	<b>279.74</b>	<b>41.69</b>	<b>8,302.10</b>	<b>4,746.30</b>	<b>3,442.41</b>	<b>(15.02)</b>	<b>16,797.22</b>
Profit for the year				(361.66)			(361.66)
Other Comprehensive Income					(321.74)	8.45	(313.29)
Dividend paid				(23.22)			(23.22)
Dividend tax paid				(4.77)			(4.77)
<b>Balance as 31.03.2020</b>	<b>279.74</b>	<b>41.69</b>	<b>8,302.10</b>	<b>4,356.65</b>	<b>3,120.67</b>	<b>(6.57)</b>	<b>16,094.28</b>

In terms of our Report attached

For Srikishen & Co  
Chartered Accountants  
Reg. No. 004009S

**K. Murali Mohan**  
Proprietor, Auditor M.No. 014328  
Coimbatore, 15th June 2020

For and on behalf of the Board of Directors

**Lakshmi Niwas Bangur**  
Chairman  
DIN : 00012617

**Sanjeev Kumar Singh**  
Chief Executive Officer

**Alka Devi Bangur**  
Managing Director  
DIN : 00012894

**Kannusamy Ashokan**  
Chief Financial Officer

**Shreyash Bangur**  
Dy. Managing Director,  
DIN : 00012825

**Saurav Singhania**  
Company Secretary

Kolkata, 15th June 2020



## NOTES TO FINANCIAL STATEMENTS

### 1. PROPERTY, PLANT AND EQUIPMENT

(Rupees in Lakhs)

PARTICULARS	FREE HOLD LAND & DEVELOPMENT	BUILDINGS	PLANT, MACHINERY & EQUIPMENTS	SOLAR PLANT	FURNITURES & FIXTURES	VEHICLES	BEARER PLANTS	COMPUTERS	SOFTWARE	TOTAL
<b>I. GROSS CARRYING VALUE</b>										
As at 01.04.2019	490.41	894.65	3,154.42	1,451.15	278.05	826.09	110.54	77.82	4.86	7,287.99
Additions during the year	—	—	156.99	—	—	0.81	0.93	1.69	—	160.42
Deletions during the year	—	—	29.26	—	0.76	76.95	—	—	—	106.97
<b>As at 31.03.2020</b>	<b>490.41</b>	<b>894.65</b>	<b>3,282.15</b>	<b>1,451.15</b>	<b>277.29</b>	<b>749.95</b>	<b>111.47</b>	<b>79.51</b>	<b>4.86</b>	<b>7,341.44</b>
<b>II. ACCUMULATED DEPRECIATION / AMORTISATION</b>										
As at 01.04.2019	—	581.68	2,040.45	79.71	171.23	583.48	6.03	72.52	4.27	3,539.37
Depreciation during the year	—	20.48	179.08	72.16	25.71	54.03	2.25	1.62	0.17	355.50
Deletions during the year	—	—	29.26	—	0.76	73.10	—	—	—	103.12
<b>As at 31.03.2020</b>	<b>—</b>	<b>602.16</b>	<b>2,190.27</b>	<b>151.87</b>	<b>196.18</b>	<b>564.41</b>	<b>8.28</b>	<b>74.14</b>	<b>4.44</b>	<b>3,791.75</b>
<b>III. NET CARRYING VALUE</b>										
<b>As at 31.03.2020</b>	<b>490.41</b>	<b>292.49</b>	<b>1,091.88</b>	<b>1,299.28</b>	<b>81.11</b>	<b>185.54</b>	<b>103.19</b>	<b>5.37</b>	<b>0.42</b>	<b>3,549.69</b>
As at 31.03.2019	490.41	312.97	1,113.97	1,371.44	106.82	242.61	104.51	5.30	0.59	3,748.62

### CAPITAL WORK IN PROGRESS

(Rupees in Lakhs)

PARTICULARS	GROSS BLOCK AT COST		
	As at 01.04.2019	Additions / (Reversals)	As at 31.03.2020
PLANT, MACHINERY & EQUIPMENTS	99.57	11.57 (99.57)	11.57
BEARER PLANTS	65.71	32.69	98.40
<b>TOTAL</b>	<b>165.28</b>	<b>(55.31)</b>	<b>109.97</b>

### RIGHT-OF-USE ASSET

(Refer Note no.31(B)(1))

DESCRIPTION OF ASSET	GROSS CARRYING VALUE	DEPRECIATION FOR THE YEAR	NET CARRYING VALUE
BUILDING	159.21	68.55	90.66
<b>TOTAL</b>	<b>159.21</b>	<b>68.55</b>	<b>90.66</b>





## NOTES TO FINANCIAL STATEMENTS

### 2. NON CURRENT INVESTMENTS

(Rupees in lakhs)

Particulars	Nominal value of Each Share (Rs)	Balance As at 31.03.2020		Balance As at 31.03.2019	
		No. of Shares	Amount	No. of Shares	Amount
<b>a) Investments in Equity Instruments</b>					
i) Fully paid -Unquoted Equity shares at FVOCI					
Placid Limited	100	93,590	3,527.40	93,590	3,826.90
Navjyoti Commodity Management Services Ltd	10	2,50,000	184.73	2,50,000	154.32
ii) In Subsidiary Companies at cost					
PKT Plantations Ltd	10	2,50,000	25.00	2,50,000	25.00
Shivpal Vinimay Private Ltd	10	50,000	5.00	50,000	5.00
iii) In fully paid Equity Shares at FVOCI :					
Quoted :					
MOIL Limited	10	2,272	2.33	2,272	3.60
Kiran Vyapar Ltd	10	1,00,000	50.75	—	—
<b>b) In Bonds : Quoted at Amortised Cost</b>					
Tax Free Bonds:					
Power finance Corporation of India- 8.20% 10 Year	1,000	28,479	284.79	28,479	284.79
Indian Railway Finance Corporation - 8.00% 10 year	1,000	15,225	152.25	15,225	152.25
<b>c) In Debt instruments designated at FVTPL</b>					
Investments In Mutual Funds					
HDFC Corporate Bond Fund Growth	10	2,71,60,736	6,223.58	3,55,03,216	7,388.40
HDFC Capital builder Fund Growth	100	3,17,559	623.15	3,17,559	960.96
			<b>11,078.98</b>		<b>12,801.22</b>
Aggregate carrying amount of Quoted Investments			490.12		440.64
Aggregate market value of Quoted Investments			490.12		440.64
Aggregate amount of Unquoted Investments			10,588.86		12,360.58
Aggregate amount of impairment in value of Investments			—		—



## NOTES TO FINANCIAL STATEMENTS

(Rupees in Lakhs)

	31.3.2020	31.3.2019
<b>3 OTHER FINANCIAL ASSETS</b>		
Non Current		
a) Security Deposits	124.73	149.83
b) Other Advance	23.35	18.94
c) Deposit with banks having more than 12 months maturity	12.34	4.25
	<u>160.42</u>	<u>173.02</u>
<b>4 DEFERRED TAX ASSET (NET)</b>		
i) Mat credit entitlement	1,174.98	1,174.98
ii) Opening Deferred Tax Liability	(154.90)	(41.35)
Add Deferred tax asset provided during the year	(50.68)	(113.55)
	<u>(205.58)</u>	<u>(154.90)</u>
iii) Closing Deferred Tax asset	969.40	1,020.08
	<u>969.40</u>	<u>1,020.08</u>
<b>5 OTHER - NON CURRENT ASSETS</b>		
a) Agriculture Income tax (NET)	77.06	77.06
b) Prepaid Rent	0.56	1.12
c) Capital advances	39.66	38.36
d) Tax paid on Income Tax appeal	4.17	—
	<u>121.45</u>	<u>116.54</u>
<b>6 INVENTORIES</b>		
a) Finished goods:		
Tea Valued at lower of cost and Net realisable value	902.02	473.73
b) Stores and Spares Valued at Average cost	77.30	138.28
c) Loose Tools Valued at Average Cost	0.29	3.72
	<u>979.61</u>	<u>615.73</u>
<b>FINANCIAL ASSETS - CURRENT</b>		
<b>7 TRADE RECEIVABLES</b>		
Un-Secured - Considered Good	211.66	389.70
	<u>211.66</u>	<u>389.70</u>

**NOTES TO FINANCIAL STATEMENTS***(Rupees in Lakhs)*

	31.3.2020	31.3.2019
<b>8 a) CASH AND CASH EQUIVALENTS</b>		
i) Balance with Banks in Current Account	42.00	39.18
ii) Balance with Banks in Deposit Account (with less than 3 months maturity)	128.32	11.02
iii) Cash on hand	2.19	4.33
	<u>172.51</u>	<u>54.53</u>
<b>b) BANK DEPOSITS OTHER THAN ABOVE</b>		
i) With more than 3 months but less than 12 months maturity	5.24	3.06
ii) Unpaid dividend Account	12.62	19.50
iii) Balance with banks to the extent held as margin money or security against borrowings, guarantees, other commitments	—	69.77
	<u>17.86</u>	<u>92.33</u>
<b>9 LOANS</b>		
Current Unsecured and Considered Good :		
Loans and advances to :-		
Related Parties (Refer Note no. 31(8)(13) & (14))	1,950.00	675.00
Others	340.00	340.00
	<u>2,290.00</u>	<u>1,015.00</u>
<b>10 OTHER FINANCIAL ASSETS</b>		
a) Advances recoverable in cash or in kind or for value to be recovered	23.94	38.02
b) Interest accrued on Loans and Deposits		
Related Parties	—	—
Others	44.10	49.75
c) Tea Subsidy receivable	23.93	7.40
	<u>91.97</u>	<u>95.17</u>
<b>11 CURRENT TAX ASSETS (NET)</b>		
Others:		
Prepaid Expenses	15.00	11.67
	<u>15.00</u>	<u>11.67</u>



## NOTES TO FINANCIAL STATEMENTS

(Rupees in Lakhs)

	31.3.2020	31.3.2019
<b>12 EQUITY SHARE CAPITAL</b>		
<b>Authorised</b>		
7,500,000 Equity Shares of Rs. 10/- each (Seventy five lakh shares of Rupees ten each)	<b>750.00</b>	750.00
<b>Issued and Subscribed</b>		
30,95,879 Equity Shares of Rs. 10/- each fully Paid	<b>309.59</b>	309.59
	Number of shares	Number of shares
At the Commencement of the year	<b>30,95,879</b>	30,95,879
Changes During The year	—	—
At the close of the Year	<b>30,95,879</b>	30,95,879
<b>Equity shareholders holding more than 5% shares:</b>		
Placid Ltd	<b>6,68,574</b>	6,63,454
Kiran Vyapar Ltd	<b>4,70,224</b>	4,70,224
Life Insurance Corporation of India Ltd	<b>1,94,347</b>	2,07,712



## NOTES TO FINANCIAL STATEMENTS

(Rupees in Lakhs)

### 13 OTHER EQUITY

#### Other Equity

Particulars	Reserves and Surplus				Other comprehensive income reserve		Total
	Securities Premium	Capital Reserve	General Reserve	Retained Earnings	Equity instruments through OCI	Remeasurement of Post employment benefits Obligation	
<b>Balance as at 01.04.2018</b>	<b>279.74</b>	<b>41.69</b>	<b>8,302.10</b>	<b>4,480.73</b>	<b>3,466.31</b>	<b>(26.33)</b>	<b>16,544.24</b>
Profit for the year				293.57	—		293.57
Other Comprehensive Income				—	(23.90)	11.31	(12.59)
Dividend paid				(23.22)	—		(23.22)
Dividend tax paid				(4.78)	—		(4.78)
<b>Balance as at 31.03.2019</b>	<b>279.74</b>	<b>41.69</b>	<b>8,302.10</b>	<b>4,746.30</b>	<b>3,442.41</b>	<b>(15.02)</b>	<b>16,797.22</b>
Profit for the year				(361.66)			(361.66)
Other Comprehensive Income					(321.74)	8.45	(313.29)
Dividend paid				(23.22)			(23.22)
Dividend tax paid				(4.77)			(4.77)
<b>Balance as at 31.03.2020</b>	<b>279.74</b>	<b>41.69</b>	<b>8,302.10</b>	<b>4,356.65</b>	<b>3,120.67</b>	<b>(6.57)</b>	<b>16,094.28</b>

**31.3.2020**

31.3.2019

### 14 BORROWINGS

Secured : From Banks

From Banks

- |   |               |          |
|---|---------------|----------|
| 1) Term Loan from Union Bank Of India, Coimbatore<br>(Secured by Hypothecation of Plant and machinery purchased out of the loan and collateraly secured by 988.15 acres of land & factory building at Nadumalai estate in Anamalai Hills Valparai Municipality).<br>(Repayable in 60 monthly installments of Rs.5,00,000/- commencing from 1.10.2017 at Effective Interest rate of 9.4%)        | <b>85.00</b>  | 145.00   |
| 2) Term Loan from HDFC Bank Limited<br>(Secured by charge on all the movable fixed assets of Company funded out of term loan and on land measuring 15.3225 acres at Kudipatty Madurai district & Lien marked on 36,82,500 units of HDFC Corporate Bond Fund Growth)<br>Repayable in 108 monthly installments of Rs.11,29,853/- commencing from 04.01.2019) at Effective Interest rate of 8.75%) | <b>915.18</b> | 1,153.40 |



## NOTES TO FINANCIAL STATEMENTS

(Rupees in Lakhs)

	31.3.2020	31.3.2019
3) Union Bank of India - Vehicle loan (Secured by the vehicle, Repayable in 60 installments of Rs. 47,895 Interest rate 9.95%) Period and amount of continuing default Rs. Nil)	12.24	16.30
<b>From Others:</b>		
1) Kotak Mahindra Prime Limited - Vehicle Loan (Secured by the vehicle , Repayable in 60 installments of Rs. 1,20,025/-) Period and amount of continuing default Rs. Nil at effective interest rate of 7.8%)	19.07	33.05
	<u>1,031.49</u>	<u>1,347.75</u>
<b>15 LEASE LIABILITIES</b>		
Non-Current lease liabilities (Refer Note No. 31(B)(1))	49.10	—
	<u>49.10</u>	<u>—</u>
<b>16 OTHER FINANCIAL LIABILITIES</b>		
Others - Deposit Received from Customers	28.23	28.62
Security Deposit - Rent	0.57	1.15
	<u>28.80</u>	<u>29.77</u>
<b>17 PROVISIONS</b>		
Provision for employees benefit :		
Provision for Gratuity	91.46	30.77
	<u>91.46</u>	<u>30.77</u>

**NOTES TO FINANCIAL STATEMENTS***(Rupees in Lakhs)*

	31.3.2020	31.3.2019
<b>FINANCIAL LIABILITIES - CURRENT</b>		
<b>18 BORROWINGS</b>		
1) Working Capital Demand Loan from HDFC Bank Limited (Secured by exclusive charge on all the movable fixed assets of the company both present and future except those financed by Union Bank of India and all current assets of the company both present and future. The said loan is repayable within six months from date of availment)	300.00	—
Secured Loan repayable on demand		
2) Cash credit facility from HDFC Bank Limited (Secured by charge on all the movable fixed assets of Company both present and future except those financed by UBI and on land measuring 15.3225 acres at Kudipatty Madurai district. Secured by charge on all the current assets of the Company both present and future) Limit - Rs. 10,00,00,000	978.46	924.63
	<u>1,278.46</u>	<u>924.63</u>
<b>19 TRADE PAYABLES</b>		
Total outstanding dues of Micro & Small Enterprises	0.96	—
Due to Others	440.75	407.69
	<u>441.71</u>	<u>407.69</u>
<b>20 LEASE LIABILITIES</b>		
Current Lease Liabilities (Refer No. 31(B)(1))	45.39	—
	<u>45.39</u>	<u>—</u>
<b>21 OTHER FINANCIAL LIABILITIES</b>		
a) Current maturities of long term debt	217.14	114.46
b) Interest accrued but not due on term loans	11.66	9.42
c) Unpaid dividends	12.62	19.50
	<u>241.42</u>	<u>143.38</u>





## NOTES TO FINANCIAL STATEMENTS

(Rupees in Lakhs)

	31.3.2020	31.3.2019
<b>22 OTHER CURRENT LIABILITIES</b>		
Other Payables :		
Creditors for Capital Expenditure	16.91	43.03
Statutory Remittances	28.28	55.77
	<u>45.19</u>	<u>98.80</u>
<b>23 CURRENT TAX LIABILITY (NET)</b>		
Provision for Taxation (Net)	116.86	124.55
	<u>116.86</u>	<u>124.55</u>
<b>24 PROVISIONS</b>		
Provision for employees benefit :		
Provision for Gratuity	85.43	84.74
	<u>85.43</u>	<u>84.74</u>

**NOTES TO FINANCIAL STATEMENTS***(Rupees in Lakhs)*

	<b>31.03.2020</b>	<b>31.03.2019</b>
<b>25 REVENUE FROM OPERATIONS</b>		
Sale of Products :		
Tea	<b>3,138.60</b>	3,951.32
Minor Produce	<b>25.71</b>	—
Other Operating Revenues :		
Excess provision in prior year reversed	—	141.51
Income from tea Subsidy	<b>16.53</b>	7.40
Sale of Electricity	<b>242.31</b>	85.25
Income from Carbon credits	<b>1.13</b>	-
Fair value gain from Financial assets (Mutual Funds)	<b>233.49</b>	589.83
Dividend Income	<b>0.14</b>	0.07
Interest on loans and advances	<b>129.67</b>	68.39
Interest on Tax free Bonds	<b>35.53</b>	35.53
Profit on Sale of Investments	<b>115.10</b>	40.82
	<b>3,938.21</b>	4,920.12
<b>26 OTHER INCOME</b>		
Interest Income on		
Bank Deposit and EB Deposits	<b>3.41</b>	6.20
Others	<b>0.02</b>	6.28
Unwinding of discount on Security Deposit	<b>3.59</b>	0.97
Profit on Sale of Assets	<b>10.21</b>	10.33
Scrap sales	<b>12.04</b>	—
Sundry Receipts	<b>9.74</b>	7.25
	<b>39.01</b>	31.03
<b>27 CHANGES IN INVENTORIES OF FINISHED GOODS</b>		
<b>Work in Progress and Stock in Trade</b>		
Opening stock of Finished Goods :		
Tea	<b>473.73</b>	297.49
Minor produce	—	—
	<b>473.73</b>	297.49
Less: Closing stock of Finished Goods		
Tea	<b>902.02</b>	473.73
Minor produce	—	—
Net changes in inventories	<b>(428.29)</b>	(176.24)



## NOTES TO FINANCIAL STATEMENTS

(Rupees in Lakhs)

	31.03.2020	31.03.2019
<b>28 EMPLOYEE BENEFITS EXPENSES :</b>		
Salaries, Wages and Bonus	2,134.55	2,088.39
Contribution to Provident, Gratuity and Pension Fund	265.89	287.24
Employees welfare Expenses	97.35	122.41
	2,497.79	2,498.04
<b>29 FINANCE COST</b>		
Interest Expenses		
Term loan	137.47	124.99
Cash Credit and others	93.78	82.34
Lease liability	11.70	—
Income Tax	10.45	0.51
	253.40	207.84
<b>30 OTHER EXPENSES :</b>		
Power and Fuel	406.44	391.48
Rent	4.47	68.40
Repairs to Buildings	154.62	186.58
Repairs to Machinery	176.71	165.31
Insurance	23.29	25.05
Rates and Taxes	3.27	3.60
Transport	53.35	56.78
General Charges - Estate	75.07	82.63
Commission and Brokerage	17.52	21.31
Payment to Auditors		
Statutory Audit fee	1.25	1.25
For Certification	1.53	0.90
For Taxation	1.25	1.25
Travelling Expenses	65.68	84.56
Tea Selling Expenses	70.53	60.79
Postage, Telephone & Telegram	8.48	12.30
Professional Charges	21.00	21.88
Miscellaneous Expenses	45.48	41.33
	1,129.93	1,225.40



## ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS

### 31 Notes to the Financial Statements

#### A Corporate Information:

The Peria Karamalai Tea and Produce Company Limited is a Public Limited Company domiciled in India and incorporated under The Companies Act, 1956. The registered office of the company is at Kolkata, West Bengal, India. It is mainly engaged in the production and distribution of Tea, generation and distribution of power and investment in financial instruments.

The financial statements for the year ended March 31, 2020 are approved for issue by Company's Board of Directors on 15th June, 2020.

#### B. Significant Accounting Policies

##### 1. Basis of preparation and presentation:

###### a) Statement of Compliance:

These financial statements have been prepared in accordance with the generally accepted accounting principles in India and have complied in all material respects with the Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 (the Act), the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 as applicable and also complied with other relevant provisions of the Act and Interpretations issued by the Ind AS Transition Facilitation Group (ITFG) applicable to Companies reporting under Ind As and additional disclosures required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

###### b) Basis of measurement:

The financial statements have been prepared on the historical cost convention on accrual basis except for certain assets and liabilities as stated in the respective policies at fair value at the end of each reporting period.

###### c) Current and Non- Current Classification:

All assets and liabilities have been classified as current and non-current as per the company's normal operating cycle and other criteria set out in Ind AS 1 – Presentation of financial statements and schedule III to the Companies act, 2013. Based on the nature of the products and the time between acquisition of assets for processing and their realization of cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of classification of assets and liabilities as current and non-current.

The Statement of Cash flows have been prepared under Indirect Method.

##### 2. Estimates and Judgements:

###### a) Use of estimates and judgments

The preparation of financial statements is in conformity with the generally accepted accounting principles that require the management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities as at the balance sheet date, reported amounts of revenue and expenses for the year and disclosure of contingent liabilities as of the date of balance sheet. The judgements, estimates and assumptions used in the accompanying financial statements are based upon the management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual amounts could differ from these estimates.



## NOTES TO FINANCIAL STATEMENTS (Contd..)

### b) Significant estimates and judgements

The areas involving significant estimates and judgements are:

- (i) Defined benefit obligation – Refer note No. 31 (C) (8) (b).
- (ii) Current tax expense – Refer note no. 31(B) (18) (a).

### 3. Property, Plant and Equipment:

- a) Freehold land is carried at cost. All other items of property, plant and equipment including intangibles are carried at cost less accumulated depreciation/amortisation and impairment losses, if any.

Subsequent expenditure relating to an asset is included in its book value only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of a component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

- b) Biological Assets

#### Bearer Plants

Biological Assets which are held to bear agricultural produce are classified as bearer plants. The company recognises tea bushes in the estates as bearer plants which are carried at cost of acquisition less accumulated depreciation and any recognised impairment losses. Costs comprise of expenditure on development, extension, planting, infilling and replanting including cost of uprooting and maintenance of the newly planted bushes. The above costs are carried under Capital Work in Progress until maturity of such bushes.

### 4. Intangible Assets

Intangible assets with finite useful life that are acquired separately are carried out at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised on straight-line basis over their estimated useful life.

### 5. Depreciation and amortization

Depreciation on tangible assets is in line with the rates specified in Schedule II to the Companies Act, 2013 except for Bearer Plants which are depreciated over their estimated useful life. Tools are amortized over a period of two years. Cost of Intangible assets is amortized over a period of three years on straight line basis.

### 6. Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

### 7. Impairment

The carrying values of assets/cash generating units at each Balance Sheet date are annually reviewed for impairment. If any indication of impairment exists (i.e., if the carrying amount of these assets exceeds their recoverable amount), the recoverable amount of such assets is estimated and impairment is recognized. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by



## NOTES TO FINANCIAL STATEMENTS (Contd..)

discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased such reversal of impairment loss is recognised in the Statement of Profit and Loss.

### 8. Foreign Currency translation

#### a) Functional and presentation currency

The financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.

#### b) Transactions and balances

##### i) Initial Recognition

Foreign currency transactions are recorded in functional currency using the exchange rates prevailing on the date of transaction.

##### ii) Subsequent recognition

As at the reporting date, monetary assets and liabilities denominated in foreign currency are restated at the closing exchange rates. Exchange differences arising out of actual payment/ realisation and from the year end restatement are recognized in the statement of profit and Loss.

### 9. Inventories

Inventories are stated at lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Cost of Finished goods (Tea) is determined based on absorption costing method.

Agricultural produce included in the inventory are measured at fair value less estimated point of sale costs

Cost of Nursery stocks represents cost incurred in raising and maintaining such stocks till transplanted.

Inventory at stores are carried at cost. Provision is made for obsolete, slow-moving and defective stocks, where necessary.

### 10. Cash and cash equivalents

Cash and cash equivalents consist of all cash balances including demand deposits with banks with original maturities of three months or less.

### 11. Trade Receivable

Trade receivables are recognised less provision for impairment, if any.

### 12. Investments and Other Financial Assets

#### (i) Classification

The Company classifies its financial assets in the following measurement categories:

- (a) Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and



## NOTES TO FINANCIAL STATEMENTS (Contd..)

(b) Those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flow.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVTOCI). The company transfers amount from other comprehensive income to retained earnings on the de-recognition of the relevant equity instruments for which such irrevocable election has been made by the company.

The Company reclassifies debt instruments when and only when its business model for managing those asset changes.

### (ii) Measurement

#### Initial Recognition

The Company measures a financial asset (in the case of a financial asset not carried at a fair value through profit or loss) at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit and loss.

Subsequent Measurement:

#### (a) Equity Instruments

The Company subsequently measures all investments in equity (except that in the subsidiary) at fair value and has elected to present fair value gains and losses on equity investments in other comprehensive income with no subsequent reclassification of fair value gains and losses to the statement of profit and loss.

Investments in subsidiaries and associates are measured at cost less provision for impairment.

#### (b) Debt Instruments

Company's investments in Mutual Funds (debt funds) are measured at Fair Value through Profit or Loss (FVTPL). A gain or loss on a debt investment that is subsequently measured at FVTPL and is not part of a hedging relationship is recognized in profit or loss and presented in the statement of profit and loss in the period in which it arises.

### (iii) Impairment of financial assets:

The Company assesses expected credit losses associated with its assets carried at amortised cost based on Company's past history of recovery, credit-worthiness of the counter party and existing market conditions. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Company applies the simplified approach for recognition of impairment allowance as provided in Ind AS 109, which requires expected credit losses to be recognised from initial recognition of the receivables.





## NOTES TO FINANCIAL STATEMENTS (Contd..)

### (iv) De-recognition of financial assets:

A financial asset is de-recognised only when:

- (a) The Company's contractual right to the cash flow expires or
- (b) The Company has transferred the rights to receive cash flows from the financial asset.

### 13. Financial liabilities

#### Initial recognition and measurement:

All financial liabilities are recognised initially at fair value and in case of loans and borrowings net of directly attributable costs. Financial liabilities are subsequently measured at amortised cost using effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying value approximates fair value due to short maturity of these instruments.

### 14. Revenue Recognition:

Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers. It requires revenue to be recognised when (or as) the entity satisfies a performance obligation by transferring a promised good/service to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

The entity recognizes significant financing component in a contract as finance cost (or income) as per Ind AS 115. No effect has been provided for contracts for which period of obligation is one year or less (as per para 63 of Ind AS 115).

Revenue from contract with customers is recognised when the company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations maybe satisfied at a point of time or over a period of time. Performance obligations satisfied over a period of time are recognised as per the terms of relevant contractual agreements/ arrangements. Performance obligations are said to be satisfied at a point of time when the customer obtains controls of the asset. Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and goods and service tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts.

Revenue from sale of tea at auction is recognised on receipt of sale notes from brokers.

Dividends are recognised in the statement of profit and loss only when the right to receive payment is established.

### 15. Leases:

#### The Company as a lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.



## NOTES TO FINANCIAL STATEMENTS (Contd..)

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

### **The Company as a lessor**

A Lease for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

### **16. Government Grant and Government assistance:**

Government grants are recognised at fair value where there is a reasonable assurance that the grant will be received and all attached conditions will be complied with.

Subsidies received against manufacture of specified varieties of tea are recorded as income in the period of manufacture of such goods.

Non-monetary grant is recognised at a nominal amount.

### **17. Employee benefits:**

#### **a) Short term obligations**

Liabilities for wages and salaries that are expected to be settled wholly within 12 months after the end of the period in which the employees render their related services are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet.

The Company recognises a liability and an expense for bonuses where there is a contractual obligation or where there is a past practice that has created a constructive obligation.



## NOTES TO FINANCIAL STATEMENTS (Contd..)

### b) Other Employee Benefit Obligation

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of the expected future payments to be made in respect of services provided by employee up to the end of reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss. 84 The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regard less of when the actual settlement is expected to occur.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as Short term employee benefit

### c) Post-employment obligations

The Company has the following post-employment obligations/plans:

- (a) Defined benefit plans such as gratuity for its eligible employees; and
- (b) Defined contribution plans such as provident fund and superannuation.

#### (i) Gratuity:

Liabilities with regard to the gratuity are determined by actuarial valuation at each balance sheet date using projected unit credit method by an Independent actuary. The Company makes annual contributions to The Gratuity Fund of The Peria Karamalai Tea & Produce Company (The Trust). Trustees administer contributions made to the trust and contributions are invested in schemes managed by Life Insurance Corporation of India.

The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

Actuarial gains or losses are recognized in other comprehensive income. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. Re-measurement gains or losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

#### (ii) Superannuation Fund:

This is a defined contribution plan. The Company contributes towards superannuation fund administered and managed by Life Insurance Corporation of India (LIC). The Company has no further obligations for future superannuation benefits other than its monthly contributions and recognises such contributions as expense in the year incurred.

#### (iii) Provident Fund:

This is a defined contribution plan and contributions made to the Fund as per the rules of the Company are charged to profit and loss as and when due. The Company has no further obligations for future provident fund benefits other than its monthly contributions.



## NOTES TO FINANCIAL STATEMENTS (Contd..)

### 18. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

#### (a) Current tax

The current tax expense for the period is the tax payable on the current period's taxable income computed at the applicable income tax rate and is recognised in the statement of profit and loss. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted.

The provision of tax is made following the normal provisions of the Income-tax Act, 1961 (Act). However, it is to be noted that the Company has the option to switch to lower tax regime as prescribed u/s 115BAA of the Act, before filing the Return of Income (ROI). The Company shall make a decision in consultation with its Tax Consultant and Auditors prior to filing of the ROI.

#### (b) Deferred tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and incurred tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

#### (c) Current and Deferred Tax for the year

Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are also recognised in other comprehensive income or directly in equity respectively.

#### (d) Minimum Alternate Tax:

According to section 115JAA of the Income Tax Act, 1961, Minimum Alternative Tax ('MAT') paid over and above the normal income tax in a year is eligible for carry forward for fifteen succeeding assessment years for set-off against normal income tax liability. The MAT credit asset is assessed against the relevant entities' normal income tax during the specified period.



## NOTES TO FINANCIAL STATEMENTS (Contd..)

### 19. Provisions and Contingencies

**Provisions:** Provisions are recognised when there is a present obligation or constructive obligation 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 there is a reliable estimate of the amount of the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the liability

**Contingent Liabilities:** Contingent liabilities are disclosed when there is a possible obligation arising from past events, 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 where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

### 20. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all potential equity shares.

### 21. Segment Reporting

Segments are identified based on the manner in which the Company's Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance. Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment and intangible assets other than goodwill.

### 22. Dividend to Shareholders

Final dividend distributed to equity shareholders is recognised in the period in which it is approved by the members of the Company in the Annual General Meeting. Interim dividend is recognised when approved by the Board of Directors at the Board meeting.

Dividend distributed (including interim dividend) is recognised in the Statement of changes in Equity.

## C. Other Notes to Financial Statements

### 1. Transition to IND AS 116

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to its lease contracts existing on April 1, 2019 using the modified retrospective approach under which the ROU Asset is measured at an amount equal to lease liability, which in turn is measured based on the remaining lease payments. . Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate. The incremental borrowing rate applied is 9%.



## NOTES TO FINANCIAL STATEMENTS (Contd..)

Right-of-use asset (ROU asset) - Building (Rupees in Lakhs)

Particulars	Amount
Amount recognised as ROU Asset on adoption of IND AS 116	159.21
Less: Depreciation*	68.55
Carrying amount as on 31.03.2020	90.66

\* The aggregate depreciation expenses on ROU Asset is included under the Depreciation and Amortisation expense in the statement of profit and loss.

Lease Liability (Rupees in Lakhs)

Particulars	Amount
Amount recognised as Lease Liability on adoption of IND AS 116	159.21
Add: Finance costs accrued during the period recognised in statement of profit and loss	11.70
Less: Payment of lease liabilities	76.42
Carrying amount as on 31.03.2020	94.49
Current portion of lease liabilities	45.39
Non-current portion of lease liabilities	49.10

Rental Expenses for short term leases recognised in the statement of profit and loss for the year ended 31.03.2020 is Rs.4.47 lakhs.

### 2. Contingent Liability and commitments to the extent not provided for:

#### i. Claims against the company not acknowledged as debts:

The Company has obtained a stay of proceedings from the Honourable High Court of Madras on 24th March 2006 against a proposition notice from the Commercial Tax Department for levy of sales tax on export sales affected through auction centres. The matter is pending and in common with the other tea planting companies.

#### ii. Income Tax Matters:

- Tax assessments have been completed up to Assessment year 2017-18.
- For the Assessment year 2012-13, the tax authorities have disputed the treatment of income under the head capital gains with regard to 'Exclusive agreement' and 'Non-Compete Fee'. The issue has been disputed in appeal before the appellate authorities. No provision has been made since there are no tax demands for the present. MAT Credit amounting to Rs.674.22 Lakhs pertaining to the said Assessment year is accounted for as Deferred Tax asset.
- Disputed tax dues of Rs.20.82 Lakhs pertaining to the Assessment year 2017-18 are appealed before CIT (Appeals), Coimbatore. The Company is advised that the cases are likely to be disposed of in its favour and hence no provision is considered necessary there for.
- The Company has not proposed to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as at the reporting date. Accordingly, no adjustments have been made in the financial results. Subsequently, if the company shifts to new tax regime, Deferred tax asset amounting to Rs.624.00 Lakhs created on account of MAT Credit entitlement and Unabsorbed depreciation loss pertaining to additional depreciation may have to be reversed.

**NOTES TO FINANCIAL STATEMENTS (Contd..)****3. Impact of COVID-19 Pandemic:**

The outbreak of COVID-19 pandemic and the resulting lockdown enforced from 23rd March 2020 did not affect the company's regular operations for this financial year significantly. Tea is our major product is classified as an essential commodity.

The Company has considered the possible effects that may result from the pandemic on the carrying amounts of property, plant and equipment, investments, inventories, receivables and other current assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external information which are relevant in determining the expected future performance of the Company. The Company has evaluated its liquidity position, recoverability of such assets and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial results may differ from that estimated as at the date of approval of these financial results.

**4. The details of amounts outstanding to Micro and Small Enterprises based on available information with the Company is as under:**

Principal amount due and remaining unpaid	0.96
Interest due on above and the unpaid interest	Nil
Interest paid	Nil
Payment made beyond the appointed day during the year	Nil
Interest due and payable for the period of delay	Nil
Interest accrued and remaining unpaid	Nil
Amount of further interest remaining due and payable in succeeding years	Nil

**5. Income tax relating to continuing Operation****Income tax recognised in profit and loss account***(Rupees In Lakhs)*

Particulars	31.03.2020	31.03.2019
<b>Current tax</b>		
Current tax on profits for the year	130.00	240.00
Adjustment tax of prior year	—	261.87
	130.00	501.87
MAT credit entitlement	—	(501.87)
<b>Deferred tax</b>		
Increase / (decrease) of Deferred tax liability	(1.16)	168.95
(Increase) / decrease of Deferred tax asset	51.84	(55.40)
Total deferred tax expense	50.68	113.55
Total income tax expense recognised for the year	180.68	113.55





## NOTES TO FINANCIAL STATEMENTS (Contd..)

### Reconciliation of income tax expense to the accounting profit for the year

(Rupees In Lakhs)

Particulars	31.03.2020	31.03.2019
Profit before tax after exceptional item	(180.98)	407.12
Enacted tax rate in India	27.82%	29.12%
Computed expected tax expense at enacted tax rate	—	118.55
Tax Effect on		
Capital gain on sale of investments	101.26	37.60
Net business loss as per Rule 7 A and Income tax depreciation	(38.50)	(156.15)
Brought forward business loss set off	(62.76)	—
Tax effect on account of MAT applicability enacted tax rate in India	16.69%	21.55%
on expenses u/s 10(1) not deductible in determining book profit	28.13	108.47
on 1/5th of the transition amount under Section 115JB(2C)	101.87	131.53
Total income tax expense recognised for the year	130.00	240.00

### The movement of Deferred Income Tax Asset & Liabilities is as follows:

(Rupees In Lakhs)

Particulars	Opening as on 01.04.2019	Provided / (reversed) during the year	Closing as on 31.03.2020
Deferred Liability on account of Depreciation	329.60	(1.16)	328.44
Deferred Tax asset:			
On account of 43B Disallowances	21.51	10.92	32.43
On account of Carry Forward Losses	153.19	(62.76)	90.43
	174.70	(51.84)	122.86
Deferred tax Liability (NET) (A)	154.90	50.68	205.58
MAT Credit Entitlement (B)	1,174.98	—	1,174.98
Deferred Tax Asset (NET) (B) – (A)	1,020.08	(50.68)	969.40

### 6. Earnings per Share:

(Rupees In Lakhs)

Particulars	31.03.2020	31.03.2019
Profit /(Loss) after tax	(361.66)	293.57
Weighted average No. of shares outstanding	30,95,879	30,95,879
Basic earnings per share (Nominal value of equity shares Rs. 10/- per share)	(11.68)	9.48

**NOTES TO FINANCIAL STATEMENTS (Contd..)****7. Details of Dividend proposed and paid**

Dividend for the year ended 31.03.2019 paid Re.0.75per share	:	Rs.23.22 lakhs
Dividend Distribution tax paid thereon @ 20.56 %	:	Rs.4.77 lakhs

In respect of current year, the Directors proposed Dividend of Re.0.50/- per share on equity shares of face value Rs.10 each on 15.06.2020.

There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company. Except that an amount of Rs.1,953/-, Rs.1,674/- and Rs.3,540/- relating to the Dividend declared for the year 2009-10, 2010-11 and 2011-12 respectively has been kept on hold due to court case.

**8. Employee Benefits:****a) Defined Contribution Plan:**

The Company makes contribution towards employees' provident fund and superannuation fund. Under the rules of these schemes, the company is required to contribute a specified percentage of payroll costs. The company during the year recognized Rs.169.31 Lakhs (Previous year Rs.166.32 Lakhs) as expense towards contribution to the Provident Fund.

Out of the total contribution made towards employees' provident fund, Rs.2.34 Lakhs (Previous year Rs.14.73 Lakhs) is made to the PL Planting Provident Fund while the remaining contribution is made to Provident Fund Plan operated by the Regional Provident Fund Commissioner.

The company has dissolved the PL Planting Provident Fund and therefore the contribution made through the fund with effect from May 2019 is also made to Provident Fund Plan operated by the Regional Provident Fund Commissioner.

The liability towards superannuation fund for the year ended 31st March 2020 amounting to Rs.18.26 Lakhs (Previous year Rs.16.61 Lakhs) has been charged to Statement of Profit and Loss.

The leave encashment for the year ended 31st March 2020 amounting to Rs.6.98 Lakhs (previous year Rs. Nil) has been charged to Statement of Profit and Loss and the net liability as on 31.03.2020 is Rs.21.17 Lakhs (previous year – Rs.14.18 Lakhs).

**b) Defined Benefit Plan:****GRATUITY (FUNDED):**

(Rupees In Lakhs)

PARTICULARS	31.03.2020	31.03.2019
<b>A. Expense recognised in Income Statement</b>		
1. Current Service cost	<b>62.66</b>	80.65
2. Interest expense	<b>74.88</b>	88.63
3. Interest (Income on plan asset)	<b>(67.73)</b>	(83.60)
4. Net interest	<b>7.15</b>	5.03
5. Immediate recognition of (gain) / losses	—	—
6. Defined Benefits cost included in P&L	<b>69.81</b>	85.68



## NOTES TO FINANCIAL STATEMENTS (Contd..)

PARTICULARS	31.03.2020	31.03.2019
<b>B. Expense recognised in Other Comprehensive Income</b>		
1. Actuarial (gain) / Losses on DBO		
(a) Due to Experience	(375.93)	(3.36)
(b) Due to Change in Financial Assumptions	400.96	(8.67)
(c) Due to demographic assumptions	(25.89)	4.34
2. Return on plan assets (Greater) / Less than Discount rate	(7.59)	(3.62)
3. Total actuarial (gain) / loss included in OCI	(8.45)	(11.31)
<b>C. Net Asset / (Liability) recognised in the Balance Sheet</b>		
1. Present value of benefit obligation	1,293.97	1,262.25
2. Fair value of plan assets	1,117.08	1,146.74
3. Funded Status (Surplus / Deficit)	(176.89)	(115.51)
4. Net Asset / (Liability) recognised in Balance Sheet	(176.89)	(115.51)
<b>D. Change in Present value of the obligation during the year</b>		
1. Present value of the obligation at beginning of the year	1,262.25	1,225.56
2. Current service cost	62.66	80.65
3. Interest cost	74.88	88.63
4. Benefits paid	(104.98)	124.90
5. Actuarial (gain) / loss on obligation	(0.84)	(7.69)
(a) Due to Experience	—	—
(b) Due to Change in Financial Assumptions	—	—
6. Present value of obligation at end of the year	1,293.97	1,262.25
<b>E. Reconciliation of opening &amp; closing values of Plan Assets</b>		
1. Fair value of plan assets at the beginning of the year	1,146.74	1,134.82
2. Expected return on plan assets	67.73	83.6
3. Contributions made	—	49.6
4. Benefits paid	(104.98)	(124.9)
5. Actuarial gain / (loss) on plan assets	7.59	3.62
6. Fair value of plan assets at the end of the year	1,117.08	1,146.74
Actual return on plan assets	75.32	87.22


**NOTES TO FINANCIAL STATEMENTS (Contd..)**

PARTICULARS	31.03.2020	31.03.2019
<b>F. Actuarial Assumptions</b>		
1. Discount rate	<b>6.19%</b>	7.62%
2. Salary escalation	<b>6.50%</b>	2.50%
3. Attrition rate	<b>5.00%</b>	5.00%
4. Expected rate of return on plan assets	<b>6.19%</b>	0.01%
5. Mortality rate	Indian Assured Lives Mortality (2006-08)	
<b>G. Sensitivity analysis</b>	31.03.2020 INCREASE IN DBO	% INCREASE/ DECREASE IN DBO
Projected Benefit Obligation on Current Assumptions		
Impact of increase in 100 basis points in Rate of Discounting	<b>(71.15)</b>	-5.50%
Impact of decrease in 100 basis points in Rate of Discounting	<b>79.55</b>	6.15%
Impact of increase in 100 basis points in Rate of Salary Increase	<b>77.80</b>	6.01%
Impact of decrease in 100 basis points in Rate of Salary Increase	<b>(70.84)</b>	-5.48%
Impact of increase in 100 basis points in Attrition Rate	<b>(4.79)</b>	-0.37%
Impact of decrease in 100 basis points in Attrition Rate	<b>5.28</b>	0.41%
Increase in Mortality Rate by 10%	<b>(0.11)</b>	-0.01%

**H. Categories of plan assets:**

All plan assets (100%) are held in 'Assets under Insurance schemes' for the year ending 31.03.2020 and 31.03.2019.

**I. Risk Exposure:**

The gratuity scheme is a final salary defined benefit plan, that provides for a lumpsum payment at the time of separation; based on scheme rules and benefits are calculated on the basis of last drawn salary and the period of service at the time of separation and paid as lump sum. There is a vesting period of 5 years. The design entitles the following risks that affect the liabilities and cash flows,

- i. Interest rates risk: The defined benefit obligation calculated uses a discount rate based on government bonds. If bond's yield falls, the defined benefit obligation will tend to increase.
- ii. Salary inflation risk: Higher than expected increases in salary will increase the defined benefit obligation.
- iii. Demographic risk: The risk of volatility of results due to unexpected nature of decrements that include mortality attrition, disability and retirement. The effect of these decrements on the DBO depends upon the combination of salary increase, discount rate and vesting criteria and therefore not very straightforward. It is important not to overstate withdrawal rate because the cost of retirement benefit of a short caring employees will be less compared to long service employees.
- iv. Asset Liability mismatch: This will come into play unless the funds are invested in a term of the assets replicating the term of the liability.



## NOTES TO FINANCIAL STATEMENTS (Contd..)

### J. Expected contributions to the plan:

Expected contributions to the plan for the next annual reporting period is Rs. 85.43 Lakhs.

### K. Maturity Profile of defined benefit obligation (undiscounted basis):

(Rs in Lakhs)

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Between 5 and 10 years	Above 10 years
As at March 31, 2020	141.42	103.35	373.10	534.77	832.00

Vested benefit obligation as at March 31, 2020 is Rs.1, 271.45 Lakhs.

### 9. FAIR VALUE MEASUREMENTS:

(Rupees In Lakhs)

PARTICULARS	HIERAR-CHY	31st MARCH 2020			31st MARCH 2019		
		FVTPL	FVTOCI	AMORTIZED COST	FVTPL	FVTOCI	AMORTIZED COST
<b>Financial Assets:</b>							
<b>(i) Financial assets at fair value</b>							
Investments							
Equity instruments – Quoted	1		53.08			3.60	
Equity instruments - Unquoted	2		3,712.13			3,981.22	
Mutual funds	2	6,846.73			8,349.36		
<b>(ii) Financial assets at amortized cost</b>							
Tax free bonds	2			437.04			437.04
Trade receivables	3			211.66			389.70
Cash and cash equivalents	3			190.37			146.86
Other financial assets	3			252.39			268.19
<b>Financial Liabilities:</b>							
Borrowings (including current maturities of long term debts)	3			2,527.09			2,386.84
Trade payables	3			441.71			407.69
Lease liability	3			94.49			—
Other financial liabilities	3			53.08			58.69

NOTE: Investments in subsidiaries are valued at cost and hence not considered for categorisation



## NOTES TO FINANCIAL STATEMENTS (Contd..)

Fair value measurements are categorised into

Level 1 - unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 - inputs other than quoted prices included within level 1, that are observable for the assets and liabilities, either directly or indirectly;

Level 3 - unobservable inputs for the assets or liabilities.

- Fair value in respect of equity instruments is the quoted prices of those instruments in the stock exchanges at the measurement date.
- Fair value of Mutual funds is the NAV as on the measurement date.
- Fair value of unquoted equity instruments is at fair value measured as on measurement date. Fair value of such shares has been arrived based on methods which are combination of market, income and cost approaches.
- Carrying amounts of trade receivables and trade payables, cash and cash equivalents, other financial assets & other financial liabilities (current) are considered to be the same as their fair values due to their short-term nature and categorized as level 3 hierarchies.

### 10. Financial risk management:

The Company's activities expose it to credit risk, market risk and liquidity risk. In order to minimise any adverse effects on the financial performance of the Company, the company has risk management policies as described below

#### i. Credit risk:

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Company is exposed to credit risk from its operating activities (primarily Trade Receivables) and from its investing activities (primarily Deposits with Banks, Loans and advances to Corporate and Investments in Shares and Mutual Funds).

Credit risk from balances with banks, term deposits, loans, investments is managed by Company's finance department.

Trade Receivables are typically unsecured and are derived from revenue earned from customers. Customer credit risk is managed as per the Company's policy and procedures which involve credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. Outstanding customer receivables are regularly monitored.

The Company's maximum exposure to credit risk for the components of the Balance Sheet as of 31st March, 2020 and 31st March, 2019 is the carrying amounts as disclosed in Note 9.

#### ii. Market risk:

Market risk is the risk that changes in market prices – such as commodity prices, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Further, the company is not exposed to any foreign currency exchange rate risk which has an impact on the Income statement and Equity as it does not have transaction references with other currencies.



## NOTES TO FINANCIAL STATEMENTS (Contd..)

### a. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The interest rate risk can also impact the provision for retirement benefits.

The Company's main interest rate risk arises from short term and long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk.

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of changes in market interest rates.

### b. Price Risk

Securities price risk is the risk that the fair value of a financial instruments will fluctuate due to changes in market traded prices. The Company invests its surplus funds in various debt instruments and equity instruments. These investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments. To manage its price risk arising from investments in mutual funds, the Company diversifies its portfolio.

### c. Agricultural Risk

Cultivation of tea being an agricultural activity, there are certain specific financial risks. These financial risks arise mainly due to adverse weather conditions, and fluctuation of selling price of finished goods (tea) due to increase in supply/availability. The Company manages these price fluctuations by actively managing the sourcing of tea, and alternate blending strategies without impacting the quality of the blend.

### iii. Liquidity risk:

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to , at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and maintains adequate sources of financing.

The tables below analyse the company's financial liabilities into relevant maturity groupings based on their contractual maturities. The company has only all non-derivative financial liabilities.

The amounts disclosed in the table are contracted undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant. Balances due beyond 12 months are carried at amortised cost.

#### Contractual maturities of financial liabilities:

(Rs in Lakhs)

March 31, 2020	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Above 5 years	Total
<b>Non-derivatives</b>					
Long term loans	217.14	215.73	442.90	372.86	1,248.63
Short term Borrowings	1,278.46				1,278.46
Interest accrued on loans	11.66				11.66
Trade payables	441.71				441.71
Lease Liabilities	45.39	22.28	26.82		94.49
Other financial liabilities	12.62	28.80			41.42
<b>Total non-derivative liabilities</b>	<b>2,006.98</b>	<b>266.81</b>	<b>469.72</b>	<b>372.86</b>	<b>3,116.37</b>



**NOTES TO FINANCIAL STATEMENTS (Contd..)**

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Above 5 years	Total
<b>March 31, 2019</b>					
<b>Non-derivatives</b>					
Long term loans	114.46	209.99	517.15	620.61	1,462.21
Short term Borrowings	924.63				924.63
Interest accrued on loans	9.42				9.42
Trade payables	407.69				407.69
Other financial liabilities	19.50		29.77		49.27
<b>Total non-derivative liabilities</b>	<b>1,475.70</b>	<b>209.99</b>	<b>546.92</b>	<b>620.61</b>	<b>2,853.22</b>

**11. Impairment of Assets:**

The Company has carried out an exercise to ascertain the impairment, if any, in the carrying value of fixed assets. The exercise has not revealed any impairment of assets during the year under review.

**12. Capitalisation of Borrowing Costs:**

The company has capitalized the following borrowing costs with eligible assets. Amount capitalised in Capital Work in progress was Rs.NIL (Previous year Rs.0.82 Lakhs). No borrowing costs were capitalized to Property, plant and equipment (other than WIP) during the year ending 31.03.2020 and 31.03.2019.

**13. Disclosure under Section 186(4) of the Act:**

The company has advanced loans to the following body corporate and the details of the loans are as under,

(Rupees in Lakhs)

Name of the Company	As at 31.03.2020	As at 31.03.2019
<b>Loans to other body corporates</b>		
Asbesco India Private Limited	100.00	100.00
Bright Metal Private Limited	50.00	50.00
The Beauty Impex Private Limited	165.00	165.00
Universal Chemicals Industries	25.00	25.00
<b>Loans to related parties</b>		
Maharaja Shree Umaid Mills Limited	350.00	350.00
Placid Limited	300.00	325.00
Shree Krishna Agency Limited	350.00	—
M B Commercial Co Limited	350.00	—
Kiran Vyapar Limited	350.00	—
Amalgamated Development Limited	250.00	—
<b>Total</b>	<b>2,290.00</b>	<b>1,015.00</b>

The company has advanced the aforesaid loans for their business requirements. No guarantee or security has been provided by the company under the provisions of Section 186 of the Act.



## NOTES TO FINANCIAL STATEMENTS (Contd..)

### 14. Related Party Disclosures:

Information on Related party transactions as required by Ind AS 24 – Related Party Disclosures for the year ended 31.03.2020

#### (a) List of Related Parties

##### (i) Parties where control exists

##### Wholly Owned Subsidiary Companies

PKT Plantations Limited

Shivphal Vinimay Private Limited

##### (ii) Key management personnel:

Name of the related party	Designation
Mrs. Alka Devi Bangur	Managing Director
Shri. Shreeyash Bangur	Deputy Managing Director
Shri. Sanjeev Kumar Singh	Chief Executive Officer
Shri. Kannusamy Ashokan	Chief Financial Officer
Shri. Saurav Singhania	Company Secretary

##### (iii) Relative of KMP (Managing Director)

Shri. L.N. Bangur

Ms. Sheetal Bangur

Shri. Yogesh Bangur

##### (iv) Enterprises over which KMP or Relatives of KMP exercises control or significant influence:

M.B. Commercial Company Ltd

Amalgamated Development Ltd

Maharaja Shree Umaid Mills Ltd

Placid Limited

The Marwar Textiles (Agency) Pvt. Ltd

Navjyoti Commodity Management Services Ltd

Samay Industries Limited

The General Investment Co. Ltd

Kiran Vyapar Limited

Soul Beauty & Wellness Centre LLP

Mugneeram Ramcoowar Bangur Charitable & Religious Co.

Shree Rama Vaikunth Trust

Shree Krishna Agency Ltd

LNB Renewable Energy Private Limited

**NOTES TO FINANCIAL STATEMENTS (Contd..)****(v) Post-Employment benefit Plans:**

PL Planting Provident Fund

The Gratuity Fund of The Peria Karamalai Tea &amp; Produce Company Limited

(b) During the year the following transactions were carried out with the related parties in the ordinary course of business:

**(i) Transactions during the year with Related parties:**

Name of the Related Party	Nature of Transaction	Year ended 31.03.2020 (Rs.in Lakhs)	Year ended 31.03.2019 (Rs.in Lakhs)
Shri.L.N.Bangur	Sitting fees paid	0.25	0.35
M.B.Commercial Company Ltd	Rent Paid	1.94	1.94
	Loan Given	350.00	—
	Interest received	8.81	—
The Marwar Textiles (Agency) Pvt. Ltd	Rent Paid	3.42	6.14
Navjyoti Commodity Management Services Ltd	Rent Receipt	0.04	—
Shree Rama Vaikunth Trust	Rent paid	3.60	3.60
Maharaja Shree Umaid Mills Ltd	Loan Given	—	120.00
	Loan repaid	—	95.00
	Interest received	33.25	28.32
Placid Limited	Loan Given	50.00	415.00
	Loan repaid	75.00	120.00
	Interest received	29.18	5.64
Samay Industries Limited	Printing charges Paid	0.05	0.16
LNB Renewable Energy Private Limited	Services received	19.33	18.41
PL Planting Provident Fund	Contribution to post employment benefit plan	2.34	14.73
The Gratuity Fund of the Peria Karamalai Tea & Produce Company Limited	Contribution to post employment benefit plan	—	60.00
Kiran Vyapar Limited	Investment in Equity Shares	102.12	—
	Loan Given	350.00	—
	Interest received	8.81	—
	Reimbursement of expenses	3.00	—
Shree Krishna Agency Ltd	Loan given	350.00	—
	Interest received	8.81	—
Amalgamated Development Ltd	Loan given	250.00	—
	Interest received	6.29	—



## NOTES TO FINANCIAL STATEMENTS (Contd..)

### (ii) Remuneration of Key Management Personnel:

The remuneration of key management personnel of the Company are set out below in aggregate for each of the categories specified in Ind AS 24 Related party disclosures.

Particulars	Year ended 31.03.2020 (Rs.in Lakhs)	Year ended 31.03.2019 (Rs.in Lakhs)
Salaries and Wages	160.84	153.11
Contribution to Provident Funds and Other Funds	23.95	23.05

# Does not include gratuity as it is provided in the books of accounts on the basis of actuarial valuation for the company as a whole and hence individual amount cannot be determined.

### (iii) Balances as at year end are set out below:

Particulars	Year ended 31.03.2020 (Rs.in Lakhs)	Year ended 31.03.2019 (Rs.in Lakhs)
Loans Receivable	1,950.00	675.00
Lease Deposit receivable	2.00	2.00
Trade Payables	5.02	4.52
Payable to Post Employment Benefit Plan - Gratuity	176.88	115.51
Reimbursement of Expenses receivable	3.59	2.08

Note : Related party relationship are as identified by the management.

### 15. Corporate Social Responsibility:

The gross amount required to be spent by the company during the year : Rs. NIL

Amount spent during the year : Rs. NIL

### 16. Previous year's figures have been regrouped / rearranged, to the extent necessary, to confirm to current year's classifications.

Unless otherwise stated, all the numbers have been rounded off to the nearest lakhs.

As per our Report of even date attached

For Srikishen & Co  
Chartered Accountants  
Reg. No. 004009S

**K. Murali Mohan**  
Proprietor, Auditor M.No. 014328  
Coimbatore, 15th June 2020

For and on behalf of the Board of Directors

**Lakshmi Niwas Bangur**  
Chairman  
DIN : 00012617

**Sanjeev Kumar Singh**  
Chief Executive Officer

**Alka Devi Bangur**  
Managing Director  
DIN : 00012894

**Kannusamy Ashokan**  
Chief Financial Officer

**Shreeyash Bangur**  
Dy. Managing Director,  
DIN : 00012825

**Saurav Singhania**  
Company Secretary

Kolkata, 15th June 2020



# CONSOLIDATED FINANCIAL STATEMENTS



## AUDITORS' REPORT

To the Members of **The Peria Karamalai Tea and Produce Company Limited**

**Report on the Audit of the Consolidated Ind AS Financial Statements**

### Opinion

We have audited the accompanying consolidated Ind AS financial statements of The Peria Karamalai Tea And Produce Company Limited ("the Holding Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2020, and the consolidated statement of Profit and Loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated cash flows statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS 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 Ind AS 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 consolidated state of affairs of the Group, as at March 31, 2020, and its consolidated profit and

total comprehensive income, its consolidated changes in equity and its consolidated cash flows for the year then ended.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements section of our report. We are independent of the Group in accordance with the Code of issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated Ind AS financial statements under the provisions of the Act and the Rules made thereunder, 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS 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 consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	Auditor's Response
<p>Adoption of IND AS 116:</p> <p>The Company has adopted Ind AS 116 "Leases" in the current year. The application and transition to this accounting standard is an area of focus in our audit since the Company has material impact in the standalone financial statements.</p> <p>Adoption of the standard involves significant judgements and estimates including, determination of the discount rates and the lease term.</p> <p>Refer Note no. 32(B)(1) of other notes to the standalone financial statements.</p>	<p>Our audit procedures on adoption of Ind AS 116 include:</p> <ul style="list-style-type: none"> <li>• Assessed the Company's evaluation on the identification of leases based on the contractual agreements</li> <li>• Evaluated the method of transition and related adjustments.</li> <li>• Assessed and tested the presentation and disclosures relating to Ind AS 116 including disclosures relating to transition.</li> </ul>



### **Information Other than the Consolidated Ind AS 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 Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS 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 consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained during the course of our 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.

### **Responsibilities of Management and Those charged with governance for the Consolidated Ind AS financial statements**

The Company's Board of Directors is responsible for the preparation of these Consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the 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 consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group and of its associates and jointly controlled entities 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.

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

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

A further description of the auditor's responsibilities for the audit of the Consolidated Ind AS financial statements is included in Annexure A. This description forms part of our auditor's report.





## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

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

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated statement of Cash Flows and the Consolidated statement of changes in equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2020 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding company incorporated in India 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 other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its Directors during the year is in accordance with the provisions of section 197 of the Act and

that the same is not in excess of the limit laid down under the said section.

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

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

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. (Refer Note No. 31(B)(2))

ii. The Company did not have any long term contracts including derivative contracts. Hence the question of any material foreseeable losses does not arise.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company except those amounts which are kept on hold as per the stay orders issued by the Court. (Refer Note No. 31(B)(7))

## Other Matters

(a) We did not audit the financial statements of subsidiary M/s PKT Plantations Limited whose Ind AS financial statements reflect total assets of Rs.37.96 lakhs/- as at 31st March, 2020, total revenues of Rs.1.22 lakhs/- and net cash inflows amounting to Rs.36.47 lakhs/- for the year ended on that date, as considered in the consolidated Ind AS financial statements.

(b) We did not audit the financial statements of subsidiary M/s Shivphal Vinimay Private Limited whose Ind AS financial statements reflect total assets of Rs.2.64 lakhs/- as at 31st March, 2020, total revenues of Rs.0.14 lakhs/- and net cash inflows amounting to Rs.0.57 lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements.

(c) Both the above Ind AS financial statements have been audited by other auditors whose report has been



furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our report in terms of Sub section (3) and (11) of Section 143 of The Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditor.

(d) Our opinion on the Consolidated Ind As financial statements and our report on other legal and other regulatory requirements below is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor and the financial statements certified by the Management.

**For SRIKISHEN & CO**  
Chartered Accountants  
Registration No: 004009S

**K. Murali Mohan**  
Proprietor, Auditors  
Membership No. 014328  
UDIN: 20014328AAAAFV5868

Coimbatore  
15th June 2020



## ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

### Responsibilities for Audit of Consolidated Ind AS 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 consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than 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 ability of the Group and its associates and jointly controlled entities 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 consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group and its associates

and jointly controlled entities to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated Ind AS 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 of the Holding Company and such other entity included in the consolidated Ind AS financial statements of which we are the independent auditors 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 consolidated Ind AS financial statements of the current period 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.

**For SRIKISHEN & CO**  
Chartered Accountants  
Registration No: 004009S

**K. Murali Mohan**  
Proprietor, Auditors  
Membership No. 014328  
UDIN: 20014328AAAAFV5868

Coimbatore  
15th June 2020



## ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ of the Independent Auditors’ Report to the members of the company on the Consolidated Ind AS Financial Statements for the year ended on 31st March 2020)

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of The Periakaramalai Tea And Produce Company Limited (hereinafter referred to as “Company”), the holding company incorporated in India and such companies incorporated in India under the Companies Act 2013 which are its subsidiary Companies As of that date.

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

The Board of Directors of the Company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 (“the 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 the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies

Act, 2013, to the extent applicable to an audit of internal financial controls. 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 internal financial controls system over financial reporting of the Company.

### **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 authorisations of management and directors of the company; and



3. provide reasonable assurance regarding prevention or timely detection of unauthorised 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.

Coimbatore  
15th June 2020

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the Company and its subsidiary company have, 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 March 31, 2019, based on the internal control over financial reporting criteria established by the respective companies 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.

#### **Other Matters**

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to the subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the Auditors of such companies incorporated in India.

**For SRIKISHEN & CO**  
Chartered Accountants  
Registration No: 004009S

**K. Murali Mohan**  
Proprietor, Auditors  
Membership No. 014328  
UDIN: 20014328AAAAFV5868

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2020**

(Rupees in Lakhs)

	Note	31.03.2020	31.03.2019
<b>ASSETS</b>			
<b>1 Non-current Assets</b>			
a	1	3,549.27	3,748.03
b	1	109.97	165.28
c	1	0.42	0.59
d	1	90.66	—
e Financial Assets:			
i)	2	11,048.98	12,771.22
ii)	3	160.42	208.02
f	4	969.40	1,020.08
g	5	121.45	116.54
		<u>16,050.57</u>	<u>18,029.76</u>
<b>2 Current Assets</b>			
a	6	979.61	615.73
b Financial Assets:			
i)	7	211.66	389.70
ii)	8a)	211.40	56.38
iii)	8b)	19.55	94.90
iv)	9	2,290.00	1,015.00
v)	10	92.00	96.01
c	11	15.00	11.67
		<u>3,819.22</u>	<u>2,279.39</u>
<b>T O T A L</b>		<u><b>19,869.79</b></u>	<u><b>20,309.15</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
a	12	309.59	309.59
b	13	16,104.21	16,807.23
		<u>16,413.80</u>	<u>17,116.82</u>
<b>2 Non-current Liabilities</b>			
a Financial Liabilities			
i)	14	1,031.49	1,347.75
ii)	15	49.10	—
iii)	16	28.80	29.77
b	17	91.46	30.77
		<u>1,200.85</u>	<u>1,408.29</u>
<b>3 Current Liabilities</b>			
a Financial Liabilities			
i)	18	1,278.46	924.63
ii)	19		
a)		0.96	—
b)		441.37	407.97
iii)	20	45.39	—
iv)	21	241.42	143.38
b	22	45.19	98.80
c	23	116.92	124.52
d	24	85.43	84.74
		<u>2,255.14</u>	<u>1,784.04</u>
<b>T O T A L</b>		<u><b>19,869.79</b></u>	<u><b>20,309.15</b></u>
See accompanying notes to the financial statements		31	

In terms of our Report attached

For and on behalf of the Board of Directors

For Srikishen & Co  
Chartered Accountants  
Reg. No. 004009S

**Lakshmi Niwas Bangur**  
Chairman  
DIN : 00012617

**Alka Devi Bangur**  
Managing Director  
DIN : 00012894

**Shreeyash Bangur**  
Dy. Managing Director,  
DIN : 00012825

**K. Murali Mohan**  
Proprietor, Auditor M.No. 014328  
Coimbatore, 15th June 2020

**Sanjeev Kumar Singh**  
Chief Executive Officer

**Kannusamy Ashokan**  
Chief Financial Officer

**Saurav Singhania**  
Company Secretary

Kolkata, 15th June 2020



**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2020**

(Rupees in Lakhs)

	Note No.	31.03.2020	31.03.2019
<b>Income:</b>			
Revenue from operations	25	3,938.21	4,920.12
Other income	26	40.37	32.11
<b>Total Income</b>		<b>3,978.58</b>	<b>4,952.23</b>
<b>Expenses:</b>			
Cost of materials consumed		264.71	301.64
Purchase of stock in trade		16.61	140.83
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	27	(428.29)	(176.24)
Employee benefits expense	28	2,497.79	2,498.04
Finance costs	29	253.40	207.84
Depreciation and amortization expense	1	424.05	346.52
Other expenses	30	1,131.21	1,226.73
<b>Total expenses</b>		<b>4,159.48</b>	<b>4,545.36</b>
Profit / (Loss) before tax		(180.90)	406.87
Tax expense:			
1. Current Tax Expense		130.16	240.10
2. Prior year taxes		—	261.87
3. Deferred Tax Liability Provided / (Reversed)		50.68	113.55
4. Mat Credit Entitlement		—	(501.87)
Profit from continuing operations for the year		(361.74)	293.22
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss			
i) Changes in fair value of FVOCI Equity Instruments			
- Quoted		(52.65)	1.22
- Unquoted		(269.09)	(25.12)
ii) Remeasurements of post employment defined benefit plans		8.45	11.32
iii) Income tax relating to these items		—	—
Other Comprehensive Income for the year net of tax		(313.29)	(12.58)
<b>Total Comprehensive Income for the Year</b>		<b>(675.03)</b>	<b>280.64</b>
Earnings per equity share:			
(1) Basic (Face Value of Rs 10/- per share)		(11.68)	9.47
(2) Diluted (Face Value of Rs 10/- per share)		(11.68)	9.47
See accompanying notes to the financial statements.	31		

In terms of our Report attached

For Srikishen & Co  
Chartered Accountants  
Reg. No. 004009S**K. Murali Mohan**  
Proprietor, Auditor M.No. 014328  
Coimbatore, 15th June 2020

For and on behalf of the Board of Directors

**Lakshmi Niwas Bangur**  
Chairman  
DIN : 00012617**Sanjeev Kumar Singh**  
Chief Executive Officer**Alka Devi Bangur**  
Managing Director  
DIN : 00012894**Kannusamy Ashokan**  
Chief Financial Officer**Shreyash Bangur**  
Dy. Managing Director,  
DIN : 00012825**Saurav Singhania**  
Company Secretary

Kolkata, 15th June 2020



## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2020

(Rupees in Lakhs)

	31.3.2020	31.3.2019
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax	(180.90)	406.87
Adjustments for:		
Depreciation and Amortisation	424.05	346.52
Loss / (Gain) on sale of Property, Plant & Equipments (Net)	(9.91)	(10.33)
Net gain arising on Mutual Funds designated at FVTPL	(233.49)	(589.83)
Items debited/ (credited) to OCI	8.45	11.32
Gain on sale of Mutual Funds designated at FVTPL	(115.10)	(40.82)
Interest income on financial assets	(169.99)	(118.47)
Dividend income from investment in equity shares	(0.14)	(0.07)
Finance costs	253.40	207.84
Operating Profit before working capital changes	(23.63)	213.03
Adjustments for:		
Other financial liability	(0.97)	36.22
Trade receivables and other assets	214.95	(84.38)
Inventories	(363.88)	(154.07)
Trade payables & other liabilities	35.25	(170.54)
Short term borrowings	353.83	242.68
Cash generated from operations	215.55	82.94
Direct Taxes paid (net)	(137.77)	(352.36)
Net Cash from operating activities	77.78	(269.41)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant & Equipments	(105.11)	(283.97)
Sale of Property, Plant & Equipments	13.76	10.33
Purchase of Non-current Investments	(102.12)	—
Sale of Investments	1,851.22	860.00
Interest received from financial assets	176.45	118.80
Bank balance not considered as cash and cash equivalents	75.35	14.51
Intercorporate loans (given)/ received	(1,275.00)	(320.00)
Dividend received from investment in equity shares	0.14	0.07
Net Cash used in investing activities	634.68	399.74
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of Long term borrowings	(213.58)	(69.01)
Payment of Lease liabilities	(64.72)	—
Finance costs paid	(251.16)	(198.43)
Dividend paid including dividend distribution tax	(27.99)	(28.01)
Net Cash used in financing activities	(557.45)	(295.45)
Net increase / decrease in Cash and Cash Equivalents	155.01	(165.13)
Opening Cash and Cash Equivalents	56.39	221.51
Closing Cash and Cash Equivalents	211.40	56.39

In terms of our Report attached

For Srikishen & Co  
Chartered Accountants  
Reg. No. 004009S

**K. Murali Mohan**  
Proprietor, Auditor M.No. 014328  
Coimbatore, 15th June 2020

For and on behalf of the Board of Directors

**Lakshmi Niwas Bangur**  
Chairman  
DIN : 00012617

**Alka Devi Bangur**  
Managing Director  
DIN : 00012894

**Shreyash Bangur**  
Dy. Managing Director,  
DIN : 00012825

**Sanjeev Kumar Singh**  
Chief Executive Officer

**Kannusamy Ashokan**  
Chief Financial Officer

**Saurav Singhania**  
Company Secretary

Kolkata, 15th June 2020



**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

**EQUITY SHARE CAPITAL**

(Rupees in Lakhs)

	Face value	Amount
<b>As at 31.3.2019</b>	10	309.59
Changes in Equity Capital		—
<b>As at 31.3.2020</b>	10	309.59

**OTHER EQUITY**

(Rupees in Lakhs)

	Reserves and Surplus				Items of other comprehensive income		Total
	Securities Premium	Capital Reserve	General Reserve	Retained Earnings	Equity Instruments through OCI	Remeasurements of Post-employment benefits obligations	
<b>Balance as at 01.04.2018</b>	<b>279.74</b>	<b>41.69</b>	<b>8,302.10</b>	<b>4,491.09</b>	<b>3,466.31</b>	<b>(26.33)</b>	<b>16,544.60</b>
Profit for the year				293.22	—	—	293.22
Other Comprehensive Income				—	(23.90)	11.32	(12.58)
Dividend paid				(23.23)	—		(23.23)
Dividend tax paid				(4.78)	—		(4.78)
<b>Balance as at 31.03.2019</b>	<b>279.74</b>	<b>41.69</b>	<b>8,302.10</b>	<b>4,756.30</b>	<b>3,442.41</b>	<b>(15.01)</b>	<b>16,807.23</b>
Profit for the year				(361.74)			(361.74)
Other Comprehensive Income					(321.74)	8.45	(313.29)
Dividend paid				(23.22)			(23.22)
Dividend tax paid				(4.77)			(4.77)
<b>Balance as 31.03.2020</b>	<b>279.74</b>	<b>41.69</b>	<b>8,302.10</b>	<b>4,366.57</b>	<b>3,120.67</b>	<b>(6.56)</b>	<b>16,104.21</b>

In terms of our Report attached

For Srikishen & Co  
Chartered Accountants  
Reg. No. 004009S

**K. Murali Mohan**  
Proprietor, Auditor M.No. 014328  
Coimbatore, 15th June 2020

For and on behalf of the Board of Directors

**Lakshmi Niwas Bangur**  
Chairman  
DIN : 00012617

**Sanjeev Kumar Singh**  
Chief Executive Officer

**Alka Devi Bangur**  
Managing Director  
DIN : 00012894

**Kannusamy Ashokan**  
Chief Financial Officer

**Shreeyash Bangur**  
Dy. Managing Director,  
DIN : 00012825

**Saurav Singhania**  
Company Secretary

Kolkata, 15th June 2020



## CONSOLIDATED NOTES TO FINANCIAL STATEMENTS

### 1. PROPERTY, PLANT AND EQUIPMENT

(Rupees in Lakhs)

PARTICULARS	FREE HOLD LAND & DEVELOPMENT	BUILDINGS	PLANT, MACHINERY & EQUIPMENTS	SOLAR PLANT	FURNITURES & FIXTURES	VEHICLES	BEARER PLANTS	COMPUTERS	SOFTWARE	TOTAL
<b>I. GROSS CARRYING VALUE</b>										
As at 01.04.2019	490.41	894.65	3,154.42	1,451.15	278.05	826.09	110.54	77.82	4.86	7,287.99
Additions during the year	—	—	156.99	—	—	0.81	0.93	1.69	—	160.42
Deletions during the year	—	—	29.26	—	0.76	76.95	—	—	—	106.97
<b>As at 31.03.2020</b>	<b>490.41</b>	<b>894.65</b>	<b>3,282.15</b>	<b>1,451.15</b>	<b>277.29</b>	<b>749.95</b>	<b>111.47</b>	<b>79.51</b>	<b>4.86</b>	<b>7,341.44</b>
<b>II. ACCUMULATED DEPRECIATION / AMORTISATION</b>										
As at 01.04.2019	—	581.68	2,040.45	79.71	171.23	583.48	6.03	72.52	4.27	3,539.37
Depreciation during the year	—	20.48	179.08	72.16	25.71	54.03	2.25	1.62	0.17	355.50
Deletions during the year	—	—	29.26	—	0.76	73.10	—	—	—	103.12
<b>As at 31.03.2020</b>	<b>—</b>	<b>602.16</b>	<b>2,190.27</b>	<b>151.87</b>	<b>196.18</b>	<b>564.41</b>	<b>8.28</b>	<b>74.14</b>	<b>4.44</b>	<b>3,791.75</b>
<b>III. NET CARRYING VALUE</b>										
<b>As at 31.03.2020</b>	<b>490.41</b>	<b>292.49</b>	<b>1,091.88</b>	<b>1,299.28</b>	<b>81.11</b>	<b>185.54</b>	<b>103.19</b>	<b>5.37</b>	<b>0.42</b>	<b>3,549.69</b>
As at 31.03.2019	490.41	312.97	1,113.97	1,371.44	106.82	242.61	104.51	5.30	0.59	3,748.62

### CAPITAL WORK IN PROGRESS

(Rupees in Lakhs)

PARTICULARS	GROSS BLOCK AT COST		
	As at 01.04.2019	Additions / (Reversals)	As at 31.03.2020
PLANT, MACHINERY & EQUIPMENTS	99.57	11.57 (99.57)	11.57
BEARER PLANTS	65.71	32.69	98.40
<b>TOTAL</b>	<b>165.28</b>	<b>(55.31)</b>	<b>109.97</b>

### RIGHT-OF-USE ASSET

(Refer Note no.31(B)(1))

DESCRIPTION OF ASSET	GROSS CARRYING VALUE	DEPRECIATION FOR THE YEAR	NET CARRYING VALUE
BUILDING	159.21	68.55	90.66
<b>TOTAL</b>	<b>159.21</b>	<b>68.55</b>	<b>90.66</b>



## CONSOLIDATED NOTES TO FINANCIAL STATEMENTS

### 2. NON CURRENT INVESTMENTS

(Rupees in lakhs)

Particulars	Nominal value of Each Share (Rs)	Balance As at 31.03.2020		Balance As at 31.03.2019	
		No. of Shares	Amount	No. of Shares	Amount
<b>a) Investments in Equity Instruments</b>					
i) Fully paid - Unquoted Equity shares at FVOCI					
Placid Limited	100	93,590	3,527.40	93,590	3,826.90
Navjyoti Commodity Management Services Ltd	10	2,50,000	184.73	2,50,000	154.32
ii) In fully paid Equity Shares at FVOCI :					
Quoted :					
MOIL Limited	10	2,272	2.33	2,272	3.60
Kiran Vyapar Ltd	10	1,00,000	50.75	—	—
<b>b) In Bonds : Quoted at Amortised Cost</b>					
Tax Free Bonds:					
Power Finance Corporation of India - 8.20% 10 Year	1,000	28,479	284.79	28,479	284.79
Indian Railway Finance Corporation - 8.00% 10 year	1,000	15,225	152.25	15,225	152.25
<b>c) In Debt instruments designated at VTPL</b>					
Investments In Mutual Funds					
HDFC Corporate Bond Fund Growth	10	2,71,60,736	6,223.58	3,55,03,216	7,388.40
HDFC Capital builder Fund Growth	100	3,17,559	623.15	3,17,559	960.96
			<b>11,048.98</b>		<b>12,771.22</b>
Aggregate carrying amount of Quoted Investments			490.12		440.64
Aggregate market value of Quoted Investments			490.12		440.64
Aggregate amount of Unquoted Investments			10,558.86		12,330.58
Aggregate amount of impairment in value of Investments			—		—



## NOTES TO FINANCIAL STATEMENTS

(Rupees in Lakhs)

	31.3.2020	31.3.2019
<b>3 OTHER FINANCIAL ASSETS</b>		
Non Current		
a) Security Deposits	124.73	149.83
b) Other Advance	23.35	18.94
c) Deposit with banks having more than 12 months maturity	12.34	39.25
	<u>160.42</u>	<u>208.02</u>
<b>4 DEFERRED TAX ASSET (NET)</b>		
i) Mat credit entitlement	1,174.98	1,174.98
ii) Opening Deferred Tax Liability	(154.90)	(41.35)
Add Deferred tax asset provided during the year	(50.68)	(113.55)
	<u>(205.58)</u>	<u>(154.90)</u>
iii) Closing Deferred Tax asset	<u>969.40</u>	<u>1,020.08</u>
<b>5 OTHER - NON CURRENT ASSETS</b>		
a) Agriculture Income tax (NET)	77.06	77.06
b) Prepaid Rent	0.56	1.12
c) Capital advances	39.66	38.36
d) Tax paid on Income Tax appeal	4.17	—
	<u>121.45</u>	<u>116.54</u>
<b>6 INVENTORIES</b>		
a) Finished goods:		
Tea Valued at lower of cost and Net realisable value	902.02	473.73
b) Stores and Spares Valued at Average cost	77.30	138.28
c) Loose Tools Valued at Average Cost	0.29	3.72
	<u>979.61</u>	<u>615.73</u>
<b>FINANCIAL ASSETS - CURRENT</b>		
<b>7 TRADE RECEIVABLES</b>		
Un-Secured - Considered Good	211.66	389.70
	<u>211.66</u>	<u>389.70</u>

**NOTES TO FINANCIAL STATEMENTS***(Rupees in Lakhs)*

	31.3.2020	31.3.2019
<b>8 a) CASH AND CASH EQUIVALENTS</b>		
i) Balance with Banks in Current Account	80.81	41.03
ii) Balance with Banks in Deposit Account (with less than 3 months maturity)	128.32	11.02
iii) Cash on hand	2.27	4.33
	<u>211.40</u>	<u>56.38</u>
<b>b) BANK DEPOSITS OTHER THAN ABOVE</b>		
i) With more than 3 months but less than 12 months maturity	6.93	5.63
ii) Unpaid dividend Account (Refer Note)	12.62	19.50
iii) Balance with banks to the extent held as margin money or security against borrowings, guarantees, other commitments	—	69.77
	<u>19.55</u>	<u>94.90</u>
<b>9 LOANS</b>		
Current Unsecured and Considered Good :		
Loans and advances to :-		
Related Parties (Refer Note no. 31(8)(13) & (14))	1,950.00	675.00
Others	340.00	340.00
	<u>2,290.00</u>	<u>1,015.00</u>
<b>10 OTHER FINANCIAL ASSETS</b>		
a) Advances recoverable in cash or in kind or for value to be recovered	23.94	38.02
b) Interest accrued on Loans and Deposits		
Related Parties	—	—
Others	44.13	50.59
c) Tea Subsidy receivable	23.93	7.40
	<u>92.00</u>	<u>96.01</u>
<b>11 CURRENT TAX ASSETS (NET)</b>		
Others:		
Prepaid Expenses	15.00	11.67
	<u>15.00</u>	<u>11.67</u>





## NOTES TO FINANCIAL STATEMENTS

(Rupees in Lakhs)

	31.3.2020	31.3.2019
<b>12 EQUITY SHARE CAPITAL</b>		
<b>Authorised</b>		
7,500,000 Equity Shares of Rs. 10/- each (Seventy five lakh shares of Rupees ten each)	<b>750.00</b>	750.00
<b>Issued and Subscribed</b>		
30,95,879 Equity Shares of Rs. 10/- each fully Paid	<b>309.59</b>	309.59
	Number of shares	Number of shares
At the Commencement of the year	<b>30,95,879</b>	30,95,879
Changes During The year	—	—
At the close of the Year	<b>30,95,879</b>	30,95,879
<b>Equity shareholders holding more than 5% shares:</b>		
Placid Ltd	<b>6,68,574</b>	6,63,454
Kiran Vyapar Ltd	<b>4,70,224</b>	4,70,224
Life Insurance Corporation of India Ltd	<b>1,94,347</b>	2,07,712



## NOTES TO FINANCIAL STATEMENTS

(Rupees in Lakhs)

### 13 OTHER EQUITY

#### Other Equity

Particulars	Reserves and Surplus				Other comprehensive income reserve		Total
	Securities Premium	Capital Reserve	General Reserve	Retained Earnings	Equity instruments through OCI	Remeasurement of Post employment benefits Obligation	
<b>Balance as at 01.04.2018</b>	<b>279.74</b>	<b>41.69</b>	<b>8,302.10</b>	<b>4,491.09</b>	<b>3,466.31</b>	<b>(26.33)</b>	<b>16,554.60</b>
Profit for the year				293.22	—		293.22
Other Comprehensive Income				—	(23.90)	11.32	(12.58)
Dividend paid				(23.23)	—		(23.23)
Dividend tax paid				(4.78)	—		(4.78)
<b>Balance as at 31.03.2019</b>	<b>279.74</b>	<b>41.69</b>	<b>8,302.10</b>	<b>4,756.30</b>	<b>3,442.41</b>	<b>(15.01)</b>	<b>16,807.23</b>
Profit for the year				(361.74)			(361.74)
Other Comprehensive Income					(321.74)	8.45	(313.29)
Dividend paid				(23.22)			(23.22)
Dividend tax paid				(4.77)			(4.77)
<b>Balance as at 31.03.2020</b>	<b>279.74</b>	<b>41.69</b>	<b>8,302.10</b>	<b>4,366.57</b>	<b>3,120.67</b>	<b>(6.56)</b>	<b>16,104.21</b>

31.3.2020

31.3.2019

### 14 BORROWINGS

Secured : From Banks

From Banks

- |  |               |          |
|--|---------------|----------|
| 1) Term Loan from Union Bank Of India, Coimbatore<br>(Secured by Hypothecation of Plant and machinery purchased out of the loan and collaterally secured by 988.15 acres of land & factory building at Nadumalai estate in Anamalai Hills Valparai Municipality).<br>(Repayable in 60 monthly installments of Rs.5,00,000/- commencing from 1.10.2017 at Effective Interest rate of 9.4%)  | <b>85.00</b>  | 145.00   |
| 2) Term Loan from HDFC Bank Limited<br>(Secured by charge on all the movable fixed assets of Company funded out of term loan and on land measuring 15.3225 acres at Kudipatty Madurai district & Lien marked on 36,82,500 units of HDFC Corporate Fund Growth)<br>Repayable in 108 monthly installments of Rs.11,29,853-. commencing from 04.01.2019) at Effective Interest rate of 8.75%) | <b>915.18</b> | 1,153.40 |



## NOTES TO FINANCIAL STATEMENTS

(Rupees in Lakhs)

	31.3.2020	31.3.2019
3) Union Bank of India - Vehicle loan (Secured by vehicle, Repayable in 60 installments of Rs. 47,895 Interest rate 9.95%) Period and amount of continuing default Rs. Nil)	12.24	16.30
<b>From Others:</b>		
1) Kotak Mahindra Prime Limited - Vehicle Loan (Secured by the vehicle , Repayable in 60 installments of Rs. 1,20,025/-) Period and amount of continuing default Rs. Nil at effective interest rate of 7.8%)	19.07	33.05
	<u>1,031.49</u>	<u>1,347.75</u>
<b>15 LEASE LIABILITIES</b>		
Non-Current lease liabilities (Refer Note No. 31(B)(1))	49.10	—
	<u>49.10</u>	<u>—</u>
<b>16 OTHER FINANCIAL LIABILITIES</b>		
Others - Deposit Received from Customers	28.23	28.62
Security Deposit - Rent	0.57	1.15
	<u>28.80</u>	<u>29.77</u>
<b>17 PROVISIONS</b>		
Provision for employees benefit :		
Provision for Gratuity	91.46	30.77
	<u>91.46</u>	<u>30.77</u>

**NOTES TO FINANCIAL STATEMENTS***(Rupees in Lakhs)*

	31.3.2020	31.3.2019
<b>FINANCIAL LIABILITIES - CURRENT</b>		
<b>18 BORROWINGS</b>		
1) Working Capital Demand Loan from HDFC Bank Limited (Secured by exclusive charge on all the movable fixed assets of the company both present and future except those financed by Union Bank of India and all current assets of the company both present and future. The said loan is repayable within six months from date of availment)	300.00	—
Secured Loan repayable on demand		
2) Cash credit facility from HDFC Bank Limited (Secured by charge on all the movable fixed assets of Company both present and future except those financed by UBI and on land measuring 15.3225 acres at Kudipatty Madurai district. Secured by charge on all the current assets of the Company both present and future) Limit - Rs. 10,00,00,000	978.46	924.63
	<u>1,278.46</u>	<u>924.63</u>
<b>19 TRADE PAYABLES</b>		
Total outstanding dues of Micro & Small Enterprises	0.96	—
Due to Others	441.37	407.97
	<u>442.33</u>	<u>407.97</u>
<b>20 LEASE LIABILITIES</b>		
Current Lease Liabilities (Refer No. 31(B)(1))	45.39	—
	<u>45.39</u>	<u>—</u>
<b>21 OTHER FINANCIAL LIABILITIES</b>		
a) Current maturities of long term debt	217.14	114.46
b) Interest accrued but not due on term loans	11.66	9.42
c) Unpaid dividends	12.62	19.50
	<u>241.42</u>	<u>143.38</u>



## NOTES TO FINANCIAL STATEMENTS

(Rupees in Lakhs)

	31.3.2020	31.3.2019
<b>22 OTHER CURRENT LIABILITIES</b>		
Other Payables :		
Creditors for Capital Expenditure	16.91	43.03
Statutory Remittances	28.28	55.77
	<u>45.19</u>	<u>98.80</u>
<b>23 CURRENT TAX LIABILITY (NET)</b>		
Provision for Taxation (Net)	116.92	124.52
	<u>116.92</u>	<u>124.52</u>
<b>24 PROVISIONS</b>		
Provision for employees benefit :		
Provision for Gratuity	85.43	84.74
	<u>85.43</u>	<u>84.74</u>

**NOTES TO FINANCIAL STATEMENTS***(Rupees in Lakhs)*

	31.3.2020	31.3.2019
<b>25 REVENUE FROM OPERATIONS</b>		
Sale of Products :		
Tea	3,138.60	3,951.32
Minor Produce	25.71	—
Other Operating Revenues :		
Excess provision in prior year reversed	—	141.51
Income from tea Subsidy	16.53	7.40
Sale of Electricity	242.31	85.25
Income from Carbon credits	1.13	-
Fair value gain from Financial assets (Mutual Funds)	233.49	589.83
Dividend Income	0.14	0.07
Interest on loans and advances	129.67	68.39
Interest on Tax free Bonds	35.53	35.53
Profit on Sale of Investments	115.10	40.82
	<u>3,938.21</u>	<u>4,920.12</u>
<b>26 OTHER INCOME</b>		
Interest Income on		
Bank and EB deposit	4.77	7.28
Others	0.02	7.26
Unwinding of discount on Security Deposit	3.59	0.97
Profit on Sale of Assets	10.21	10.33
Scrap sales	12.04	—
Sundry Receipts	9.74	6.27
	<u>40.37</u>	<u>32.11</u>
<b>27 CHANGES IN INVENTORIES OF FINISHED GOODS</b>		
<b>Work in Progress and Stock in Trade</b>		
Opening stock of Finished Goods :		
Tea	473.73	297.49
Minor produce	—	—
	<u>473.73</u>	<u>297.49</u>
Less: Closing stock of Finished Goods		
Tea	902.02	473.73
Minor produce	—	—
	<u>(428.29)</u>	<u>(176.24)</u>



## NOTES TO FINANCIAL STATEMENTS

(Rupees in Lakhs)

	31.3.2020	31.3.2019
<b>28 EMPLOYEE BENEFITS EXPENSES :</b>		
Salaries, Wages and Bonus	2,134.55	2,088.39
Contribution to Provident, Gratuity and Pension Fund	265.89	287.24
Employees welfare Expenses	97.35	122.41
	2,497.79	2,498.04
<b>29 FINANCE COST</b>		
Interest Expenses		
Term loan	137.47	124.99
Cash Credit and others	93.78	82.34
Lease liability	11.70	—
Income Tax	10.45	0.51
	253.40	207.84
<b>30 OTHER EXPENSES :</b>		
Power and Fuel	406.44	391.48
Rent	4.47	68.40
Repairs to Buildings	154.62	186.58
Repairs to Machinery	176.71	165.31
Insurance	23.29	25.05
Rates and Taxes	3.27	3.60
Transport	53.35	56.78
General Charges - Estate	75.07	82.63
Commission and Brokerage	17.52	21.31
Payment to Auditors		
Statutory Audit fee	1.25	1.25
For Certification	1.53	0.90
For Taxation	1.25	1.25
Travelling Expenses	65.68	84.56
Tea Selling Expenses	70.53	60.79
Postage, Telephone & Telegram	8.48	12.30
Professional Charges	21.00	21.88
Miscellaneous Expenses	46.76	42.66
	1,131.21	1,226.73





## ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS

### 31 Notes to the Financial Statements

#### A Corporate Information:

The Peria Karamalai Tea and Produce Company Limited ('parent company') and its subsidiaries (together referred to as the 'Group') are mainly engaged in the production and distribution of tea, generation and distribution of power and investment in financial instruments.

The Holding company is a public limited company incorporated and domiciled in India and has its registered office at Kolkata, West Bengal, India. The Holding company has its primary listings on National stock exchange and The Calcutta stock exchange limited.

The financial statements for the year ended March 31, 2020 were approved for issue by Company's board of directors on 15th June, 2020.

#### B. Significant Accounting Policies

##### 1. Basis of preparation and presentation:

###### a) Statement of Compliance:

The consolidated financial statements have been prepared in accordance with the generally accepted accounting principles in India and have complied in all material respects with the Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 (the Act), the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 as applicable and also complied with other relevant provisions of the Act and Interpretations issued by the Ind AS Transition Facilitation Group (ITFG) applicable to Companies reporting under Ind As and additional disclosures required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

###### b) Basis of measurement:

The consolidated financial statements have been prepared on the historical cost convention on accrual basis except for certain assets and liabilities as stated in the respective policies at fair value at the end of each reporting period.

###### c) Current and Non- Current Classification:

All assets and liabilities have been classified as current and non-current as per the Group's normal operating cycle and other criteria set out in Ind AS 1 – Presentation of financial statements and schedule III to the Companies act, 2013. Based on the nature of the products and the time between acquisition of assets for processing and their realization of cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of classification of assets and liabilities as current and non-current.

The Statement of Cash flows have been prepared under Indirect Method.

##### 2. Basis of consolidation:

The Company consolidates all entities which are controlled by it.

The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over relevant activities of the entity.

Entities controlled by the Company are consolidated from the date control commences until the date control ceases.



## NOTES TO FINANCIAL STATEMENTS (Contd..)

Consolidation means recognition of like items of assets, liabilities, equity, income and expense of the entities controlled by the Company.

Inter-company transactions, balances and unrealised gains on transactions are eliminated in full on consolidation. Unrealised losses are also eliminated if there is a profit on ultimate sale of goods. When necessary, amounts reported by subsidiaries have been adjusted to conform to the Company's accounting policies.

### 3. Estimates and Judgements:

#### a) Use of estimates and judgments

The preparation of consolidated financial statements is in conformity with the generally accepted accounting principles that requires the management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities as at the balance sheet date, reported amounts of revenue and expenses for the year and disclosure of contingent liabilities as of the date of balance sheet. The judgements, estimates and assumptions used in the accompanying consolidated financial statements are based upon the management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual amounts could differ from these estimates.

#### b) Significant estimates and judgements

The areas involving significant estimates and judgements are:

- (i) Defined benefit obligation – Refer note no.31(C) (8) (b).
- (ii) Current tax expense – Refer note no. 31(B) (19) (a).

### 4. Property, Plant and Equipment:

- a) Freehold land is carried at cost. All other items of property, plant and equipment including intangibles are carried at cost less accumulated depreciation/amortisation and impairment losses, if any.

Subsequent expenditure relating to an asset is included in its book value only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the items can be measured reliably. The carrying amount of a component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

- b) Biological Assets

#### **Bearer Plants**

Biological Assets which are held to bear agricultural produce are classified as bearer plants. The Group recognises tea bushes in the estates as bearer plants which are carried at cost of acquisition less accumulated depreciation and any recognised impairment losses. Costs comprise of expenditure on development, extension, planting, in filling and replanting including cost of uprooting and maintenance of the newly planted bushes. The above costs are carried under Capital Work in Progress until maturity of such bushes.

### 5. Intangible Assets

Intangible assets with finite useful life that are acquired separately are carried out at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised on straight-line basis over their estimated useful life.



## NOTES TO FINANCIAL STATEMENTS (Contd..)

### 6. Depreciation and amortization

Depreciation on tangible assets is in line with the rates specified in Schedule II to the Companies Act, 2013 except for Bearer Plants which are depreciated over their estimated useful life. Tools are amortized over a period of two years. Cost of Intangible assets is amortized over a period of three years on straight line basis.

### 7. Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

### 8. Impairment

The carrying values of assets/cash generating units at each Balance Sheet date are annually reviewed for impairment. If any indication of impairment exists (i.e., if the carrying amount of these assets exceeds their recoverable amount), the recoverable amount of such assets is estimated and impairment is recognized. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased such reversal of impairment loss is recognised in the Statement of Profit and Loss.

### 9. Foreign Currency translation

#### a) Functional and presentation currency

The consolidated financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Group.

#### b) Transactions and balances

##### i) Initial Recognition

Foreign currency transactions are recorded in functional currency using the exchange rates prevailing on the date of transaction.

##### ii) Subsequent recognition

As at the reporting date, monetary assets and liabilities denominated in foreign currency are restated at the closing exchange rates. Exchange differences arising out of actual payment/realisation and from the year end restatement are recognized in the statement of profit and Loss.

### 10. Inventories

Inventories are stated at lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Cost of Finished goods (Tea) is determined based on absorption costing method.

Agricultural produce included in the inventory are measured at fair value less estimated point of sale costs

Cost of Nursery stocks represents cost incurred in raising and maintaining such stocks till transplanted.

Inventory at stores are carried at cost. Provision is made for obsolete, slow-moving and defective stocks, where necessary.



## NOTES TO FINANCIAL STATEMENTS (Contd..)

### 11. Cash and cash equivalents

Cash and cash equivalents consist of all cash balances including demand deposits with banks with original maturities of three months or less.

### 12. Trade Receivable

Trade receivables are recognised at fair value less provision for impairment, if any.

### 13. Investments and Other Financial Assets

#### (i) Classification

The Group classifies its financial assets in the following measurement categories:

- (a) Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- (b) Those measured at amortized cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flow.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For Investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVTOCI). The Group transfers amount from other comprehensive income to Retained earnings on de-recognition of the relevant equity instruments for which such irrevocable election has been made by the Group.

The Group reclassifies debt instruments when and only when its business model for managing those asset changes.

#### (ii) Measurement

##### Initial Recognition

The Group measures a financial asset (in the case of a financial asset not carried at a fair value through profit or loss) at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit and loss.

##### Subsequent Measurement:

##### (a) Equity Instruments

The Group subsequently measures all investments in equity at fair value and has elected to present fair value gains and losses on equity investments in other comprehensive income with no subsequent reclassification of fair value gains and losses to the statement of profit and loss.

##### (b) Debt Instruments

Group's investments in Mutual Funds (debt funds) are measured at Fair Value through Profit or Loss (FVTPL). A gain or loss on a debt investment that is subsequently measured at FVTPL and is not part of a hedging relationship is recognized in profit or loss and presented in the statement of profit and loss in the period in which it arises.



## NOTES TO FINANCIAL STATEMENTS (Contd..)

### (iii) Impairment of financial assets:

The Group assesses expected credit losses associated with its assets carried at amortised cost based on Group's past history of recovery, credit-worthiness of the counter party and existing market conditions. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach for recognition of impairment allowance as provided in Ind AS 109, which requires expected credit losses to be recognised from initial recognition of the receivables.

### (iv) De-recognition of financial assets:

A financial asset is de-recognised only when:

- (a) The Group's contractual right to the cash flow expires or
- (b) The Group has transferred the rights to receive cash flows from the financial asset.

## 14. Financial liabilities

### Initial recognition and measurement:

All financial liabilities are recognised initially at fair value and in case of loans and borrowings net of directly attributable costs. Financial liabilities are subsequently measured at amortised cost using effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying value approximates fair value due to short maturity of these instruments.

## 15. Revenue Recognition:

Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers. It requires revenue to be recognised when (or as) the entity satisfies a performance obligation by transferring a promised good/service to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

The entity recognizes significant financing component in a contract as finance cost (or income) as per Ind AS 115. No effect has been provided for contracts for which period of obligation is one year or less (as per para 63 of Ind AS 115).

Revenue from contract with customers is recognised when the Group satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations maybe satisfied at a point of time or over a period of time. Performance obligations satisfied over a period of time are recognised as per the terms of relevant contractual agreements/ arrangements. Performance obligations are said to be satisfied at a point of time when the customer obtains controls of the asset. Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and goods and service tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts.

Revenue from sale of tea at auction is recognised on receipt of sale notes from brokers.

Dividends are recognised in the statement of profit and loss only when the right to receive payment is established.

## 16. Leases:

### The Group as a lessee

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.



## NOTES TO FINANCIAL STATEMENTS (Contd..)

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

### **The Group as a lessor**

A Lease for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

### **17. Government Grant and Government assistance:**

Government grants are recognised at fair value where there is a reasonable assurance that the grant will be received and all attached conditions will be complied with.

Subsidies received against manufacture of specified varieties of tea are recorded as income in the period of manufacture of such goods.

Non-monetary grant is recognised at a nominal amount.

### **18. Employee benefits:**

#### **a) Short term obligations**

Liabilities for wages and salaries that are expected to be settled wholly within 12 months after the end of the period in which the employees render their related services are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet.

The Group recognises a liability and an expense for bonuses where there is a contractual obligation or where there is a past practice that has created a constructive obligation.



## NOTES TO FINANCIAL STATEMENTS (Contd..)

### b) Other Employee Benefit Obligation

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of the expected future payments to be made in respect of services provided by employee up to the end of reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regard less of when the actual settlement is expected to occur.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as Short term employee benefit

### c) Post-employment obligations

The Group has the following post-employment obligations/plans:

- (1) Defined benefit plans such as gratuity for its eligible employees; and
- (2) Defined contribution plans such as provident fund and superannuation

#### (i) Gratuity:

Liabilities with regard to the gratuity are determined by actuarial valuation at each balance sheet date using projected unit credit method by an Independent actuary. The Group makes annual contributions to The Gratuity Fund of The PeriaKaramalai Tea & Produce Company (The Trust). Trustees administer contributions made to the trust and contributions are invested in schemes managed by Life Insurance Corporation of India.

The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

Actuarial gains or losses are recognized in other comprehensive income. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. Re-measurement gains or losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

#### (ii) Superannuation Fund:

This is a defined contribution plan. The Group contributes towards superannuation fund administered and managed by Life Insurance Corporation of India (LIC). The Group has no further obligations for future superannuation benefits other than its monthly contributions and recognises such contributions as expense in the year incurred.

#### (iii) Provident Fund:

This is a defined contribution plan and contributions made to the Fund as per the rules of the Group are charged to profit and loss as and when due. The Group has no further obligations for future provident fund benefits other than its monthly contributions.



## NOTES TO FINANCIAL STATEMENTS (Contd..)

### 19. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

#### (a) Current tax

The current tax expense for the period is the tax payable on the current period's taxable income computed at the applicable income tax rate and is recognised in the statement of profit and loss. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted.

The provision of tax is made following the normal provisions of the Income-tax Act, 1961 (Act). However, it is to be noted that the Company has the option to switch to lower tax regime as prescribed u/s 115BAA of the Act, before filing the Return of Income (ROI). The Company shall make a decision in consultation with its Tax Consultant and Auditors prior to filing of the ROI.

#### (b) Deferred tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and incurred tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

#### (c) Current and Deferred Tax for the year

Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are also recognised in other comprehensive income or directly in equity respectively.

#### (d) Minimum Alternate Tax:

According to section 115JAA of the Income Tax Act, 1961, Minimum Alternative Tax ('MAT') paid over and above the normal income tax in a year is eligible for carry forward for fifteen succeeding assessment years for set-off against normal income tax liability. The MAT credit asset is assessed against the relevant entities' normal income tax during the specified period.





## NOTES TO FINANCIAL STATEMENTS (Contd..)

### 20. Provisions and Contingencies

**Provisions:** Provisions are recognised when there is a present obligation or constructive obligation 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 there is a reliable estimate of the amount of the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the liability

**Contingent Liabilities:** Contingent liabilities are disclosed when there is a possible obligation arising from past events, 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 Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

### 21. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all potential equity shares.

### 22. Segment Reporting

Segments are identified based on the manner in which the Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance. Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment and intangible assets other than goodwill.

### 23. Dividend to Shareholders

Final dividend distributed to equity shareholders is recognised in the period in which it is approved by the members in the Annual General Meeting. Interim dividend is recognised when approved by the Board of Directors at the Board meeting.

Dividend distributed (including interim dividend) is recognised in the Statement of changes in Equity.

## C. Other Notes to Financial Statements

### 1. Transition to IND AS 116

Effective April 1, 2019, the Group adopted Ind AS 116 "Leases" and applied the standard to its lease contracts existing on April 1, 2019 using the modified retrospective approach under which the ROU Asset is measured at an amount equal to lease liability, which in turn is measured based on the remaining lease payments. . Consequently, the Group recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate. The incremental borrowing rate applied is 9%.



## NOTES TO FINANCIAL STATEMENTS (Contd..)

### Right-of-use asset (ROU asset) - Building

(Rupees in Lakhs)

Particulars	Amount
Amount recognised as ROU Asset on adoption of IND AS 116	159.21
Less: Depreciation*	68.55
Carrying amount as on 31.03.2020	90.66

\* The aggregate depreciation expenses on ROU Asset is included under the Depreciation and Amortisation expense in the statement of profit and loss.

### Lease Liability

(Rupees in Lakhs)

Particulars	Amount
Amount recognised as Lease Liability on adoption of IND AS 116	159.21
Add: Finance costs accrued during the period recognised in statement of profit and loss	11.70
Less: Payment of lease liabilities	76.42
Carrying amount as on 31.03.2020	94.49
Current portion of lease liabilities	45.39
Non-current portion of lease liabilities	49.10

Rental Expenses for short term leases recognised in the statement of profit and loss for the year ended 31.03.2020 is Rs.4.47 lakhs.

## 2. Contingent Liability and commitments to the extent not provided for:

### i. Claims against the Group not acknowledged as debts:

The Group has obtained a stay of proceedings from the Honourable High Court of Madras on 24th March 2006 against a proposition notice from the Commercial Tax Department for levy of sales tax on export sales affected through auction centres. The matter is pending and in common with the other tea planting companies.

### ii. Income Tax Matters:

- Tax assessments have been completed up to Assessment year 2017-18.
- For the Assessment year 2012-13, the tax authorities have disputed the treatment of income under the head capital gains with regard to 'Exclusive agreement' and 'Non-Compete Fee'. The issue has been disputed in appeal before the appellate authorities. No provision has been made since there are no tax demands for the present. MAT Credit amounting to Rs.674.22 Lakhs pertaining to the said Assessment year is accounted for as Deferred Tax asset.
- Disputed tax dues of Rs.20.82 Lakhs pertaining to the Assessment year 2017-18 are appealed before CIT (Appeals), Coimbatore. The Group is advised that the cases are likely to be disposed of in its favour and hence no provision is considered necessary therefor.
- The Group has not proposed to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as at the reporting date. Accordingly no adjustments have been made in the financial results. Subsequently, if the Group shifts to new tax regime, Deferred tax asset amounting to Rs.624 Lakhs created on account of MAT Credit entitlement and Unabsorbed depreciation loss pertaining to additional depreciation may have to be reversed.

**NOTES TO FINANCIAL STATEMENTS (Contd..)****3. Impact of COVID-19 Pandemic:**

The outbreak of COVID-19 pandemic and the resulting lock down enforced from 23rd March 2020 did not affect the Group's regular operations significantly for this financial year as Tea; our major product is classified as an essential commodity.

The Group has considered the possible effects that may result from the pandemic on the carrying amounts of property, plant and equipment, investments, inventories, receivables and other current assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group, as at the date of approval of these financial results has used internal and external information which are relevant in determining the expected future performance of the Group. The Group has evaluated its liquidity position, recoverability of such assets and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Group's financial results may differ from that estimated as at the date of approval of these financial results.

**4. The details of amounts outstanding to Micro and Small Enterprises based on available information with the Group is as under:**

Principal amount due and remaining unpaid	0.96
Interest due on above and the unpaid interest	Nil
Interest paid	Nil
Payment made beyond the appointed day during the year	Nil
Interest due and payable for the period of delay	Nil
Interest accrued and remaining unpaid	Nil
Amount of further interest remaining due and payable in succeeding years	Nil

**5. Income tax relating to continuing Operation****Income tax recognised in profit and loss account***(Rupees In Lakhs)*

Particulars	31.03.2020	31.03.2019
<b>Current tax</b>		
Current tax on profits for the year	130.16	240.10
Adjustment tax of prior year	—	261.87
	130.16	501.97
MAT credit entitlement	—	(501.87)
<b>Deferred tax</b>		
Increase / (decrease) of Deferred tax liability	(1.16)	168.95
(Increase) / decrease of Deferred tax asset	51.84	(55.40)
Total deferred tax expense	50.68	113.55
Total income tax expense recognised for the year	180.84	113.65



## NOTES TO FINANCIAL STATEMENTS (Contd..)

### Reconciliation of income tax expense to the accounting profit for the year

(Rupees In Lakhs)

Particulars	31.03.2020	31.03.2019
Profit before tax after exceptional item	(180.90)	406.87
Enacted tax rate in India	27.82%	29.12%
Computed expected tax expense at enacted tax rate	—	118.49
Tax Effect on		
Capital gain on sale of investments	101.26	37.66
Net business loss as per Rule 7 A and Income tax depreciation	(38.50)	(156.15)
Brought forward business loss set off	(62.76)	—
Tax effect of Subsidiaries	0.16	0.10
Tax effect on account of MAT applicability enacted tax rate in India on expenses u/s 10(1) not deductible in determining book profit on 1/5th of the transition amount under Section 115JB(2C)	16.69%	21.55%
	28.13	108.47
	101.87	131.53
Total income tax expense recognised for the year	130.16	240.10

### Movement of Deferred Tax Asset & Liabilities during the year is as follows:

(Rupees In Lakhs)

Particulars	Opening as on 01.04.2019	Provided / (reversed) during the year	Closing as on 31.03.2020
Deferred Liability on account of Depreciation	329.60	(1.16)	328.44
Deferred Tax asset:			
On account of 43B Disallowances	21.51	10.92	32.43
On account of Carry Forward Losses	153.19	(62.76)	90.43
	174.70	(51.84)	122.86
Deferred tax Liability (NET) (A)	154.90	50.68	205.58
MAT Credit Entitlement (B)	1,174.98	—	1,174.98
Deferred Tax Asset (NET) (B) – (A)	1,020.08	(50.68)	969.40

### 6. Earnings per Share:

(Rupees In Lakhs)

Particulars	31.03.2020	31.03.2019
Profit /(Loss) after tax	(361.74)	293.22
Weighted average No. of shares outstanding	30,95,879	30,95,879
Basic earnings per share (Nominal value of equity shares Rs. 10/- per share)	(11.68)	9.47

**NOTES TO FINANCIAL STATEMENTS (Contd..)****7. Details of Dividend proposed and paid**

Dividend for the year ended 31.03.2019 paid Re.0.75 per share	:	Rs.23.22 lakhs
Dividend Distribution tax paid thereon @20.56 %	:	Rs.4.77 lakhs

In respect of current year, the Directors proposed Dividend of Re.0.50/- per share on equity shares of face value Rs.10 each on 15.06.2020.

There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group. Except that an amount of Rs.1,953/- , Rs.1,674/- and Rs.3,540/- relating to the Dividend declared for the year 2009-10, 2010-11 and 2011-12 respectively has been kept on hold due to court case.

**8. Employee Benefits:****a) Defined Contribution Plan:**

The Group makes contribution towards employees' provident fund and superannuation fund. Under the rules of these schemes, the Group is required to contribute a specified percentage of payroll costs. The Group during the year recognized Rs.169.31 Lakhs (Previous year Rs.166.32 Lakhs) as expense towards contribution to the Provident Fund.

Out of the total contribution made towards employees' provident fund, Rs.2.34 Lakhs (Previous year Rs.14.73 Lakhs) is made to the PL Planting Provident Fund while the remaining contribution is made to Provident Fund Plan operated by the Regional Provident Fund Commissioner. The Group has dissolved the PL Planting Provident Fund and therefore the contribution made through the fund with effect from May 2019 is also made to Provident Fund Plan operated by the Regional Provident Fund Commissioner.

The liability towards superannuation fund for the year ended 31st March 2020 amounting to Rs.18.26 Lakhs (Previous year Rs.16.61 Lakhs) has been charged to Statement of Profit and Loss.

The leave encashment for the year ended 31st March 2020 amounting to Rs.6.98 Lakhs (previous year Rs.Nil) has been charged to Statement of Profit and Loss and the net liability as on 31.03.2020 is Rs.21.17 Lakhs (previous year – Rs.14.18 Lakhs).

**b) Defined Benefit Plan:****GRATUITY (FUNDED):**

(Rupees In Lakhs)

PARTICULARS	31.03.2020	31.03.2019
<b>A. Expense recognised in Income Statement</b>		
1. Current Service cost	<b>62.66</b>	80.65
2. Interest expense	<b>74.88</b>	88.63
3. Interest (Income on plan asset)	<b>(67.73)</b>	(83.60)
4. Net interest	<b>7.15</b>	5.03
5. Immediate recognition of (gain) / losses	—	—
6. Defined Benefits cost included in P&L	<b>69.81</b>	85.68



## NOTES TO FINANCIAL STATEMENTS (Contd..)

PARTICULARS	31.03.2020	31.03.2019
<b>B. Expense recognised in Other Comprehensive Income</b>		
1. Actuarial (gain) / Losses on DBO		
(a) Due to Experience	(375.93)	(3.36)
(b) Due to Change in Financial Assumptions	400.96	(8.67)
(c) Due to demographic assumptions	(25.89)	4.34
2. Return on plan assets (Greater) / Less than Discount rate	(7.59)	(3.62)
3. Total actuarial (gain) / loss included in OCI	(8.45)	(11.31)
<b>C. Net Asset / (Liability) recognised in the Balance Sheet</b>		
1. Present value of benefit obligation	1,293.97	1,262.25
2. Fair value of plan assets	1,117.08	1,146.74
3. Funded Status (Surplus / Deficit)	(176.89)	(115.51)
4. Net Asset / (Liability) recognised in Balance Sheet	(176.89)	(115.51)
<b>D. Change in Present value of the obligation during the year</b>		
1. Present value of the obligation at beginning of the year	1,262.25	1,225.56
2. Current service cost	62.66	80.65
3. Interest cost	74.88	88.63
4. Benefits paid	(104.98)	124.90
5. Actuarial (gain) / loss on obligation	(0.84)	(7.69)
(a) Due to Experience	—	—
(b) Due to Change in Financial Assumptions	—	—
6. Present value of obligation at end of the year	1,293.97	1,262.25
<b>E. Reconciliation of opening &amp; closing values of Plan Assets</b>		
1. Fair value of plan assets at the beginning of the year	1,146.74	1,134.82
2. Expected return on plan assets	67.73	83.6
3. Contributions made	—	49.6
4. Benefits paid	(104.98)	(124.9)
5. Actuarial gain / (loss) on plan assets	7.59	3.62
6. Fair value of plan assets at the end of the year	1,117.08	1,146.74
Actual return on plan assets	75.32	87.22



**NOTES TO FINANCIAL STATEMENTS (Contd..)**

PARTICULARS	31.03.2020	31.03.2019
<b>F. Actuarial Assumptions</b>		
1. Discount rate	6.19%	7.62%
2. Salary escalation	6.50%	2.50%
3. Attrition rate	5.00%	5.00%
4. Expected rate of return on plan assets	6.19%	0.01%
5. Mortality rate	Indian Assured Lives Mortality (2006-08)	
<b>G. Sensitivity analysis</b>		
	31.03.2020 INCREASE IN DBO	% INCREASE/ DECREASE IN DBO
Projected Benefit Obligation on Current Assumptions		
Impact of increase in 100 basis points in Rate of Discounting	(71.15)	-5.50%
Impact of decrease in 100 basis points in Rate of Discounting	79.55	6.15%
Impact of increase in 100 basis points in Rate of Salary Increase	77.80	6.01%
Impact of decrease in 100 basis points in Rate of Salary Increase	(70.84)	-5.48%
Impact of increase in 100 basis points in Attrition Rate	(4.79)	-0.37%
Impact of decrease in 100 basis points in Attrition Rate	5.28	0.41%
Increase in Mortality Rate by 10%	(0.11)	-0.01%

**H. Categories of plan assets:**

All plan assets (100%) are held in 'Assets under Insurance schemes' for the year ending 31.03.2020 and 31.03.2019.

**I. Risk Exposure:**

The gratuity scheme is a final salary defined benefit plan, that provides for a lump sum payment at the time of separation; based on scheme rules and benefits are calculated on the basis of last drawn salary and the period of service at the time of separation and paid as lump sum. There is a vesting period of 5 years. The design entitles the following risks that affect the liabilities and cash flows,

- i. Interest rates risk: The defined benefit obligation calculated uses a discount rate based on government bonds. If bond's yield falls, the defined benefit obligation will tend to increase.
- ii. Salary inflation risk: Higher than expected increases in salary will increase the defined benefit obligation.
- iii. Demographic risk: The risk of volatility of results due to unexpected nature of decrements that include mortality attrition, disability and retirement. The effect of these decrements on the DBO depends upon the combination of salary increase, discount rate and vesting criteria and therefore not very straightforward. It is important not to overstate withdrawal rate because the cost of retirement benefit of a short caring employees will be less compared to long service employees.
- iv. Asset Liability mismatch: This will come into play unless the funds are invested in a term of the assets replicating the term of the liability.



## NOTES TO FINANCIAL STATEMENTS (Contd..)

### J. Expected contributions to the plan:

Expected contributions to the plan for the next annual reporting period is Rs. 85.43 Lakhs.

### K. Maturity Profile of defined benefit obligation (undiscounted basis):

(Rs in Lakhs)

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Between 5 and 10 years	Above 10 years
As at March 31, 2020	141.42	103.35	373.10	534.77	832.00

Vested benefit obligation as at March 31, 2020 is Rs.1,271.45 Lakhs.

### 9. FAIR VALUE MEASUREMENTS:

(Rupees In Lakhs)

PARTICULARS	HIERAR- CHY	31st MARCH 2020			31st MARCH 2019		
		FVTPL	FVTOCI	AMORTIZED COST	FVTPL	FVTOCI	AMORTIZED COST
<b>Financial Assets:</b>							
<b>(i) Financial assets at fair value</b>							
Investments							
Equity instruments – Quoted	1		53.08			3.60	
Equity instruments - Unquoted	2		3,712.13			3,981.22	
Mutual funds	2	6,846.73			8,349.36		
<b>(ii) Financial assets at amortized cost</b>							
Tax free bonds	2			437.04			437.04
Trade receivables	3			216.17			389.70
Cash and cash equivalents	3			230.95			151.28
Other financial assets	3			252.42			304.03
<b>Financial Liabilities:</b>							
Borrowings (including current maturities of long term debts)	3			2,527.09			2,386.84
Trade payables	3			442.33			407.97
Lease liability	3			94.49			—
Other financial liabilities	3			53.08			58.69

Fair value measurements are categorised into





## NOTES TO FINANCIAL STATEMENTS (Contd..)

Level 1 - unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 - inputs other than quoted prices included within level 1, that are observable for the assets and liabilities, either directly or indirectly;

Level 3 - unobservable inputs for the assets or liabilities.

- Fair value in respect of equity instruments is the quoted prices of those instruments in the stock exchanges at the measurement date.
- Fair value of Mutual funds is the NAV as on the measurement date.
- Fair value of unquoted equity instruments is at fair value measured as on measurement date. Fair value of such shares has been arrived based on methods which are combination of market, income and cost approaches.
- Carrying amounts of trade receivables and trade payables, cash and cash equivalents, other financial assets & other financial liabilities (current) are considered to be the same as their fair values due to their short-term nature and categorized as level 3 hierarchies.

### 10. Financial risk management:

The Group's activities expose it to credit risk, market risk and liquidity risk. In order to minimise any adverse effects on the financial performance of the Group, the Group has risk management policies as described below

#### i. Credit risk:

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Group is exposed to credit risk from its operating activities (primarily Trade Receivables) and from its investing activities (primarily Deposits with Banks, Loans and advances to Corporate and Investments in Shares and Mutual Funds).

Credit risk from balances with banks, term deposits, loans, investments is managed by Group's finance department.

Trade Receivables are typically unsecured and are derived from revenue earned from customers. Customer credit risk is managed as per the Group's policy and procedures which involve credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Group grants credit terms in the normal course of business. Outstanding customer receivables are regularly monitored.

The Group's maximum exposure to credit risk for the components of the Balance Sheet as of 31st March, 2020 and 31st March, 2019 is the carrying amounts as disclosed in Note 9.

#### ii. Market risk:

Market risk is the risk that changes in market prices – such as commodity prices, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Further, the Group is not exposed to any foreign currency exchange rate risk which has an impact on the Income statement and Equity as it does not have transaction references with other currencies.

##### a. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The interest rate risk can also impact the provision for retirement benefits.

The Group's main interest rate risk arises from short term and long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk.

The Group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of changes in market interest rates.



## NOTES TO FINANCIAL STATEMENTS (Contd..)

### b. Price Risk

Securities price risk is the risk that the fair value of a financial instruments will fluctuate due to changes in market traded prices. The Group invests its surplus funds in various debt instruments and equity instruments. These investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments. To manage its price risk arising from investments in mutual funds, the Group diversifies its portfolio.

### c. Agricultural Risk

Cultivation of tea being an agricultural activity, there are certain specific financial risks. These financial risks arise mainly due to adverse weather conditions, and fluctuation of selling price of finished goods (tea) due to increase in supply/availability. The Group manages these price fluctuations by actively managing the sourcing of tea, and alternate blending strategies without impacting the quality of the blend.

### iii. Liquidity risk:

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Group's objective is to; at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group closely monitors its liquidity position and maintains adequate sources of financing.

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities. The Group has only all non-derivative financial liabilities.

The amounts disclosed in the table are contracted undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant. Balances due beyond 12 months are carried at amortised cost.

#### Contractual maturities of financial liabilities:

(Rs in Lakhs)

March 31, 2020	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Above 5 years	Total
<b>Non-derivatives</b>					
Long term loans	217.14	215.73	442.90	372.86	1,248.63
Short term Borrowings	1,278.46				1,278.46
Interest accrued on loans	11.66				11.66
Trade payables	442.33				442.33
Lease Liabilities	45.39	22.28	26.82		94.49
Other financial liabilities	12.62	28.80			41.42
<b>Total non-derivative liabilities</b>	<b>2,007.60</b>	<b>266.81</b>	<b>469.72</b>	<b>372.86</b>	<b>3,116.99</b>
<b>March 31, 2019</b>					
<b>Non-derivatives</b>					
Long term loans	114.46	209.99	517.15	620.61	1,462.21
Short term Borrowings	924.63				924.63
Interest accrued on loans	9.42				9.42
Trade payables	407.97				407.97
Other financial liabilities	19.50		29.77		49.27
<b>Total non-derivative liabilities</b>	<b>1,475.98</b>	<b>209.99</b>	<b>546.92</b>	<b>620.61</b>	<b>2,853.50</b>

**NOTES TO FINANCIAL STATEMENTS (Contd..)****11. Impairment of Assets:**

The Group has carried out an exercise to ascertain the impairment, if any, in the carrying value of fixed assets. The exercise has not revealed any impairment of assets during the year under review.

**12. Capitalisation of Borrowing Costs:**

The Group has capitalized the following borrowing costs with eligible assets. Amount capitalised in Capital Work in progress was Rs.NIL (Previous year Rs.0.82 Lakhs). No borrowing costs were capitalized to Property, plant and equipment (other than WIP) during the year ending 31.03.2020 and 31.03.2019

**13. Disclosure under Section 186(4) of the Act:**

The company has advanced loans to the following body corporate and the details of the loans are as under,

(Rupees in Lakhs)

Name of the Company	As at 31.03.2020	As at 31.03.2019
<b>Loans to other body corporates</b>		
Asbesco India Private Limited	100.00	100.00
Bright Metal Private Limited	50.00	50.00
The Beauty Impex Private Limited	165.00	165.00
Universal Chemicals Industries	25.00	25.00
<b>Loans to related parties</b>		
Maharaja Shree Umaid Mills Limited	350.00	350.00
Placid Limited	300.00	325.00
Shree Krishna Agency Limited	350.00	—
M B Commercial Co Limited	350.00	—
Kiran Vyapar Limited	350.00	—
Amalgamated Development Limited	250.00	—
<b>Total</b>	<b>2,290.00</b>	<b>1,015.00</b>

The company has advanced the aforesaid loans for their business requirements. No guarantee or security has been provided by the company under the provisions of Section 186 of the Act.



## NOTES TO FINANCIAL STATEMENTS (Contd..)

### 14. Related Party Disclosures:

Information on Related party transactions as required by Ind AS 24 – Related Party Disclosures for the year ended 31.03.2020

#### (a) List of Related Parties

##### (i) Key management personnel:

Name of the related party	Designation
Mrs. Alka Devi Bangur	Managing Director
Shri. Shreeyash Bangur	Deputy Managing Director
Shri. Sanjeev Kumar Singh	Chief Executive Officer
Shri. Kannusamy Ashokan	Chief Financial Officer
Shri. Saurav Singhania	Company Secretary

##### (ii) Relative of KMP (Managing Director)

Shri. L.N.Bangur  
Ms. Sheetal Bangur  
Shri. Yogesh Bangur

##### (iii) Enterprises over which KMP or Relatives of KMP exercises control or significant influence:

M.B. Commercial Company Ltd  
Amalgamated Development Ltd  
Maharaja Shree Umaid Mills Ltd  
Placid Limited  
The Marwar Textiles (Agency) Pvt. Ltd  
Navjyoti Commodity Management Services Ltd  
Samay Industries Limited  
The General Investment Co. Ltd  
Kiran Vyapar Limited  
Soul Beauty & Wellness Centre LLP  
Mugneeram Ramcoowar Bangur Charitable & Religious Co.  
Shree Rama Vaikunth Trust  
Shree Krishna Agency Ltd  
LNB Renewable Energy Private Limited

##### (iv) Post-Employment benefit Plans:

PL Planting Provident Fund  
The Gratuity Fund of The Peria Karamalai Tea & Produce Company Limited

(b) During the year the following transactions were carried out with the related parties in the ordinary course of business:



**NOTES TO FINANCIAL STATEMENTS (Contd..)**

**(i) Transactions during the year with Related parties:**

Name of the Related Party	Nature of Transaction	Year ended 31.03.2020 (Rs. in Lakhs)	Year ended 31.03.2019 (Rs. in Lakhs)
Shri. L.N. Bangur	Sitting fees paid	0.25	0.35
M.B. Commercial Company Ltd	Rent Paid	1.94	1.94
	Loan Given	350.00	—
	Interest received	8.81	—
The Marwar Textiles (Agency) Pvt. Ltd	Rent Paid	3.42	6.14
Navjyoti Commodity Management Services Ltd	Rent Receipt	0.04	—
Shree Rama Vaikunth Trust	Rent paid	3.60	3.60
Maharaja Shree Umaid Mills Ltd	Loan Given	—	120.00
	Loan repaid	—	95.00
	Interest received	33.25	28.32
Placid Limited	Loan Given	50.00	415.00
	Loan repaid	75.00	120.00
	Interest received	29.18	5.64
Samay Industries Limited	Printing charges Paid	0.05	0.16
LNB Renewable Energy Private Limited	Services received	19.33	18.41
PL Planting Provident Fund	Contribution to post employment benefit plan	2.34	14.73
The Gratuity Fund of the Peria Karamalai Tea & Produce Company Limited	Contribution to post employment benefit plan	—	60.00
Kiran Vyapar Limited	Investment in Equity Shares	102.12	—
	Loan Given	350.00	—
	Interest received	8.81	—
	Reimbursement of expenses	3.00	—
Shree Krishna Agency Ltd	Loan given	350.00	—
	Interest received	8.81	—
Amalgamated Development Ltd	Loan given	250.00	—
	Interest received	6.29	—



## NOTES TO FINANCIAL STATEMENTS (Contd..)

### (ii) Remuneration of Key Management Personnel:

The remuneration of key management personnel of the Company are set out below in aggregate for each of the categories specified in Ind AS 24 Related party disclosures.

Particulars	Year ended 31.03.2020 (Rs.in Lakhs)	Year ended 31.03.2019 (Rs.in Lakhs)
Salaries and Wages	160.84	153.11
Contribution to Provident Funds and Other Funds	23.95	23.05

# Does not include gratuity as it is provided in the books of accounts on the basis of actuarial valuation for the company as a whole and hence individual amount cannot be determined.

### (iii) Balances as at year end are set out below:

Particulars	Year ended 31.03.2020 (Rs.in Lakhs)	Year ended 31.03.2019 (Rs.in Lakhs)
Loans Receivable	1,950.00	675.00
Lease Deposit receivable	2.00	2.00
Trade Payables	5.02	4.52
Payable to Post Employment Benefit Plan - Gratuity	176.88	115.51
Reimbursement of Expenses receivable	3.59	2.08

Note: Related party relationships are as identified by the Management.

15. The Subsidiary Companies considered in the Consolidated Financial Statements and their respective reporting dates.

S. No	Name of the Company	Country of Incorporation	% of Ownership interest	
			As at 31.03.2020	As at 31.03.2019
1	PKT Plantations Limited	India	100%	100%
2	Shivphal Vinimay Private Limited	India	100%	100%



**NOTES TO FINANCIAL STATEMENTS (Contd..)**

**Disclosure of additional information pertaining to the Parent Company, Subsidiaries, Associate and Joint Venture in respect of Net Assets:**

(Rupees in lakhs)

Name of the Entity	Net Assets			
	As at 31.03.2020		As at 31.03.2019	
	% of Consolidated Assets	Amount	% of Consolidated Assets	Amount
<b>Parent company</b>				
The Peria Karamalai Tea and Produce Co. Limited	99.76%	16,373.85	99.77%	17,076.81
<b>Indian Subsidiaries</b>				
PKT Plantations Limited	0.23%	37.66	0.22%	37.18
Shivphal Vinimay Private Limited	0.01%	2.29	0.02%	2.83
		<b>16,413.80</b>		<b>17,116.82</b>

Disclosure of additional information pertaining to the Parent Company, Subsidiaries, Associate and Joint Venture in respect of Share of Profit / (Loss), Other Comprehensive Income (OCI) and Total Comprehensive Income (TCI) :

Name of the Entity	Share of Profit / Loss				OCI				TCI			
	As at 31.03.2020		As at 31.03.2019		As at 31.03.2020		As at 31.03.2019		As at 31.03.2020		As at 31.03.2019	
	% of Consolidated profit and loss	Amount	% of Consolidated profit and loss	Amount	% of Consolidated OCI	Amount	% of Consolidated OCI	Amount	% of Consolidated TCI	Amount	% of Consolidated TCI	Amount
<b>Parent company</b>												
The Peria Karamalai Tea and Produce Co. Limited	99.98%	(361.66)	100.12%	293.57	100%	(313.29)	100%	(12.59)	99.99%	(674.95)	100%	280.98
<b>Indian subsidiaries</b>												
PKT Plantations Limited	(0.13%)	0.47	0.09%	0.27	—	—	—	—	-0.07%	0.47	0.10%	0.27
Shivphal Vinimay Private Limited	0.15%	(0.55)	-0.21%	(0.62)	—	—	—	—	0.08%	(0.55)	-0.22%	-0.62
		(361.74)		293.22		(313.29)		(12.59)		(675.03)		280.63

**16. Segment Information:**

For management purposes the group has classified its businesses into Tea, Investment and Power. Segment wise revenue, results, assets and liability figures relates to the respective amounts directly identifiable to each of the segments. Un-allocable items include expenses incurred on common services at the corporate level, unallocated other income and exceptional items.



## NOTES TO FINANCIAL STATEMENTS (Contd..)

Pricing of inter segment transfers are based on benchmark market prices. The business operations are restricted in India. The Company has opted to disclose segment information using quantitative threshold as per Ind AS 108.

Particulars	31-03-2020				31-03-2019			
	Tea	Investment	Power	Total	Tea	Investment	Power	Total
<b>Revenue</b>								
External Sales	3,180.83	513.93	243.45	3,938.21	4,100.30	734.57	85.25	4,920.12
Inter Segment Revenue			164.86	164.86			183.2	183.20
Total	3,180.83	513.93	408.31	4,103.07	4,100.30	734.57	268.45	5,103.32
Less: Inter Segment Revenue				164.86				183.20
<b>Total</b>				<b>3,938.21</b>				<b>4,920.12</b>
<b>Results</b>								
Operating Profit (Loss)	(574.81)	498.93	109.29	33.41	(71.53)	718.25	(64.11)	582.61
Less Interest				253.40				207.85
Total				(219.99)				374.76
Add Other income				39.09				32.11
Profit / (Loss) before tax				(180.90)				406.87
Provision for taxation				180.84				113.65
<b>Profit / (Loss) after tax</b>				<b>(361.74)</b>				<b>293.22</b>
<b>Other Information</b>								
Segment Assets	4,806.29	13,383.11	1,639.81	19,829.21	4,603.94	13,835.97	1,828.98	20,268.89
Unallocated Assets				40.58				40.26
<b>Enterprise Assets</b>				<b>19,869.79</b>				<b>20,309.15</b>
Segment Liabilities	2,352.50	—	1,102.81	3,455.31	1,936.64	-	1,255.43	3,192.07
Unallocated Liabilities				16,414.48				17,117.08
<b>Enterprise Liabilities</b>				<b>19,869.79</b>				<b>20,309.15</b>
Capital Expenditure	204.68	—	—	204.68	451.86	—	—	451.86
Depreciation	283.34	—	72.16	355.50	274.36	—	72.16	346.52



**NOTES TO FINANCIAL STATEMENTS (Contd..)****17. Corporate Social Responsibility:**

The gross amount required to be spent by the Group during the year : Rs. NIL  
Amount spent during the year : Rs. NIL

**18. Previous year's figures have been regrouped / reclassified, to the extent necessary, to confirm to current year's classifications.**

Unless otherwise stated, all the numbers have been rounded off to the nearest Lakhs.

---

As per our Report of even date attached

For Srikishen & Co  
Chartered Accountants  
Reg. No. 004009S

**K. Murali Mohan**  
Proprietor, Auditor M.No. 014328  
Coimbatore, 15th June 2020

For and on behalf of the Board of Directors

**Lakshmi Niwas Bangur**  
Chairman  
DIN : 00012617

**Sanjeev Kumar Singh**  
Chief Executive Officer

**Alka Devi Bangur**  
Managing Director  
DIN : 00012894

**Kannusamy Ashokan**  
Chief Financial Officer

**Shreeyash Bangur**  
Dy. Managing Director,  
DIN : 00012825

**Saurav Singhania**  
Company Secretary  
Kolkata, 15th June 2020



**Form No. AOC - 1 Part A : Subsidiaries**

Pursuant to Section 129(3) of the Companies Act 2013 read with  
Rule 5 of the Companies (Accounts) Rules 2014

**Statement containing salient features of the Financial Statement of Subsidiaries.**

Name of the Company	PKT Plantations Limited	Shivphal Vinimay Private Limited
Reporting Currency	INR (In Lakhs)	INR(In Lakhs)
Financial year ended	31.03.2020	31.03.2020
Exchange Rate	—	—
Share capital	25.00	5.00
Reserves and surplus	12.65	-2.71
Total Liabilities	37.96	2.64
Total Assets	37.96	2.64
Investments	—	—
Turnover	1.22	0.14
Profit before tax	0.63	-0.55
Provision for taxation	0.15	—
Profit after tax	0.48	-0.55
Proposed dividend	—	—
% of share holding	100	100

**Part B : Associates and Joint ventures**

**Statement pursuant to section 129(3) of the Companies act 2013 related to Associate Companies and Joint venture**

**Name of associates / Joint venture**

- 1 Latest Audited Balance Sheet date
- 2 Shares of Associates/Joint Ventures held by the Company at the year end  
Amount of investment in Associates / Joint Venture
- 3 Description how there is significant influence
- 4 Reason why the Associate / Joint Venture is not consolidated
- 5 Networth attributable to shareholding as per latest audited Balance Sheet
- 6 Profit / (Loss) for the year
  - i) considered in consolidation
  - ii) not considered in consolidation
- 7 Name of Associates or Joint Ventured which are yet to commence operations
- 8 Name of Associates or Joint Ventures which have been liquidated or sold during the year

NOT APPLICABLE

In terms of our Report attached

For Srikishen & Co  
Chartered Accountants  
Reg. No. 004009S  
**K. Murali Mohan**  
Proprietor, Auditor M.No. 014328  
Coimbatore, 15th June 2020

For and on behalf of the Board of Directors

**Lakshmi Niwas Bangur**  
Chairman  
DIN : 00012617

**Sanjeev Kumar Singh**  
Chief Executive Officer

**Alka Devi Bangur**  
Managing Director  
DIN : 00012894

**Kannusamy Ashokan**  
Chief Financial Officer

**Shreeyash Bangur**  
Dy. Managing Director,  
DIN : 00012825

**Saurav Singhania**  
Company Secretary

Kolkata, 15th June 2020

## **THE PERIA KARAMALAI TEA AND PRODUCE COMPANY LIMITED**

**CIN: L01132WB1913PLC220832**

**Registered Office: 7, Munshi Premchand Sarani, Hastings, Kolkata - 700 022**

**Phone : 91-33-22233394 Fax : 91-33-22231569**

**E-mail : [periatea@lnbgroup.com](mailto:periatea@lnbgroup.com) Website : [www.periatea.com](http://www.periatea.com)**