



TERAI TEA COMPANY LIMITED

REGD. OFFICE : 10 GOVERNMENT PLACE (EAST), 1ST FLOOR, KOLKATA - 700 069, INDIA

Telephones : (91) (33) 460-13789, 460-39789, Fax : (91) (33) 2248 9182

E-mail : teraitea@gmail.com • Website : www.terraigroup.com

CIN : L51226WB1973PLC029009



To
The Secretary
Bombay Stock Exchange Ltd.
Phiroza jeejeebhoy Towers
25th Floor, Dalal Street, Mumbai 400 001

Date: 05.10.2021

The Secretary
Calcutta Stock Exchange Association Ltd.
7, Lyons Range, Kolkata-700001

Sub: Annual Report For F.Y. 2020-21

Dear Sir,

In compliance with the requirements under Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report of the Company for the year 2020-21.

Please acknowledge the receipt.

Thanking You,
Yours Faithfully,

For Terai Tea Company Limited

Company Secretary & Compliance Officer



TERAI TEA COMPANY LIMITED

SINCE 1973

www.teraignroup.com

48th *Annual Report*
2020-2021





Amit Agarwala Smriti Bhawan, Siliguri



Amit Agarwala Banga Bhawan, Siliguri





Corporate Information

BOARD OF DIRECTORS

Mr. Ajit Kumar Agarwala

Managing Director

DIN No. : 00265775

Mrs. Shashikala Agarwala

Non-Independent Director

DIN No. : 00260171

Mr. Milan Krisna Sarkar

Independent Director

DIN No. : 05272885

Dr. Jayanta Kumar Natwarlal Raja

Independent Director

DIN No. : 06884343

Mr. Rajendra Kanodia

Non-Independent Director & CFO

DIN No. : 00175574

Mr. Hemant Kumar Agarwal

Independent Director

DIN No. : 02308200

KEY MANAGERIAL PERSONNEL

Mr. Ajit Kumar Agarwala

Managing Director

Mr. Rajendra Kanodia

Chief Financial Officer

Mr. Rajesh Singhanian

Company Secretary

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Rajesh Singhanian

BOARD COMMITTEE :-

a) AUDIT COMMITTEE

Mr. Hemant Kumar Agarwal (*Chairman*)

Dr. Jayanta Kumar Natwarlal Raja

Mr. Milan Krisna Sarkar

b) NOMINATION &

REMUNERATION COMMITTEE

Mr. Milan Krisna Sarkar (*Chairman*)

Dr. Jayanta Kumar Natwarlal Raja

Mr. Hemant Kumar Agarwal

c) STAKEHOLDERS

RELATIONSHIP COMMITTEE

Dr. Jayanta Kumar Natwarlal Raja (*Chairman*)

Mr. Milan Krisna Sarkar

Mr. Hemant Kumar Agarwal

AUDITOR

Saha & Majumder

Chartered Accountants.

Hill Cart Road,

Siliguri - 734001

Dist. Darjeeling

West Bengal

SECRETARIAL AUDITOR

MR & Associates

Company Secretaries

46, B. B. Ganguly Street

Kolkata - 700012

COST AUDITOR

Mr. Debabroto Banerjee

63, Radha Bazar Street

2nd Floor, Kolkata - 700001

BANKERS

Central Bank of India

Bank of India

Union Bank

IndusInd Bank Ltd.

UCO Bank

YES Bank Ltd.

REGISTERED OFFICE

"Ezra Mansion"

10, Government Place (East)

1st Floor, Kolkata -700069

Ph. : (033) 460-13789/39789/19789, 406-45789

Fax : (033) 2248-9182

Email : teraitea@gmail.com

Website : www.teraiigroup.com

CORPORATE OFFICE

"Agarwala House"

Sevoke Road, 2nd Mile

Siliguri - 734 001

West Bengal

Phone : (0353) 2543-857/8

Fax : (0353) 2542-656

E-mail : teraisiliguri@gmail.com

SHARE TRANSFER AGENT

Maheshwari Datamatics Pvt.Ltd.

23, R.N. Mukherjee Road

5th Floor, Kolkata - 700001

West Bengal

Ph. : (033) 2248-2248, 2343-5029

Fax : (033) 2248-4787

E-mail : mdpldc@yahoo.com

SOLICITORS & LEGAL ADVISORS

Jhunjhunwala & Co.

Solicitors & Advocates

7C, K.S.Roy Road

Kolkata - 700001

CIN:

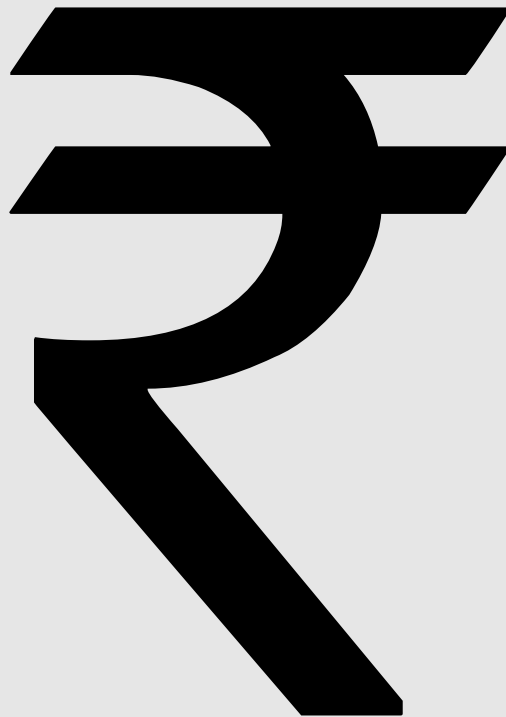
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GST:

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FINANCIAL INFORMATION



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TERAI TEA COMPANY LIMITED

REGD. OFFICE : EZRA MANSION, 10, GOVERNMENT PLACE (EAST), 1ST FLOOR, KOLKATA- 700069
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CIN : L51226WB1973PLC029009 • GSTIN : 19AABCT0258P1ZW

Notice

NOTICE is hereby given that the 48th Annual General Meeting of the members of “**TERAI TEA COMPANY LIMITED**” will be held on **Saturday, the 30th October, 2021 at 10.30 A.M.** at its **Registered Office - 10 Government Place (East), 1st Floor, Kolkata – 700069** to transact the following business:

ORDINARY BUSINESS :

1) To Receive, Consider and Adopt :

- a) The Audited Standalone Financial Statements of the Company for the financial year ended on 31st March, 2021 with the reports of the Board of Directors’ and Auditors thereon.
 - b) The Audited Consolidated Financial Statements of the Company for the financial year ended on 31st March, 2021 together with report of the Auditors thereon.
- 2) To appoint a Director in place of Mr. Ajit Kumar Agarwala (DIN : 00265775), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS :

- 3) 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 provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactments thereof for the time being in force), consent of the Company be and is hereby accorded for payment of remuneration of Rs. 15,000/- (Rupees Fifteen thousand only) plus applicable taxes and out of pocket expenses for conducting audit of the cost accounting records of the Company for the financial year 2021-22 as may be applicable to the Company to M/s. Debabroto Banerjee & Associates., Cost Accountants(Firm Registration No 003850) who were re-appointed as Cost Auditors of the Company by the Board of Directors of the Company at its meeting held on 13th August, 2021.

Registered Office :

“Ezra Mansion”
10, Government Place (East)
1st Floor, Kolkata – 700 069
Dated, 25th August, 2021

By order of the Board
For Terai Tea Company Limited

Sd/-
RAJESH SINGHANIA
Company Secretary
FCS - F7746

Notice (Contd.)

NOTES:

- 1) A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a member of the Company. The proxy forms should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before commencement of the meeting.

In terms of Rules 19 of the Companies (Management and Administration) Rules, 2014, a person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint single person as proxy and such persons cannot act a proxy for any other person or shareholder.

- 2) A Statement pursuant to Section 102(1) of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
- 3) The Equity Share transfer Registers of the Company will remain closed from October 23rd, 2021 to October 30th, 2021 (both days inclusive) for the purpose of Annual General Meeting.
- 4) In compliance with the MCA Circulars and SEBI Circular dated May 12, 2020 and January 15, 2021 Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those members whose email addresses are registered with the Company/ Depositories for communication purpose unless any members has requested for a hard copy of the same, for members who have not registered their email address, physical copies of Annual Report is being sent in the permitted mode. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website <http://www.teraignroup.com>, website of the Stock Exchange, i.e., BSE Limited at www.bseindia.com. Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the Gate of Venue of the AGM.
- 5) **COVID note and Precautions while holding AGM**

All the members who wish to attend the AGM are requested to wear mask throughout the continuance of the meeting. Temperature of all the attendees shall be checked at the entrance of the venue of the meeting and anyone found having fever shall not be allowed to attend. Any shareholder having symptom of infection of COVID19 are requested not to attend the meeting. Company has made arrangements for proper sanitization of members who will be entering the venue for the meeting. Hand sanitizers will also be installed at the entrance of the venue of the meeting and at number of places in the premises. Masks will be provided by the Company in case a member arrives at the venue without a mask or if any member needs a new mask.

- 6) Members desiring any information as regard accounts are requested to intimate the company at least 10 days before the meeting to enable the management to keep the information required readily available at the meeting.
- 7) The Company's shares are enlisted with NSDL and CDSL for participation into Electronic Depository System operated by them. Its shares are compulsorily to be traded in Electronic Form and the security bears Code ISIN INE 390D1011.
- 8) Members are requested to notify immediately any change of their address, if any, to the Company in case shares are held in physical form or to the DP's, where the account is maintained, if held in demat form.
- 9) Information about the Directors seeking re-appointment at the forthcoming Annual General Meeting pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed separately.

- 10) Members are requested to update their e-mail address to teraittea@gmail.com or mdpl@cal.vsnl.net.in to do so to support the "Green Initiative" in the Corporate Governance.
- 11) To comply with the provision of Section 88 of the Companies Act, 2013 read with Rule 3 of the Companies (Management and Administration) Rules 2014, the Company shall be required to update its database by incorporating members' designated e-mail ID in its records.
- 12) Members are requested to quote folio numbers in all their correspondence. Equity Share of the Company are under compulsory Demat trading by all investors. Considering the advantage of scriptss trading, members are encouraged to consider dematerialization of their shareholding so as to avoid inconvenience in future.
- 13) Members/Proxies should bring the attendance slip duly filled in for attending the Meeting
- 14) Corporate members intending to send their authorized representative to attend the meeting are requested to send to the Company a certified copy of Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
- 15) Electronic copy of the Notice of this Meeting of the Company inter alia indicating the process and manner of e-voting along with attendance slip and proxy form is being sent to all the members whose e-mail IDs are registered with the Company . Depository Participant(s) for communication purpose unless any members has requested for a hard copy of the same. For members who have not registered their e-mail address, physical copies of the Notices of the 48th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode. Members may also note that Notice of this meeting and the Annual Report will also be available on Company's website www.teraignroup.com for their download.
- 16) All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (11.00am to 1.00pm) on all working days except Saturdays, up to the date of the Annual General Meeting of the Company.
- 17) Proxy holders are requested to carry valid ID proof such as PAN Card, Voter Card, Pass Port, Driving License, Aadhar Card etc. along with the printed attendance slip.
- 18) **Voting through electronic means e-voting to enable the shareholders to cast their vote electronically.**

- I. Pursuant to section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), the Company is pleased to provide its members the facility to exercise their right to vote at the 48th Annual General Meeting (AGM) by electronic means. The business may be transacted through e-voting services provided by Central Depository Services Limited (CDSL). The Company has signed an agreement with CDSL for e-voting facility.
- II. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 Dated 9th December, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders / retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the



Notice (Contd.)

shareholders. In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- III. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 Dated 9th December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility
- IV. The voting period begins on 27th October, 2021 at 9.00 A.M and end on 29th October, 2021 at 5.00 P.M. During this period shareholders of the Company holding share either in physical form or in dematerialized form, as on the cut-off date 23rd October, 2021, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. The facility for voting through ballot paper shall be made available at the Annual General Meeting and the members as on the "cut off date" i.e. 23rd October, 2021, attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting through ballot paper.

The instructions for e- voting are as under:

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<p>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/ Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p>

Type of shareholders	Login Method
	<p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders holding securities in demat mode with NSDL	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/ CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site</p>

Notice (Contd.)

Type of shareholders	Login Method
	after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30.

V. Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders.

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

For Shareholders holding shares in Demat Form other than individual and Physical Form

PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Detailsg OR Date of Birth	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the

(DOB)	depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).
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- VI. After entering these details appropriately, click on "SUBMIT" tab.
- VII. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- VIII. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- IV. Click on the EVSN for the relevant TERA TEA CO LTD on which you choose to vote.
- X. 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.
- XI. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- XII. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- XIII. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- XIV. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- XV. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- XVI. Facility for Non – Individual Shareholders and Custodians –Remote Voting
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz;

Notice (Contd.)

teraitea@gmail.com , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to Company's Registrar and share transfer Agent, M/s. Maheswari Datamatics Pvt. Ltd through the following link at <http://mdpl.in/form/email-updated>
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.

19. The shareholders shall have one vote per equity share held by them as on the cut-off date, i.e., 23rd October, 2021. The facility of e-voting would be provided once for every folio/client id, irrespective of the number of joint holders.
20. Shri Mohan Ram Goenka, Practicing Company Secretary, (FCS-4515) of MR Associates, Company Secretaries, Kolkata has been appointed as the Scrutinizer to scrutinize the e- voting process in a fair and transparent manner. The scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e- voting period unblocks the votes in the presence of at least two(2) witness not in the employment and make a Scrutinizer's Report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company.
21. The results shall be declared on or after the AGM, but not later than three days from the conclusion of the date of the AGM. The results declared along with the Scrutinizer's Report shall be placed

on the website of CDSL within and will be communicated to the Stock Exchange where the Company's Shares are listed.

22. Updation of Members details :

The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Act, requires the Company/Registrar and Share Transfer Agents to record additional details of Members, including their PAN details, e-mail address, bank details for payment of dividend etc. A form for capturing additional details is appended at the end of this Annual Report. Members holding shares in physical form are requested to submit the filled in the form to the Company or RTA in physical mode or in electronic mode, as per instructions mentioned on the form. Members holding shares in electronic form are requested to submit the details to their respective DP only and not to the Company or RTA.

I. STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

Item No. 3

In pursuance of section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board shall appoint a Cost Accountant in practice on the recommendations of the Audit Committee, which shall also recommended remuneration for such Cost Auditors. The Remuneration recommended by Audit Committee shall be considered and approved by the Board of Directors and ratified by the shareholders.

On recommendation of Audit Committee and its meeting held on 13th day of August, 2021, the Board has considered and approved appointment of Mr. Debabroto Banerjee & Associates, Cost Accountant, for conducting the Cost Audit of the Company at a remuneration of Rs. 15,000/- plus GST applicable and reimbursement of actual travel and out of pocket expenses for the financial year ended March 31, 2022.

The Resolution at Items No. 3 of the notice is set out as an Ordinary Resolution for approval and ratification by the members in term of section 148 of the Companies Act, 2013. None of the Directors or Key Managerial Personnel or their relatives is concerned or interested in the Resolution mentioned at item No. 3 in the notice.

Registered Office :

"Ezra Mansion"

10, Government Place (East)

1st Floor, Kolkata – 700 069

Dated, 25th August, 2021

By order of the Board
For Terai Tea Company Limited
Sd/-

RAJESH SINGHANIA

Company Secretary

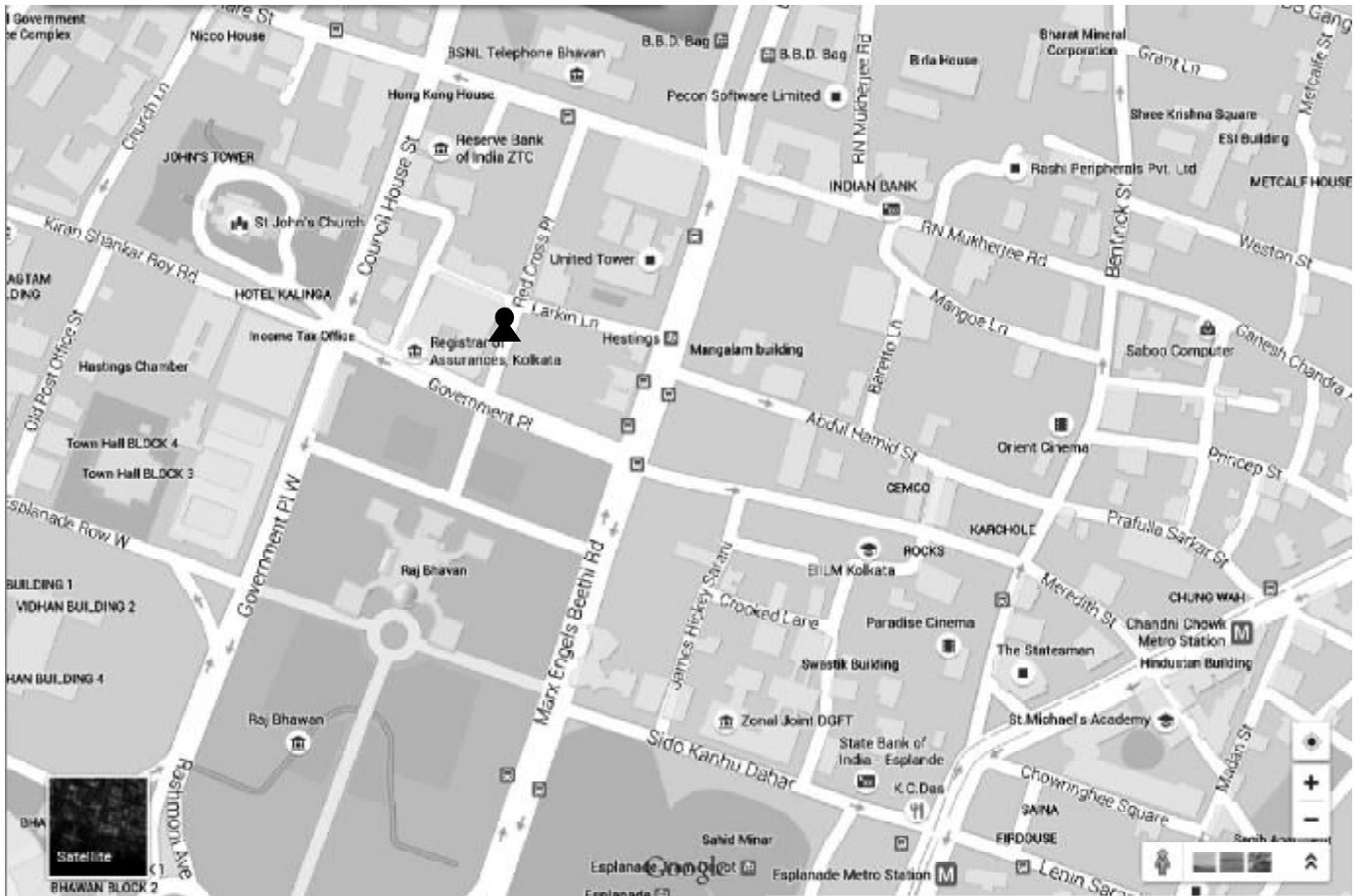
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DETAILS OF THE DIRECTOR SEEKING REAPPOINTMENT IN THE 48th ANNUAL GENERAL MEETING

(Pursuant to Regulation 36(3) of SEBI (Listing Obligations and
Disclosure Requirements) Regulations, 2015 & Secretarial Standard-2)

Name of The Director	Mr. Ajit Kumar Agarwala
DIN	00265775
Date of Birth/ Age	January 29, 1955
Date of First Appointment on the Board of the Company	January 28, 1987
Brief Resume of Director	He completed his Graduation in Arts & Doctor of Philosophy in Business Management from Burkes University, U.K. He has more than 40 years of experience in Tea Plantation, Marketing Business and Financial Business.
Nature of Expertise in Specific Functional Areas	Overall Management
The Remuneration Last Drawn, if applicable	Basic Salary: Rs. 60.72 Lacs P.A.
List of Other Public Companies in which outside Directorship held (excluding in Foreign Companies)	<ol style="list-style-type: none"> 1. The Kharibari Tea Co. Ltd. 2. Terai Infrastructures Ltd. 3. East Indian Produce Ltd. 4. Terai Tea Resorts Ltd. 5. New Darjeeling Union Tea Co. Ltd 6. Sayedabad Tea Co. Ltd.
List of Other listed Companies in which Directorship held	NIL
Chairman / Member of the Committees of the Board of Directors of Other Companies in which he is a Director (excluding in Foreign Companies)	NIL
Chairman / Member of the Committees of the Board of Directors of Other Listed Companies	NIL
Disclosure of Relationship between Directors inter-se and Key Managerial Personnel	NA
Details of Shareholding, if any in the Company	25,76,800 Equity Shares Held
The number of Meetings of the Board attended during the Financial Year	Attended 14 Board Meetings out of total 17 Board Meetings held during the Year.

Road Map to the Venue of 48th AGM of “Terai Tea Co. Ltd.”



TERAI TEA COMPANY LTD.

“Ezra Mansion”

10, Government Place (East)

1st Floor, Kolkata - 700 069

Directors' Report

For the year ended 31st March, 2021

Dear Shareholders,

The Board of Directors of your Company have pleasure in presenting their **48th Annual Report** on the business and operations of the company together with Audited financial statement for the year ended 31st March, 2021.

1. CORPORATE OVERVIEW

Terai Tea Company Ltd. (Your Company) is a leading Tea Manufacturing Company of West Bengal. The Group has its Corporate Head Quarter at "Agarwala House", Sevoke Road, 2nd Mile, Siliguri, West Bengal.

2. FINANCIAL SUMMARY

(₹ In lacs)

Particulars	STANDALONE		CONSOLIDATED	
	2020-21	2019-20	2020-21	2019-20
Revenue From Operation	7,144.91	11,866.21	7,144.91	11,866.21
Other Income	1,714.47	1,178.19	1,714.47	1,178.19
Profit/(Loss) Before Depreciation Financial Cost and Tax	1,060.31	653.27	1,060.31	653.27
Less : Financial Cost	335.25	378.87	335.25	378.87
Profit / (Loss) Before Depreciation	725.06	274.40	725.06	274.39
Less : Depreciation	193.18	147.94	193.18	147.94
Profit / (Loss) Before Taxation	531.88	126.45	531.88	126.45
Less : Taxation Expenses				
a) Current Tax	51.21	15.36	51.21	15.364
b) Deferred Tax	84.32	(2.95)	84.32	(2.95)
Tax Expenses for Earlier Year	(32.14)	(27.42)	(32.14)	(27.42)
Profit After Taxation	428.49	141.46	428.49	141.46
Add : Share of Profit in Associate Company	—	—	354.82	134.01
Add : Other Comprehensive Income Net of Tax	—	—	—	—
Profit for the Year	428.49	141.46	783.30	275.47
Basic and Diluted Earnings Per Share	6.21	2.06	11.39	3.99
Paid up Share Capital	687.93	690.29	687.93	690.29
Reserve	6,355.98	5,925.13	12,649.53	11,863.86
Net Worth	7,043.91	6,615.42	13,337.46	12,554.15

3. OVERVIEW OF THE COMPANY PERFORMANCE FINANCIAL REVIEW

The Financial Statement of your company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Indian Accounting Standards (IND AS) and the relevant provisions of the Companies Act, 2013 and rule made therein, as applicable and regulation 48 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Accounting Policies have been consistently applied except where a newly issued accounting standards, if initially adopted or a revision to an existing accounting standard requires a change in the accounting Policy. Your Company discloses unaudited financial results on quarterly basis, which are subjected to limited review, and audited financial results on an annual basis.

Standard Financial Performance:

Some of the Key Highlights of your Company's performance during the year under review are:

- Your company's turnover is Rs. 7,144.91 lacs as against Rs. 11,866.21 lacs in the previous year.
- The Company has achieved profit before tax during the current financial year of Rs. 531.88 lacs as against Rs. 126.45 lacs in the previous year.
- Net profit after taxation is Rs. 428.49 lacs as against Rs. 141.46 lacs in the previous year.
- Earnings per share is Rs. 6.21 as against Rs. 2.05 in the previous year.

Consolidated Financial Performance:

On a Consolidated basis, your Company has achieved consolidated net profit after tax of Rs. 783.30 lacs as against Rs. 275.47 lacs in the previous year.

Directors' Report (Contd.)

4. OPERATIONS REVIEW

During the year under review, the Company's total tea production was at 39.26 Lacs Kg. of Black Tea compared to 52.83 Lacs Kg. in last year. The decline in production was due to poor availability of green leaves and lockdown in the month of April and May, 2020 and also Tea Board mandated of earlier closure of manufacturing seasons. The total sales quantity was 39.48 Lacs kg as against 54.44 Lacs kg in last year 2019-20. The average price realization was Rs.166 per kg. against realization of Rs. 96.72 Per kg in previous year. Your Company continued to focus on making quality teas.

Your Company is engaged in the Manufacturing and Selling of Tea and Trading in Agri Merchandise.

Your Company is having the following units under its fold:

- a) **Bagdogra Tea Estate** : The tea garden is in Terai Region of North Bengal, about 15 kms. from Siliguri and adjacent to Bagdogra Airport. The total grant area is 687.17 acres and produces 25 lacs kgs. of made tea annually out of its own leaves and brought tea leaves. Total Tea Production during the year ended 11.69 Lacs Kg.
- b) **CTC Tea Factory (Terai Tea Factory Unit)** : The Company has set up this unit in the month of November, 1997 with an objective to produce CTC tea from the green leaf purchased from different suppliers. Total Tea Production during the year ended 8.85 Lacs Kg.
- c) **Adhikari Tea Factory Unit**: This unit was commissioned on 17th February 2002. The present installed capacity of the unit 25 lacs kgs. of CTC tea per annum. Total Tea Production during the year ended was 12.93 Lacs Kg.
- d) **Karjeepara Tea Factory Unit**: This unit was set up by the company to manufacture CTC teas out of bought leaves. The Installed Capacity of the unit is 25 lacs kgs of made tea per annum. Total Tea Production during the year was 5.80 Lacs Kg. The Company sold the unit for a total consideration of ₹ 7.85 Crores in the month of August, 2020.

5. IMPACT OF COVID-19

The Covid-19 pandemic has emerged as a global challenge creating disruption across the world. Global solutions are needed to overcome the challenges. businesses and business models have transformed to create a new work order. The swift transition to remote working was facilitated by the secure Borderless Workspaces model adopted by the company Tea is a staple drink of most households in India but its consumptions has been affected by

declining disposable incomes. The lockdown has led to severe economic hardships among large number of people and its impact will be known in time to come. The subsequent outbreak of the second wave in May 2021 compelled the Government to re-impose stringent health and safety measures to control the transmission of COVID-19, including imposition of restrictions on interprovincial travel. While it is too early to ascertain the full scale of this outbreak, a slowdown of operations can be expected in the short term.

Prior to resumption of operations, the Company adopted a Work from Home policy in order to ensure smooth functioning of operations. On partial resumption of operation, the Company has taken utmost care of its employees by taking measures like thermal screening of employees, sanitization of premises, maintaining social distancing in office, etc. Additionally, proper equipment and sanitization material has been provided at all locations. Wearing of masks had been made compulsory.

6. SCENARIO AT TEA INDUSTRY

India is producing around 1400 million Kgs of tea annually out of which 250 million kg is shipped overseas. Domestic consumption is only 1250 m kgs. India's poor domestic consumption is the main reason for decades long stagnation in prices of tea. During the last two decades, North Indian Tea Producers have been pledged by climatic changes, paucity of skilled labour. increasing social costs, infrastructural bottle-necks and illegal influx of cheaper tea from Nepal. The COVID -19 Lockdown has added to the woes as it shrunk produce by over 15%. Most big companies have found one formula to tide over the crisis: change the unnamed Agri-Commodity status of tea to well packed and branded household product. The big companies are now busy branding and retailing their garden specific produce and joined the new brand wagon to catch the youth with a diverse portfolio of tea. Tea companies are now going for Estate Branding, digital marketing, image building, direct retailing, e-commerce add, social media use, better packaging, unique promotion, boutiques and tea bar, advertising blitz etc. In tea industry foremost job is to maintain quality.

The Crop prospect for the year 2021 is not bright enough. The lockdown of May 2021 badly impacted the first flush crop. The production in India is estimated to drop by nearly 90 million kg in 2021 as a fall out of the nationwide lockdown Covid-19 outbreak. The first flush which is a premium variety begins from March. This time due to lockdown and unavailability of labour, leaves were left to grow older. the Company lost more premium tea leaves from the first flush.

Directors' Report (Contd.)

7. INDIAN ECONOMY AND STATE OF AFFAIRS

The second wave of Covid-19 in India was four times worse than the first wave in terms of infections and deaths seen in the country. The second wave disrupted the already battered growth process from the first wave. The Indian economy is likely to grow 8.4-10.1% for the current financial year as against a contraction of 7.3% in the last fiscal. It is estimated that gross domestic product (GDP) will grow 11.5% in Q1 (first quarter) and 8.4-10.1% for the whole year 2021-22. The Indian economy turned a corner and began regaining momentum in June, ultra-high frequency data indicate, though subdued consumer sentiment is expected to limit the pace of recovery in Asia's third largest economy. This comes as states gradually ease curbs on business activity, keeping in mind the decline in the number of fresh Covid cases. The market in the country is projected to witness a further growth in the forecast period of 2021-2026, growing at a CAGR of 4.2%.

In 2026, the tea industry in India is expected to attain 1.40 million tons. India is the second largest producer of tea, globally, after China. The country is also a leading consumer of the beverage and accounted for nearly a fifth of the global consumption in 2016. India attained the highest exports of tea in 2017 in almost four and a half decades. However, the annual growth of the exports from the country was only moderate due to the high domestic consumption. Almost 80% of the total output in India is consumed domestically. The per capita consumption of the beverage in the country has witnessed a significant increase in the last decade. North India is the leading region for the industry in India, accounting for over three-fourths of the industry. Assam is the major tea producing state in the country followed by West Bengal. According to the place of origin, Assam and Darjeeling types are globally the most recognised types of the beverage. South India accounts for nearly a fifth of the industry with the production concentrated in the Nilgiris. While the region has a significantly lower output than North India, the industry in the region is being driven by its production of premium varieties of superior quality. By types, black tea is the largest segment in the tea industry in India. Between 2008-2017, the black variety of the beverage witnessed a moderate annual growth of 3.3%. The consumers are increasingly choosing packaged over unpackaged varieties, due to the perceived superior quality of packed tea. Currently, nearly 80% of the households in urban India and almost 75% of the households in rural India prefer buying its packaged product types.

8. SUBSIDIARY & ASSOCIATES COMPANIES

As on 31st March, 2021 the Company had the following Associates Companies, all of them are unlisted:

1. East Indian Produce Ltd.
2. Jaldacca Tea Plantations Pvt. Ltd.
3. Abhijit Tea Co Pvt. Ltd.
4. Terai Infrastructures Ltd.
5. Terai Dooars Tea Co. Pvt. Ltd.
6. Sayedabad Tea Co. Ltd.
7. The Kharibari Tea Co. Ltd.
8. Terai Overseas Pvt. Ltd.
9. Amit Paridhan Pvt. Ltd.
10. New Darjeeling Union Tea Co. Ltd.
11. Terai Ispat & Trading Pvt. Ltd.
12. Terai Financial Services Pvt. Ltd.

Performance and Financial Position of Associates Companies

East Indian Produce Ltd

The Company is engaged in the manufacturing and selling of Tea. This company owns one tea garden namely Lohagarh Tea Estate. The Tea Estate is situated in the foothills of Himalayan range of mountains having plantation areas of 814.37 acres and during the financial year Company produced 4.16 Lacs kg of Specialty Tea (Green Tea).

Some of the Key Highlights during the year under review are: (₹ in Lacs)

Sl.	Particulars	2020-21	2019-20
1	Total Gross Revenue	1098.92	835.18
2	Profit before Taxation	301.39	93.97
3	Net Profit after Taxation	258.67	133.56
4	Earnings Per Share	178.77	92.30

New Darjeeling Union Tea Co. Ltd.

The Company is engaged in the manufacturing and selling of Tea. This company is the owner of Kiran Chandra Tea Estate near to Bagogra Airport, in the District of Darjeeling having an area of 878.41 acres. The Company is owing a Green Tea bought leaf factory within the premises of Kiran Chandra Tea Estate. The combined annual production during the financial year 12.28 Lacs kg Tea.

Some of the Key Highlights during the year under review are : (₹ in Lacs)

Sl.	Particulars	2020-21	2019-20
1	Total Gross Revenue	2600.38	1,808.99
2	Profit before Taxation	327.85	24.08
3	Net Profit after Taxation	313.62	1.69
4	Earnings Per Share	891.98	4.81

Sayedabad Tea Co. Ltd.

The Company is engaged in the manufacturing and selling of Tea. This company owns Sayedabad Tea

Directors' Report (Contd.)

Estate having 1,450 acres of grant area. The Company is also owning a bought leaf factory within the premises of Sayedabad Tea Estate. The combined annual production during the year 17.83 Lacs Kg. of CTC Tea.

Some of the Key Highlights during the year under review are: (₹ in Lacs)

Sl.	Particulars	2020-21	2019-20
1	Total Gross Revenue	3,081.14	2,209.02
2	Profit before Taxation	205.11	(0.15)
3	Net Profit after Taxation	206.14	34.00
4	Earnings Per Share	379.09	62.69

Jaldacca Tea Plantations Pvt. Ltd.

The Company is engaged in the manufacturing and selling of Tea. This Company is the owner of Jaldacca Altadanga Tea Estate having gross grant area of 1001 acres and during the financial year the Company produced 2.84 lacs kgs. of Specialty Tea (Green Tea).

Some of the Key Highlights during the year under review are : (₹ inLacs)

Sl.	Particulars	2020-21	2019-20
1	Total Gross Revenue	714.01	448.89
2	Profit before Taxation	105.14	69.68
3	Net Profit after Taxation	87.57	84.46
4	Earnings Per Share	4,670.68	4,504.50

Abhijit Tea Company Private Ltd.

The Company is engaged in the manufacturing and selling of Tea and real estate business. This Company is owning Raja Tea Estate in the heart of Mal Bazar town in the District of Jalpaiguri having an area of 1482.83 acres. During the financial year Company produced 7.45 Lacs kg of CTC Tea.

The company has various real estate projects in the town of Siliguri and Falakata, West Bengal.

Some of the Key Highlights during the year under review are : (₹ in Lacs)

Sl.	Particulars	2020-21	2019-20
1	Total Gross Revenue	1595.70	1053.85
2	Profit before Taxation	75.91	14.76
3	Net Profit after Taxation	79.02	29.94
4	Earnings Per Share	495.88	187.90

The Kharibari Tea Company Ltd.

The Company is engaged in the manufacturing and selling of Tea. The Company owns tea garden namely Sachindra Chandra Tea Estate having an area of 882.09 acres with production capacity of 5 lacs kgs. of made tea per annum. During the Current Financial year, the Company produced 4.02 Lacs kgs. Specialty Tea (Green Tea).

Some of the Key Highlights during the year under review are : (₹ in Lacs)

Sl.	Particulars	2020-21	2019-20
1	Total Gross Revenue	982.48	659.36
2	Profit before Taxation	339.57	59.43
3	Net Profit after Taxation	298.91	67.40
4	Earnings Per Share	149.45	33.70

Amit Paridhan Pvt. Ltd.

The Company is engaged in the Processing and Bleaching of Hosiery Clothes. It is located in Bira, North 24 Paraganas. It started its Commercial Production on 29th June, 2012. It processes approx. 1500 M.T of Fabrics annually. The Company uses state of Art machineries for manufacturing it's Product. The Company produced quality product by way of Job work trading and is supplying to the leading manufacturer of the country.

Some of the Key Highlights during the year under review are : (₹ in Lacs)

Sl.	Particulars	2020-21	2019-20
1	Total Gross Revenue	788.70	966.03
2	Profit before Taxation	(61.98)	(41.35)
3	Net Profit after Taxation	10.22	(83.42)
4	Earnings Per Share	2.11	(17.20)

Terai Doors Tea Company Pvt. Ltd.

The company has owner of bought leaf tea factory and manufacture Black Tea. The Company is engaged in the manufacturing and selling of Tea. during the financial year Company produced 11.18 Lacs kgof Tea.

Some of the Key Highlights during the year under review is : (₹ in Lacs)

Sl.	Particulars	2020-21	2019-20
1	Total Gross Revenue	1863.49	879.42
2	Profit before Taxation	15.43	(68.68)
3	Net Profit after Taxation	11.64	(45.12)
4	Earnings Per Share	2.12	(8.20)

Terai Infrastructures Ltd.

The Company's main objective is to deal in real estate business.

Some of the Key Highlights during the year under review are : (₹ inLacs)

Sl.	Particulars	2020-21	2019-20
1	Total Gross Revenue	Nil	2.65
2	Profit before Taxation	(1.03)	0.10
3	Net Profit after Taxation	(1.03)	0.10
4	Earnings Per Share	(0.018)	0.002

Directors' Report (Contd.)

Terai Ispat & Trading Pvt. Ltd.

The Company is engaged in the trading of various merchandise.

Some of the Key Highlights during the year under review are : (₹ in Lacs)

Sl.	Particulars	2020-21	2019-20
1	Total Gross Revenue	1772.45	28537.24
2	Profit before Taxation	(194.42)	18.75
3	Net Profit after Taxation	(194.42)	12.68
4	Earnings Per Share	(13.59)	0.89

Terai Overseas Pvt. Ltd.

The company is engaged in the Import, Export and trading of various merchandise.

Some of the Key Highlights during the year under review are : (₹ in Lacs)

Sl.	Particulars	2020-21	2019-20
1	Total Gross Revenue	784.91	26512.12
2	Profit before Taxation	(207.45)	35.44
3	Net Profit after Taxation	(209.66)	23.20
4	Earnings Per Share	(31.53)	3.49

Terai Financial Services Pvt. Ltd.

This Company is the financial arm of the group engaged in providing financial and investment services.

Some of the Key Highlights during the year under review are : (₹ in Lacs)

Sl.	Particulars	2020-21	2019-20
1	Total Gross Revenue	Nil	1.15
2	Profit before Taxation	(4.90)	0.97
3	Net Profit after Taxation	(4.90)	0.97
4	Earnings Per Share	(11.00)	2.00

Other Reviews

The matter of compensation of the Land acquisition by the defense are still pending before the Circuit Bench of Calcutta High Court at Jalpaiguri and the company is to get substantial compensation subject to the result of the pending litigations.

Consolidated Financial Statement

In compliance with Section 129(3) of the Companies Act, 2013 and Rules made there under, Indian Accounting Standard (Ind AS) 110 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Consolidated Financial Statement from part of this Annual Report.

Consolidated Financial Statement presented by your Company include financial information about its aforesaid associates.

9. DHARANIPUR TEA ESTATE

The Company is hopeful to the "Specific Performance Decree" in its favour resulting the revival of the purchase deed of Tea Estate by the Bhowmics and the Possession of the Dharanipur Tea Estate. The matter could not be taken up for final hearing due to ongoing COVID-19 Pandemic.

10. TEA TOURISM PROJECT

The Company has applied under the Scheme of Government of West Bengal namely "Tea Tourism and Allied Business Policy, 2019" for a Tea Tourism Project at 5 acres vacant land of Bagdogra Tea Estate near Bagdogra Airport, which is pending approval by the State Government. The Financial Tie up from banks and all other NOC have been obtained from Defense and Airport Authorities.

11. LAND AT BANGALORE

The company is having an agreement to acquire few plots of land at Bangalore for which arbitration proceedings are pending. All the expenses incurred for the litigation in respect of the said land are considered as deemed cost of land as per the agreement.

12. COMMERCIAL REAL ESTATE PROJECT

The Company has entered into joint venture agreement with other Group Companies for Constructing a Commercial Real Estate Project on Sevoke Road, Siliguri on 168 Kathas of land, in which the Company has land share of about 33%. The Plan has already been approved by Siliguri Municipal Corporation and the Company along with other joint venture partners, is looking for an established Developer to bring the project into reality.

13. DETAILS OF SUBSIDIARY / JOINT VENTURES/ ASSOCIATES COMPANIES

The Statement in Form AOC-1 containing the salient features of the financial statement of your company's associates pursuant to first proviso to section 129 (3) of the Companies Act, 2013 (Act) read with Rule 5 of the Companies (Accounts) Rules, 2014, forms part of the Annual Report as an 'Annexure-D'. Further, in line with section 129 (3) of the Act read with the aforesaid Rules, SEBI Listing Regulations, 2015 and in accordance with (Indian Accounting Standards) Rules, 2015 (IND AS rules) of the schedules III of the Companies Act, 2013, Consolidated Financial Statements prepared by your company includes the financial in formations of its associates' companies.

14. SHARE CAPITAL

The paid-up Equity Share Capital of the Company as at 31st March, 2021 was 6,87,93,000 divided into 68,79,300 Equity Shares of ₹ 10 each. There have not been any changes in the Equity Share Capital of the Company during the Financial Year ended 31st

Directors' Report (Contd.)

March, 2021. During the year under review, the Company has neither issued shares with differential voting rights nor issued sweat equity or granted stock options or sweat equity.

15. DIRECTORS & KMP

During the year, the Company had three Key Managerial Personnel, being Mr. Ajit Kumar Agarwala, Managing Director and Mr. Rajendra Kanodia, CFO & Mr. Roshan Dave, Company Secretary of the Company, as per provisions of Section 203 under Companies Act, 2013.

Mr. Roshan Dave, Company Secretary, KMP and compliance officer of the company resigned from the services of the Company. The resignation was effective from 21st April, 2021. Consequent to Mr. Roshan Dave's resignation, the board appointed Mr. Rajesh Singhania as the Company Secretary, KMP and Compliance Officer of the Company. The appointment was effective from 21st April, 2021.

16. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013, and the Listing Regulation 17 (10) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Board has carried out an annual evaluation of its own performance, the Directors individually as well as the evaluation of the working of various Committees. The Independent Directors also carried out the evaluation of the Chairman and the Non-Independent Directors, the details of which are covered in the Corporate Governance Report.

Induction and Training of Board Members

The process followed by the Company for induction and training to Board members has been explained in the corporate Governance Report.

17. INDEPENDENT DIRECTOR'S DECLARATION

The Company has received the necessary declaration from all the Independent Directors of the Company confirming that they meet the criteria as stipulated in section 149(6) of the Companies Act, 2013 and Regulation 16 (1) (b) of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulation, 2015.

18. VOLUNTARY DELISTING OF EQUITY SHARES

The Company had applied for voluntary delisting of equity shares of the company from Bombay Stock Exchange and Calcutta Stock Exchange. Pursuant to the approval of Board of Directors of the Company at its meeting held on April 28, 2021, filed an application to the BSE and CSE for voluntary delisting of its equity shares After seeking Boards approval. The company had passed special resolution vide Postal Ballot notice dated May 28, 2021 and results for which were declared on July 5, 2021. Pursuant to Regulation 8(1)(C) of SEBI Delisting Regulation, the

Company has applied to obtain "In Principle" approval from BSE Limited and Calcutta Stock Exchange Limited on July 07, 2021. On the perusal of the said "In-Principle" Application, BSE instructed the Company to withdraw the Delisting offer and to make a fresh application for Delisting Offer in accordance with newly notified Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2021, effective from June 10, 2021. Delisting under newly notified provisions yet to be decided by the Board.

The Board of Directors has decided to withdraw the delisting at its meeting held on August 23, 2021 for the time being.

19. DIRECTORS RESPONSIBILITY STATEMENT

As required by Section 134(3)(c) of the Companies Act, 2013 your Directors state that

- a) In the preparation of the Annual Accounts for the year ended 31st March, 2021, the applicable accounting standards have been followed with proper explanation relating to material departures, if any;
- b) The Accounting Policies adopted in the preparation of the annual accounts have been applied consistently except as otherwise stated in the Notes to Financial Statements and reasonable and prudent judgments and estimates have been made so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year 2020-21 and of the profit for the year ended 31st March, 2021.
- c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The Annual Accounts for the year ended 31st March, 2021, have been prepared on a going Concern basis.
- e) That proper Internal Financial Control was in place and that the financial controls were adequate and were operating effectively.
- f) That system to ensure compliance with the provisions of all applicable laws was in place and were adequate and operating effectively.

20. COMPANY'S POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

Pursuant to provisions of Section 178 of Companies Act, 2013 and pursuant to Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company, based on the recommendation of the Nomination and Remuneration Committee, has formulated a Remuneration Policy.

Directors' Report (Contd.)

The criteria for identification of the Board Member including that for determining the qualification, positive attributes, independence etc. are summarily given hereunder.

- a) The Board Members shall possess appropriate skills, qualification, characteristics and experience. The objective is to have a Board with diverse background and experience in business, government, academics, technology, human resources, social responsibilities, finance, law etc. and in such other area as may be considered relevant or desirable to conduct the Company's business in a holistic manner.
- b) Independent directors shall be person so fintegrity and possess expertise and experience and / or some one who the Committee / Board believes could contribute to the growth / philosophy/strategy of the Company.
- c) In evaluating the suitability of Individual Board Members, the Committee takes into account many factors, including General Understanding of the Company's business dynamics, Global business, Social Perspective, Educational and Professional Background and Personal Achievements.
- d) Directors should possess high level of personal and professional ethics, integrity and values. Each 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 constituent.
- e) 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.
- f) The Committee evaluates each individual with the objective of having a group that best enables the success of the Company's business and achieve its objectives.

21. EXTRACT OF ANNUAL RETURN

Pursuant to notification dated August 18, 2020 made by MCA and u/s 92(3) of the Companies Act, 2013 and amendment in Companies (Management and Administration) Rules 2014, the companies are not required to attach the extract of the Annual Return with Board's Refort in Form No. MGT-9. However, in that event web link of such Annual Return i.e. <https://www.teraigroup.com/investors/relation/html> on the web site of the company post 48th Annual General Meeting of the company.

22. DETAILS RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND EMPLOYEES

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is marked as 'Annexure-C' which is annexed hereto and forms part of the Directors' Report.

23. DIVIDEND

Considering the financial requirements towards the funding of the ongoing expansion plan, which we believe will enhance the shareholder's value in the long term, no dividend is recommended by the Directors of your company for the year ended 31st March, 2021.

24. TRANSFER TO RESERVE

No amount is proposed to be transferred to General Reserve.

25. DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review.

26. AUDITORS

STATUTORY AUDITORS

M/s. Saha & Majumder, Chartered Accountants, were appointed as the Statutory Auditor of the Company in the Annual General Meeting held on 23rd September, 2018 in terms of Section 139 of the Companies Act, 2013 till the conclusion of Annual General Meeting to be held in 2022.

SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Mohan Ram Goenka a partner of **M/s. MR & Associates**, 46, B. B. Ganguly Street, Kolkata-700012, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Secretarial Auditor has submitted an un-qualified Secretarial Audit Report for the Financial year 2020-21. The Report of the Secretarial Audit is annexed herewith as 'Annexure-B'.

COST AUDIT

Pursuant to Section 148 of the Companies Act, 2013, read with the Companies (Cost Records and Audit) Rules, 2014 the Board of Directors on the recommendation of the Audit Committee appointed **M/s. Debabroto Banerjee & Associates**, Cost Accountant, Kolkata, as the Cost Auditor of the Company for the year under review relating to manufacturing activities by the Company. The

Directors' Report (Contd.)

remuneration proposed to be paid to the Cost Auditor requires ratification of the shareholders of the Company. In view of this, your ratification for payment of remuneration to the Cost Auditor is being sought at the ensuing Annual General Meeting.

Shri Debabroto Banerjee has confirmed that his appointment is within the limits of Section 139 of the Companies Act, 2013 and has certified that he is free from any disqualifications specified under Section 148(5) and all other applicable provisions of the Companies Act, 2013.

The Audit Committee has also received a Certificate from the Cost Auditor certifying his independence and arm's length relationship with the Company.

The Company submits its Cost Audit Report with the Ministry of Corporate Affairs within the stipulated time period.

27. AUDITORS' OBSERVATIONS, AUDITOR'S REPORT

The notes to the Accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further comments. The Statutory Auditor M/s Saha & Majumder, Chartered Accountants has submitted an Un-qualified Audit Report for the financial year 2020-21.

28. FINANCE

The present bankers of the Company are Central Bank of India, Bank of India, Union Bank, and Yes Bank providing credit facilities to the Company. Limits with UCO Bank closed before time and Loan to IndusInd Bank was repaid on the due date of closing. The Directors express their appreciation for the assistance and co-operation provided by them.

29. CREDIT RATING

The Company continues to have the domestic credit rating of BBB -/stable from CRISIL which means sufficient safety with regard to timely payment of financial obligations which is valid up to March 31, 2022.

30. INSURANCE

Adequate insurance cover has been taken for properties of the Company including Buildings, Plant and Machineries and Stocks against fire, and other risks as considered necessary.

31. INTERNAL CONTROL SYSTEMS AND AUDIT

Responsibility for the Internal Control system lies with the Board of Directors as a whole, which establishes policies and periodically verifies its adequacy and effective functioning. The internal control system is first of all a "management" tool, in that it is useful and necessary for the Board of Directors, Executive Directors and managers in general for correctly and effectively performing the tasks assigned them. The internal control system permits monitoring of compliance with the rules and procedures governing performance of all the Company's business activities.

Your 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. The Systems have been laid to ensure that all transactions are executed 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.

Your Company has appointed an Internal Auditor as Independent Auditor who directly reports to Audit Committee of the Board. An Internal Auditor constantly evaluates the risk management and Internal Control system and also suggests the ways to improve the same. The Report of the Internal Auditor facilitates to take corrective action in respective areas and thereby strengthen the controls.

32. PARTICULARS OF EMPLOYEES

The prescribed particulars of remuneration of employees pursuant to Section 134(3)(q) and Section 197(12) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are set out as 'Annexure-C' to the Directors' Report.

33. ENVIRONMENT

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

34. DISCLOSURE OF PARTICULARS WITH REGARD TO CONSERVATION OF ENERGY, TECHNOLOGY AND FOREIGN EXCHANGES AND OUTGO

The particulars as prescribed under sub-section (3) of the Section 134 of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, are given at 'Annexure-A' to the Directors' Report.

35. NUMBER OF MEETINGS OF BOARD OF DIRECTORS

The details of the number of meetings of the Board held during the financial year 2020-21 forms part of the Corporate Governance Report.

36. VIGIL MECHANISM / WHISTLE BLOWER POLICY

In compliance with provisions of Section 177(9) of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company has framed a Vigil Mechanism/Whistle Blower Policy to deal with unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy, if any. The Vigil Mechanism/Whistle Blower Policy has also been uploaded on the website of the Company www.teragroup.com

Directors' Report (Contd.)

37. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORK PLACE

Your Company is committed to provide and promote safe, healthy and congenial atmosphere irrespective of gender, caste, creed or social class of the employees. Your company has put in place a "Policy on Prevention of Sexual Harassment" as per the Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013. The said policy is available on your Company's website www.teraigroup.com and a link to the said policy has been provided. No cases have been filed under the act as the company is keeping the working environment healthy.

38. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS

Prosecution launched by Registrar of Companies, West Bengal under section 205, 209(5), 211(7), 211(8), 629(A), 621(1A) under Companies Act, 1956 under case No C/1740/1995 and C/1741/1995 in the year 1995 for alleged non-disclosure in the prospectus during public issue of shares in the District Court (The Bankshall Court) against the Company and the Managing Director were stood discharged on February 6, 2021 by Bankshall Court. Suitable modification in the Master Data records at MCA21 portal is yet to be made by ROC, West Bengal.

39. POLICY ON MATERIALITY OF AND DEALING WITH THE RELATED TRANSACTIONS

The Company's Policy on Materiality of and Dealing with Related Party Transactions was reviewed and revised on 13th August, 2021 to bring it in conformity with the Listing Regulations. The said policy may be referred to at the Company's website at : www.teraigroup.com

40. OTHER POLICIES

Pursuant to the requirement of Listing Regulations, the Board of Directors has adopted a Policy for Preservation of Documents, Archival Policy and Policy for determining Materiality of Events / Information. The said policy may be referred to at the Company's website at www.teraigroup.com

41. COMMITTEES OF THE BOARD

The Board of Directors has the following Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee

The details of the Committees along with their composition, number of meetings and attendance at the meetings are provided in the Corporate Governance Report.

42. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

During the year the company has not come under the purview to form Corporate Social Responsibility

Committee pursuant to section 134 of the Companies Act and Companies (Corporate Social Responsibility) Rules 2014, but Your Company has continued to play its role as a responsible corporate, adding value to society, and addressing the contemporary social needs and challenges. The Company continues to support the "Amit Agarwala Foundation", a Public Charitable Trust with a vision of creating permanent institutes for use by the needy masses in the field of education, medical facilities and other public utilities and to provide quality services in all such institutes in affordable cost. The following projects are running successfully: -

- a. "Amit Agarwala Smriti Bhawan" a multipurpose facility which provides various facilities for attendants of patients admitted at North Bengal Medical College & Hospital. The same provides accommodation and food to attendants of such patients at a reasonable cost on per day basis.
- b. "Amit Agarwala Bang Bhawan" having constructed area 17000 sq.ft. approx. The Bhawan has multifarious facilities for the residents of the under privileged society of Siliguri. It is located in the heart of Siliguri Town. This was inaugurated by Late Shri Pranab Mukherjee, Former Finance Minister of India on 13th October, 2011.
- c. "Amit Agarwala Old Age Recreation Centre" which provided facilities to the weaker and under privileged citizens of the city of Siliguri and entire North Bengal. There is a library and a reading room basically to provide a meeting Place for elderly persons, who meet, enjoy company of each other reading newspaper and books etc.
- d. "Amit Agarwala Table Tennis Academy" is other charitable units in the in the said center apart from vocational training. The Academy provides Table Tennis coaching under the supervision of one of the renowned coaches of Siliguri.
- e. Constructed first "school for blinds" in North Kolkata, i.e. "Amit Agarwala School for Blind" to provide the sphere of education and other activities to blind boys and girls free of cost. This was inaugurated by the Governor of West Bengal, Shri M.K. Narayanan on 27th day of January, 2013.
- f. "Shree Shree Mahamaya Kalibari Naat Mandir, Desbandhu Para" opposite Amit Agarwala Bang Bhawan. This was inaugurated on 13th September, 2016.
- g. "Amit Agarwala Learning Cum Resource Centre" A learning cum research educational hub is being established and was supposed to be inaugurated by the Hon'ble Chief Minister of West Bengal on 15th May 2020 but due to COVID 19 Pandemic, the same has been postponed for the time being.

Directors' Report (Contd.)

- h. A "Vedic Educational Institute" at Bagdogra on the banks of Changa river is being set up for giving Vedic education and allied search of the highest standards for the welfare of the society.
- i. "COVID-19" - Contribution to Chief Minister's Relief Fund for Rs 10 Lacs was made in June 2020 for COVID-19 Relief.

43. PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

The Board of Directors and the designated employees have confirmed compliance with the Code. The policy on Prevention of Insider Trading as approved by the Board is uploaded on the Company's website www.teraigroup.com

44. RELATED PARTY TRANSACTIONS

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered in to any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

Your directors draw attention of the members to Note 36 to the Notes on Accounts to the Financial Statement which sets out related party disclosures. All Related Party Transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted along with a statement giving details of all related party transactions is placed before the Audit Committee.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website www.teraigroup.com.

Corporate Office :

"Ezra Mansion"

10, Government Place (East)

1st Floor, Kolkata – 700 069

Dated, 25th day of August, 2021

45. RISK MANAGEMENT

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

46. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Details of Loans, Guarantees and Investment covered under the provision of section 186 of the Companies Act, 2013 is given in the Financial Statement forming part of the Annual Report.

47. REPORT ON CORPORATE GOVERNANCE

In accordance with Regulation 34 (3) and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, a Report on Corporate Governance together with Practising Chartered Accountant Certificate regarding Compliance of Conditions of Corporate Governance are attached as 'Annexure-E', forming parts of this report.

48. MANAGEMENT DISCUSSION & ANALYSIS REPORT

In accordance with Regulation 34 and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 a Management Discussion and Analysis Report is attached as 'Annexure-F' forming part of this report.

49. BUSINESS RESPONSIBILITY REPORT

In terms of SEBI (LODR) Regulations 2015, Top 500 listed entities are required to submit as part of their Annual Reports, Business Responsibility Reports, describing the initiatives taken by them from an environmental, Social and Corporate perspective. Your Company does not fall under this Category. However, BR Report on environment, human resources and principle wise performance in short forms part of the Management Discussion and Analysis Report.

50. MATERIAL CHANGES AND COMMITMENTS

An application for commencement of Corporate Insolvency Resolution Process (CIRP) has been initiated against North Bengal Tea Brokers Pvt. Ltd. at Kolkata Bench of National Company Law Tribunal (MCLT) under the provisions of the Insolvency and Bankruptcy Code 2016. The Hon'ble NCLT is yet to admit the said application for initiating CIRP Process. The said reporting has been made to fulfil requirement in compliance of Rule 8(5)(xi) of Companies Accounts Rules, 2014 and notification dated 24.03.2021 by MCA.

By order of the Board
For Terai Tea Company Limited
Sd/-

Ajit Kumar Agarwala
Managing Director
DIN : 00265775

Annexure “A” to the Directors’ Report

The Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo, in the manner as prescribed in Rule 8(3) of the Companies (Accounts) Rules, 2014 (Chapter IX)

A. CONSERVATION OF ENERGY

a) Energy Conservation Measures Taken:

- Stove tubes of the Coal Fired Heaters are cleaned on regular basis.
- Nozzles and Fuels Injectors are cleaned regularly.
- Bearings and Machines are checked and greased regularly.
- Fuel Filters and Mobil Filters are replaced regularly.

B. TECHNOLOGY ABSORPTION

Trials were carried out on pruning cycles, growth regulators, optimal fertilizer use etc. The Company is adopting the general expert advices published by TRA.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO (₹ in Lacs)

Sales (FOB Value) : NIL (NIL)
Expenditure (Others) : NIL (NIL)

With respect to Conservation of Energy are given in Form-A as attached.

Form-A

Form for Disclosure of Particulars with respect to Conservation of Energy :

	CURRENT YEAR 31st March, 2021	PREVIOUS YEAR 31st March, 2020
(I) POWER & FUEL CONSUMPTION		
1. ELECTRICITY		
Purchased (Units KWH)	40,93,459	45,80,149
Total Amount (₹ in Lacs)	421.23	440.20
Rates / Unit (₹ / KWH)	10.29	9.61
Own Generation (Unit / KWH)	N.A.	N.A.
2. COAL		
Quantity (Tonnes)	3,438.18	4,170.74
Total Amount (₹ in Lacs)	313.78	411.16
Average Rate (₹ / Tonne)	9,127	9,858.14
3. FURNACE OIL / H.S.D.		
Quantity (Ltrs.)	37,088	57,536
Total Amount (₹ in Lacs)	25.94	38.97
Average Rate (₹ / Ltrs.)	69.94	67.73
(II) CONSUMPTION PER UNIT OF PRODUCTION		
Total Production of Tea	39,26,307	52,83,442
Electricity (KWH / Qtls)	104.26	86.69
Coal (Qtls. / Qtls)	0.88	0.79
Furnace Oil/H.S.D. (Ltr. / Qtls.)	0.94	1.09

Corporate Office :

“Ezra Mansion”
10, Government Place (East)
1st Floor, Kolkata – 700 069
Dated, 25th day of August, 2021

By order of the Board
For Terai Tea Company Limited

Sd/-
Ajit Kumar Agarwala
Managing Director
DIN : 00265775

Annexure “B” to the Directors’ Report

Form No. MR - 3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

[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,
TERAI TEA CO.LTD
10 GOVERNMENT PLACE (EAST)
KOLKATA - 700 069
West Bengal

1. We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. TERAI TEA CO. LTD.** (hereinafter called “the company”). 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.
2. Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the company has, during the audit period covering financial year ended on 31st March, 2021 (“the audit period”) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:
3. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of:
 - i) The Companies Act, 2013 (the Act), amendments and the rules made thereunder;
 - ii) The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
 - iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, as applicable; and
- (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable regulations /guidelines/circulars issued by SEBI from time to time, to the extent applicable;

I further report that, there were no actions/ events in pursuance of;

- (a) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018

We further report that having we have relied upon the representation made by the Management, for compliance with the specific applicable laws like:

- (a) Food Safety and Standards Act, 2006
- (b) Tea Act, 1953
- (c) Plantations Labour Act, 1951
- (d) Essential Commodities Act, 1955
- (e) The Tea Waste (Control) Order, 1959

- (f) Agricultural Produce (Grading and Marking) Act, 1937
(g) Weight And Measurement Act, 1976

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

- (i) Secretarial Standards as issued and mandated by the Institute of Company Secretaries of India;
(ii) The Listing Agreements entered into by the Company with BSE Limited, Calcutta Stock Exchange Limited. However, the Company is in the process of Voluntary delisting its equity shares from both the Stock Exchanges as per SEBI (Delisting of Equity Shares) Regulations, 2009, as applicable.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, subject to the following observations;

1. The Company had delayed in filing of Financial results under Reg. 33 of SEBI (LODR) 2015 for the Quarter ended 31st March, 2020, 30th June, 2020 and 31st March, 2021 to the Stock exchanges, for which the notices had been received from BSE.
2. The registration of the Independent Directors of the Company is under process with the Data bank maintained by the IICA
3. The Newspaper publication of unaudited financial results for the quarter ended 30th September 2020 approved in Board meeting held on 13.11.2020 was published on 17.11.2020.
4. The Registrar of Companies had filed some cases in 1995 under Section 629A, 211(7), 211(8) and 209(5)

or 209(7) of the Companies Act 1956 with Bankshall Court and as intimated by the Company, the said cases had been discharged and the order of the same is yet to be received.

We further report that

The Board of Directors of the Company is constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors that took place during the year.

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. Decisions at the Board meetings were generally carried out unanimously.

We further report that due to the spread of COVID-19 pandemic, compliances, except as mentioned above, had been made considering the various relaxations granted, from time to time, by the Securities and Exchange Board of India and the Ministry of Corporate Affairs and other Regulatory authorities, as applicable.

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.

This Report is to be read with our letter of even date which is annexed "**Annexure A**" and forms an Integral Part of this Report.

For M R & ASSOCIATES

Company Secretaries

Sd/-

[SNEHA KHAITAN]

Partner

ACS No. : A34458

C P No. : 14929

UDIN : A034458C000773691

Place : Kolkata

Date : 13th August, 2021

Note : In view of the situation emerging out of the outbreak of COVID-19 Pandemic, physical documents, records & other papers of the Company for the audit period covering the financial year ended 31.03.2021 required by us for our examination were obtained from the Company through electronic mode and verified to the extent possible.

Annexure “B” to the Directors’ Report (Contd.)

Annexure “A”

Secretarial Audit Report for the financial year ended 31st March, 2021

To,
The Members,
M/s. TERAI TEA CO. LTD
10, Government Place (East)
Kolkata- 700069

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

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 processes as where appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibilities of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For M R & ASSOCIATES

Company Secretaries

Sd/-

[SNEHA KHAITAN]

Partner

ACS No. : A34458

C P No. : 14929

UDIN : A034458C000773691

Place : Kolkata
Date : 13th August, 2021

Note : In view of the situation emerging out of the outbreak of COVID-19 Pandemic, physical documents, records & other papers of the Company for the audit period covering the Financial year ended 31.03.2021 required by us for our examination were obtained from the Company through electronic mode and verified to the extent possible.

Annexure “C” To Directors’ Report

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) AND 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014, AS AMENDED FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021.

The names of the Top 10 Employees in terms of the remuneration drawn :

- i. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2020-21, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2020-21 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under :

Name of the Employee	Designation of the Employee	Remuneration (Amount in Rs.)	Nature of Employment, whether contractual or otherwise	Qualification and Experience of the Employee	Date of commencement of employment	% of equity shares held by the Employee	Whether any such Employee is a relative of any director or manager, if so, name of such director or manager
Ajit Kumar Agarwala	Managing Director	60.72	Otherwise	Graduate	28/01/1987	37.46	—
Rajendra Kanodia	Director, CFO	15.00	Otherwise	Graduate	28/01/1987	0.21	—
Roshan Dave	Company Secretary	6.00	Otherwise	B.Com.(H), A.C.S., M.Com.	01/03/2011 Resigned on 20/04/2021	—	—
V.D. Dua	Group Superintendant	4.23	Otherwise	Graduate	01/10/2018	—	—
Suman Sharma	Manager	2.24	Otherwise	Graduate	01/12/2020 Resigned on 01/12/2020	—	—
Mahendra Kumar Sharma	Manager	3.33	Otherwise	Graduate	01/12/2020 Resigned on 01/12/2020	—	—
Sudip Banerjee	Astt. Manager	4.36	Otherwise	Graduate	01/02/2020	—	—
Raj Mohan Bhattacharjee	Manager	7.83	Otherwise	B.Sc. (Agriculture)	27/05/2019	—	—
Sambhu Ghosh	Executive	1.12	Otherwise	Graduate	23/06/2003	—	—

- ii. The median remuneration of employees of the Company during the financial year was Rs. 60,215/-
- iii. In the financial year, there is of increase 15.57% in the median remuneration of employees.
- iv. There were 309 permanent employees on the rolls of the Company as on March 31, 2021.
- v. Relationship between average increase in remuneration and company performance: The Profit after Tax for the financial year ended March 31, 2021. Increased to 66.98%
- vi. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

For and on behalf of the Board of Directors
For Terai Tea Company Limited

Registered Office :

“Ezra Mansion”
10, Government Place (East)
1st Floor, Kolkata – 700 069
Dated, 25th day of August, 2021

Sd/-
Ajit Kumar Agarwala
Managing Director
DIN : 00265775

Sd/-
Rajendra Kanodia
Director & CFO
DIN : 00175574

Sd/-
Rajesh Singhania
Company Secretary
FCS-F7746

Annexure “D” To Directors’ Report

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement Containing Salient Features of the Financial Statement of Subsidiaries / Associate Companies / Joint Ventures

Part “A”: Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs)

1. Sl. No.
2. Name of the Subsidiary
3. Reporting period for the subsidiary concerned, if different from the holding company’s reporting period
4. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.
5. Share Capital
6. Reserves & Surplus
7. Total Assets
8. Total Liabilities
9. Investments
10. Turnover
11. Profit before Taxation
12. Provision for Taxation
13. Profit after Taxation
14. Proposed Dividend
15. % of Shareholding

Not Applicable

Notes : The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations
2. Names of subsidiaries which have been liquidated or sold during the year.

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sl.	Name of Associates/Joint Ventures	Abhijit Tea Company Pvt. Ltd.	Jaldacca Tea Plantations Pvt. Ltd.	The Kharibari Tea Co. Ltd.
1.	Latest Audited Balance Sheet Date	31/03/2021	31/03/2021	31/03/2021
2.	Shares of Associate/Joint Ventures held by the Company on the year end :-			
	– No.	7,338	850	96,937
	– Amount of Investment in Associates / Joint Venture	3,32,40,230	43,12,500	44,22,000
	– Extent of Holding %	46.04%	45.33%	48.47%
3.	Description of how there is significant influence	Associate	Associate	Associate
4.	Reason why the associate / joint venture is not consolidated	N.A.	N.A.	N.A.
5.	Net worth attributable to Shareholding as per latest audited Balance Sheet (As per IND AS)	28,47,65,903	5,84,03,135	5,45,09,004
6.	Profit / Loss for the year			
	i. – Considered in Consolidation	79,02,900	87,57,518	2,98,90,555
	ii. – Not Considered in Consolidation	N.A.	N.A.	N.A.

Notes:

1. Names of Associates or Joint Ventures which are yet to commence operations : NIL
2. Names of Associates or Joint Ventures which have been liquidated or sold during the year : NIL

Annexure “D” To Directors’ Report (Contd.)

Part “B”: Associates and Joint Ventures (Contd.)

Statement pursuant to Section 129 (3) of the Companies Act, 2013
related to Associate Companies and Joint Ventures

Sl.	Name of Associates/Joint Ventures	Terai Dooars Tea Co. Pvt. Ltd.	East Indian Produce Limited	Terai Infrastructures Ltd.
1.	Latest Audited Balance Sheet Date	31/03/2021	31/03/2021	31/03/2021
2.	Shares of Associate / Joint Ventures held by the Company on the year end			
	– No.	2,62,500	63,380	26,09,500
	– Amount of Investment in Associates/Joint Venture	24,22,500	44,21,863	21,45,000
	– Extent of Holding %	47.73%	43.80%	45.95%
3.	Description of how there is significant influence	Associate	Associate	Associate
4.	Reason why the associate / joint venture is not consolidated	N.A.	N.A.	N.A.
5.	Net worth attributable to Shareholding as per latest audited Balance Sheet (As per IND AS)	90,39,218	11,28,12,281	6,70,66,482
6.	Profit / Loss for the year			
	– Considered in Consolidation	11,64,208	25,86,7860	(1,03,345)
	– Not Considered in Consolidation	N.A.	N.A.	N.A.

- Notes :** 1. Names of Associates or Joint Ventures which are yet to commence operations : NIL
2. Names of Associates or Joint Ventures which have been liquidated or sold during the year : NIL

Sl.	Name of Associates/Joint Ventures	Sayedabad Tea Co. Ltd.	Terai Overseas Pvt. Ltd.	Amit Paridhan Pvt. Ltd.
1.	Latest Audited Balance Sheet Date	31/03/2021	31/03/2021	31/03/2021
2.	Shares of Associate / Joint Ventures held by the Company on the year end			
	– No.	15,070	3,17,460	1,75,000
	– Amount of Investment in Associates/Joint Venture	1,50,700	28,70,460	3,10,000
	– Extent of Holding %	27.71%	47.74%	36.08%
3.	Description of how there is significant influence	Associate	Associate	Associate
4.	Reason why the associate/ joint venture is not consolidated	N.A.	N.A.	N.A.
5.	Net worth attributable to Shareholding as per latest audited Balance Sheet (As per IND AS)	2,85,02,550	3,10,15,052	3,00,30,540
6.	Profit / Loss for the year			
	– Considered in Consolidation	2,06,14,860	(2,09,66,305)	10,22,153
	– Not Considered in Consolidation	N.A.	N.A.	N.A.

- Notes :** 1. Names of Associates or Joint Ventures which are yet to commence operations : NIL
2. Names of Associates or Joint Ventures which have been liquidated or sold during the year : NIL

Annexure “D” To Directors’ Report (Contd.)

Part “B”: Associates and Joint Ventures (Contd.)

Statement pursuant to Section 129 (3) of the Companies Act, 2013
related to Associate Companies and Joint Ventures

Sl.	Name of Associates/Joint Ventures	Terai Financial Services Pvt. Ltd.	New Darjeeling Union Tea Co. Ltd	Terai Ispat & Trading Pvt. Ltd
1.	Latest Audited Balance Sheet Date	31/03/2021	31/03/2021	31/03/2021
2.	Shares of Associate/Joint Ventures held by the company on the year end			
	– No.	22,554	17,085	7,01,273
	– Amount of Investment in Associates/Joint Venture	22,554	1,24,76,190	22,82,730
	– Extent of Holding %	49.00%	48.59%	49.00%
3.	Description of how there is significant influence	Associate	Associate	Associate
4.	Reason why the associate/ joint venture is not consolidated	N.A.	N.A.	N.A.
5.	Net worth attributable to Shareholding as per latest audited Balance Sheet (As per IND AS)	34,82,575	5,71,62,272	10,22,44,751
6.	Profit / Loss for the year			
	– Considered in Consolidation	(4,90,024)	3,13,62,053	(1,94,42,696)
	– Not Considered in Consolidation	N.A.	N.A.	N.A.

Notes : 1. Names of Associates or Joint Ventures which are yet to commence operations : NIL
2. Names of Associates or Joint Ventures which have been liquidated or sold during the year : NIL

For and on behalf of the Board of Directors
For Terai Tea Company Limited

Registered Office :

“Ezra Mansion”
10, Government Place (East)
1st Floor, Kolkata – 700 069
Dated, 25th day of August, 2021

Sd/-
Ajit Kumar Agarwala
Managing Director
DIN : 00265775

Sd/-
Rajendra Kanodia
Director & CFO
DIN : 00175574

Sd/-
Rajesh Singhania
Company Secretary
FCS-F7746



Annexure “E” to the Directors’ Report

Report on Corporate Governance

Pursuant to part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 “Listing Regulation.”

1. **COMPANY’S PHILOSOPHY ON CODE OF GOVERNANCE**

The Company’s philosophy on Corporate Governance envisages the attainment of highest level of transparency, accountability and equality, in the functioning of the Company and its relationship with employee, shareholders, creditors, consumers, dealers, lenders and ensuring high degree of regulatory compliance.

The Company is committed to following best Corporate Governance Practices in all its pursuits and is constantly striving to better them and adopt emerging best practices. The Board understands and respects its fiduciary role and responsibility to shareholders and strives hard to meet their expectations. The Board also believes that best board practices, transparent disclosures and shareholder empowerment are necessary for creating shareholder

value. Thus, at Terai Tea Company Limited, we always endeavour to create an environment of fairness, equity and transparency in transactions with the underlying objective of securing long term shareholder value creation and enhancement while, at the same time, respecting the rights of all stakeholders of the Company and the society at large. The Company will continue to focus its resources, strengths and strategies to achieve its vision of becoming the most admired and trusted global Tea producer, while upholding the core values of entrepreneurship, disclosure and transparency, equity, responsibility, sustainability and ethical behavior which are fundamental to the Terai family.

2. **BOARD OF DIRECTORS**

a) **Composition of Category of Directors**

The composition of the Board of Directors and also the number of other Board of Directors or Board Committees of Which he / she is a member/Chairperson are as under:

Name of the Director	DIN	Category	No. of other Directorship Excluding Pvt. & Foreign Companies	No. of Membership/ Chairpersonship of other Committee
Shri Ajit Kumar Agarwala	00265775	Promoter, Executive	6	NIL
Smt. Shashikala Agarwala	00260171	Promoter, Non-Executive, Non- Independent	5	NIL
Shri Rajendra Kanodia	00175574	Executive, Non- Independent	6	NIL
Shri Hemant Kumar Agarwal	02308200	Non-Executive, Independent	NIL	NIL
Shri Milan Krisna Sarkar	05272885	Non-Executive, Independent	NIL	NIL
Dr. Jayant Kumar Natwarlal Raja	06884343	Non-Executive, Independent	NIL	NIL

None of the independent Directors of the Company serve as an independent Director in more than seven listed Companies and where any Independent Director is serving as whole time director in more than three listed companies.

None of the Directors is a member of more than ten Committees or Chairman of more than five Committees across all Companies.

Annexure “E” to the Directors’ Report (Contd.)

Details of Directorship in Listed Companies as on 31st March, 2021

Name of the Director	Name of Listed Company	Category
Shri Ajit Kumar Agarwala	Terai Tea Co Ltd.	Promoter, Executive
Smt. Shashikala Agarwala	Terai Tea Co Ltd.	Promoter, Executive, Non-Independent
Shri Rajendra Kanodia	Terai Tea Co Ltd.	Executive, Non-Independent
Shri Hemant Kumar Agarwal	Terai Tea Co Ltd.	Non-Executive, independent
Shri Milan Krisna Sarkar	Terai Tea Co Ltd.	Non-Executive, independent
Dr. Jayantkumar Natwarlal Raja	Terai Tea Co Ltd.	Non-Executive, independent

c) Separate Meeting of Independent Directors

Independent Directors meeting was held on 13th February, 2021 without the presence of the Managing Director and other Non-Executive Non-Independent Director. The meeting was attended by all the Independent Directors and enabled them to:

- Review the performance of Non-Independent Directors and the Board as a whole
- Review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors
- 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.

The composition and the attendance of Directors at these meetings are under:

NAME	No. of Meetings Attended
Mr. Hemant Kumar Agarwal *	1
Mr. Jayant Kumar Natwarlal Raja	1
Mr. Milan Krisna Sarkar	1

*Mr. Hemant Kumar Agarwal was unanimously elected as the Chairman of the Meeting.

d) Familiarizations Programme for IDs

i) Induction & training of Board members

On appointment, the concerned Director is issued a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Independent Director is taken through a formal induction program including the presentation from the Chairman/the Managing Director on the Company’s manufacturing, marketing, finance and other important aspects. The Company Secretary briefs the Director about their legal and regulatory responsibilities as a Director. The induction for Independent Directors

include interactive sessions with Executive Committee Members, Business and Functional Heads, visit to the manufacturing site, etc. On the matters of specialised nature, the Company engages outside experts/consultants for presentation and discussion with the Board members.

ii) Familiarisation programmes for Independent Directors

Independent Directors have been explained about their roles, rights, responsibilities in the Company through detailed presentations on the changes in backdrop of Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The Board including all Independent Directors were provided with relevant documents, reports and internal policies to enable them to familiarise with the Company’s procedures and practices from time to time. Updates on relevant statutory changes on laws concerning the Company are informed to the entire Board on regular intervals. The Independent Directors are facilitated to meet without the presence of the Company’s management to discuss matters pertaining to the Company’s affairs. The Board including Independent Directors is also updated periodically on Related Party Transactions and the irrational, Litigation update, various Policies and Standard Operating Procedures of the Company, Entity Level Risk, Risk Mitigation Plans, etc.

The details of such familiarization programs for Independent Directors are posted on the website of the Company and can be accessed at www.teraigroup.com

iii) Skills/Expertise/Competence of the Board of Directors

Matrix setting out the list of skills/expertise/competence identified by the board of directors as required in the context of the Company’s business (es) and sector(s) for it to function effectively and those actually available with the board are given in below :

Annexure “E” to the Directors’ Report (Contd.)

iv) List of skills/expertise/competence identified by the Board of Directors as required in the context of the Company’s business (es) and sector(s)

Part A : Collective Skills		
Skill Area	Description	Skill/expertise/competence available with the Board
Strategy and planning	Ability to think strategically; identify and critically assess strategic opportunities and threats. Develop effective strategies in the context of the strategic objectives of Terai Tea Co. Ltd. relevant policies and priorities.	Yes
Policy Development	Ability to identify key issues and opportunities for Terai Tea Co. Ltd. and develop appropriate policies to define the parameters within which the organisation should operate.	Yes
Governance, Risk and Compliance	Experience in the application of corporate governance principles in a commercial enterprise or other regulated entity.	Yes
	Ability to identify key risks to Terai Tea Co. Ltd. in a wide range of areas including legal and regulatory compliance.	Yes
	Experience in the appointment and evaluation of senior executive managers.	Yes
Financial Performance	Qualifications and experience in accounting and/or finance and the ability to:	
	• Analyse key financial statements;	Yes
	• Critically assess financial viability and performance;	Yes
	• Contribute to strategic financial planning;	Yes
	• Oversee budgets and the efficient use of resources;	Yes
	• Oversee funding arrangements and accountability.	Yes
Government Relations (policy & process)	Experience in managing government relations and industry advocacy strategies.	Yes
Member and stakeholder engagement	High level reputation and established networks in the consumer or business groups, and the ability to effectively engage and communicate with key stakeholders.	Yes
Commercial Experience	A broad range of commercial/business experience, in areas including communications, marketing, branding and business systems, practices and improvement.	Yes
Legal	Qualification and experience in legal practice with emphasis on:	
	• Tea Industry	Yes
	• Employment law	Yes
	• Health & Safety legislation	Yes
Human Resource Management	Qualification and experience in human resource management with an understanding of:	Yes
	• Tea Industry	Yes
	• Employment law	
Information Technology / DigitalSkills	Qualification and experience in IT Digital skills with an ability to apply new technology to the Tea Industries.	Yes
Part B : Collective Skills		
Integrity (ethics)	A commitment to:	Yes
	• Understanding and fulfilling the duties and responsibilities of a Director, and maintaining knowledge in this regard through professional development;	Yes
	• Putting Terai Tea Co. Ltd. interests before any personal interests;	Yes

Annexure “E” to the Directors’ Report (Contd.)

Part B : Collective Skills (Contd.)		
Skill Area	Description	Skill/expertise/ competence available with the Board
	• Acting in a transparent manner and declaring any activities or conduct that might be a potential conflict;	Yes
	• Maintaining Board confidentiality at all times.	Yes
Effective Communicator	The ability to:• Listen to, and constructively and appropriately debate, other people’s viewpoints;	Yes
	• Develop and deliver cogent arguments;	Yes
	• Communicate effectively with a broad range of stakeholders.	Yes
Constructive Questioner	The preparedness to ask questions and challenge Terai Tea Co. Ltd. management and peer Directors in a constructive and appropriate way about key issues.	Yes
Contributor and Team Player	The ability to work as part of a team, and demonstrate the passion and time to make a genuine and active contribution to the Terai Tea Co. Ltd. Board.	Yes
Commitment	A visible commitment to the purpose for which the Company has been established and operates, and its ongoing success.	Yes
Leader	Innate leadership skills, including the ability to:	
	• Appropriately represent Terai Tea Co. Ltd.	Yes
	• Set appropriate Board and organisation culture;	Yes
	• Make and take responsibility for decisions and actions.	Yes

v) Confirmations of the Board regarding Independent Directors

In the opinion of the Board, the independent directors fulfil the conditions specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

vi) Evaluation of the Board’s Performance

During the financial year, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and Individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, governance issues, etc. Separate exercise was carried out to evaluate the performance of individual Director, including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgement safeguarding of minority shareholders interest, etc. The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and Non-independent Directors were carried out by the Independent Directors. The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

vii) Code of Conduct

The Company has adopted a Code of Conduct for the Directors and Senior Management of the Company. The same has been posted on the website of the Company. The members of the Board and Senior Management of the Company have submitted their affirmation on compliance with the Code for the effective period. The Declaration by the Chairman to that effect forms part of this Report.

viii) Prevention of Insider Trading Code

As per SEBI (Prohibition of Insider Trading) Regulation, 2015, the Company has adopted a Code of Conduct for Prevention for Insider Trading. All the Directors, employees at Senior Management and other employees who could have access to the unpublished price sensitive information of the Company are governed by this code. The trading window is closed during the time of declaration of results and occurrence of any material events as per the code During the financial year under review, there has been due compliance with the said code.

e) MEETINGS

The table below gives the details of Directors’ attendance at the Board Meetings and at the last Annual General Meeting.

Attendance of each Director at the Board Meeting and the last Annual General Meetings (AGM)

Annexure “E” to the Directors’ Report (Contd.)

NAME OF DIRECTORS	NO. OF BOARD MEETINGS HELD	NO. OF BOARD MEETINGS ATTENDED	ATTENDANCE IN LAST AGM
Shri Ajit Kumar Agarwala	17	14	Present
Smt. Shashikala Agarwala	17	12	Present
Shri Rajendra Kanodia	17	17	Present
Shri Hemant Kumar Agarwal	17	17	Present
Shri Jayanta Kumar Natwarlal Raja	17	8	Present
Shri Milan Krisna Sarkar	17	8	No

- a) During the year under review, 17 (Seventeen) Board Meetings were held. The maximum time-gap between any two meetings did not exceed four months. The dates on which meetings were held are given below:

May 18, 2020	September 08, 2020	November 13, 2020	March 05, 2021
June 01, 2020	September 18, 2020	December 05, 2020	March 20, 2021
July 09, 2020	October 10, 2020	December 14, 2020	
August 07, 2020	November 02, 2020	February 13, 2021	
August 25, 2020	November 03, 2020	February 27, 2021	

f) Skill/expertise/competence of the Board of Directors:

Shri Ajit Kumar Agarwala, Managing Director:

He is one of our Promoters. He completed his Graduation in Arts & Doctor of philosophy in Business Management from Burkes University, U.K. He has more than 40 years experience in Tea Plantation, Marketing Business and Financial Business and is responsible for overall operations of our Company.

Smt. Shashikala Agarwala, Non-Independent, Non-Executive:

She is one of our promoters. She completed her Graduation in Arts. She has more than 40 years experience in Tea Plantation, Marketing Business and Financial Business and she has been member of our Board since 28 January 1987.

Shri Rajendra Kanodia, Non-Independent, Executive:

He has been a member of our Board of Directors since 28 January 1987. He completed his Graduation in Commerce. He has more than 33 years experience in Tea Plantation, Marketing Business and Financial Business.

Shri Hemant Kumar Agarwal. Independent, Non-Executive:

He has been a member of our Board of Directors since 13 August 2015. Independent Director and

Chairman of Audit Committee of the Company is a businessman since very early young age and have very wide experience in dealings in food items etc. With their presence in the company, a new wave in turnover and profits is bound to come.

Shri Jayanta Kumar Natwarlal Raja, Independent, Non-Executive:

He has been a member of our Board of Directors since 26 July 2014 and an Independent Director and Chairman of Stakeholders Committee of the Company is an institution by himself having achieved all heights in medical science and who has devoted his life for care of the sick people.

Shri Milan Krisna Sarkar, Independent, Non-Executive:

He has been a member since July 26, 2014 as an Independent Director and a very senior Lawyer (LLB) he look forward to protect our properties and legal matters through his experience. He is a Chairman of nomination and Remuneration committee and member of Audit committee & Stakeholder relationship Committee.

c) Disclosure of relationship between Directors:

No Director is related to any other Directors on the Board in term of definition of relatives given under the Companies Act, 2013, except Smt. Shashikala Agarwala who is the wife of Shri Ajit Kumar Agarwala.

g) Number of Shares held by Non Executive Directors

NAME OF DIRECTORS	CATEGORY	No. of Share Held
Smt. Shashikala Agarwala	Non-Executive, Non-Independent Director and Promoter (Women Director)	18,98,800
Shri Hemant Kumar Agarwal	Non-Executive and Independent Director	—
Shri Jayanta Kumar Natwarlal Raja	Non-Executive and Independent Director	—
Shri Milan Krisna Sarkar	Non-Executive and Independent Director	—

Annexure “E” to the Directors’ Report (Contd.)

The Company has adopted a Code of Conduct specifically for the members of the Board of Directors and/or members of the Senior Management of the Company, which sets out as follows:

1. Conflict of Interest

- To conduct them ethically and honestly and act in the interests of the Company
- To avoid situations that might lead to a conflict between his personal interests and the interests of the Company.

Although it is difficult to describe all situations, which could create a conflict of interest, the following are some examples:

- (i) Working for a competitor/ supplier/ client while working for the Company.
- (ii) To serve as a Director/Employee in Top Executive Management of any Company that competes with the Company.
- (iii) One may accept Directorship or Employment of a Company / Supplier or Business Partner only after obtaining approval from the Company’s Legal Department.
- (iv) Accepting gifts/ receiving discounts from competitors
- (v) Personally taking a business opportunity that arises due to a Senior Manager’s position
- (vi) Receiving a loan or a guarantee or an obligation arising due to his position.

2. Confidential Information

- Each Director & Senior Manager is expected to protect the Company’s confidential proprietary business information.
- Each Director & Senior Manager’s commitment is evidenced by a confidentiality agreement.
- Being a Director / Senior Member, one is expected to keep certain information confidential which have been discussed in the Senior Management Meetings.
- Re-enforcing the confidentiality agreement as stated in the appointment terms and conditions as well as in the service rule of the Organization.
- Only authorized Company spokesperson may communicate with the press on behalf of the Company.

3. Public Disclosures

The Company is committed to all of its public disclosures and reports being full, fair, accurate, timely and understandable.

4. Legal Compliance

The Company recognizes to conduct its business with honesty, integrity and in full compliance with all applicable laws, rules and regulations. All Directors

& Senior Managers are required to abide by the statutory requirements.

5. Share Transactions

All Board Members & Senior Managers should report their holding in the Company. There should exist a block period of two weeks (before the quarterly results etc.) when one cannot trade in the Company’s securities.

In accordance with the SEBI Guidelines, one is expected to refrain from “Insider trading” by misusing any unpublished price-sensitive information.

6. Fair Business Practices

Each Director / Senior Manager of the Organization is committed to conduct business fairly without engaging in corrupt practices and unfair competition. Therefore, manipulation, concealment, abuse of privileged information, misrepresentation of facts is not considered as fair business practice.

7. Supporting Loyalty & Respect

Each Director & Senior Manager will abide by and promote Company’s environment of mutual trust and loyalty. If any Director / Senior Member breach this trust, then he/ she will be subject to appropriate corrective action including dismissal or removal from office.

8. Open Communication

Each Senior Manager is encouraged to discuss concerns raised by anyone in the Company, or report any suspected breach to CMD. The Company will not tolerate any form of retaliation for reports or concerns that were made in good faith.

9. Corporate Policy Awareness

All Senior Managers must be aware of all the corporate policies governing the Code of Conduct of employees and the Company’s Management System.

10. Company Branding

All Director & Senior Managers are expected to give responsible views about the Company and its performance.

11. Black out Period

All Directors & Senior Managers are expected to adhere to black out policy during which trading window is closed for them.

12. Amendment of the Code

The Company recognizes that only the Managing Director of the Company may amend this Code as and when required.

13. Violation of the Code of Conduct

If there is a violation of the above-mentioned Code of Conduct by any of the Senior Managers, depending on the seriousness/ severity of the issue will be taken

Annexure “E” to the Directors’ Report (Contd.)

up by a Committee, headed by the MD of the Company for appropriate action as deemed fit.

h) **AUDIT COMMITTEE**

The constitution of Audit Committee is as per Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 177 of the Companies Act, 2013.

Composition Meeting and Attendance During the Year

The terms of reference, role and scope of Audit Committee are in line with the provisions of Section 177 of the Companies Act, 2013 and Regulations 18 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. The Audit Committee of the Board, inter alia, provides reassurance to the Board on the existence of an effective internal control environment.

The Audit Committee is constituted by three Non-Executive Independent Directors (NEID), all of whom are financial literate and they have accounting or related financial management expertise. Mr. Hemant Kumar Agarwal, Chairman of the Committee is among the Non-Executive Independent Directors. The Company Secretary acts as the Secretary of the Audit Committee. During the year, 4 (Four) meetings of the Audit Committee were held on July 27, 2020, September 18, 2020, November 13, 2020, February 13, 2020. The maximum time gap between any two consecutive meetings did not exceed 4 (Four months). Moreover, the quorum of minimum 2 (Two) Independent Directors, as required by the Listing Regulations, was present in all the meetings of the Audit Committee held during the year. The constitution of the Committee, number of meetings held and attendance of the members are given below:

Names of the Directors	Position Held	Category	No. of Meetings	
			Held	Attended
Mr. Hemant Kumar Agarwal	Chairman	Independent, Non-Executive	4	4
Dr. Jayanta Kumar Natwarlal Raja	Member	Independent, Non-Executive	4	4
Mr. Milan Krisna Sarkar	Member	Independent, Non-Executive	4	4

The Audit Committee functions as a bridge between the administration of the Company and its Board in all financial and accounting matters including budget. The terms of reference for Audit Committee include:

- (i) The recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- (ii) Review and monitor the auditor’s independence and performance, and effectiveness of audit process;
- (iii) Examination of the financial statement and the auditors’ report thereon;
- (iv) Approval or any subsequent modification of transactions of the company with related parties;
- (v) Scrutiny of inter-corporate loans and investments;
- (vi) Valuation of undertakings or assets of the company, wherever it is necessary;
- (vii) Evaluation of internal financial controls;
- (viii) Monitoring the end use of funds raised through public offers and related matters.

Statutory Audit Observations

While reviewing the financial records for the year under report, the Audit Committee took note that there were no observations of the Statutory Auditors.

i) **STAKE HOLDERS RELATIONSHIP COMMITTEE**

(1) Composition & Terms of Reference

The Stakeholders Relationship Committee is constituted as per Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 178 (5) of the Companies Act, 2013. Stakeholders Relationship Committee comprises of three (3) Directors namely Mr. Jayantakumar Natwarlal Raja (Non-Executive Independent Director) who is the Chairman of the Committee, Mr. Milan Krisna Sarkar (Non-Executive Independent Director) and Mr. Hemant Kumar Agarwal (Non-Executive Independent Director). Mr. Roshan Dave, Company Secretary acts as the Secretary to the Stakeholders Relationship Committee. This Committee additionally monitors the relationship with Stakeholders including Shareholders, Employees, Customers, Vendors, Government and Society. Such meetings are held on quarterly basis and the Shareholders’ complaints and grievances are reviewed in detail by the Committee and prompt and effective directions are given to the Registrars for proper disposal. During the Financial Year 2020-21 the Company has not received any complaint from the Shareholders / Investors of the Company and no queries are pending to be resolved as on date.

Annexure “E” to the Directors’ Report (Contd.)

Status of Investors’ Complaints :	
Number of complaints received during the year	Nil
Number of complaints resolved up to 31st March, 2021	Nil
Number of complaints not solved to the satisfaction of shareholders	Nil
Number of complaints pending as on 31st March, 2021	Nil

2) Meeting and Attendance during the year

During the financial year Two (2) meetings of the Stakeholders Relationship Committee were held on September 18, 2020 and November 13, 2020 for the year ended March 31st, 2021 and attendance of the members are given below:

MEMBERS	MEETING HELD	MEETINGS ATTENDED
Mr. Hemant Kumar Agarwal	2	2
Dr. Jayantakumar Natwarlal Raja	2	2
Mr. Milan Krisna Sarkar	2	2

j) **NOMINATION & REMUNERATION COMMITTEE:**

The Nomination and Remuneration Committee is constituted as per Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 178 (1) of the Companies Act, 2013.

1) **Composition:**

The Nomination & Remuneration Committee of the Company comprises of three (3) Non-Executive Independent Directors, Mr. Milan Krisna Sarkar is the Chairman of the Committee Mr. Jayantakumar Natwarlal Raja (Non-Executive Independent Director), Mr. Hemant

Kumar Agarwal (Non- Executive Independent Director and the Company Secretary acts as the Secretary of the Nomination & Remuneration Committee.

2) **Terms of reference:**

This Committee recommends and reviews the Compensation packages, commission payable to Directors/ Executives and Managing Director of the company, thereof within the limit approved by the shareholders from time to time. During the financial year Two (2) meeting of Nomination and Remuneration Committee were held on September 18, 2020 and November 13, 2020.

3) **The Composition and Attendance of the Director’s Remuneration Committee Meeting:**

Names of the Directors	Position Held	Category	No. of Meetings	
			Held	Attended
Mr. Milan Krisna Sarkar	Chairman	Independent, Non-Executive	2	2
Dr. Jayantkumar Natwarlal Raja	Member	Independent, Non-Executive	2	2
Mr. Hemant Kumar Agarwal	Member	Independent, Non-Executive	2	2

4) **Remuneration Policy**

Remuneration policy of Terai Tea Co. Ltd comprising members of the Board of Directors (“Board”), Key Managerial Personnel and the Senior Management Personnel of the Company.

The objective of the remuneration policy is to enable the Company to attract, motivate, and retain qualified

industry professionals for the Board of Management and other executive level in order to achieve the Company strategic goals. The remuneration policy acknowledges the internal and external context as well as the business needs and long term strategy. The policy is designed to encourage behavior that is focused on long-term value creation, while adopting the highest standards of good Corporate Governance.

5) **Remuneration paid to the Managing Directors**

Name of the Director	Gross Salary (₹ in Lacs)	Value of Perquisites (₹ In Lacs)	Total Salary (₹ in Lacs)
Mr. Ajit Kumar Agarwala	60.72	—	60.72

Annexure “E” to the Directors’ Report (Contd.)

6) Criteria of making payments to Non-Executive Directors

With changes in the Corporate Governance norms brought by the Companies Act, 2013 as well as the Listing Regulations, the role of Non-Executive Directors particularly the Independent Directors and the degree and quality of their engagement with the Board and the Company has undergone significant changes. The Company is being hugely benefited from their expertise, advice and inputs. They devote their valuable time in deliberating on the strategic and critical issues in the course of the Board and Committee meetings of the Company and give valuable advice, suggestions and guidance to the management of the Company from time to time.

The Company believes that remuneration paid to its Non-Executive Independent Directors should be reflective of the size of the Company and complexity of the Sector/Industry/Company’s operations and

should be consistent with recognized best practices. Overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate Directors aligned to the requirements of the Company, taking into consideration the challenges faced by the Company and its future growth imperative.

Contribution of the Non-Executive Directors in Board and Committee Meetings, time devoted by them, participation in strategic decision making, timely guidance to the Board on important policy matters of the Company, performance of the Company and industry practices and benchmarks forms the main criteria for determining payments to Non-Executive Directors.

7) Sitting fees

Non-Executive Directors are paid a sitting fees of ₹ 20,000/- for during the financial year 2020-21.

These fees have been decided taking into consideration the extend of business transacted at various meetings.

k) GENERAL BODY MEETINGS

1) Annual General Meeting :

Annual General Meeting of the Company during the preceding three(3) years were held at the Registered Office of the Company at 10, Government Place (East) Kolkata - 700 069.

Date and Time of Annual General Meetings held during the preceding Three (3) years are as follows:

LOCATION	DATE	TIME
10, Government Place (East) , Kolkata – 700 069	December 30, 2020	10.30A.M.
10, Government Place (East) , Kolkata – 700 069	September 30, 2019	10.30A.M.
10, Government Place (East) , Kolkata – 700 069	September 29, 2018	10.30A.M.

2) Special Resolution passed in the last three AGM:

a) In the AGM on 30th December, 2020 : No Special Resolutions was transacted at the meeting as per the Companies Act, 2013.

b) In the AGM held on 30th September, 2019 : Three special resolutions were transacted under the provisions of section 149 read with Schedule IV of the Companies Act, 2013.

3) All the resolutions set out in the respective notices were passed by the shareholders.

4) No Resolution was put through Postal Ballot.

l) Subsidiary Companies

During the year under review the company has no subsidiary Company but Company has 12 Associate Companies.

m) OTHER DISCLOSURES :

1) Disclosure on Materially Significant Related Party Transactions :

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and under

Listing Regulation, during the financial year were in the ordinary course of business and on an arms length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosures as required by the Accounting Standards (AS18) have been made in the Note No. 36 to the Financial Statements.

The Policy on Related Party Transactions as approved by the Board is uploaded on the Company’s website and may be accessed at the link www.teraigroup.com.

2) Disclosure on Accounting Treatment:

In the preparation of the Financial Statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

Annexure “E” to the Directors’ Report (Contd.)

n) Details of Non-Compliance by the Company, Penalties, Strictures Imposed on the Company by the Stock Exchanges, SEBI or any Statutory Authority on any matter related to Capital Markets:

The Company has complied with all the requirements of the Listing Regulations, with the Stock Exchanges as well as regulations and guidelines of SEBI. No penalties or strictures were imposed by SEBI, Stock Exchanges or any authority on matters relating to Capital Markets during the last three years except Imporition of penalty for delay in submission of Annual Result for 2019-20 and Quarterly Result for Quarter ended 30th June, 2020.

o) Risk Management:

The Company has laid a comprehensive Risk Assessment and Minimization Procedure which was presented to the Audit Committee and reviewed by the Board from time to time. These procedures are reviewed to ensure that executive management controls risk through means of a properly defined framework.

p) Vigil Mechanism/Whistle Blower Policy:

In compliance with provisions of Section 177(9) of the Companies Act, 2013, the Company has framed a Vigil Mechanism/Whistle Blower Policy and the same has also been placed in the website of the Company. None of the employees of the Company has been denied access to the Audit Committee.

q) Policy on Materiality of and Dealing with Related Party Transactions

Related Party Transactions can present a potential or actual conflict of interest which may be against the best interest of the Company and its shareholders. Considering the requirements for the approval of related party transactions as prescribed under the Companies Act, 2013 and Regulations 23 of the Listing Regulations, the Company has formulated a ‘Policy on Materiality of and Dealing with Related

Party Transactions’ for identification of related parties, setting out the materiality threshold and the proper conduct and documentation of all laws and regulations. The ‘Policy on Materiality of the Dealing with Related Party Transactions’ has been put up on the website of the Company at: <http://www.teraigroup.com>

r) Details of Compliance with Mandatory Requirements and adoption of Non-Mandatory Requirements :

The Company has complied with all the applicable mandatory requirements. The Company has not adopted the non-mandatory requirements of the Listing Agreement.

s) Prevention of Insider Trading

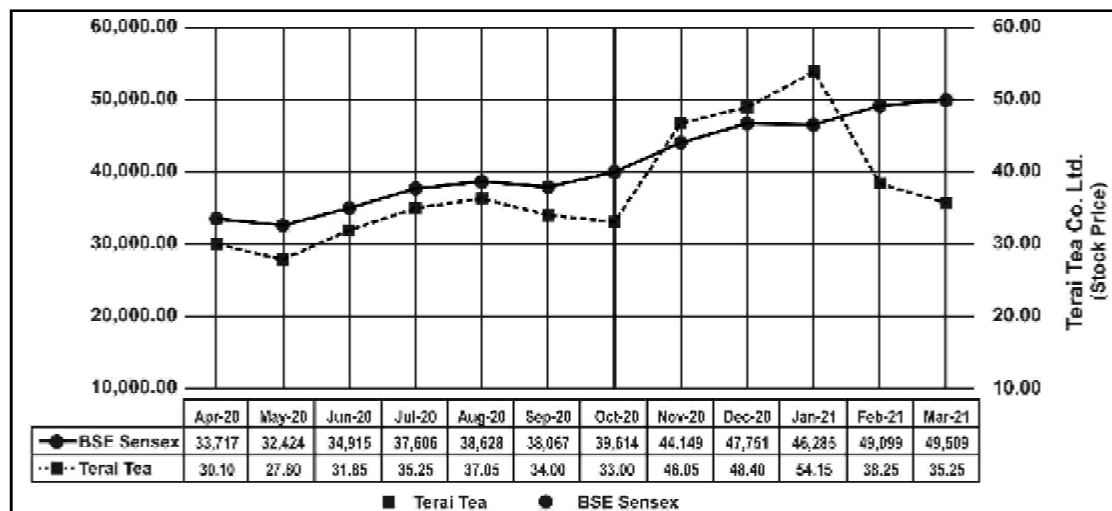
The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company’s shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation of the Company and during the period when the Trading Window is closed. The Company Secretary is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

t) MD / CFO Certification

The Managing Director and Chief Financial Officer of the Company have issued necessary certificate pursuant to the provisions of Regulations 17 (8) of the Listing Regulations certifying that the financial statement do not contain any materially untrue statement and these statements represent a true and fair view of the Company’s affairs..The same is attached and forms part of the Annual Report.

u) Performance of the Company in Comparision to Sensex.



Annexure “E” to the Directors’ Report (Contd.)

v) **COMPLIANCE CERTIFICATE**

Certificate from the Independent Auditor Messrs Saha & Majumder, Chartered Accountants, Siliguri, Membership No. 010767, confirming compliance with conditions of Corporate Governance as stipulated of the Listing Regulations is attached and forms part of Annual Report.

w) **MEANS OF COMMUNICATION:**

Quarterly / Half-yearly report	The Result of the Company are published in the News-Paper and uploaded on the Website of the Company
Any website, where displayed	Yes, at www.teraigroup.com
Whether, it also displays official news releases	No
The presentations made to institutional investors the analysts	No
Newspapers in which results are normally	“Eco of India” and “Financial Express” in English and published in “Arthik Lipi in Bengali.
Whether Management Discussion & Analysis Report is a part of Annual Report or not	Yes

x) **SHAREHOLDER INFORMATION:**

1) Annual General Meeting

Date	October 30, 2021
Time	10.30 A.M.
Venue	Terai Tea Co. Ltd.”Ezra Mansion”, 1st Floor, 10, Government Place (East), Kolkata – 700 069

2) **Financial Calendar (Tentative and subject to change)**

Particulars	Date of Board meeting for approval
Annual Accounts for 2020-21	4th week of May, 2021 (held on 13th Aug 2021)
Financial Results for First Quarter	2nd week of August, 2021
Financial Results for Second Quarter	2nd week of November, 2021
Financial Results for Third Quarter	2nd week of February, 2022
Financial Result for the Year ended	Last Week of May, 2022

3) **Book Closure**

Books shall remained closed from October 23rd, 2021 to October 30th, 2021 (both days inclusive)

4) **Listing in Stock Exchange**

i) The shares of the Company are listed as detailed below:

The Stock Exchange	Stock Code
Bombay Stock Exchange Limited Phiroza Jeejeebhoy Tower, 25 th Floor, Dalal Street, Mumbai-400001	530533
Calcutta Stock Exchange Association Limited 7, Lyons Range, Kolkata-700001	30105
ISIN Number for NSDL/CDSL	INE 390D1011
CIN No	L51226WB1973PLC029009
The Company has paid Annual Listing fees to Bombay Stock Exchange for the year 2021-22.	
ii) Depositories :	
National Securities Depository Ltd.	Trade World, “A” Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg Lower Parel, Mumbai-400001
Central Depository Services Ltd.	Phiroza Jeejeebhoy Tower, 28th Floor, Dalal Street, Mumbai - 400 001

5) **Demat ISIN Numbers:**

NSDL	ISIN INE 390D1011
CDSL	ISIN INE 390D1011

6) **Registrar and Share Transfer Agents**

Maheshwari Datamatics Pvt. Ltd.
23, R. N. Mukherjee Road, 5th Floor, Kolkata - 700 001
Tel. (033) 2248-2248, 2343-5029
E-mail : mdpldc@yahoo.com

Annexure “E” to the Directors’ Report (Contd.)

7) Share Transfer System

The request for the transfer of shares held in physical mode should be lodged at the Company’s Registrar Share Transfer Agents, Maheshwari Datamatics Pvt. Ltd. The Board of Directors has unanimously delegated the powers of share transfer, transmission, sub-division and consolidation to a Share Transfer Committee in order to expedite transfer, transmission, etc in the physical form. The Committee meets once in every fortnight for approving share transfer and for other related activities. Share transfers are registered and returned in normal course within an average period of 15 days, if the transfer documents are found technically in order and complete in all respects

8) Market Price Data

High/low (based on the closing prices) during each month in the financial year 2020-21 on the Bombay Stock Exchange.

Month	BSE SENSEX CLOSE	BSE		
		High Price	Low Price	Close Price
April, 2020	33,718	45.05	27.70	30.10
May, 2020	32,424	34.65	25.00	27.80
June, 2020	34,916	39.25	29.15	31.85
July, 2020	37,607	37.00	29.60	35.25
August, 2020	38,628	41.60	31.90	37.05
September, 2020	38,068	40.04	30.75	34.00
October, 2020	39,614	39.95	29.05	33.00
November, 2020	44,150	52.40	30.40	46.05
December, 2020	47,751	50.40	43.20	48.40
January, 2021	46,286	72.45	47.10	54.15
February, 2021	49,100	57.40	34.40	38.25
March, 2021	49,509	47.40	34.90	35.25

9) High & Low Market Price

Particulars	Terai Tea Co. Ltd. V/S BSE Sensex	
	Terai Tea Co. Ltd. Share Price	BSE Sensex
April, 2020	27.70	33,178
March, 2021	47.40	49,509

10) Distribution of Shareholding As on 31st March, 2021

No. of Shares Held	No. of Holders	% of Holders	No. of Shares	% of Capital
Up to 500	1,444	88.92	1,53,469	2.23
501-1000	78	4.80	62,350	0.91
1001-2000	47	2.89	70,430	1.03
2001-3000	21	1.29	56,192	0.82
3001-4000	4	0.25	13,274	0.19
4001-5000	8	0.49	37,464	0.54
5001-10000	6	0.37	41,065	0.60
10001 and above	16	0.99	64,45,056	93.68
Total	1,624	100.00	68,79,300	100.00

11) Shareholding Pattern as on 31st March, 2021

Name of the Shareholders	No. of Shares Held	% Holding
Promoter & Promoter Group	51,03,100	74.18
Non-Promoters Holding		
– Financials Institutions	Nil	Nil
– Bodies Corporate	11,60,301	16.87
– NRI / Foreign Company	2,173	0.03
– Clearing Member	9,233	0.14
Indian Public	6,04,493	8.78
Total	68,79,300	100

Annexure “E” to the Directors’ Report (Contd.)

12) Dematerialization of Shares and Liquidity as on 31st March, 2021

Particulars of Shares	Equity Shares of ₹ 10 Each	
	Number	% of Total
Dematerialized Form		
a) NSDL	63,52,047	92.34
b) CDSL	4,64,487	6.75
Sub Total	68,16,534	99.09
Physical Form	62,766	0.91
Total	68,79,300	100.00

13) Outstanding GDRs/ ADRs/Warrants or any Convertible Instruments:

No GDRs/ADRs/Warrants or Convertible Instruments are issued during the year.

14) Details of Public Funding Obtained in Last Three Years:

No capital has been raised by way of public funding in past three years

15) Plant Locations:

Bagdogra Tea Estate	P.O. Bagdogra, Dist. Darjeeling, West Bengal
Terai Tea Factory Unit	P.O. Kharibari, Dist. Darjeeling, West Bengal
Karjeepara Tea Factory **	P.O. Das Darga, Dist-Jalpaiguri, West Bengal
Adhikari Tea Factory	P.O. Adhikari, Dist. Darjeeling, West Bengal

** Company sold in units in the month of August, 2020.

16) Address for Correspondence:

Any assistance regarding share transfer and transmission, change of address, non- receipt of share certificate/ duplicate share certificate, demat and other matters and for redressal of all share-related complaints and grievances, the Members are requested to write to or contact the Registrar & Share Transfer Agents or the Share Department of the Company for all their queries or any other matter relating to their shareholding in the Company at the addresses given below:

1. The Company’s Registered Office :	TERAI TEA COMPANY LIMITED 10, Government Place (East), 1 st Floor, Kolkata- 700 069. Tele: (033) 460-13789 / 39789, Fax: (033) 2248-9182, Email: teraitea@gmail.com , Website: www.teraignroup.com
2. Registrar and Share Transfer Agent :	Maheshwari Datamatics Pvt. Ltd. 23, R. N. Mukherjee Road, 5th Floor, Kolkata - 700 001 Tel. (033) 2248-2248, 2343-5029 E-mail : mdpldc@yahoo.com
3. Compliance Officer :	Mr. Rajesh Singhania TERAI TEA COMPANY LIMITED 10, Government Place (East), 1 st Floor, Kolkata- 700 069. Tele: (033) 460-13789 / 39789, Fax: (033) 2248-9182, Email: teraitea@gmail.com , Website: www.teraignroup.com

By order of the Board
For Terai Tea Company Limited

Registered Office :

“Ezra Mansion”
10, Government Place (East)
1st Floor, Kolkata – 700 069
Dated, 25th day of August, 2021

Sd/-
Ajit Kumar Agarwala
Managing Director
DIN : 00265775

Annexure “E” to the Directors’ Report (Contd.)

Independent Auditor Certificate Regarding Compliance of Corporate Governance.

To
The Board of Directors
Terai Tea Company Limited
10, Government Place (East)
1st Floor, Kolkata - 700069
West Bengal

To the Members of Terai Tea Company Limited

Independent Auditor’s Certificate on Compliance of Corporate Governance Report

Terai Tea Company Limited (‘the Company’) requires Independent Auditor’s Certificate on Corporate Governance as stipulated in Regulations 17 to 27, Clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’) for the period 1 April 2020 to 31 March 2021.

Management Responsibility

The preparation of the Corporate Governance Report is the responsibility of the management of the Company along with the maintenance of all its relevant supporting records and documents. The Management is responsible for ensuring that the Company complies with the requirements as stipulated in Regulations 17 to 27, Clauses (b) to (i) of Regulation 46(2) and paragraphs C and D of Schedule V of the Listing Regulations for the period 1 April 2020 to 31 March 2021. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the report and applying an appropriate basis of preparation and presentation of the report and applying an appropriate basis of preparation.

Auditor’s Responsibility

Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance as to whether the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the period 1 April 2020 to 31 March 2021.

We have examined the compliance of conditions of Corporate Governance by the Company for the period 1 April 2020 to 31 March 2021 as per Regulations 17 to 27, Clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Listing Regulations. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes, Guidance note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India (‘the ICAI’) and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate.

The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI. 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 information and according to the explanations given to us and representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as specified in Regulations 17 to 27, Clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Listing Regulations, as applicable. 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.

Restriction on use

This certificate is issued solely for the purpose of complying with Regulations 17 to 27, Clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Listing Regulations for the period 1 April 2020 to 31 March 2021 and may not be suitable for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

Place : Siliguri
Date : 13th August, 2021

For SAHA & MAJUMDER
Chartered Accountants
FRN : 303087E

Sd/-

S.N. Bhattacharjee
Partner

Membership No. 010767
ICAI UDIN : 21010767AAAABI1070

Annexure “E” to the Directors’ Report (Contd.)

Declaration Regarding Code of Conduct:

To Whom It May Concern

The Company has framed a specific Code of Conduct to be followed by the members of the Board of Directors and the Senior Management Personnel of the Company. We have incorporated in the conduct duties of the Independent Directors as laid down in schedule IV of the Companies Act, 2013 The said “Code” has been circulated to the members of the Board and Senior Management Personnel of the Company, who have confirmed compliance of the same for the year ended 31st March, 2021. The Said “Code” is also been posted on www.teraignroup.com the website of the Company. Based on the above, it is hereby declared that the code has been complied with by all.

Registered Office :

“Ezra Mansion”

10, Government Place (East)

1st Floor, Kolkata – 700 069

Dated, 25th day of August, 2021

For Terai Tea Co. Limited

Sd/-

Ajit Kumar Agarwala

Managing Director

DIN : 00265775

Annexure “E” to the Directors’ Report (Contd.)

MD/CFO CERTIFICATION

To
The Board of Directors
Terai Tea Co. Ltd.
10, Government Place (East)
Kolkata-700069

- a) We, Ajit Kumar Agarwala, Managing Director and Rajendra Kanodia, CFO of Terai Tea Co. Ltd. have reviewed Financial Statements and the Cash Flow Statement for the year 2020-21 duly audited by **Saha & Majumder**, Chartered Accountants, Siliguri and that to the best of our knowledge and belief:
- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - These statements together present a true and fair view of the Company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- b) To the best of our knowledge and belief, there are no transactions entered into by the Company during the year 2020-21 which are fraudulent, illegal or violative of the Company’s code of conduct;
- c) We do accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of the internal control, if any, of which we are aware of and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee that -
- There has not been any significant changes in internal control over the financial reporting during the year under review;
 - There has not been any significant changes in accounting policies during the year requiring disclosure in the notes to the financial statements; and
 - 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 the financial reporting.

For Terai Tea Company Limited

Registered Office :

“Ezra Mansion”
10, Government Place (East)
1st Floor, Kolkata – 700 069
Dated : 25th day of August, 2021

Sd/-
Ajit Kumar Agarwala
Managing Director
DIN : 00265775

Sd/-
Rajendra Kanodia
Director & CFO
DIN : 00175574

Annexure “E” to the Directors’ Report (Contd.)

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS (Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
Terai Tea Co. Ltd.
10 Government Place (East)
Kolkata 700069

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Terai Tea Co. Ltd.** having **CIN No. L51226WB1973PLC029009** and having registered office at 10 Government Place (East), Kolkata 700069 (hereinafter referred to as ‘the Company’), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority, as applicable.

Sl. No.	Name of the Directors	DIN	Date of Appointment in Company
1.	Ajit Kumar Agarwala	00265775	28/01/1987
2.	Shashi Kala Agarwala	00260171	28/01/1987
3.	Rajendra Kanodia	00175574	28/01/1987
4.	Hemant Kumar Agarwal	02308200	13/08/2014
5.	Milan Krisna Sarkar	05272885	26/07/2014
6.	Jayanta Kumar Natwarlal Raja	06884343	26/07/2014

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For M R & Associates
Company Secretaries

Place : Kolkata
Date : 13th August, 2021

CS SNEHA KHAITAN
Partner
ACS No. : A34458
C P No. : 14929
UDIN : AO34458C000893635



Annexure “F” to the Directors’ Report

Management Discussion and Analysis Report

OVERVIEW OF THE ECONOMY

The global economy was majorly hit by the health crisis and resultant complexities caused by COVID – 19 in 2020 with the global GDP witnessing the sharpest contraction in recent decades. The pandemic hit the developed economies the hardest, given the strict lockdown measures that many European countries and the USA imposed early on during the outbreak. The emerging markets and developing countries experienced a relatively less severe contraction. As the country navigated through the crisis, the Government and Reserve Bank of India took effective measures to support a robust economic recovery. The agricultural sector performed well, leading to a strong performance by rural markets. The impact of COVID – 19 was more pronounced in metros and bigger towns, resulting in a slower recovery in urban markets. The Union Budget 2021 focused on regaining the growth momentum in the economy through several measures including keeping tax rates stable and enhancing investments in infrastructure. However, a repeat infection wave has set off new lockdown measures since March, 2021, dampening the prospects of a quick economic recovery.

In the COVID-led Financial Year 2020-21, Central Statistical Organization (CSO), in its third advanced estimates, projects India’s annual Gross Domestic Product (GDP) to contract by 7.3%. Considering the sector-wise growth, while the output for all the sectors declined over the previous year (except agriculture) construction and trade/hotels have been more severely hit and have seen a sharper decline in output.

Industry Structure and Development

The total world tea production was about 6013 million kilograms in 2020 as compared to 6150.08 million kilograms in 2019 out of which contribution from Indian

Tea crop was approximately 1257.53 million kilograms in 2020 against 1390.08 million kilograms in 2019. The World Production details as below mentions.

World Production : (Qty. in M. Kg)

Country	2016	2017	2018	2019	2020
China	2404.95	2496.41	2610.39	2799.38	2740.00
India	1267.36	1321.76	1338.63	1390.08	1257.53
Kenya	473.01	439.86	493.00	458.85	569.54
Sri Lanka	292.57	307.72	304.01	300.13	278.49
Vietnam	180.00	175.00	185.00	190.00	186.00
Indonesia	13702	134.00	131.00	128.80	126.00
Others	838.83	843.64	904.18	882.84	855.25
Total	5593.74	5718.39	5966.21	6150.08	6012.81

(Source: ITC Annual Bulletin of Statistics, 2021)

World Export (Qty. in M. Kg)

Country	2016	2017	2018	2019	2020
Kenya	480.33	415.72	474.86	496.76	518.92
China	328.69	355.26	364.71	366.55	348.82
Sri Lanka	280.87	278.20	271.78	289.59	262.73
India	222.45	251.91	256.06	252.15	207.58
Vietnam	142.00	140.00	130.00	136.004	130.00
Indonesia	51.46	54.19	49.03	43.11	45.27
Others	300.70	301.73	316.69	319.51	311.45
Total	1806.50	1797.01	1863.13	1903.67	1824.77

(Source: ITC Annual Bulletin of Statistics, 2021)

SEGMENT ANALYSIS AND REVIEW

The Company is engaged in the Manufacturing of Tea, and Trading of Sugar, Raw Jute and others Merchandise.

Annexure “F” to the Director’s Report (Contd.)

RISK & CONCERN

Risk management is an ongoing process that can help improve operation, prioritise resources, ensure regulatory compliance, achieve performance target, improve financial stability and ultimately prevent loss/damage to the entity. But business entities cannot be risk averse as profits in business without taking risk is highly unlikely. Risk management plays a key role in protecting the assets and resources and ensuring that risks are reduced to an acceptable level. The essence of the risk management is to reduce the risk to a reasonable and in manageable level on an ongoing basis. Risk management is a two-step process – determining what risks exist and then, handling those risks in ways best-suited to the 21 objectives. The Company has risk management which inter alia provides for review of the risk assessment and mitigation procedure, laying down procedure to inform and report periodically to the Board of Directors and to ensure that the procedure is properly followed to mitigate the risks. The plantation industry is weather dependent with factors such as rainfall, its distribution pattern, temperature and relative humidity having its impact on tea, coffee & rubber yield parameters

FUTURE PROSPECTS

As per a recent report, the Indian tea industry is set to reach USD 1 billion by 2025, growing at a CAGR of 5.8% over the forecast period (2017-2025). The production of tea depends on certain factors which align well for India. Apart from aiding weight loss and managing diabetes, these teas can also boost immunity. The production of tea depends on certain factors which align well for India. Apart from this, in the last few decades, especially after the globalization of economy and the willingness to experiment with different varieties has made people consume more other tea variants.

The Tea 2030 process identified a real opportunity for tea to become a ‘hero’ crop. A hero crop delivers more than just a commodity. It also delivers major benefits to the millions of people involved in the sector, the planet, and the wider economy. Tea 2030 is a global project bringing together some of the key organisations in the global tea industry, including the Ethical Tea Partnership, Fairtrade International, Finlays, IDH – The Sustainable Trade Initiative, Rainforest Alliance, S&D Coffee & Tea, Tata Global Beverages, Twinings, Unilever and Yorkshire Tea. We also thank the International Tea Committee for their support.

Registered Office :

“Ezra Mansion”

10, Government Place (East)

Kolkata 700 069

Dated, 25th day of August, 2021

FINANCIAL REVIEW & ANALYSIS

The Company’s financial position is strong enough which has helped Company to pass through in turbul enttimes. The development working garden is always given top priority for improvement in quality as well as quantity. The surplus fund of the Company is deployed in such a way that reasonable returns are derived.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Your Company remains committed to improve the effectiveness of internal control systems for business processes regarding its operations, financial reporting and compliance with applicable laws and regulations. The Company has a proper system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that all transactions are authorized, recorded and reported correctly.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company has built its workforce with a diverse background of individuals - essential for the kind of organization what it is. The Company constantly endeavours to provide a platform where people have opportunities to actualize their maximum potential through work which helps to stretch their intellect. Continuous efforts are on for a work-culture which encourages innovation, transparency in communication, trust and amity. Employee - Management relations remained cordial throughout the year.

Continuing education and training of employees at all levels of the Company, particularly at its plantations, contribute to development of human resource. Various welfare measures continue to be carried out, particularly at the Company’s Tea Estates. During the year under review, Welfare Week Programs have been carried out at the Tea Estate.

CAUTIONARY STATEMENT

The statements made in the Management’s Discussion and Analysis describing the Company’s objectives, projections, estimates and expectations may be “Forward Looking Statements” within the meaning of applicable Securities Laws & Regulations and are based on the currently held beliefs and assumptions of our management, which are expressed in good faith and in their opinion, reasonable. Actual results could differ from those expressed and implied since the Company’s operations are influenced by many external and internal factors beyond the control of the Company.

By order of the Board
For Terai Tea Company Limited

Sd/-

AJIT KUMAR AGARWALA

Managing Director

DIN : 00265775

Financial Highlights : Standalone Balance Sheet

(For Five Years)

(₹ in Lakh)

	2020-21	2019-20	2018-19	2017-18	2016-17
ASSETS					
Non-Current Assets					
Property Plant and Equipment	5,145.44	5,570.58	5,216.47	5,355.29	5,328.58
Capital Work-In-Progress	14.35	9.15	159.47	6.41	46.07
Financial Assets					
(a) Investments	715.42	715.93	717.06	773.60	771.98
(b) Loans	10.17	10.51	10.51	0.51	8.90
(c) Other Financial Assets	18.05	32.06	125.64	125.26	116.26
(d) Other Non-Current Assets	248.34	351.60	327.38	328.92	331.86
(e) Income Tax Assets	3.16	22.42	--	--	--
Total Non-Current Assets	6,154.92	6,712.25	6,556.53	6,593.93	6,603.65
Current Assets					
Inventories	262.31	314.46	574.95	620.57	848.09
Financial Assets					
(a) Investments	1,128.87	887.84	486.01	791.20	749.59
(b) Trade Receivables	231.61	1,879.02	2,064.82	1,057.78	1,302.83
(c) Cash and Cash Equivalents	42.49	30.37	59.74	123.90	49.48
(d) Loans			2.07	3.20	
Other Financial Assets	1,932.66	1,157.37	57.36	795.85	770.31
Other Current Assets	531.42	1,820.08	1,997.7	1,510.95	1,559.35
Total Current Assets	4,129.37	6,089.14	5,240.58	4,902.32	5,282.85
Total Assets	10,284.29	12,801.40	11,797.11	11,502.31	11,886.50
EQUITY AND LIABILITIES					
Equity					
Equity Share Capital	687.93	690.29	690.29	690.29	690.29
Other Equity	6,355.98	5,925.12	5,783.66	5,652.10	5,570.52
TOTAL EQUITY	7,043.91	6,615.41	6,473.95	6,342.39	6,260.81
Laibilities					
Non-Current Liabilities					
Financial Liabilities					
Borrowings	818.00	2,588.75	2,521.07	1,140.00	2,214.37
Provisions	113.72	79.32	83.47	106.88	96.77
Deffered Tax Liabilities (Net)	50.60	6.14	22.16	38.12	31.13
Other Non-Current Liabilities	73.35	120.47	149.03	136.69	192.80
Total Non-Current Liabilities	1,055.67	2,794.68	2,775.73	1,421.69	2,535.07
Current Liabilities					
Financial Liabilities					
(a) Borrowings	1,427.74	1,896.50	775.83	2,332.00	1,567.25
(b) Trade Payables	243.61	789.48	1,548.43	1,101.26	557.50
(c) Other Financial Liabilities	131.82	11.10	41.31	93.08	147.33
Other Current Liabilities	302.12	674.07	162.01	179.05	803.20
Provisions	79.42	4.79	4.79	17.88	6.84
Current Tax Liabilities (Net)	--	15.36	15.05	14.95	8.50
Total Current Liabilities	2,184.72	3,391.30	2,547.42	3,738.23	3,090.62
Total Liabilities	3,240.39	6,185.98	5,323.15	5,159.82	5,625.69
Total Equity and Liabilities	1,0284.29	12,801.40	11,797.11	11,502.31	11,886.50
Net Worth per Equity Shares of Rs. 10/- each (in Rs.)					
Earnings per Equity Share:					
(1) Basic	6.23	2.06	1.91	1.29	2.05
(2) Diluted	6.23	1.91	1.29	2.05	2.05

Financial Highlights : Standalone Profit & Loss A/c

(For Five Years)

(₹ in Lakh)

	2020-21	2019-20	2018-19	2017-18	2016-17
1. Revenue from Operations	7,144.91	11,866.21	14,075.13	12,912.10	12,962.06
2. Other Income	1,714.47	1,178.19	94.35	128.41	161.09
Total Income	8,859.38	13,044.40	14,169.48	13,040.51	13,123.15
B. Expenditure					
1. Change in Inventories of Finished Goods, Work-in-progress and Stock-in-trade	(8.56)	224.86	76.41	233.23	(167.57)
2. Purchase of Stock-in-trade	453.83	6,546.28	7,024.15	6,971.04	
3. Cost of Material Consumed	4,999.88	2,781.65	3,706.99	2,610.46	10,117.59
4. Employee benefits expenses	624.45	602.24	602.97	600.69	527.42
5. Consumption of Stores & Spare Parts	198.40	239.15	244.37	229.37	271.48
6. Excise Duty	--	--	4.97	30.71	--
7. Power & Fuel	768.41	950.93	1,163.23	1,159.34	1,031.62
8. Manufacturing & Other Miscellaneous Exp.	27.49	43.50	47.61	34.30	35.96
9. Selling & Distribution Expenses	153.98	161.58	175.31	134.31	146.15
10. Depreciation and amortisation expenses	193.18	147.94	164.76	160.01	175.81
11. Interest (Net)	335.25	378.87	376.44	376.73	400.45
12. Other Expenses	581.17	840.95	462.46	404.72	372.73
Total Expenditure	8,327.50	12,917.95	14,044.70	12,919.17	12,942.35
C. Profit / (Loss) Before Taxation (A-B)	531.88	126.45	124.78	121.34	180.80
D. Tax Expenses					
Current Tax	51.21	15.36	9.44	28.24	23.98
MAT Credit Entitlement	(39.85)	(15.36)	--	--	--
Tax Adjustment for Earlier Years	7.71	(2.95)	--	--	--
Provision for Taxation-Deferred Tax	84.32	(12.06)	(15.96)	10.16	15.59
Total Tax Expenses	103.39	(15.00)	(6.52)	32.68	39.57
E. Profit / (Loss) After Taxation (C-D)	428.48	141.46	131.30	88.65	141.23
F. Other Comprehensive Income	--	--	0.27	(7.08)	(0.59)
G. Total Comprehensive Income (Net of Tax) (E-F)	428.49	141.46	131.57	81.57	140.64

Independent Auditor's Report

To
The Members of
Terai Tea Company Limited
10, Govt. Place (East)
Kolkata - 700 069

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the Standalone Financial Statements of Terai Tea Company Limited ("the Company") which comprise the Standalone Balance Sheet as at 31st March 2021, the standalone statement of profit and loss (including the statement of other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone 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 Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act"), in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021 and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone 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 Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India ("ICAI") together with ethical requirements that are relevant to our audit of the standalone 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 on the Standalone 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 standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Standalone Financial Statements.

Estimation of Useful Life of Bearer Plants

See note 3(a) to the Standalone Financial Statements

The Key Audit Matter	How the Matter was Addressed in our Audit
Useful life of Bearer Plants requires the management to exercise significant judgement in relation to the estimate thereof. Nature, timing and likelihood of changes to the natural factors may affect the useful life expectancy of the assets and therefore could have a material impact on the depreciation expense for the year. As per the 16 – "Property, Plant and Equipment", the management reviews the estimated useful life and the	✓ Assessed the management's estimates of the useful life of Bearer Plants with reference to: (a) the consistency with the Company's pattern of economic benefits embodied in such assets and future operating plans including acquisitions and retirements of the Bearer Plants; (b) the comparison to the useful life estimates adopted by the comparable tea producers; and (3) consideration of the Company's historical experience.

Independent Auditor's Report (contd.)

The Key Audit Matter	How the Matter was Addressed in our Audit
residual value of Bearer Plants annually and adjust for changes, where appropriate. Accordingly, the matter has been identified as key audit matter.	✓ Evaluated the assumptions and critical judgements used by the management through testing of underlying documents / details.
The written down value of such Bearer Plants as on 31 March 2021 is Rs. 1,800.42 lakhs.	✓ Assessed the related disclosures included in the standalone financial statements in this regard.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the standalone 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 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 Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards () specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 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 Financial Statements, Management and Board of Directors are 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 the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is also responsible for overseeing the Company's Financial Reporting Process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

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

Independent Auditor's Report (contd.)

2. 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. 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.
5. Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement 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 Accounting Standards specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.

Independent Auditor's Report (contd.)

- f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.
- g) 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 does not have any significant pending litigations which would impact its financial position.
 - 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.
 - iv) With respect to the matter to be included in the auditors' report under Section 197(16), in our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

Place : Siliguri
Date : August, 13, 2021

For **SAHA & MAJUMDER**
Chartered Accountants

FRN : 303087E

Sd/-

S.N. Bhattacharjee

Partner

Membership No. 010767

ICAI UDIN : 21010767AAAABJ3333

Independent Auditor's Report (contd.)

Annexure - "A" to the Independent Auditors' Report

With reference to the Annexure A referred to in paragraph 1 in Report on Other Legal and Regulatory Requirements of the Independent Auditor's Report to the Members of the Company on the standalone financial statements for the year ended 31 March 2021, we report that :

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular program of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified during the year. No material discrepancies were observed on such verification.
- (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.
- (ii) The inventories except stocks lying at warehouse or consignment agents have been physically verified by the Management during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stock and the book records were not material and have been appropriately dealt with in the books of accounts. For stocks lying at warehouse or consignment agents at the year-end has been verified on the basis of subsequent sales.
- (iii) According to information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act, with respect to the loans given, investments made, guarantees and security given.
- (v) The Company has not accepted any deposits from the public. Hence, paragraph 3 (v) of the order is not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to manufacture of goods, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident fund, Employees State Insurance, Income-tax, Goods and Services tax, Duty of customs, cess and any other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employee State Insurance, Income-tax, Goods and Services tax, Duty of customs, cess and any other material statutory dues were in arrears, as at 31 March 2021, 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 dues which have not been deposited by the Company on account of disputes, except for the following:

Name of statute	Nature of dues	Amount (₹)	Period for which it relates	Forum where dispute pending
Income Tax Act, 1961	Interest u/s 220(2)	13,310	A.Y. : 2007-08	NIL
Income Tax Act, 1961	Interest u/s 220(2)	32,712	A.Y. : 2008-09	NIL
Income Tax Act, 1961	Interest u/s 220(2)	27,210	A.Y. : 2009-10	NIL
Income Tax Act, 1961	Income Tax Assessed u/s 148	22,12,100	A.Y. : 2016-17	Commissioner (Appeals)

Independent Auditor's Report (contd.)

Name of statute	Nature of dues	Amount (₹)	Period for which it relates	Forum where dispute pending
West Bengal Sales Tax Act, 1994	Sales Tax / Value Added Tax	27,24,449*	FY : 2004-2005	Hon'ble High Court, Calcutta
West Bengal Sales Tax Act, 1994	Sales Tax / Value Added Tax	55,34,200	FY : 2006-2007, 2009-2010 and 2011-2012	Appellate & Revisional Board
Central Sales Tax Act, 1956	Sales Tax / Value Added Tax	13,10,610*	FY : 2004-2005	Hon'ble High Court, Calcutta
Central Sales Tax Act, 1956	Sales Tax / Value Added Tax	35,38,934	FY : 2005-2006, 2006-2007 and 2011-2012	Appellate & Revisional Board
West Bengal Sales Tax Act, 1994	Sales Tax / Value Added Tax	12,61,694	FY : 2007-2008 and 2008-2009	Commissioner (Appeals)
Central Sales Tax Act, 1956	Sales Tax / Value Added Tax	10,95,010	FY : 2007-2008 and 2008-2009	Commissioner (Appeals)

*Demand stayed by Hon'ble High Court, Calcutta.

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

Place : Siliguri
Date : August, 13, 2021

For **SAHA & MAJUMDER**
Chartered Accountants
FRN : 303087E

Sd/-
S.N. Bhattacharjee
Partner

Membership No. 010767
ICAI UDIN : 21010767AAAABJ3333

Independent Auditor's Report (contd.)

Annexure B to the Independent Auditor's Report of even date on the Financial Statements of Terai Tea Company Limited.

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 with reference to the Financial Statements of Terai Tea Company Limited ("the Company") as of 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to the financial statements 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 ('Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal Financial Controls with reference to the financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the financial statements 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 with reference to the financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to the financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal Financial Controls System with reference to the financial statements.

Meaning of Internal Financial Controls with reference to the Financial Statements

A company's Internal Financial Control with reference to the Financial Statements 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 with reference to the financial statements includes those policies and procedures that:

- (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (ii) 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
- (iii) 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.

Independent Auditor's Report (Contd.)

Inherent Limitations of Internal Financial Controls with reference to the Financial Statements

Because of the inherent limitations of internal financial controls with reference to the financial statements, 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 with reference to the financial statements to future periods are subject to the risk that the internal financial control with reference to the financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate Internal Financial Controls system with reference to the financial statements and such internal financial controls with reference to the financial statements were operating effectively as at 31 March 2021, based on the internal control with reference to the financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

Place : Siliguri
Date : August, 13, 2021

For **SAHA & MAJUMDER**
Chartered Accountants

FRN : 303087E

Sd/-

S.N. Bhattacharjee

Partner

Membership No. 010767

ICAI UDIN : 21010767AAAABJ3333

BALANCE SHEET (Standalone) as at 31st March, 2021 (₹ in Lacs)

Particulars	Note No.	As at 31st March, 2021	As at 31st March, 2020
I ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	4	5,145.44	5,570.58
(b) Capital Work-in-Progress	4	14.35	9.15
(c) Financial Assets			
(i) Investments	5	715.42	715.93
(ii) Loans Receivable	6	10.17	10.51
(ii) Other Financial Assets	7	18.05	32.06
(d) Other Non-Current Assets	8	248.34	351.60
(e) Income-Tax Assets	32	3.16	22.42
(A) Total Non-Current Assets (a+b+c+d+e)		6,154.92	6,712.25
(2) Current Assets			
(a) Inventories	9	262.31	314.46
(b) Financial Assets			
(i) Trade Receivables	10	231.61	1,879.02
(ii) Cash and Cash Equivalents	11	42.49	30.37
(iii) Other Financial Assets	12	1,932.66	1,157.37
(iv) Investments	13	1,128.87	887.84
(c) Other Current Assets	14	531.42	1,820.08
(B) Total Current Assets (a+b+c)		4,129.37	6,089.15
Total Assets (A+B)		10,284.29	12,801.40
II EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	15	687.93	690.29
(b) Other Equity	16	6,355.98	5,925.13
(C) Total Equity (a+b)		7,043.91	6,615.42
LIABILITIES			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	818.00	2,588.75
(b) Provisions	18	113.72	79.32
(c) Deferred Tax Liability (Net)	32	50.60	6.14
(d) Other Non-Current Liabilities	19	73.35	120.47
(D) Total Non-Current Liabilities (a+b+c+d)		1,055.67	2,794.67
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	1,427.74	1,896.50
(ii) Trade Payables	21	-	-
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		243.61	789.48
(iii) Other Financial Liabilities	22	131.82	11.10
(b) Other Current Liabilities	23	302.12	674.07
(c) Provisions	24	79.42	4.79
(d) Current Tax Liabilities, (Net)	32	-	15.36
(E) Total Current Liabilities (a+b+c+d)		2,184.72	3,391.30
Total Liabilities (D+E)		3,240.39	6,185.98
Total Equity and Liabilities (C+D+E)		10,284.29	12,801.40
Significant accounting policies	3		

The Accompanying Notes form an integral part of these Financial Statements.

For SAHA & MAJUMDER

Chartered Accountants

FRN 303087E

Sd/-

S.N. Bhattacharjee

Partner

Membership No 010767

ICAI UDIN : 21010767AAAABJ3333

Place : Siliguri

Dated : 13th August, 2021

For and on behalf of the Board of Directors

Sd/-

Ajit Kumar Agarwala

Managing Director

DIN : 00265775

Sd/-

Rajendra Kanodia

Director & CFO

DIN : 00175574

Sd/-

Rajesh Singhania

Company Secretary

FCS F7746

STATEMENT OF PROFIT & LOSS (Standalone) for the year ended 31st March, 2021 (₹ in Lacs)

PARTICULARS	Note No.	For the Year ending on 31st March, 2021	For the Year ending on 31st March, 2020
I Revenue from Operations			
Sale of Goods	25	7,144.91	11,866.21
		7,144.91	11,866.21
II Other Income	26	1,714.47	1,178.19
III Total Income (I+II)		8,859.38	13,044.40
IV Expenses			
Cost of Material Consumed	27	4,999.88	2,781.65
Purchase of Stock-In-Trade	27	453.83	6,546.28
Change in Inventories of Finished Goods and Stock-In-Trade	28	(8.56)	224.86
Employee Benefits Expense	29	624.45	602.24
Finance Costs	30	335.25	378.87
Depreciation Expense	4	193.18	147.94
Other Expenses	31	1,729.45	2,236.11
Total Expenses (IV)		8,327.50	12,917.95
V Profit Before Tax (III-IV)		531.88	126.45
VI Tax Expense:			
(1) Current Tax	32	51.21	15.36
(2) Tax Expense for Earlier Year	32	7.71	(2.95)
(3) Minimum Alternative Tax	32	(39.85)	(15.36)
(4) Deferred Tax	32	84.32	(12.06)
Sub Total (1+2+3+4)		103.39	(15.00)
VII Profit For The Year (V-VI)		428.49	141.46
VIII Other Comprehensive Income			
(i) Items that will not be reclassified subsequently to Statement of Profit or Loss		-	-
(ii) Remeasurements of the Net Defined Benefit Liability / Asset		-	-
(iii) Income-Tax Relating to Items not to be Reclassified Subsequently to Statement of Profit or Loss		-	-
Other Comprehensive Income, Net of Tax		-	-
IX Total Comprehensive Income for the Period (VII+VIII)		428.49	141.46
Earnings per Share (Nominal Value of Rs. 10 each)			
Basic [in Rs]	34	6.23	2.06
Diluted [in Rs]	34	6.23	2.06
Weighted Average Number of Equity Shares Used in Computing Earnings Per Share			
- Basic (Nos)	34	68,79,300	68,79,300
- Diluted (Nos)	34	68,79,300	68,79,300
Significant Accounting Policies	3		

The Accompanying Notes form an integral part of these Financial Statements.

For SAHA & MAJUMDER

Chartered Accountants

FRN 303087E

Sd/-

S.N. Bhattacharjee

Partner

Membership No 010767

ICAI UDIN : 21010767AAAABJ3333

Place : Siliguri

Dated : 13th August, 2021

For and on behalf of the Board of Directors

Sd/-

Ajit Kumar Agarwala

Managing Director

DIN : 00265775

Sd/-

Rajendra Kanodia

Director & CFO

DIN : 00175574

Sd/-

Rajesh Singhania

Company Secretary

FCS F7746

CASH FLOW STATEMENT (Standalone) for the year ended 31st March, 2021 (₹ in Lacs)

	For the Year Ended 31st March, 2021	For the Year Ended 31st March, 2020
CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	531.88	126.45
<u>Adjustments for:</u>		
Depreciation	193.18	147.94
Dividend Income	(0.29)	(0.05)
Provision for Doubtful Debts	114.88	99.28
Net Loss / (Gain) on Financial Asset Measured at Fair Value	(171.29)	99.32
Interest Income	(2.64)	(5.88)
Interest Expense	335.25	378.87
Provision no Longer Required, Written Back	-	(18.18)
	1,000.97	827.76
<u>Changes in:</u>		
Trade Receivables	1,532.53	86.51
Inventories	52.16	260.49
Loans, Other Financial Assets and Other Assets	630.99	(853.04)
Liabilities and Provisions	(735.20)	(291.63)
Cash Generated from Operations	2,481.45	30.09
Income Tax Paid, Net of Refund	(55.03)	(23.09)
Net Cash from Operating Activities	2,426.42	7.00
Cash Flow from Investing Activities		
Acquisition of Property, Plant and Equipment	226.76	(351.74)
Purchase / (Sale) of Investments, Net	(240.52)	(511.84)
Profit on Sale of Investments	171.29	11.81
Dividend Received	0.29	0.05
Interest Received	2.64	5.88
Net Cash Provided Used in Investing Activities	160.46	(845.84)
Cash Flow from Financing Activities		
Proceeds / (Repayment) of Borrowings	(2,239.50)	1,188.35
Interest Paid	(335.25)	(378.87)
Net Cash Used in Financing Activities	(2,574.75)	809.47
Net Change in Cash and Cash Equivalents	12.13	(29.37)
Cash and Cash Equivalents at the Beginning of the Year	30.37	59.74
Cash and Cash Equivalents at the End of the Year (Refer Note 11)	42.49	30.37
Significant Accounting Policies (Refer Note 3)		

The Accompanying Notes form an integral part of these Financial Statements.

For **SAHA & MAJUMDER**

Chartered Accountants

FRN 303087E

Sd/-

S.N. Bhattacharjee

Partner

Membership No 010767

ICAI UDIN : 21010767AAAABJ3333

Place : Siliguri

Dated : 13th August, 2021

For and on behalf of the Board of Directors

Sd/-

Ajit Kumar Agarwala

Managing Director

DIN : 00265775

Sd/-

Rajendra Kanodia

Director & CFO

DIN : 00175574

Sd/-

Rajesh Singhania

Company Secretary

FCS F7746

Notes to Financial Statements (Contd.)

(₹ in Lacs)

Statement of Changes in Equity and Other Equity for the year Ended 31st March, 2020

Particulars	Equity Share Capital	Other Equity				Other Comprehensive Income Other items of OCI	Total Equity Attributable to Equity Holders of the Company
		Reserves and Surplus					
		Securities Premium	Retained Earnings	General Reserve	Share Forfeiture		
Balance as at 1 April 2019	690.29	764.56	4,968.71	49.88	9.45	(8.93)	6,473.96
Remeasurement of the Net Defined Benefit Liability/Asset, Net of Tax Effect	—	—	—	—	—	—	—
Profit For the Year	—	—	141.46	—	—	—	141.46
Balance as at 31 March 2020	690.29	764.56	5,110.17	49.88	9.45	(8.93)	6,615.41

Statement of Changes in Equity and Other Equity for the year Ended 31st March, 2021

Particulars	Equity Share Capital	Other Equity				Other Comprehensive Income Other Items of OCI	Total Equity Attributable to Equity Holders of the Company
		Reserves and Surplus					
		Securities Premium	Retained Earnings	General Reserve	Share Forfeiture		
Balance as at 1 April 2020	690.29	764.56	5,110.17	49.88	9.45	(8.93)	6,615.41
Remeasurement of the Net Defined Benefit Liability/Asset, net of Tax Effect	(2.36)	—	—	—	2.36	(0.28)	(0.28)
Profit For the Year	—	—	428.79	—	—	—	428.79
Balance as at 31 March 2021	687.93	764.56	5,538.95	49.88	11.81	(9.21)	7,043.90

The Accompanying Notes form an integral part of these Financial Statements.

For and on behalf of the Board of Directors

For **SAHA & MAJUMDER**

Chartered Accountants

FRN 303087E

Sd/-

S.N. Bhattacharjee

Partner

Membership No 010767

ICAI UDIN : 21010767AAAABJ3333

Place : Siliguri

Dated : 13th August, 2021

Sd/-

Ajit Kumar Agarwala

Managing Director

DIN : 00265775

Sd/-

Rajendra Kanodia

Director & CFO

DIN : 00175574

Sd/-

Rajesh Singhania

Company Secretary

FCS F7746

Notes to Financial Statements (Contd.)

NOTE - 1 : REPORTING ENTITY

Terai Tea Company Limited (the 'Company') is a Public Limited Company domiciled in India, with its registered office situated at 10, Government Place (East), 1st Floor, Kolkata, West Bengal - 700069. The Company has been incorporated under the provisions of Indian Companies Act and its equity shares are listed on the Bombay Stock Exchange (BSE), Calcutta Stock Exchange Limited, Ahmedabad Stock Exchange Limited and Jaipur Stock Exchange Limited in India. The Company is primarily engaged in production, distribution and trading of tea and other agricultural merchandise.

NOTE - 2 : BASIS OF PREPARATION

A. Statement of Compliance

The Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended, notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The Standalone Financial Statements were authorised for issue by the Company's Board of Directors on 13 August 2021.

Details of the Company's Accounting Policies are Included in Note 3.

B. Functional & Presentation Currency

These Standalone Financial Statements are presented in Indian Rupees (Rs.), which is also the Company's Functional Currency. All amounts have been rounded-off to two decimal places to the nearest lakhs, unless otherwise indicated.

C. Basis of Measurement

The standalone financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement Basis
Certain Financial Assets and Liabilities	Fair Value
Net Defined Benefit (Asset) / Liability	Fair Value of plan assets less present value of defined benefit obligations

D. Use of Estimates and Judgments

In preparing these Standalone Financial Statements, management has made judgements, estimates and assumptions that affect the application of Accounting Policies and the reported amounts of Assets, Liabilities, Income and Expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgements made in applying Accounting Policies that have the most significant effects on the amounts recognised in the Standalone Financial Statements.

Assumptions and Estimation Uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2021 is included in the following notes:

- Note 32 – Recognition of Deferred Tax Assets : availability of future taxable profit against which tax losses carried forward can be used;
- Note 38 – Measurement of Defined Benefit Obligations: key actuarial assumptions;
- Note 33 – Recognition and Measurement of Provisions and Contingencies : Key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 4 – Useful life of Property, Plant and Equipment
- Notes 11 – Impairment of Financial Assets.

E. Measurement of Fair Values

Certain Accounting Policies and Disclosures of the Company require the measurement of fair values, for both financial and non financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments.

Notes to Financial Statements (Contd.)

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 : Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 : Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into a different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Further information about the assumptions made in the measuring fair values is included in the Note 38 - Financial Instruments.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Property, Plant and Equipment

i. Recognition and Measurement

Items of Property, Plant and Equipment, are measured at cost (which includes capitalised borrowing costs, if any) less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of Property, Plant and Equipment includes its non refundable purchase price, duties, taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of Property, Plant and Equipment comprises the cost of materials, direct labour and any other costs directly attributable to bringing the item to its intended working condition and estimated costs of dismantling, removing and restoring the site on which it is located, wherever applicable.

Bearer Plants which is used in the production or supply of agriculture produce and expected to bear produce and expected to bear produce for more than a period of twelve months are capitalized as a part of Property, Plant and Equipment. The cost of Bearer Plant includes all cost incurred till the plants are ready for commercial harvest. Bearer Plants are depreciated from the date when they are ready for commercial harvest.

If significant parts of an item of Property, Plant and Equipment have different useful lives, then they are accounted for as separate items (major components) of Property, Plant and Equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent Expenditure

Subsequent Expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation is the systematic allocation of the depreciable amount of Property, Plant and Equipment over its useful life and is provided on a written down value basis over the useful lives as prescribed under Schedule II to the Companies Act, 2013. Land is not depreciated.

Depreciable amount for Property, Plant and Equipment is the cost of property, plant and equipment less its estimated residual value. The useful life of property, plant and equipment is the period over which property, plant and equipment is expected to be available for use by the Company, or the number of production or similar units expected to be obtained from the asset by the Company.

Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition. Depreciation on deductions/disposals is provided on a pro-rata basis up to the month preceding the month of deduction / disposal.

The Company recognises Tea Bushes and Shade Trees as bearer plant, bearer plants with further classification as mature bearer plants and immature bearer plants. Mature bearer plants are those that have attained harvestable stage.

Bearer Assets are carried at historical cost of acquisition less accumulated depreciation and impairment loss, if any. Subsequent Expenditure on bearer assets are added to 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.

Notes to Financial Statements (Contd.)

Cost incurred for new plantations and immature areas are capitalised. The cost of immature areas coming into bearing is transferred to mature plantations and depreciated over their estimated useful life.

Tea is designated as agricultural produce at the point of harvest and is measured at their fair value less cost to sell as at each reporting date. Any changes in fair value are recognised in the statement of profit and loss in the year in which they arise.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate.

iv. Capital Work-in-Progress

Capital Work-in-Progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

(b) Assets held for Sale and Disposal

Non - Current Assets, or disposals group comprising assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposals groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any resultant loss on a disposal group is allocated first to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, employee benefit assets, and biological assets, which continue to be measured in accordance with the Group's other accounting policies. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets, property, plant and equipment and investment properties are no longer amortised or depreciated, and any equity- accounted investee is no longer equity accounted.

(c) Impairment

(i) Financial Assets

The Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in profit or loss.

(ii) Non-Financial Assets -

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units' (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

(d) Leases

Ind AS 116 supersedes Ind AS 17 Leases including its appendices. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

The Company has adopted Ind AS 116 using the modified retrospective method of adoption under the transitional provisions of the Standards, with the date of initial application on 1st April 2019. The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets). Adoption of Ind- AS 116 doesn't have any material impact on the financial statements of the Company.

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

Notes to Financial Statements (Contd.)

Company as a Lessee

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

Right of Use Assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Right-of-use assets are depreciated on a straight-line basis over the lease term or estimated useful life of asset, whichever is less. If ownership of the leased asset transferred to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-Term Leases and Leases of Low-Value Assets

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

(e) Borrowings

Borrowings are measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as Current Liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(f) Inventories

Raw materials, traded goods and finished goods are stated at the lower of cost and net realisable value.

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

Cost is determined on weighted average method for all categories of inventories other than for stores and spares and auction/private bought teas in which case, cost is determined on FIFO basis and cost is considered as actual cost for each lot respectively. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition, where applicable, include appropriate overheads based on normal level of activity. Provision is made for obsolescence and other anticipated losses wherever considered necessary

(g) Financial Instruments

i. Recognition and Initial Measurement

The Company initially recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are measured at fair value on initial recognition. Transaction

Notes to Financial Statements (Contd.)

costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition.

ii. Classification and Subsequent Measurement

Financial Assets

Financial Assets Carried at Amortised Cost

A Financial Asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial Assets at Fair Value through other Comprehensive Income

A Financial Asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial Assets at Fair Value through Profit or Loss

A Financial Asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Financial Liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Investments representing equity interest in associates are carried at cost in the financial statements.

iii. Derecognition

Financial Assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial assets are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby the transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial Liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and a new financial liability with modified terms is recognised in the statement of profit and loss.

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or realise the asset and settle the liability simultaneously.

(h) Borrowing Costs

Borrowing Costs directly attributable to the acquisition or construction of those property, plant and equipment which necessarily takes a substantial period of time to get ready for their intended use are capitalised. All other borrowing costs are expensed in the period in which they incur in the Statement of Profit and Loss.

(i) Foreign Currencies

Transactions in foreign currencies are initially recorded by the Company at their functional currency spot rates at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rates are recognised as income or expenses in the period in which they arise. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rates at the date of transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined

Notes to Financial Statements (Contd.)

(j) Government Grants

Government Grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to revenue, it is recognised in the Statement of Profit and Loss on a systematic basis over the periods to which they relate. When the grant relates to an asset, it is treated as deferred income and recognised in the Statement of Profit and Loss on a systematic basis over the useful life of the asset.

(k) Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

Revenue is measured at the fair value of the consideration received or receivable, net of returns, discounts, volume rebates, outgoing sales taxes including goods and service tax. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company regardless of when the payment is being made.

The specific recognition criteria described below must also be met before revenue is recognised

Sale of Products

Revenue from sale of goods is recognized when the Company transfers the control of goods to the customer as per the terms of contract. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing component, non-cash considerations and consideration payable to the customer (if any).

Trade Receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Rental Income

Rental Income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and is included in revenue in the Statement of Profit or Loss. The Company has determined that it does not meet criteria for recognition of lease rental income on a basis other than straight-line basis

Interest Income

Interest Income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income from debt instruments is recognised using the effective interest rate method.

Dividends

Dividend Income is recognised in the statement of profit and loss only when the right to receive payment is established, which is generally when shareholders approve the dividend

(l) Income Tax

Income Tax Comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

i. Current Tax

Current Tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

ii. Deferred Tax

Deferred Tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for: - temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of transaction. - temporary differences related to investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred Tax Assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT is recognised as

Notes to Financial Statements (Contd.)

deferred tax assets in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised. Deferred tax assets recognised or unrecognized are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised. Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

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

The Company offsets, the current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

(m) Provisions and Contingent Liabilities

i. General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

ii. Contingent Liabilities

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

iii. Onerous Contracts

Provision for Onerous Contracts. i.e. contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

(n) Employee Benefits

i. Short-Term Employee Benefits

All employee benefits falling due wholly within twelve months of rendering the services are classified as short-term employee benefits, which include benefits like salaries, wages, short-term compensated absences and performance incentives and are recognised as expenses in the period in which the employee renders the related service.

ii. Post-Employment Benefits

Contributions to defined contribution schemes such as Provident Fund, Pension Fund, etc., are recognised as expenses in the period in which the employee Contributions to defined contribution schemes such as Provident Fund, Pension Fund, etc., are recognised as expenses in the period in which the employee renders the related service. In respect of contributions made to government administered Provident Fund, the Company has no further obligations beyond its monthly contributions. The Company also provides for post-employment defined benefit in the form of gratuity and medical benefits. The cost of providing benefit is determined using the projected unit credit method, with actuarial valuation being carried out at each balance sheet date. Remeasurement of the net benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interests) and the effect of the assets ceiling (if any, excluding interest) are recognised in other comprehensive income. The effect of any plan amendments are recognized in the statement of profit and loss.

iii. Other Long-Term Employee Benefits

All employee benefits (other than post-employment benefits and termination benefits) which do not fall due wholly within twelve months after the end of the period in which the employees render the related services are determined based on actuarial valuation or discounted present value method carried out at each balance sheet date.

Notes to Financial Statements (Contd.)

(o) Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with the financial institutions, other short term, highly liquid investments with original maturities of three months or less (except the instruments which are pledged) that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts

Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet

(p) Segment Reporting

Operating Segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is responsible for allocating resources and assessing performance of the operating segments and has been identified as the Managing Director of the Company. As per Ind AS 108 if a financial report contains both the consolidated financial statements of a parent that is within the scope of this Indian Accounting Standard as well as the parent's separate financial statements, segment information is required only in the consolidated financial statements. Accordingly the company has presented segment only for consolidated financial statements.

(q) Earnings Per Share

Basic Earnings Per Share ('EPS') is computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for the share splits.

Cash Flow Statement

Cash Flows are reported using indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Company are segregated.

(r) Recent Indian Accounting Standards (Ind AS)

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

(s) Balance Sheet:

- i) Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- ii) Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- iii) Specified format for disclosure of shareholding of promoters.
- iv) Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- v) If a Company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- vi) Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

(t) Statement of Profit and Loss:

Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of consolidated financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

Notes to Financial Statements for the Year ended 31st March, 2021 (Contd.)

NOTE 4 - PROPERTY, PLANT AND EQUIPMENT FOR THE YEAR 2020-21

(₹ in Lacs)

Reconciliation of Carrying Amount

Description	Gross Carrying Amount			Accumulated Depreciation				Carrying Amounts (Net)	
	As at 1st April 2020	Additions	Disposals / Adjustment	As at 31st March 2021	As at 1st April 2020	Additions	Disposals	As at 31st March 2021	As at 31st March 2021
Freehold Land	2,581.86	-	28.58	2,553.28	-	-	-	-	2,553.28
Buildings	784.20	-	110.44	673.76	219.26	56.79	24.05	252.01	421.75
Plant and Machinery	660.25	6.11	137.19	529.17	241.64	80.09	53.14	268.59	260.57
Furniture and Fixtures	165.44	0.29	1.44	164.29	79.44	18.54	0.72	97.25	67.04
Motor Vehicles	28.16	-	-	28.16	14.31	2.61	-	16.92	11.23
Office Equipment	5.61	1.23	0.24	6.60	4.47	0.91	0.09	5.29	1.31
Computer and Data Processing Units	7.39	0.70	0.54	7.55	3.44	1.19	0.34	4.29	3.26
Bearer Plants	1,986.20	-	40.20	1,946.00	85.95	33.06	-	119.01	1,826.99
Total	6,219.10	8.34	318.63	5,908.81	648.52	193.18	78.33	763.36	5,145.44
Capital Work In Progress	9.15	5.20	-	14.35	-	-	-	-	14.35

NOTE 4 - PROPERTY, PLANT AND EQUIPMENT FOR THE YEAR 2019-20

Description	Gross Carrying Amount			Accumulated Depreciation				Carrying Amounts (Net)	
	As at 1st April 2019	Additions	Disposals / Adjustment	As at 31st March 2020	As at 1st April 2018	Additions	Disposals	As at 31st March 2020	As at 31st March 2020
Freehold Land	2,581.86	-	-	2,581.86	-	-	-	-	2,581.86
Buildings	784.20	-	-	784.20	176.87	42.39	-	219.26	564.94
Plant and Machinery	649.36	12.89	2.00	660.25	193.38	48.27	-	241.64	418.60
Furniture and Fixtures	157.25	8.19	-	165.44	55.36	24.08	-	79.44	86.00
Motor Vehicles	28.16	-	-	28.16	11.67	2.65	-	14.31	13.84
Office Equipment	4.11	1.50	-	5.61	3.83	0.64	-	4.47	1.14
Computer and Data Processing Units	5.70	1.69	-	7.39	2.70	0.74	-	3.44	3.94
Bearer Plants	1,506.40	479.80	-	1,986.20	56.78	29.17	-	85.95	1,900.25
Total	5,717.04	504.06	2.00	6,219.10	500.57	147.94	-	648.52	5,570.58
Capital Work In Progress	159.47	329.48	479.80	915	-	-	-	-	9.15

Notes to Financial Statements (Contd.)

(₹ in Lacs)

NOTE 5 - FINANCIAL ASSETS : NON-CURRENT INVESTMENTS

Non-Current Investments (valued at lower of cost and fair value, unless stated otherwise)

Particulars	Face value per share/ unit	Units/Nos.		Amount	
		As at 31st March 2021	As at 31st March 2020	As at 31st March 2021	As at 31st March 2020
At Cost (Unquoted)					
Investment in Equity Instruments (Fully Paid)					
Investment in Associates					
Abhijit Tea Company Private Limited	100	7,338	7,338	332.40	332.40
Amit Paridhan Private Limited	10	1,75,000	1,75,000	3.10	3.10
East Indian Produce Limited	10	63,380	63,380	44.22	44.22
Jaldacca Tea Plantations Private Limited	1000	850	850	43.13	43.13
New Darjeeling Union Tea Company Limited	25	17,085	17,085	124.76	124.76
Sayedabad Tea Company Limited	10	15,070	15,070	1.51	1.51
Terai Tea Resorts Limited	10	20,000	20,000	0.91	0.91
Terai Dooars Tea Company Private Limited	10	2,62,500	2,62,500	24.23	24.23
Terai Financial Services Private Limited	10	22,554	22,554	0.23	0.23
Terai Infrastructures Limited	10	26,09,500	26,09,500	21.45	21.45
Terai Ispat & Trading Private Limited	10	7,01,273	7,01,273	22.83	22.83
Terai Overseas Private Limited	10	3,17,460	3,17,460	28.70	28.70
The Kharibari Tea Company Limited	10	96,937	96,937	44.22	44.22
Sub-Total (A)				691.67	691.67
Others					
Techno Steel India Private Limited		2,500	2,500	1.25	1.25
Shilpam Dealcom Private Limited	10	2,25,000	2,25,000	22.50	22.50
Sub-Total (B)				23.75	23.75
Investment in Equity Instruments (Fully Paid)					
Bajaj Hindustan Sugar Limited	1	---	4,000	---	0.11
Central Bank Of India	10	---	2,388	---	0.32
IFCI Limited	10	---	2,000	---	0.08
Sub-Total (C)				---	0.51
Total Non-Current Investment (A + B + C)				715.42	715.93
Aggregate Amount of Unquoted Non-Current Investment				715.42	715.42
Aggregate Market value of Quoted Non-Current Investment				---	0.51

Notes to Financial Statements (Contd.)

(₹ in Lacs)

NOTE 6 - FINANCIAL ASSETS : LOANS RECEIVABLE (NON-CURRENT)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured		
<i>Considered Good :</i>		
Security Deposits	10.17	10.51
	10.17	10.51

NOTE 7 - OTHER FINANCIAL ASSETS (NON-CURRENT)

Unsecured		
<i>Considered Good :</i>		
Grants Receivable	9.51	9.51
Other Receivables	6.51	6.51
Fixed Deposits with Banks	2.03	16.05
	18.05	32.06

NOTE 8 - OTHER NON-CURRENT ASSETS

Unsecured		
<i>Considered Good :</i>		
- Advance Against Land	59.60	59.60
- Advances Against Supply of Goods and Services	—	—
- Assets Held for Investment	14.45	14.45
- Assets Held for Sale	—	103.26
- Gold and Silver	174.29	174.29
	248.34	351.60

NOTE 9 - INVENTORIES

Finished Goods	231.45	222.90
Stores and Spare Parts	30.85	91.56
	262.31	314.46

NOTE 10 - TRADE RECEIVABLES

Unsecured		
<i>Considered Good*</i>	231.61	1,879.02
<i>Considered Doubtful</i>	114.88	99.28
	346.49	1,978.31
Less : Allowance for Doubtful Debts	(114.88)	(99.28)
	231.61	1,879.02

The Company's exposure to credit and loss allowances related to trade receivables are disclosed in note 38.

NOTE 11 - CASH AND CASH EQUIVALENTS

- Cash on Hand	15.47	27.16
- Current Accounts	5.96	3.21
- Short Term Deposits	21.06	-
	42.49	30.37

NOTE 12 - OTHER FINANCIAL ASSETS

Unsecured		
<i>Considerd Good :</i>		
Grants Receivable	66.51	49.16
Interest Accrued But not Due	—	4.56
Others *	1,866.16	1,103.66
	1,932.66	1,157.37

*Others Includes Insurance Claim and Other Receivables.

Notes to Financial Statements (Contd.)

(₹ in Lacs)

NOTE 13 - CURRENT INVESTMENTS

At Fair Value Through Profit and Loss

Particulars	Face value per share/ unit	Units/Nos.		Amount	
		As at 31st March 2021	As at 31st March 2020	As at 31st March 2021	As at 31st March 2020
At Fair Value Through Profit and Loss					
Investment in Equity Instruments (Fully Paid)					
Bharat Heavy Electricals Limited	2	3,750	3,750	1.83	0.78
GOL Offshore Limited	10	5,000	5,000	0.50	0.50
Hotel Leela Venture Limited	2	5,000	5,000	0.29	0.16
UCO Bank	10	5,000	5,000	0.55	0.45
Varun Shipping Company Limited	10	5,000	5,000	0.25	0.25
Punjab National Bank	10	8,000	8,470	4.33	3.15
Bajaj Hindustan	10	4,000	-	0.25	-
Central Bank of India	10	2,388	-	0.43	-
IFCI	10	2,000	-	0.24	-
Sub-Total (a)				8.67	5.29
Investment in Mutual Funds					
DSP Dyanamic Asset Allocation Fund - Growth		3,34,530.939	3,34,530.939	61.84	47.33
HSBC Equity Hybrid Fund Growth		5,20,114.311	5,20,114.311	71.27	47.88
ICICI Prudential Asset Allocation Fund - Growth		3,86,396.409	1,10,400.293	268.13	139.28
ICICI Prudential Business Cycle Fund - Growth		4,99,975.000		52.75	-
ICICI Prudential Monthly Income Plan-25 Growth		-	1,43,736.399	-	94.30
Nippon India Equity Hybrid Fund Growth		49,240.442	49,240.442	0.03	0.03
Nippon India Credit Risk Fund Segregated - Growth		3,97,093.277	3,97,093.277	0.46	0.59
Nippon India Credit Risk Fund - Growth - SDGP		3,97,093.277	3,97,093.277	97.78	90.82
Nippon India Equity Hybrid Fund - Growth		49,240.442	3,450.001	27.80	17.42
Reliance Ultra Short Duration Fund		-	6,900.002	-	101.27
SBI Dynamic Asset Allocation Fund Growth		3,28,878.353	3,28,878.353	50.46	38.07
SBI Magnum Low Duration Fund - Growth		3,788.158	-	104.19	-
SBI Savings Fund - Growth		3,40,578.855	3,40,587.855	110.93	105.57
Union Hybrid Equity Fund - Growth		49,987.501	-	5.30	-
UTI Dividend Yield Fund - Growth		-	1,59,938.072	-	81.79
UTI Multi Assets Fund Growth		2,84,096.676	-	113.64	-
Kotak Balanced Advantage Fund (G)		11,80,898.865	5,71,997.769	155.62	118.21
Sub-Total (b)				1,120.20	882.55
Total Current Investment (a + b)				1,128.87	887.84
Aggregate Amount of Unquoted Current Investment				1,120.20	882.55
Aggregate Market Value of Quoted Current Investment				8.67	5.29

Notes to Financial Statements (Contd.)

(₹ in Lacs)

NOTE 14 - OTHER CURRENT ASSETS

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured		
<i>Considerd Good :-</i>		
Advances for Supply of Goods and Services	446.01	1,583.02
Prepayments	7.79	7.76
Other Advances	55.00	200.55
Balances with Statutory Authorities	22.62	28.76
	531.42	1,820.08
NOTE 15 - EQUITY SHARE CAPITAL		
Authorised		
[1,00,00,000 Equity Shares of Rs. 10 each (31 March 2020 : 1,00,00,000 Equity Shares of Rs. 10 each)]	1,000.00	1,000.00
	1,000.00	1,000.00
Issued and Subscribed Capital		
[68,79,300 Equity Shares of Rs. 10 each (31 March 2020 : 68,79,300 Equity Shares of Rs. 10 each)]	687.93	687.93
Paid-up Capital		
[68,79,300 Equity Shares of Rs. 10 each (31 March 2020 : 68,79,300 Equity Shares of Rs. 10 each)]	687.93	687.93
Add : Shares Forfeited	-	2.36
	687.93	690.29

Rights, Preferences and Restrictions Attached to Equity Shares:

The Company has only one class of Equity Shares having a par value of Rs. 10 per share. Each holder of Equity Shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes:

a) Details of Shareholders Holding More Than 5% of the Aggregate Shares in the Company:

	31 March 2021		31 March 2020	
	No of Shares	% Holding	No of Shares	% Holding
Ajit Kumar Agarwala	25,76,800	37.46%	25,76,800	37.46%
Shashikala Agarwala	18,98,800	27.60%	18,98,800	27.60%
Abhijit Tea Company Private Limited	4,70,000	6.83%	4,70,000	6.83%

b) Reconciliation of Number of Equity Shares Outstanding at the Beginning and at the end of the Reporting Year:

	31 March 2021		31 March 2020	
	No of Shares	Amount	No of Shares	Amount
Opening Balance at the Beginning of the Reporting year	68,79,300	687.93	68,79,300	687.93
Movement during the Reporting year	-	-	-	-
Closing Balance at the End of the Reporting year	68,79,300	687.93	68,79,300	687.93

Notes to Financial Statements (Contd.)

(₹ in Lacs)

NOTE 16 - OTHER EQUITY

Particulars	As at 31st March, 2021	As at 31st March, 2020
Refer Statement of Changes in Equity for Detailed Movement in Equity Balance		
A. Summary of Other Equity Balance.		
Securities Premium	764.56	764.56
Retained Earnings	5,538.93	5,110.17
General Reserve	49.88	49.88
Share Forfeiture	11.81	9.45
Items of other Comprehensive Income	(9.21)	(8.93)
	6,355.98	5,925.13

B. Nature and Purpose of Reserves.

Securities Premium Reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

General Reserve

The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

Items of Other Comprehensive Income

Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in 'Other comprehensive income' and subsequently not reclassified to the statement of profit and loss.

NOTE 17 - NON-CURRENT BORROWINGS

Particulars	As at 31st March, 2021	As at 31st March, 2020
<u>Secured</u>		
Term Loans From Banks (Refer Note Below)	549.82	2,599.85
Less : Current Maturities of Long-Term Debt (Refer Note Below and 22)	131.82	11.10
<u>Unsecured</u>		
Others	400.00	—
	818.00	2,588.75

Note :

Facility Category	Security Details	Amount as at 31 March 2021	Amount as at 31 March 2020
Term Loan	i) Equitable mortgage on property belonging to Abhijit Tea Company Private Limited. ii) Personal guarantee of Mr. Ajit Kumar Agarwala and Mrs. Shashikala Agarwala. iii) Letter of comfort from Abhijit Tea Company Private Limited.	—	1,100.00
Term Loan	i) The loan is secured by collateral security of landed property belonging to M/s Terai Ispat and Trading Private Limited. ii) Personal guarantee of Mr. Ajit Kumar Agarwala and Mrs. Shashikala Agarwala.	—	1,200.00
Term Loan	i) Equitable mortgage on Plant and Equipment of Bagdogra T.E. ii) Personal guarantee of Mr. Ajit Kumar Agarwala and Mrs. Shashikala Agarwala.	542.79	285.71
Term Loan	i) Secured against equitable mortgage of Company's immovable land and building of TFU unit and hypothecation of current assets of the same unit ranking pari passu with working capital.	5.27	9.94
Vehicle Loan	Secured by Vehicle	1.76	4.20
Total		549.82	2,599.85

The rate of interest on the above loans are in the range of 7.60% to 9.70% p.a.

Notes to Financial Statements (Contd.)

(₹ in Lacs)

NOTE 17 - NON-CURRENT BORROWINGS (Contd.)

Repayment schedule as at 31 March 2021

Facility Category	Total Carrying value	< 1 year	> 1 year	Terms and conditions of Term loan from banks
Term Loan	279.15	—	279.15	Repayable in 28 structured quarterly installments after a moratorium period of 24 months.
Term loan	5.27	5.27	—	Repayable in 18 equal quarterly installments after Moratorium period of 1 year
Vehicle Loan	1.76	1.16	0.60	Repayable in 60 equal installments.
Total	286.18	6.43	279.75	

NOTE 18 - PROVISIONS (NON-CURRENT)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Provision for Employee Benefits (Refer Note 37)		
– Gratuity	113.72	79.32
	113.72	79.32

NOTE 19 - OTHER NON-CURRENT LIABILITIES

Deferred Income	73.35	120.47
	73.35	120.47

NOTE 20 - CURRENT-BORROWINGS

Secured

Working Capital Loan From Bank (Refer Note Below)	1,412.74	1,896.50
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Unsecured

Others	15.00	0.00
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	1,427.74	1,896.50
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Working capital borrowings from Banks are secured by first charge by way of hypothecation over stocks and book debts of the respective units/ tea estate of the Company.

Rate of Interest on Working Capital Loans Range from 7.60% to 9.10%.

Notes to Financial Statements (Contd.)

(₹ in Lacs)

NOTE 21 - TRADE PAYABLES

	As at 31st March, 2021	As at 31st March, 2020
Total Outstanding Dues of Micro and Small Enterprises (Refer Note Below)	–	–
Total Outstanding Dues of Other Than Micro and Small Enterprises*	243.61	789.48
	243.61	789.48
Note:		
There are no material dues owed by the Company to Micro and Small enterprises, which are outstanding for more than 45 days during the year and as at 31 March 2021. This information as required under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company and has been relied upon by the auditors.		
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the year:		
– Principal	–	–
– Interest	–	–
The amount of interest paid by the Company in terms of Section 16 of the MSMED Act, 2006 alongwith the amount of the payment made to the supplier beyond the appointed date during the year	–	–
The amount of the payments made to micro and small suppliers beyond the appointed day during each accounting year	–	–
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	–	–
The amount of interest accrued and remaining unpaid at the end of each accounting year.		
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purposes of disallowance as a deductible expenditure under the MSMED Act, 2006	–	–
The Company's exposure to liquidity risks related to trade payables is disclosed in note 40.		
NOTE 22 - OTHER FINANCIAL LIABILITIES		
Current Maturities of Long Term Debts (Refer Note 17)	131.82	11.10
	131.82	11.10
NOTE 23 - OTHER CURRENT LIABILITIES		
Statutory Dues Payable	5.45	18.16
Liability for Expenses and Goods	110.97	101.06
Advance from Customers	185.71	554.85
	302.12	674.07
NOTE 24 - PROVISIONS		
Provision for Employee Benefits (Refer Note 37)		
– Gratuity	6.42	4.79
– Bonus	73.00	–
	79.42	4.79

Notes to Financial Statements (Contd.)

(₹ in Lacs)

NOTE 25 - REVENUE FROM OPERATIONS

	As at 31st March, 2021	As at 31st March, 2020
Sale of Products	6,564.33	5,109.76
Sale of Traded Goods	474.20	6,660.56
Other Sales	106.38	95.89
	7,144.91	11,866.21

NOTE 26 - OTHER INCOME

Government Grant	47.13	28.56
Dividend	0.29	0.05
Interest Income from Financial Assets Carried at Amortised Cost	2.64	5.88
Profit on Sale of Fixed Assets	501.29	–
Liabilities no Longer Required, Written Off	–	18.18
Profit on Sale / Redemption of Mutual Fund	171.29	11.81
Gains on Fair Valuation of Investments	125.94	–
Rent	–	9.44
Key Man Insurance Claim	762.50	–
Compensation of Loss of Tea Bushes	102.68	–
Rent Compensation	–	1,098.09
Insurance Claim	0.21	0.67
Miscellaneous Receipts	0.50	5.52
	1,714.47	1,178.19

NOTE 27 - COST OF MATERIAL CONSUMED

Purchases	4,999.88	2,781.65
Purchases of Traded Goods	453.83	6,546.28
	5,453.72	9,327.93

NOTE 28 - CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

Opening Inventory		
Work-In-Progress		
– Finished Goods	222.90	447.75
	222.90	447.75
Closing Inventory		
Work-In-Progress		
– Finished Goods	231.45	222.90
	231.45	222.90
(Increase) / Decrease in Inventory	(8.56)	224.86

Notes to Financial Statements (Contd.)

(₹ in Lacs)

NOTE 29 - EMPLOYEE BENEFITS EXPENSE

	As at 31st March, 2021	As at 31st March, 2020
Salaries, Wages and Bonus	589.72	561.15
Contribution to Provident and Other Funds (Refer Note 37)	20.77	24.61
Staff Welfare Expenses	13.97	16.47
	624.45	602.24

NOTE 30 - FINANCE COSTS

Interest Expense on Financial Liability Measured at Amortised Cost	335.25	378.87
	335.25	378.87

NOTE 31 - OTHER EXPENSES

Consumption of Stores and Spares	198.40	239.15
Allowances for Doubtful Receivables	15.59	9.16
Sundry Balances Written Off	229.76	337.49
Loss on Revaluation of Investments	–	111.14
Power and Fuel	768.41	950.93
Freight and Transport Charges	–	4.03
Rent	20.83	0.26
Rates and Taxes	1.81	6.68
Insurance	6.36	6.62
Travelling and Conveyance	14.34	51.08
Repairs and Maintenance:		
– Building	7.40	82.12
– Plant and Machinery	29.96	58.80
– Others	2.45	25.12
– Plantation Maintenance	158.16	83.93
Professional Fees (Refer Note 35)	17.99	42.11
Miscellaneous Expenses	27.49	43.50
Loss on Replantation	40.20	–
Communication Expense	3.03	2.90
Selling Expenses	153.98	161.58
Printing and Stationery	3.03	3.27
Subscription and Donation	16.13	5.61
Bank Charges	14.12	10.65
	1,729.45	2,236.11

Notes to Financial Statements (Contd.)

(₹ in Lacs)

NOTE 32- INCOME-TAX

For the Period Ended	31-03-2021	31-03-2020
(a) Amounts Recognised in Statement of Profit and Loss		
Current Tax	51.21	15.36
Tax Expense for Earlier Year	7.71	(2.95)
Minimum Alternative Tax Credit	(39.85)	(15.36)
Attributable to Origination and Reversal of Temporary Differences	84.32	(12.06)
	103.39	(15.00)

(b) Amounts Recognised in Other Comprehensive Income

For the Period Ended	31-03-2021			31-03-2020		
	Before Tax	Tax (expense) Benefit	Net of Tax	Before Tax	Tax (Expense) Benefit	Net of Tax
Items that will not be reclassified to statement of profit and loss						
Changes in revaluation surplus	-	-	-	-	-	-
Remeasurements of the defined benefit plans	-	-	-	-	-	-

(c) Reconciliation of Effective Tax Rate

For the Period Ended	31-03-2021		31-03-2020	
Profit Before Tax	531.88		126.45	
Tax Using the Company's Domestic Tax Rate :	-	-	26.00%	32.88
Tax Effect of :				
Tax-Exempt Income	0.00%		(25.99%)	(32.87)
Tax Expenses for Earlier Years	1.45%	7.71	(2.33%)	(2.95)
Others	15.85%	84.32	(9.53%)	12.06
	17.30%	92.03	(11.86%)	(15.00)

(d) Recognised Deferred Tax Assets and Liabilities

Deferred Tax Assets and Liabilities are Attributable to the Following:

	Deferred Tax Assets		Deferred Tax Liabilities		Deferred Tax (Liabilities)/Asset, (Net)	
	31-03-2021	31-03-2020	31-03-2021	31-03-2020	31-03-2021	31-03-2020
Property, Plant and Equipment	-	-	125.00	53.82	(125.00)	(53.82)
Provision for Employee Benefits	31.23	21.87	-	-	31.23	21.87
Other Items	3.31	25.81	-	-	3.31	25.81
	34.55	47.68	125.00	53.82	(90.45)	(6.14)

(e) Movement in Temporary Differences

	01-04-2020	Recognised in Statement of profit and Loss	Recognised in OCI	Recognised Directly in Equity	Others	31-03-2021
	Property, Plant and Equipment	(53.82)	71.18	-	-	-
Provision for Employee Benefits	21.87	(9.37)	-	-	-	31.23
Other Items	25.81	22.50	-	-	-	3.31
	(6.14)	84.32	-	-	-	(90.45)

Notes to Financial Statements (Contd.)

(₹ in Lacs)

NOTE 32- INCOME-TAX (Contd.)

	01-04-2019	Recognised in Statement of profit and Loss	Recognised in OCI	Recognised Directly in Equity	Others	31-03-2020
Property, Plant and Equipment	(35.47)	18.34	-	-	-	(53.82)
Provision for Employee Benefits	-	(21.87)	-	-	-	21.87
Other Items	13.31	(8.54)	-	-	(3.96)	25.81
	(22.16)	(12.06)	-	-	(3.96)	(6.14)

The following table provides the details of Income Tax Assets and Income Tax Liabilities

As at	31-03-2021	31-03-2020
Income Tax Assets (Net)	3.16	22.42
Current Tax Liabilities (Net)	-	15.36
Net Current Income Tax Asset / (Liability)	3.16	7.05

NOTE 33 - CONTINGENT LIABILITIES AND COMMITMENTS

(i) Contingent Liabilities

- (a) Claims against the Company not acknowledged as debt in respect to income tax, sales tax and other matters amounted to **Rs. 177.50 Lacs as at 31st March, 2021**; (31 March 2020 : Rs. 180.32 Lakhs)
- VAT and Sales Tax Demand on Assessment aggregating **Rs. 154.65 Lacs as at 31st March, 2021**; (31 March 2020 : Rs.154.65 lakhs) being disputed.
 - Income Tax demands - **Rs. 22.85 Lacs as at 31st March, 2021**; (31st March 2020 : Rs. 25.67 Lakhs) being disputed.
- (b) Bank guarantees outstanding **Rs. 80.03 Lacs as at 31st March, 2021**; (31 March 2020 : Rs. 153.19 Lakhs)

(ii) Commitments:

- (a) Estimated Amount of Contracts remaining to be executed on capital account and not provided for **Rs. Nil as at 31st March, 2021**; (31 March 2020 : Rs Nil)
- (b) The Company has extended corporate guarantees and equitable mortgage on Company's immovable properties created to secure the loans limit sanctioned in favour of the following Companies:

Name of the Company	Name of the Bank	Limit sanctioned		Outstanding as at	
		31-03-2021	31-03-2020	31-03-2021	31-03-2020
Abhijit Tea Company Pvt. Ltd.	Bank of India	1,244.00	930.00	649.65	572.62
Terai Overseas Private Limited	Bank of India	---	5,343.00	---	4,544.19

Regarding items (i) and (ii) (b) above, it is not practicable to disclose information in respect of the estimate of the financial effect, an indication of the uncertainties relating to outflow and the possibility of any reimbursement as it is determinable only on occurrence of uncertain future events / receipt of judgements pending at various forums.

Notes to Financial Statements (Contd.)

(₹ in Lacs)

NOTE 34 - EARNINGS PER SHARE

A. Computation of Earnings Per Share is as Follows :

For the period	31-03-2021	31-03-2020
Net Profit Attributable to the Equity Shareholders	428.49	141.46
Nominal Value of Equity Shares	10	10
Number of Weighted Average Shares Considered for Calculation of Basic and Diluted Earnings Per Share	68,79,300	68,79,300
Earnings Per Share :		
- Basic	6.23	2.06
- Diluted	6.23	2.06

NOTE 35 : AUDITOR'S REMUNERATION (INCLUDED IN LEGAL AND PROFESSIONAL FEES, EXCLUDING APPLICABLE TAXES)

For the period	31-03-2021	31-03-2020
Statutory Audit Fees	2.00	2.00
Tax Audit Fees	0.50	0.50
	2.50	2.50

NOTE 36 - RELATED PARTIES

1. Relationships			
Associate Companies	Abhijit Tea Company Private Limited Amit Paridhan Private Limited East Indian Produce Limited Jaldacca Tea Plantations Private Limited New Darjeeling Union Tea Company Limited Sayedabad Tea Company Limited Terai Dooars Tea Company Private Limited Terai Financial Services Private Limited Terai Infrastructures Limited Terai Ispat & Trading Private Limited Terai Tea Resorts Limited Terai Resorts & Country Club Private Limited Terai Overseas Private Limited The Kharibari Tea Company Limited		
2. Key Management Personnel (KMP): Managing Director Chief Financial Officer Company Secretary	Shri Ajit Kumar Agarwala Shri Rajendra Kanodia Shri Roshan Dave (Till 20.04.2021) Shri Rajesh Singhania (w.e.f. 21.04.2021)		
3. Entities where key management personnel and their relatives are able to exercise significant influence	Ajit Kumar Agarwala and Others (HUF) Kanchanview Resorts Pvt. Ltd., Bagdogra Tea Co. Pvt. Ltd.		
4. The following are significant transactions with related parties by the Company.			
Particulars	Relation	31-03-2021	31-03-2020
Sale of Products	Associates	14.09	13.15
Purchase of Goods	Associates	12.42	10.66
Short-Term Employee Benefits	KMP	74.49	81.72
5. The Balance Receivable from and Payable to Related Parties are as follows:			
Particulars	31-03-2021	31-03-2020	
Trade Receivables	-	-	
Loans and Advances	-	-	

Note: The Sales and Purchases from related parties are made on the terms equivalent to those that prevail in arm's length transactions. Outstanding balance at the year end are unsecured and interest free and settlement occurs in cash. This assessment is undertaken at each financial year through examining the financial position of the related party and the market in which the related party operates.

Notes to Financial Statements (Contd.)

(₹ in Lacs)

NOTE 37 - EMPLOYEE BENEFITS

(a) Defined Contribution Plans

The Company has recognised an amount of Rs.20.77 (31 March 2020: Rs.24.61 lakhs) as expenses under the defined contribution plans in the statement of profit and loss for the year:

(b) Defined benefit plans

1. Reconciliation of Net Defined Benefit Asset / (Liability)	31-03-2021	31-03-2020
(i) Reconciliation of Present Value of Defined Benefit Obligation		
Obligations as at 1 April	84.11	88.25
Current Service Cost	9.35	7.84
Interest Cost	6.02	4.91
Benefits Settled	(4.43)	(3.35)
Actuarial (Gain) / Loss Due to Financial Assumptions	1.00	5.22
Actuarial (Gain) / Loss Due to Experience Adjustments	22.15	(18.76)
Obligations at the year end 31 March	118.21	84.11
(ii) Reconciliation of Present Value of Plan Asset:		
Plan Assets as at 1 April	-	-
Expected Return on Plan Assets	-	-
Return on Assets Excluding Interest Income	-	-
Contributions	4.43	3.35
Benefits Settled	(4.43)	(3.35)
Plan Assets at 31 March at Fair Value	-	-
(iii) Reconciliation of Net Defined Benefit Asset / (Liability)		
Present Value of Obligation as at 31 March	118.21	84.11
Plan Assets at 31 March at Fair Value	-	-
Amount Recognised in Balance Sheet Asset / (Liability)	(118.21)	(84.11)
Non-Current	113.72	79.32
Current	6.42	4.79
2. Expenses Recognised in the Statement of Profit and Loss Under		
Employee Benefit Expense:		
Current Service Cost	9.35	7.84
Interest Cost	6.02	4.91
Changes in Financial Assumptions	1.00	5.22
Experience Adjustments	22.15	(18.76)
Net Cost	38.53	(0.79)
3. Remeasurements Recognised in Statement of Other Comprehensive Income		
Changes in Financial Assumptions	-	-
Net Loss / (Gain) Recognised in Statement of Other Comprehensive Income	-	-
4. Principal Actuarial Assumptions		
Discount Factor [Refer Note (i) Below]	6.90%	7.00%
Salary Escalation Rate [Refer Note (iii) Below]	6.00%	6.00%
Retirement Age (in years)	60	60

Notes:

- (i) The Discount Rate is based on the prevailing market yield on Government Securities as at the balance sheet date for the estimated term of obligations.
- (iii) The Estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Sensitivity Analysis

The Sensitivity Analysis of Significant Actuarial Assumption as of end of reporting period is shown below.

	31 March 2021	31 March 2020
A. Discount Rate		
Discount Rate -1%	130.98	94.41
Discount Rate +1%	110.68	78.79
B. Salary Escalation Rate		
Salary Rate -1%	110.02	78.29
Salary Rate +1%	131.54	94.82

Notes to Financial Statements (Contd.)

(₹ in Lacs)

NOTE 38 - FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

Accounting Classification and Fair Values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at 31 March 2021, including their levels in the fair value hierarchy.

Particulars	Note	FVTPL	Carrying Amount				Fair Value			
			FVOCI	Other Financial Assets Amortised Cost	Other Financial Liabilities	Total Carrying Amount	Level-1	Level-2	Level-3	Total
Financial Assets Measured at Fair Value										
Investment in Mutual Funds	13	1,120.20	-	-	-	1,120.20	1,120.20	-	-	1,120.20
Investment in Equity Shares	5, 13	8.67	-	715.42	-	724.09	8.67	-	715.42	724.09
		1,128.87	-	715.42	-	1,844.29	1,128.87	-	715.42	1,844.29
Financial Assets Not Measured at Fair Value										
Loans	6	-	-	10.17	-	10.17				
Other Financial Assets	7, 12	-	-	1,950.71	-	1,950.71				
Trade Receivables	10	-	-	231.61	-	231.61				
Cash and Cash Equivalents	11	-	-	42.49	-	42.49				
		-	-	2,234.98	-	2,234.98				
Financial Liabilities Not Measured at Fair Value										
Borrowings	17,20	-	-	-	2,245.75	2,245.75				
Trade Payables	21	-	-	-	243.61	243.61				
Other Financial Liabilities	22	-	-	-	131.82	131.82				
		-	-	-	2,621.18	2,621.18				

The following table shows the carrying amounts and fair values of Financial Assets and Financial Liabilities as at 31 March 2020, including their levels in the fair value hierarchy.

Particulars	Note	FVTPL	Carrying Amount				Fair Value			
			FVOCI	Other Financial Assets Amortised Cost	Other Financial Liabilities	Total Carrying Amount	Level-1	Level-2	Level-3	Total
Financial Assets Measured at Fair Value										
Investment in Mutual Funds	5, 13	882.55	-	-	-	882.55	882.55	-	-	882.55
Investment in Equity Shares	5, 13	5.80	-	715.42	-	721.22	5.80	-	715.42	721.22
		888.35	-	715.42	-	1,603.77	888.35	-	715.42	1,603.77
Financial Assets Not Measured at Fair Value										
Loans	6	-	-	10.51	-	10.51				
Other Financial Assets	7, 12	-	-	1,189.43	-	1,189.43				
Trade Receivables	10	-	-	1,879.02	-	1,879.02				
Cash and Cash Equivalents	11	-	-	30.37	-	30.37				
		-	-	3,109.34	-	3,109.34				
Financial Liabilities Not Measured at Fair Value										
Borrowings	17,20	-	-	-	4,485.24	4,485.24				
Trade Payables	21	-	-	-	789.48	789.48				
Other Financial Liabilities	22	-	-	-	11.10	11.10				
		-	-	-	5,285.82	5,285.82				

Notes to Financial Statements (Contd.)

(₹ in Lacs)

NOTE 38 - FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (Contd.)

The fair value of cash and cash equivalents, trade receivables, loans, trade payables and other financial assets and liabilities approximate their carrying amount largely due to the short-term nature of these instruments. The Company's loans have been contracted at market rates of interest. Accordingly, the carrying value of such loans approximate fair value. Investments in equity shares in associates is not appearing as financial asset in the table above being investment in associates accounted under Ind AS 27, Separate Financial Statements is scoped out under Ind AS 109, Financial Instruments.

Investments in liquid and short-term mutual funds which are classified as FVTPL are measured using net assets value at the reporting date multiplied by the quantity held.

Investments in equity shares which are classified as FVTPL are measured using market price of share at the reporting date multiplied by the quantity held.

Financial Risk Management

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's management risk policy is set by the Board. The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. A summary of the risks have been given below.

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

Financial Assets that are Not Credit Impaired

The Company has financial assets which are in the nature of cash and cash equivalents, other bank balances, loans, security deposits, interest accrued on fixed deposits and other receivables which are not credit impaired. These are contractually agreed where the probability of default is negligible.

Financial Assets that are Credit Impaired

Trade Receivables

The Company has calculated the impairment loss arising on account of past trends in the default rate for time bucket.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information. Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Out of the total Trade Receivables of Rs. 347.08 (31 March 2020: Rs. 1,978.31 lakhs), the exposure considered for expected credit loss is Rs. 114.88 Lakhs (31 March 2020 : Rs. 99.28 Lakhs).

Movement in the Allowance for Impairment in Trade Receivables	31-03-2021	31-03-2020
Opening Balance	99.28	90.63
Amount Provided for	15.59	8.65
Net Remeasurement of Loss Allowance	114.88	99.28

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2021.

Particulars	As at 31 March 2021	
	<1 year	>1 year
Non-Derivative Financial Liabilities		
Trade Payables	243.61	-
Other Financial Liabilities	131.82	-
Borrowings	1,412.74	818.00
	1,788.18	818.00

Notes to Financial Statements (Contd.)

(₹ in Lacs)

NOTE 38 - FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (Contd.)

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2020

Particulars	As at 31 March 2020	
	<1 year	>1 year
Non-Derivative Financial Liabilities		
Trade Payables	789.48	–
Other Financial Liabilities	11.10	–
Borrowings	1,896.50	2,588.75
	2,697.08	2,588.75

Market Risk

Market risk is the risk that changes in market prices – such as interest rates 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

Interest Rate Risk

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the Company is currently carrying its loans at variable interest rates.

Particulars	31 March 2021	31 March 2020
Variable Rate Borrowings	2,230.75	4,485.24
Fixed Rate Borrowings	--	—
Total	2,230.75	4,485.24

Sensitivity Analysis

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variable held constant, the Company's profit/(loss) before tax is affected through the impact on floating rate borrowings, as follows:

31 March 2021	Profit or Loss		Equity, Net of Tax	
	Strengthening	Weakening	Strengthening	Weakening
Movement by 50 Basis Points	11.15	(11.15)	8.25	(8.25)
	11.15	(11.15)	8.25	(8.25)

31 March 2020	Profit or Loss		Equity, Net of Tax	
	Strengthening	Weakening	Strengthening	Weakening
Movement by 50 Basis Points	22.43	(22.43)	16.60	(16.60)
	22.43	(22.43)	16.60	(16.60)

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, logistic problems inherent to remote areas, and fluctuation of selling price of finished goods (tea) due to increase in supply/availability.

The Company manages the above financial risks in the following manner:

- Sufficient inventory levels of chemicals, fertilisers and other inputs are maintained so that timely corrective action can be taken in case of adverse weather conditions.
- Slightly higher level of consumable stores viz. packing materials, coal and HSD are maintained in order to mitigate financial risk arising from logistics problems.
- Sufficient working-capital-facility is obtained from banks in such a way that cultivation, manufacture and sale of tea is not adversely affected even in times of adverse conditions.

Notes to Financial Statements (Contd.)

(₹ in Lacs)

NOTE 39 - CAPITAL MANAGEMENT

The Company's policy is to maintain a stable capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors capital on the basis of return on capital employed as well as the debt to total equity ratio.

The Company monitors capital on the basis of the following gearing ratio.

	31st March, 2021	31st March, 2020
Total Debt	2,246	4,485
Total Equity	7,044	6,615
Debt to Equity Ratio	31.88%	67.80%

NOTE 40 : The Company acquired by way of purchase of Dharnipur Tea Estate as a "Going Concern" from its owner Sri Dharendra Nath Bhowmick (since deceased) and Dharnipur Tea Industries (P) Ltd. as confirming party and the Deed of conveyance was duly executed and registered in the name of the Company. The said Deed of Conveyance was cancelled in view of certain pending disputes between the seller and another party. However the agreement for purchase of the said Tea Estate subsists and is subject matter of a specific performance suit pending before Hon'ble Calcutta High Court. The Company is not in possession of the said Tea estate and has accordingly not accounted for the profit and loss on account of the operation or ownership of the said Tea Estate. The value of Dharnipur Tea estate represents the costs paid at the time of purchase and the legal expenses incurred thereafter on behalf of Bhowmicks and/or legal heirs for contesting their suit which was pending. All advocate fees at High Court and at Supreme Court were paid by this Company and capitalized. On the basis of Hon'ble Supreme Court order dated 1.10.91, if Bhowmick's title is confirmed in their pending suit then the rights of this company remains intact. The title of Bhowmicks/legal heirs was confirmed by Hon'ble Calcutta High Court. A SLP for declaration and title in favour of the Company is pending.

NOTE 41 : The Company acquired certain interest in a plot of land at Bangalore for which registration in the name of the Company has not been done. All expenses of litigation in respect of the said land are considered as deemed cost of land and the same has been accounted as advance given for land.

NOTE 42 : The Company has considered the possible effects that may result from COVID-19 on the carrying amounts of financial assets, inventory, receivables, loans and advances, property plant and equipment, intangibles etc as well as liabilities accrued. The Company is part of the tea industry which suffered initial crop losses because of the lockdown. The Company took initiative and started its operation to mitigate the production loss and improve quality standard for higher realization. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company has used internal and external information. Having reviewed the underlying data and based on current estimates, the Company does not expect any material impact on the carrying amount of these assets and liabilities. The Company has now been able to operate its Tea plantation and Tea factories by mobilizing critical work force and adopting stringent social distancing, safety measures and guidelines issued in this regard. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions. The Company has also evaluated the impact of the same on the aforementioned risks i.e. credit risk, liquidity risk, market risk and interest risk and does not foresee any material impact on account of the same.

NOTE 43 : In accordance with Ind AS 108, Operating segments, segment information has been provided in the consolidated financial statements of the Company and no separate disclosure on segment information is given in these standalone financial statements.

NOTE 44 : Previous year figures have been reclassified / regrouped / rearranged wherever necessary.

As per our Report of even date attached

For and on behalf of the Board of Directors

For **SAHA & MAJUMDER**

Chartered Accountants

FRN 303087E

Sd/-

S.N. Bhattacharjee

Partner

Membership No 010767

ICAI UDIN : 21010767AAAABJ3333

Place : Siliguri

Dated : 13th August, 2021

Sd/-

Ajit Kumar Agarwala

Managing Director

DIN : 00265775

Sd/-

Rajendra Kanodia

Director & CFO

DIN : 00175574

Sd/-

Rajesh Singhania

Company Secretary

FCS F7746

Independent Auditor's Report on Consolidated Statements

To
The Members of
Terai Tea Company Limited
10, Govt. Place (East)
Kolkata - 700 069

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the Consolidated Financial Statements of Terai Tea Company Limited ("the Company") and its associates (Company and its associates together referred to as "the Group") which Comprise the Consolidated Balance Sheet as at 31st March 2021, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of changes in equity and Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of Significant Accounting Policies and other explanatory information (here in after referred to as "the Consolidated Financial Statements").

In our opinion, and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such associates were audited by other auditors, the aforesaid Consolidated 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 accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at 31 March 2021 and its consolidated profit and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit 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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with ethical requirements that are relevant to our audit of the Consolidated 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Consolidated Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Estimation of Useful Life of Bearer Plants

See note 3(a) to the Consolidated Financial Statements

The key audit matter	How the matter was addressed in our audit
Useful life of Bearer Plants requires the management to exercise significant judgement in relation to the estimate thereof. Nature, timing and likelihood of changes to the natural factors may affect the useful life expectancy of the assets and therefore could have a material impact on the depreciation expense for the year. As per the Ind AS 16 – "Property, Plant and Equipment", the management reviews the estimated useful life and the	✓ Assessed the management's estimates of the useful life of Bearer Plants with reference to: (a) the consistency with the Company's pattern of economic benefits embodied in such assets and future operating plans including acquisitions and retirements of the Bearer Plants; (b) the comparison to the useful life estimates adopted by the comparable tea producers; and (3) consideration of the Company's historical experience.

Independent Auditor's Report on Consolidated Statements (Contd.)

The key audit matter	How the matter was addressed in our audit
residual value of Bearer Plants annually and adjust for changes, where appropriate. Accordingly, the matter has been identified as key audit matter.	✓ Evaluated the assumptions and critical judgements used by the management through testing of underlying documents / details.
The written down value of such Bearer Plants as on 31 March 2021 is Rs. 1,826.99 lakhs.	✓ Assessed the related disclosures included in the consolidated financial statements in this regard.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon. The information included in the annual report is expected to be made available to us after the date of the auditor's report.

Our opinion on the Consolidated 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 Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective board of directors of the Company and its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each 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 Consolidated 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 Financial Statements by the Directors of the Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective management and Board of Directors of the Company and its associates are responsible for assessing the ability of each Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The respective Board of Directors is also responsible for overseeing the financial reporting process of each Company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

Independent Auditor's Report on Consolidated Statements (Contd.)

1. Identify and assess the risks of material misstatement of the Consolidated 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.
2. 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of Consolidated Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 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 and its associates to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Company and its associates to express an opinion on the Consolidated Financial Statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities. For the other entities included in the consolidated 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. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated 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 consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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.

Other Matters

The Consolidated Financial Statements include the share of net profit of Rs. 354.82 lakhs for the year ended 31 March 2021, in respect of twelve associates, whose financial statements have not been audited by us. These financial statements of twelve associates and other financial information have been audited by other auditors, whose financial statements, other financial information and auditor's report have been furnished to us by the Management. Our opinion on the consolidated financial statement, in so far as it relates to the amounts and disclosures included in respect of these associates is based solely on the report of the other auditors. Our opinion is not qualified in respect of this matter.

Independent Auditor's Report on Consolidated Statements (Contd.)

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such associates as were audited by other auditors, as noted in the 'Other Matters' paragraph, 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.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated 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 changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Company as on 31 March 2021 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its associate companies incorporated in India, none of the directors of the Company and its associate companies incorporated in India is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company, its associate companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

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 and based on the consideration of the reports of the other auditors on separate financial statements of the associates, as noted in the 'Other Matters' paragraph:

- i) The Company and its associates do not have any significant pending litigations which would impact its financial position.
- ii) The Company and its associates 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.
- iv) With respect to the matter to be included in the auditors' report under Section 197(16), in our opinion and according to the information and explanations given to us, the remuneration paid by the Company and its associates to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

Place : Siliguri
Date : August, 13, 2021

For **SAHA & MAJUMDER**
Chartered Accountants
FRN : 303087E

Sd/-

S.N. Bhattacharjee
Partner

Membership No. 010767
ICAI UDIN : 21010767AAAAAY6521

Independent Auditor's Report on Consolidated Statements (Contd.)

Annexure-A to the Independent Auditor's Report of even date on the Consolidated Financial Statements of Terai Tea Company Limited.

Report on the Internal Financial Controls 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 financial statements of the Company as of and for the year ended 31 March 2021, we have audited the internal financial controls with reference to consolidated financial statements of Terai Tea Company Limited (hereinafter referred to as "the Company") and such companies incorporated in India under the Companies Act, 2013 which are its associate companies, as of that date. In our opinion, the Company and such companies incorporated in India which are its associate companies, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. 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 Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 with reference to consolidated financial statements were 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant associate companies in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to Consolidated Financial Statements.

Meaning of Internal Financial Controls with reference to the consolidated financial statements

A company's internal financial control with reference to the financial statements 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 with reference to the financial statements includes those policies and procedures that:

- (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (ii) 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

Independent Auditor's Report on Consolidated Statements (Contd.)

- (iii) 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 with reference to the Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Place : Siliguri
Date : August, 13, 2021

For **SAHA & MAJUMDER**

Chartered Accountants

FRN : 303087E

Sd/-

S.N. Bhattacharjee

Partner

Membership No. 010767

ICAI UDIN : 21010767AAAAAY6521

BALANCE SHEET (Concolidated) as at 31st March, 2021 (₹ in Lacs)

Particulars	Note No.	As at 31st March, 2021	As at 31st March, 2020
I ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	4	5,145.44	5,570.58
(b) Capital Work-in-Progress	4	14.35	9.15
(c) Financial Assets			
(i) Investments	5	7,008.97	6,654.67
(ii) Loans Receivable	6	10.17	10.51
(ii) Other Financial Assets	7	18.05	32.06
(d) Other Non-Current Assets	8	248.34	351.60
(e) Income-Tax Assets	32	3.16	22.42
(A) Total Non-Current Assets (a+b+c+d+e)		12,448.47	12,650.99
(2) Current Assets			
(a) Inventories	9	262.31	314.46
(b) Financial Assets			
(i) Trade Receivables	10	231.61	1,879.02
(ii) Cash and Cash Equivalents	11	42.49	30.37
(iii) Other Financial Assets	12	1,932.66	1,157.37
(iv) Investments	13	1,128.87	887.84
(c) Other Current Assets	14	531.42	1,820.08
(B) Total Current Assets (a+b+c)		4,129.37	6,089.15
Total Assets (A+B)		16,577.84	18,740.93
II EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	15	687.93	690.29
(b) Other Equity	16	12,649.53	11,863.87
(C) Total Equity (a+b)		13,337.46	12,554.16
LIABILITIES			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	818.00	2,588.75
(b) Provisions	18	113.72	79.32
(c) Deferred Tax Liability (Net)	32	50.60	6.14
(d) Other Non-Current Liabilities	19	73.35	120.47
(D) Total Non-Current Liabilities (a+b+c+d)		1,055.67	2,794.67
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	1,427.74	1,896.50
(ii) Trade Payables	21	-	-
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		243.61	789.48
(iii) Other Financial Liabilities	22	131.82	11.10
(b) Other Current Liabilities	23	302.12	674.07
(c) Provisions	24	79.42	4.79
(d) Current Tax Liabilities, (Net)	32	-	15.36
(E) Total Current Liabilities (a+b+c+d)		2,184.72	3,391.30
Total Liabilities (D+E)		3,240.39	6,185.98
Total Equity and Liabilities (C+D+E)		16,577.85	18,740.14
Significant accounting policies	3		

The Accompanying Notes form an integral part of these Financial Statements.

For SAHA & MAJUMDER

Chartered Accountants

FRN 303087E

Sd/-

S.N. Bhattacharjee

Partner

Membership No 010767

ICAI UDIN : 21010767AAAAAY6521

Place : Siliguri

Dated : 13th August, 2021

For and on behalf of the Board of Directors

Sd/-

Ajit Kumar Agarwala

Managing Director

DIN : 00265775

Sd/-

Rajendra Kanodia

Director & CFO

DIN : 00175574

Sd/-

Rajesh Singhania

Company Secretary

FCS F7746

STATEMENT OF PROFIT & LOSS (Consolidated) for the Year Ended 31st March, 2021 (₹ in Lacs)

PARTICULARS	Note No.	For the Year ending on 31st March, 2021	For the Year ending on 31st March, 2020
I Revenue from Operations			
Sale of Goods	25	7,144.91	11,866.21
		7,144.91	11,866.21
II Other Income	26	1,714.47	1,178.19
III Total Income (I+II)		8,859.38	13,044.40
IV Expenses			
Cost of Material Consumed	27	4,999.88	2,781.65
Purchase of Stock-In-Trade	27	453.83	6,546.28
Change in Inventories of Finished Goods and Stock-In-Trade	28	(8.56)	224.86
Employee Benefits Expense	29	624.45	602.24
Finance Costs	30	335.25	378.87
Depreciation Expense	4	193.18	147.94
Other Expenses	31	1,729.45	2,236.11
Total Expenses (IV)		8,327.50	12,917.95
V Profit Before Tax (III-IV)		531.88	126.45
VI Tax Expense:			
(1) Current Tax	32	51.21	15.36
(2) Tax Expense for Earlier Year	32	7.71	(2.95)
(3) Minimum Alternative Tax	32	(39.85)	(15.36)
(4) Deferred Tax	32	84.32	(12.06)
Sub Total (1+2+3+4)		103.39	(15.00)
VII Profit For The Year (V-VI)		428.49	141.46
VIII Share of Profit / (Loss) of Associates		354.82	134.01
IX Profit / (Loss) for the Period After Tax, Share of Profit / (Loss) in Associates		783.30	275.47
X Other Comprehensive Income			
Items that will not be reclassified subsequently to Statement of Profit or Loss		—	—
Remeasurements of the net defined Benefit Liability / Asset		—	—
Income-Tax relating to items not to be reclassified Subsequently to Statement of Profit or Loss		—	—
Other Comprehensive Income, Net of Tax		—	—
XI Total Comprehensive Income for the Period (IX+X)		783.30	275.47
Profit Attributable to :			
Owners of the Company		783.30	275.47
Non Controlling Interest		—	—
Profit For the Year		783.30	275.47
Other Comprehensive Income Attributable to :			
Owners of the Company		—	—
Non Controlling Interest		—	—
Other Comprehensive Income for the year		—	—
Total Comprehensive Income Attributable to :			
Owners of the Company		783.30	275.47
Non Controlling Interest		—	—
Total Comprehensive Income for the Period		783.30	275.47
Earnings Per Share (Nominal Value of Rs. 10 each)			
Basic [in Rs]	34	11.39	4.00
Diluted [in Rs]	34	11.39	4.00
Weighted average number of equity shares used in computing earnings per share			
— Basic	34	68,79,300	68,79,300
— Diluted	34	68,79,300	68,79,300
Significant accounting policies	3		

The Accompanying Notes form an integral part of these Financial Statements.

For SAHA & MAJUMDER

Chartered Accountants

FRN 303087E

Sd/-

S.N. Bhattacharjee

Partner

Membership No 010767

ICAI UDIN : 21010767AAAAAY6521

Place : Siliguri

Dated : 13th August, 2021

For and on behalf of the Board of Directors

Sd/-

Rajendra Kanodia

Director & CFO

DIN : 00175574

Sd/-

Rajesh Singhania

Company Secretary

FCS F7746

CASH FLOW STATEMENT (Consolidated) for the Year Ended 31st March, 2021 (₹ in Lacs)

	For the Year Ended 31st March, 2021	For the Year Ended 31st March, 2020
CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	531.88	126.45
<u>Adjustments for:</u>		
Depreciation	193.18	147.94
Dividend Income	(0.29)	(0.05)
Provision for Doubtful Debts	114.88	99.28
Net Loss / (Gain) on Financial Asset Measured at Fair Value	(171.29)	99.32
Interest Income	(2.64)	(5.88)
Interest Expense	335.25	378.87
Provision no Longer Required, Written Back	-	(18.18)
	1,000.97	827.76
<u>Changes in:</u>		
Trade Receivables	1,532.53	86.51
Inventories	52.16	260.49
Loans, Other Financial Assets and Other Assets	630.99	(853.04)
Liabilities and Provisions	(735.20)	(291.63)
Cash Generated from Operations	2,481.45	30.09
Income Tax Paid, Net of Refund	(55.03)	(23.09)
Net Cash from Operating Activities	2,426.42	7.00
Cash Flow from Investing Activities		
Acquisition of Property, Plant and Equipment	226.76	(351.74)
Purchase / (Sale) of Investments, Net	(240.52)	(511.84)
Profit on Sale of Investments	171.29	11.81
Dividend Received	0.29	0.05
Interest Received	2.64	5.88
Net Cash Provided Used in Investing Activities	160.46	(845.84)
Cash Flow from Financing Activities		
Proceeds / (Repayment) of Borrowings	(2,239.50)	1,188.35
Interest Paid	(335.25)	(378.87)
Net Cash Used in Financing Activities	(2,574.75)	809.47
Net Change in Cash and Cash Equivalents	12.13	(29.37)
Cash and Cash Equivalents at the Beginning of the Year	30.37	59.74
Cash and Cash Equivalents at the End of the Year (Refer Note 11)	42.49	30.37
Significant Accounting Policies (Refer Note 3)		

The Accompanying Notes form an integral part of these Financial Statements.

As per our Report of even date attached.

For and on behalf of the Board of Directors

For **SAHA & MAJUMDER**

Chartered Accountants

FRN 303087E

Sd/-

S.N. Bhattacharjee

Partner

Membership No 010767

ICAI UDIN : 21010767AAAAAY6521

Place : Siliguri

Dated : 13th August, 2021

Sd/-

Ajit Kumar Agarwala

Managing Director

DIN : 00265775

Sd/-

Rajendra Kanodia

Director & CFO

DIN : 00175574

Sd/-

Rajesh Singhania

Company Secretary

FCS F7746

Notes to Consolidated Financial Statements (Contd.) (₹ in Lacs)

Statement of Changes in Equity and Other Equity for the year Ended 31st March, 2020

Particulars	Equity Share Capital	Other Equity				Other Comprehensive Income Other items of OCI	Total Equity Attributable to Equity Holders of the Company
		Reserves and Surplus					
		Securities Premium	Retained Earnings	General Reserve	Share Forfeiture		
Balance as at 1 April 2019	690.29	764.56	10,773.44	49.88	9.45	(8.93)	12,278.69
Remeasurement of the Net Defined Benefit Liability/Asset, Net of Tax Effect	—	—	—	—	—	—	—
Profit For the Year	—	—	275.47	—	—	—	141.46
Balance as at 31 March 2020	690.29	764.56	11,048.91	49.88	9.45	(8.93)	12,554.15

Statement of Changes in Equity and Other Equity for the year Ended 31st March, 2021

Particulars	Equity Share Capital	Other Equity				Other Comprehensive Income Other Items of OCI	Total Equity Attributable to Equity Holders of the Company
		Reserves and Surplus					
		Securities Premium	Retained Earnings	General Reserve	Share Forfeiture		
Balance as at 1 April 2020	690.29	764.56	11,048.91	49.88	9.45	(8.93)	12,554.15
Remeasurement of the Net Defined Benefit Liability/Asset, net of Tax Effect	(2.36)	—	—	—	2.36	(0.28)	(0.28)
Profit For the Year	—	—	783.58	—	—	—	783.58
Balance as at 31 March 2021	687.93	764.56	11,832.49	49.88	11.81	(9.21)	13,337.44

The Accompanying Notes form an integral part of these Financial Statements.

As per our Report of even date attached.

For and on behalf of the Board of Directors

For **SAHA & MAJUMDER**

Chartered Accountants

FRN 303087E

Sd/-

S.N. Bhattacharjee

Partner

Membership No 010767

ICAI UDIN : 21010767AAAAAY6521

Place : Siliguri

Dated : 13th August, 2021

Sd/-

Ajit Kumar Agarwala

Managing Director

DIN : 00265775

Sd/-

Rajendra Kanodia

Director & CFO

DIN : 00175574

Sd/-

Rajesh Singhania

Company Secretary

FCS F7746

Notes to Consolidated Financial Statements (Contd.)

(₹ in Lacs)

NOTE - 1 : REPORTING ENTITY

Terai Tea Company Limited (the 'Company') is a Public Limited Company domiciled in India, with its registered office situated at 10, Government Place (East), 1st Floor, Kolkata, West Bengal - 700069. The Company has been incorporated under the provisions of Indian Companies Act and its equity shares are listed on the Bombay Stock Exchange (BSE), Calcutta Stock Exchange Limited, in India. The Company is primarily engaged in production, distribution and trading of tea and other agricultural merchandise.

NOTE - 2 : BASIS OF PREPARATION

A. Statement of Compliance

The Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended, notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The Consolidated Financial Statements were authorised for issue by the Company's Board of Directors on 13 August 2021. Details of the Company's Accounting Policies are Included in Note 3.

B. Functional & Presentation Currency

These Consolidated Financial Statements are presented in Indian Rupees (Rs.), which is also the Company's Functional Currency. All amounts have been rounded-off to two decimal places to the nearest lakhs, unless otherwise indicated.

C. Basis of Measurement

The Consolidated financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement Basis
Certain Financial Assets and Liabilities	Fair Value
Net Defined Benefit (Asset) / Liability	Fair Value of plan assets less present value of defined benefit obligations

D. Use of Estimates and Judgments

In preparing these Consolidated Financial Statements, management has made judgements, estimates and assumptions that affect the application of Accounting Policies and the reported amounts of Assets, Liabilities, Income and Expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgements made in applying Accounting Policies that have the most significant effects on the amounts recognised in the Consolidated Financial Statements.

Assumptions and Estimation Uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2021 is included in the following notes:

- Note 32 - Recognition of Deferred Tax Assets : availability of future taxable profit against which tax losses carried forward can be used;
- Note 38 - Measurement of Defined Benefit Obligations: key actuarial assumptions;
- Note 33 - Recognition and Measurement of Provisions and Contingencies : Key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 4 - Useful life of Property, Plant and Equipment
- Notes 11 - Impairment of Financial Assets.

E. Measurement of Fair Values

Certain Accounting Policies and Disclosures of the Company require the measurement of fair values, for both financial and non financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments.

Notes to Consolidated Financial Statements (Contd.) (₹ in Lacs)

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 : Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 : Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into a different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Further information about the assumptions made in the measuring fair values is included in the Note 38 - Financial Instruments.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Consolidation

i. Non - Controlling Interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets on the date of acquisition.

ii. Associates

These are entities over which the group has significant influence but not control or joint control over the financial and operating policies.

Interests in associates are accounted using the equity method. They are initially recognised at cost which includes transaction cost. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and other comprehensive income of equity accounted investees until the date on which significant influence ceases.

iii. Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

iv. Associate Companies Considered in the Consolidated Financial Statements:

Name of the Company	Country of Incorporation	Ownership Interest (in %)	
		31-03-2021	31-03-2020
Abhijit Tea Company Private Limited	India	46.04%	46.04%
Amit Paridhan Private Limited	India	36.08%	36.08%
East Indian Produce Limited	India	43.80%	43.80%
Jaldacca Tea Plantations Private Limited	India	45.33%	45.33%
New Darjeeling Union Tea Company Limited	India	48.59%	48.59%
Sayedabad Tea Company Limited	India	27.71%	27.71%
Terai Dooars Tea Company Private Limited	India	47.73%	47.73%
Terai Financial Services Private Limited	India	49.00%	49.00%
Terai Infrastructures Limited	India	45.95%	45.95%
Terai Ispat and Trading Private Limited	India	49.00%	49.00%
Terai Overseas Private Limited	India	47.74%	47.74%
The Kharibari Tea Company Limited	India	48.47%	48.47%

(b) Property, Plant and Equipment

i. Recognition and Measurement

Items of Property, Plant and Equipment, are measured at cost (which includes capitalised borrowing costs, if any) less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of Property, Plant and Equipment includes its non refundable purchase price, duties, taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of Property, Plant and Equipment comprises the cost of materials, direct labour and any other costs directly attributable to bringing the item to its intended working condition and estimated costs of dismantling, removing and restoring the site on which it is located, wherever applicable.

Bearer Plants which is used in the production or supply of agriculture produce and expected to bear produce and expected to bear produce for more than a period of twelve months are capitalized as a part of Property, Plant and Equipment. The cost of Bearer Plant includes all cost incurred till the plants are ready for commercial harvest. Bearer Plants are depreciated from the date when they are ready for commercial harvest.

If significant parts of an item of Property, Plant and Equipment have different useful lives, then they are accounted for as separate items (major components) of Property, Plant and Equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent Expenditure

Subsequent Expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation is the systematic allocation of the depreciable amount of Property, Plant and Equipment over its useful life and is provided on a written down value basis over the useful lives as prescribed under Schedule II to the Companies Act, 2013. Land is not depreciated.

Depreciable amount for Property, Plant and Equipment is the cost of property, plant and equipment less its estimated residual value. The useful life of property, plant and equipment is the period over which property, plant and equipment is expected to be available for use by the Company, or the number of production or similar units expected to be obtained from the asset by the Company.

Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition. Depreciation on deductions/disposals is provided on a pro-rata basis up to the month preceding the month of deduction / disposal.

The Company recognises Tea Bushes and Shade Trees as bearer plant, bearer plants with further classification as mature bearer plants and immature bearer plants. Mature bearer plants are those that have attained harvestable stage.

Bearer Assets are carried at historical cost of acquisition less accumulated depreciation and impairment loss, if any. Subsequent Expenditure on bearer assets are added to 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.

Cost incurred for new plantations and immature areas are capitalised. The cost of immature areas coming into bearing is transferred to mature plantations and depreciated over their estimated useful life.

Tea is designated as agricultural produce at the point of harvest and is measured at their fair value less cost to sell as at each reporting date. Any changes in fair value are recognised in the statement of profit and loss in the year in which they arise.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate.

iv. Capital Work-in-Progress

Capital Work-in-Progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

Notes to Consolidated Financial Statements (Contd.)

(₹ in Lacs)

(c) Assets held for Sale and Disposal

Non - Current Assets, or disposals group comprising assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposals groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any resultant loss on a disposal group is allocated first to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, employee benefit assets, and biological assets, which continue to be measured in accordance with the Group's other accounting policies. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets, property, plant and equipment and investment properties are no longer amortised or depreciated, and any equity- accounted investee is no longer equity accounted.

(d) Impairment

(i) Financial Assets

The Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in profit or loss.

(ii) Non-Financial Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units' (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

(e) Leases

Ind AS 116 supersedes Ind AS 17 Leases including its appendices. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

The Company has adopted Ind AS 116 using the modified retrospective method of adoption under the transitional provisions of the Standards, with the date of initial application on 1st April 2019. The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets). Adoption of Ind- AS 116 doesn't have any material impact on the financial statements of the Company.

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

Company as a Lessee

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

Right of Use Assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Right-of-use assets are depreciated on a straight-line basis over the lease term or estimated useful life of asset, whichever is less. If ownership of the leased asset transferred to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-Term Leases and Leases of Low-Value Assets

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

(f) Borrowings

Borrowings are measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as Current Liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(g) Inventories

Raw materials, traded goods and finished goods are stated at the lower of cost and net realisable value.

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

Cost is determined on weighted average method for all categories of inventories other than for stores and spares and auction/private bought teas in which case, cost is determined on FIFO basis and cost is considered as actual cost for each lot respectively. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition, where applicable, include appropriate overheads based on normal level of activity. Provision is made for obsolescence and other anticipated losses wherever considered necessary

(h) Financial Instruments

i. Recognition and Initial Measurement

The Company initially recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are measured at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition.

ii. Classification and Subsequent Measurement

Financial Assets

Financial Assets Carried at Amortised Cost

A Financial Asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial Assets at Fair Value through other Comprehensive Income

A Financial Asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and

Notes to Consolidated Financial Statements (Contd.) (₹ in Lacs)

the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial Assets at Fair Value through Profit or Loss

A Financial Asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Financial Liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Investments representing equity interest in associates are carried at cost in the financial statements.

iii. Derecognition

Financial Assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial assets are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby the transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial Liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and a new financial liability with modified terms is recognised in the statement of profit and loss.

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or realise the asset and settle the liability simultaneously.

(i) Borrowing Costs

Borrowing Costs directly attributable to the acquisition or construction of those property, plant and equipment which necessarily takes a substantial period of time to get ready for their intended use are capitalised. All other borrowing costs are expensed in the period in which they incur in the Statement of Profit and Loss.

(j) Foreign Currencies

Transactions in foreign currencies are initially recorded by the Company at their functional currency spot rates at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rates are recognised as income or expenses in the period in which they arise. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rates at the date of transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined

(k) Government Grants

Government Grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to revenue, it is recognised in the Statement of Profit and Loss on a systematic basis over the periods to which they relate. When the grant relates to an asset, it is treated as deferred income and recognised in the Statement of Profit and Loss on a systematic basis over the useful life of the asset.

(l) Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

Notes to Consolidated Financial Statements (Contd.)

(₹ in Lacs)

Revenue is measured at the fair value of the consideration received or receivable, net of returns, discounts, volume rebates, outgoing sales taxes including goods and service tax. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company regardless of when the payment is being made.

The specific recognition criteria described below must also be met before revenue is recognised

Sale of Products

Revenue from sale of goods is recognized when the Company transfers the control of goods to the customer as per the terms of contract. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing component, non-cash considerations and consideration payable to the customer (if any).

Trade Receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Rental Income

Rental Income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and is included in revenue in the Statement of Profit or Loss. The Company has determined that it does not meet criteria for recognition of lease rental income on a basis other than straight-line basis

Interest Income

Interest Income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income from debt instruments is recognised using the effective interest rate method.

Dividends

Dividend Income is recognised in the statement of profit and loss only when the right to receive payment is established, which is generally when shareholders approve the dividend

(m) Income Tax

Income Tax Comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

i. Current Tax

Current Tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

ii. Deferred Tax

Deferred Tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for: - temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of transaction. - temporary differences related to investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred Tax Assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT is recognised as deferred tax assets in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised. Deferred tax assets recognised or unrecognized are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised. Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

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

The Company offsets, the current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

Notes to Consolidated Financial Statements (Contd.) (₹ in Lacs)

(n) Provisions and Contingent Liabilities

i. General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

ii. Contingent Liabilities

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

iii. Onerous Contracts

Provision for Onerous Contracts. i.e. contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

(o) Employee Benefits

i. Short-Term Employee Benefits

All employee benefits falling due wholly within twelve months of rendering the services are classified as short-term employee benefits, which include benefits like salaries, wages, short-term compensated absences and performance incentives and are recognised as expenses in the period in which the employee renders the related service.

ii. Post-Employment Benefits

Contributions to defined contribution schemes such as Provident Fund, Pension Fund, etc., are recognised as expenses in the period in which the employee Contributions to defined contribution schemes such as Provident Fund, Pension Fund, etc., are recognised as expenses in the period in which the employee renders the related service. In respect of contributions made to government administered Provident Fund, the Company has no further obligations beyond its monthly contributions. The Company also provides for post-employment defined benefit in the form of gratuity and medical benefits. The cost of providing benefit is determined using the projected unit credit method, with actuarial valuation being carried out at each balance sheet date. Remeasurement of the net benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interests) and the effect of the assets ceiling (if any, excluding interest) are recognised in other comprehensive income. The effect of any plan amendments are recognized in the statement of profit and loss.

iii. Other Long-Term Employee Benefits

All employee benefits (other than post-employment benefits and termination benefits) which do not fall due wholly within twelve months after the end of the period in which the employees render the related services are determined based on actuarial valuation or discounted present value method carried out at each balance sheet date.

(p) Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with the financial institutions, other short term, highly liquid investments with original maturities of three months or less (except the instruments which are pledged) that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts

Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet

(q) Segment Reporting

Operating Segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is responsible for allocating resources and assessing performance of the operating segments and has been identified as the Managing Director of the Company. As per Ind AS 108 if a financial report contains both the consolidated financial statements of a parent that is within the scope of this Indian Accounting Standard as well as the parent's separate financial statements, segment information is required only in the consolidated financial statements. Accordingly the company has presented segment only for consolidated financial statements.

Notes to Consolidated Financial Statements (Contd.)

(₹ in Lacs)

(r) Earnings Per Share

Basic Earnings Per Share ('EPS') is computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for the share splits.

(s) Cash Flow Statement

Cash Flows are reported using indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Company are segregated.

(t) Recent Indian Accounting Standards (Ind AS)

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

(i) Balance Sheet:

- i) Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- ii) Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- iii) Specified format for disclosure of shareholding of promoters.
- iv) Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- v) If a Company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- vi) Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

(ii) Statement of Profit and Loss:

Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of consolidated financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

Notes to Consolidated Financial Statements for the Year ended 31st March, 2021 (Contd.)

NOTE 4 - PROPERTY, PLANT AND EQUIPMENT FOR THE YEAR 2020-21

(₹ in Lacs)

Reconciliation of Carrying Amount

Description	Gross Carrying Amount			Accumulated Depreciation			Carrying Amounts (Net)	
	As at 1st April 2020	Additions	Disposals / Adjustment	As at 31st March 2021	As at 1st April 2020	Additions	Disposals	As at 31st March 2021
Freehold Land	2,581.86	-	28.58	2,553.28	-	-	-	2,553.28
Buildings	784.20	-	110.44	673.76	219.26	56.79	24.05	421.75
Plant and Machinery	660.25	6.11	137.19	529.17	241.64	80.09	53.14	260.57
Furniture and Fixtures	165.44	0.29	1.44	164.29	79.44	18.54	0.72	67.04
Motor Vehicles	28.16	-	-	28.16	14.31	2.61	-	11.23
Office Equipment	5.61	1.23	0.24	6.60	4.47	0.91	0.09	1.31
Computer and Data Processing Units	7.39	0.70	0.54	7.55	3.44	1.19	0.34	3.26
Bearer Plants	1,986.20	-	40.20	1,946.00	85.95	33.06	-	1,826.99
Total	6,219.10	8.34	318.63	5,908.81	648.52	193.18	78.33	5,145.44
Capital Work In Progress	9.15	5.20	-	14.35	-	-	-	14.35

NOTE 4 - PROPERTY, PLANT AND EQUIPMENT FOR THE YEAR 2019-20

Description	Gross Carrying Amount			Accumulated Depreciation			Carrying Amounts (Net)	
	As at 1st April 2019	Additions	Disposals / Adjustment	As at 31st March 2020	As at 1st April 2018	Additions	Disposals	As at 31st March 2020
Freehold Land	2,581.86	-	-	2,581.86	-	-	-	2,581.86
Buildings	784.20	-	-	784.20	176.87	42.39	-	564.94
Plant and Machinery	649.36	12.89	2.00	660.25	193.38	48.27	-	418.60
Furniture and Fixtures	157.25	8.19	-	165.44	55.36	24.08	-	86.00
Motor Vehicles	28.16	-	-	28.16	11.67	2.65	-	13.84
Office Equipment	4.11	1.50	-	5.61	3.83	0.64	-	1.14
Computer and Data Processing Units	5.70	1.69	-	7.39	2.70	0.74	-	3.94
Bearer Plants	1,506.40	479.80	-	1,986.20	56.78	29.17	-	1,900.25
Total	5,717.04	504.06	2.00	6,219.10	500.57	147.94	-	5,570.58
Capital Work In Progress	159.47	329.48	479.80	915	-	-	-	9.15

Notes to Consolidated Financial Statements (Contd.) (₹ in Lacs)

NOTE 5 - FINANCIAL ASSETS : NON-CURRENT INVESTMENTS

Non-Current Investments (valued at lower of Cost and Fair Value, unless stated otherwise)

Particulars	Face value per share/ unit	Units/Nos.		Amount	
		As at 31st March 2021	As at 31st March 2020	As at 31st March 2021	As at 31st March 2020
At Cost (Unquoted)					
Investment in Equity Instruments (Fully Paid)					
Investment in Associates					
Abhijit Tea Company Private Limited	100	7,338	7,338	332.40	332.40
Amit Paridhan Private Limited	10	1,75,000	1,75,000	3.10	3.10
East Indian Produce Limited	10	63,380	63,380	44.22	44.22
Jaldacca Tea Plantations Private Limited	1000	850	850	43.13	43.13
New Darjeeling Union Tea Company Limited	25	17,085	17,085	124.76	124.76
Sayedabad Tea Company Limited	10	15,070	15,070	1.51	1.51
Terai Tea Resorts Limited	10	20,000	20,000	0.91	0.91
Terai Dooars Tea Company Private Limited	10	2,62,500	2,62,500	24.23	24.23
Terai Financial Services Private Limited	10	22,554	22,554	0.23	0.23
Terai Infrastructures Limited	10	26,09,500	26,09,500	21.45	21.45
Terai Ispat & Trading Private Limited	10	7,01,273	7,01,273	22.83	22.83
Terai Overseas Private Limited	10	3,17,460	3,17,460	28.70	28.70
The Kharibari Tea Company Limited	10	96,937	96,937	44.22	44.22
Add: Share of Profit of Associates				6,294	5,939
Sub-Total (A)				6,985.22	6,630.41
Others					
Techno Steel India Private Limited		2,500	2,500	1.25	1.25
Shilpam Dealcom Private Limited	10	2,25,000	2,25,000	22.50	22.50
Sub-Total (B)				23.75	23.75
Investment in Equity Instruments (Fully Paid)					
Bajaj Hindustan Sugar Limited	1	--	4,000	--	0.11
Central Bank Of India	10	--	2,388	--	0.32
IFCI Limited	10	--	2,000	--	0.08
Sub-Total (C)				--	0.51
Total Non-Current Investment (A + B + C)				7,008.97	6,654.67
Aggregate Amount of Unquoted Non-Current Investment				7,008.97	6,654.67
Aggregate Market value of Quoted Non-Current Investment				--	0.51

Notes to Consolidated Financial Statements (Contd.)

(₹ in Lacs)

NOTE 6 - FINANCIAL ASSETS : LOANS RECEIVABLE (NON-CURRENT)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured		
<i>Considered Good :</i>		
Security Deposits	10.17	10.51
	10.17	10.51

NOTE 7 - OTHER FINANCIAL ASSETS (NON-CURRENT)

Unsecured		
<i>Considered Good :</i>		
Grants Receivable	9.51	9.51
Other Receivables	6.51	6.51
Fixed Deposits with Banks	2.03	16.05
	18.05	32.06

NOTE 8 - OTHER NON-CURRENT ASSETS

Unsecured		
<i>Considered Good :</i>		
– Advance Against Land	59.60	59.60
– Advances Against Supply of Goods and Services	—	—
– Assets Held for Investment	14.45	14.45
– Assets Held for Sale	—	103.26
– Gold and Silver	174.29	174.29
	248.34	351.60

NOTE 9 - INVENTORIES

Finished Goods	231.45	222.90
Stores and Spare Parts	30.85	91.56
	262.31	314.46

NOTE 10 - TRADE RECEIVABLES

Unsecured		
<i>Considered Good*</i>	231.61	1,879.02
<i>Considered Doubtful</i>	114.88	99.28
	346.49	1,978.31
Less : Allowance for Doubtful Debts	(114.88)	(99.28)
	231.61	1,879.02

The Company's exposure to credit and loss allowances related to trade receivables are disclosed in note 38.

NOTE 11 - CASH AND CASH EQUIVALENTS

– Cash on Hand	15.47	27.16
– Current Accounts	5.96	3.21
– Short Term Deposits	21.06	-
	42.49	30.37

NOTE 12 - OTHER FINANCIAL ASSETS

Unsecured		
<i>Considerd Good :</i>		
Grants Receivable	66.51	49.16
Interest Accrued But not Due	—	4.56
Others *	1,866.16	1,103.66
	1,932.66	1,157.37

*Others Includes Insurance Claim and Other Receivables.

Notes to Consolidated Financial Statements (Contd.)

(₹ in Lacs)

NOTE 13 - CURRENT INVESTMENTS

At Fair Value Through Profit and Loss

Particulars	Face value per share/ unit	Units/Nos.		Amount	
		As at 31st March 2021	As at 31st March 2020	As at 31st March 2021	As at 31st March 2020
At Fair Value Through Profit and Loss					
Investment in Equity Instruments (Fully Paid)					
Bharat Heavy Electricals Limited	2	3,750	3,750	1.83	0.78
GOL Offshore Limited	10	5,000	5,000	0.50	0.50
Hotel Leela Venture Limited	2	5,000	5,000	0.29	0.16
UCO Bank	10	5,000	5,000	0.55	0.45
Varun Shipping Company Limited	10	5,000	5,000	0.25	0.25
Punjab National Bank	10	8,000	8,470	4.33	3.15
Bajaj Hindustan	10	4,000	-	0.25	-
Central Bank of India	10	2,388	-	0.43	-
IFCI	10	2,000	-	0.24	-
Sub-Total (a)				8.67	5.29
Investment in Mutual Funds					
DSP Dyanamic Asset Allocation Fund - Growth		3,34,530.939	3,34,530.939	61.84	47.33
HSBC Equity Hybrid Fund Growth		5,20,114.311	5,20,114.311	71.27	47.88
ICICI Prudential Asset Allocation Fund - Growth		3,86,396.409	1,10,400.293	268.13	139.28
ICICI Prudential Business Cycle Fund - Growth		4,99,975.000	-	52.75	-
ICICI Prudential Monthly Income Plan-25 Growth		-	1,43,736.399	-	94.30
Nippon India Equity Hybrid Fund Growth		49,240.442	49,240.442	0.03	0.03
Nippon India Credit Risk Fund Segregated - Growth		3,97,093.277	3,97,093.277	0.46	0.59
Nippon India Credit Risk Fund - Growth - SDGP		3,97,093.277	3,97,093.277	97.78	90.82
Nippon India Equity Hybrid Fund - Growth		49,240.442	3,450.001	27.80	17.42
Reliance Ultra Short Duration Fund		-	6,900.002	-	101.27
SBI Dynamic Asset Allocation Fund Growth		3,28,878.353	3,28,878.353	50.46	38.07
SBI Magnum Low Duration Fund - Growth		3,788.158	-	104.19	-
SBI Savings Fund - Growth		3,40,578.855	3,40,587.855	110.93	105.57
Union Hybrid Equity Fund - Growth		49,987.501	-	5.30	-
UTI Dividend Yield Fund - Growth		-	1,59,938.072	-	81.79
UTI Multi Assets Fund Growth		2,84,096.676	-	113.64	-
Kotak Balanced Advantage Fund (G)		11,80,898.865	5,71,997.769	155.62	118.21
Sub-Total (b)				1,120.20	882.55
Total Current Investment (a + b)				1,128.87	887.84
Aggregate Amount of Unquoted Current Investment				1,120.20	882.55
Aggregate Market Value of Quoted Current Investment				8.67	5.29

Notes to Consolidated Financial Statements (Contd.)

(₹ in Lacs)

NOTE 14 - OTHER CURRENT ASSETS

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured		
<i>Considerd Good :-</i>		
Advances for Supply of Goods and Services	446.01	1,583.02
Prepayments	7.79	7.76
Other Advances	55.00	200.55
Balances with Statutory Authorities	22.62	28.76
	531.42	1,820.08
NOTE 15 - EQUITY SHARE CAPITAL		
Authorised		
[1,00,00,000 Equity Shares of Rs. 10 each (31 March 2020 : 1,00,00,000 Equity Shares of Rs. 10 each)]	1,000.00	1,000.00
	1,000.00	1,000.00
Issued and Subscribed Capital		
[68,79,300 Equity Shares of Rs. 10 each (31 March 2020 : 68,79,300 Equity Shares of Rs. 10 each)]	687.93	687.93
Paid-up Capital		
[68,79,300 Equity Shares of Rs. 10 each (31 March 2020 : 68,79,300 Equity Shares of Rs. 10 each)]	687.93	687.93
Add : Shares Forfeited	-	2.36
	687.93	690.29

Rights, Preferences and Restrictions Attached to Equity Shares:

The Company has only one class of Equity Shares having a par value of Rs. 10 per share. Each holder of Equity Shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes:

a) Details of Shareholders Holding More Than 5% of the Aggregate Shares in the Company:

	31 March 2021		31 March 2020	
	No of Shares	% Holding	No of Shares	% Holding
Ajit Kumar Agarwala	25,76,800	37.46%	25,76,800	37.46%
Shashikala Agarwala	18,98,800	27.60%	18,98,800	27.60%
Abhijit Tea Company Private Limited	4,70,000	6.83%	4,70,000	6.83%

b) Reconciliation of Number of Equity Shares Outstanding at the Beginning and at the end of the Reporting Year:

	31 March 2021		31 March 2020	
	No of Shares	Amount	No of Shares	Amount
Opening Balance at the Beginning of the Reporting year	68,79,300	687.93	68,79,300	687.93
Movement during the Reporting year	-	-	-	-
Closing Balance at the End of the Reporting year	68,79,300	687.93	68,79,300	687.93

Notes to Consolidated Financial Statements (Contd.) (₹ in Lacs)

NOTE 16 - OTHER EQUITY

Particulars	As at 31st March, 2021	As at 31st March, 2020
Refer Statement of Changes in Equity for Detailed Movement in Equity Balance		
A. Summary of Other Equity Balance.		
Securities Premium	764.56	764.56
Retained Earnings	11,832.49	11,048.91
General Reserve	49.88	49.88
Share Forfeiture	11.81	9.45
Items of other Comprehensive Income	(9.21)	(8.93)
	12,649.53	11,863.87

B. Nature and Purpose of Reserves.

Securities Premium Reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

General Reserve

The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

Items of Other Comprehensive Income

Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in 'Other comprehensive income' and subsequently not reclassified to the statement of profit and loss.

NOTE 17 - NON-CURRENT BORROWINGS

Particulars	As at 31st March, 2021	As at 31st March, 2020
<u>Secured</u>		
Term Loans From Banks (Refer Note Below)	549.82	2,599.85
Less : Current Maturities of Long-Term Debt (Refer Note Below and 22)	131.82	11.10
<u>Unsecured</u>		
Others	400.00	—
	818.00	2,588.75

Note :

Facility Category	Security Details	Amount as at 31 March 2021	Amount as at 31 March 2020
Term Loan	i) Equitable mortgage on property belonging to Abhijit Tea Company Private Limited. ii) Personal guarantee of Mr. Ajit Kumar Agarwala and Mrs. Shashikala Agarwala. iii) Letter of comfort from Abhijit Tea Company Private Limited.	—	1,100.00
Term Loan	i) The loan is secured by collateral security of landed property belonging to M/s Terai Ispat and Trading Private Limited. ii) Personal guarantee of Mr. Ajit Kumar Agarwala and Mrs. Shashikala Agarwala.	—	1,200.00
Term Loan	i) Equitable mortgage on Plant and Equipment of Bagdogra T.E. ii) Personal guarantee of Mr. Ajit Kumar Agarwala and Mrs. Shashikala Agarwala.	542.79	285.71
Term Loan	i) Secured against equitable mortgage of Company's immovable land and building of TFU unit and hypothecation of current assets of the same unit ranking pari passu with working capital.	5.27	9.94
Vehicle Loan	Secured by Vehicle	1.76	4.20
Total		549.82	2,599.85

The rate of interest on the above loans are in the range of 7.60% to 9.70% p.a.

Notes to Consolidated Financial Statements (Contd.) (₹ in Lacs)

NOTE 17 - NON-CURRENT BORROWINGS (Contd.)

Repayment schedule as at 31 March 2021

Facility Category	Total Carrying value	< 1 year	> 1 year	Terms and conditions of Term loan from banks
Term Loan	279.15	---	279.15	Repayable in 28 structured quarterly installments after a moratorium period of 24 months.
Term loan	5.27	5.27	---	Repayable in 18 equal quarterly installments after Moratorium period of 1 year
Vehicle Loan	1.76	1.16	0.60	Repayable in 60 equal installments.
Total	286.18	6.43	279.75	

NOTE 18 - PROVISIONS (NON-CURRENT)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Provision for Employee Benefits (Refer Note 37)		
– Gratuity	113.72	79.32
	113.72	79.32

NOTE 19 - OTHER NON-CURRENT LIABILITIES

Deferred Income	73.35	120.47
	73.35	120.47

NOTE 20 - CURRENT-BORROWINGS

Secured

Working Capital Loan From Bank (Refer Note Below)	1,412.74	1,896.50
---	----------	----------

Unsecured

Others	15.00	---
	1,427.74	1,896.50

Working capital borrowings from Banks are secured by first charge by way of hypothecation over stocks and book debts of the respective units/ tea estate of the Company.

Rate of Interest on Working Capital Loans Range from 7.60% to 9.10%.

Notes to Consolidated Financial Statements (Contd.)

(₹ in Lacs)

NOTE 21 - TRADE PAYABLES

	As at 31st March, 2021	As at 31st March, 2020
Total Outstanding Dues of Micro and Small Enterprises (Refer Note Below)	–	–
Total Outstanding Dues of Other Than Micro and Small Enterprises*	243.61	789.48
	243.61	789.48
Note:		
There are no material dues owed by the Company to Micro and Small enterprises, which are outstanding for more than 45 days during the year and as at 31 March 2021. This information as required under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company and has been relied upon by the auditors.		
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the year:		
– Principal	–	–
– Interest	–	–
The amount of interest paid by the Company in terms of Section 16 of the MSMED Act, 2006 alongwith the amount of the payment made to the supplier beyond the appointed date during the year	–	–
The amount of the payments made to micro and small suppliers beyond the appointed day during each accounting year	–	–
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	–	–
The amount of interest accrued and remaining unpaid at the end of each accounting year.		
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purposes of disallowance as a deductible expenditure under the MSMED Act, 2006	–	–
The Company's exposure to liquidity risks related to trade payables is disclosed in note 40.		
NOTE 22 - OTHER FINANCIAL LIABILITIES		
Current Maturities of Long Term Debts (Refer Note 17)	131.82	11.10
	131.82	11.10
NOTE 23 - OTHER CURRENT LIABILITIES		
Statutory Dues Payable	5.45	18.16
Liability for Expenses and Goods	110.97	101.06
Advance from Customers	185.71	554.85
	302.12	674.07
NOTE 24 - PROVISIONS		
Provision for Employee Benefits (Refer Note 37)		
– Gratuity	6.42	4.79
– Bonus	73.00	–
	79.42	4.79

Notes to Consolidated Financial Statements (Contd.)

(₹ in Lacs)

NOTE 25 - REVENUE FROM OPERATIONS

	As at 31st March, 2021	As at 31st March, 2020
Sale of Products	6,564.33	5,109.76
Sale of Traded Goods	474.20	6,660.56
Other Sales	106.38	95.89
	7,144.91	11,866.21

NOTE 26 - OTHER INCOME

Government Grant	47.13	28.56
Dividend	0.29	0.05
Interest Income from Financial Assets Carried at Amortised Cost	2.64	5.88
Profit on Sale of Fixed Assets	501.29	–
Liabilities no Longer Required, Written Off	–	18.18
Profit on Sale / Redemption of Mutual Fund	171.29	11.81
Gains on Fair Valuation of Investments	125.94	–
Rent	–	9.44
Key Man Insurance Claim	762.50	–
Compensation of Loss of Tea Bushes	102.68	–
Rent Compensation	–	1,098.09
Insurance Claim	0.21	0.67
Miscellaneous Receipts	0.50	5.52
	1,714.47	1,178.19

NOTE 27 - COST OF MATERIAL CONSUMED

Purchases	4,999.88	2,781.65
Purchases of Traded Goods	453.83	6,546.28
	5,453.72	9,327.93

NOTE 28 - CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

Opening Inventory		
Work-In-Progress		
– Finished Goods	222.90	447.75
	222.90	447.75
Closing Inventory		
Work-In-Progress		
– Finished Goods	231.45	222.90
	231.45	222.90
(Increase) / Decrease in Inventory	(8.56)	224.86

Notes to Consolidated Financial Statements (Contd.)

(₹ in Lacs)

NOTE 29 - EMPLOYEE BENEFITS EXPENSE

	As at 31st March, 2021	As at 31st March, 2020
Salaries, Wages and Bonus	589.72	561.15
Contribution to Provident and Other Funds (Refer Note 37)	20.77	24.61
Staff Welfare Expenses	13.97	16.47
	624.45	602.24

NOTE 30 - FINANCE COSTS

Interest Expense on Financial Liability Measured at Amortised Cost	335.25	378.87
	335.25	378.87

NOTE 31 - OTHER EXPENSES

Consumption of Stores and Spares	198.40	239.15
Allowances for Doubtful Receivables	15.59	9.16
Sundry Balances Written Off	229.76	337.49
Loss on Revaluation of Investments	–	111.14
Power and Fuel	768.41	950.93
Freight and Transport Charges	–	4.03
Rent	20.83	0.26
Rates and Taxes	1.81	6.68
Insurance	6.36	6.62
Travelling and Conveyance	14.34	51.08
Repairs and Maintenance:		
– Building	7.40	82.12
– Plant and Machinery	29.96	58.80
– Others	2.45	25.12
– Plantation Maintenance	158.16	83.93
Professional Fees (Refer Note 35)	17.99	42.11
Miscellaneous Expenses	27.49	43.50
Loss on Replantation	40.20	–
Communication Expense	3.03	2.90
Selling Expenses	153.98	161.58
Printing and Stationery	3.03	3.27
Subscription and Donation	16.13	5.61
Bank Charges	14.12	10.65
	1,729.45	2,236.11

Notes to Consolidated Financial Statements (Contd.) (₹ in Lacs)

NOTE 32- INCOME-TAX

For the Period Ended	31-03-2021	31-03-2020
(a) Amounts Recognised in Statement of Profit and Loss		
Current Tax	51.21	15.36
Tax Expense for Earlier Year	7.71	(2.95)
Minimum Alternative Tax Credit	(39.85)	(15.36)
Attributable to Origination and Reversal of Temporary Differences	84.32	(12.06)
	103.39	(15.00)

(b) Amounts Recognised in Other Comprehensive Income

For the Period Ended	31-03-2021			31-03-2020		
	Before Tax	Tax (expense) Benefit	Net of Tax	Before Tax	Tax (Expense) Benefit	Net of Tax
Items that will not be reclassified to statement of profit and loss						
Changes in revaluation surplus	-	-	-	-	-	-
Remeasurements of the defined benefit plans	-	-	-	-	-	-

(c) Reconciliation of Effective Tax Rate

For the Period Ended	31-03-2021		31-03-2020	
Profit Before Tax	531.88		126.45	
Tax Using the Company's Domestic Tax Rate :	-	-	26.00%	32.88
Tax Effect of :				
Tax-Exempt Income	0.00%		(25.99%)	(32.87)
Tax Expenses for Earlier Years	1.45%	7.71	(2.33%)	(2.95)
Others	15.85%	84.32	(9.53%)	12.06
	17.30%	92.03	(11.86%)	(15.00)

(d) Recognised Deferred Tax Assets and Liabilities

Deferred Tax Assets and Liabilities are Attributable to the Following:

	Deferred Tax Assets		Deferred Tax Liabilities		Deferred Tax (Liabilities)/Asset, (Net)	
	31-03-2021	31-03-2020	31-03-2021	31-03-2020	31-03-2021	31-03-2020
Property, Plant and Equipment	-	-	125.00	53.82	(125.00)	(53.82)
Provision for Employee Benefits	31.23	21.87	-	-	31.23	21.87
Other Items	3.31	25.81	-	-	3.31	25.81
	34.55	47.68	125.00	53.82	(90.45)	(6.14)

(e) Movement in Temporary Differences

	01-04-2020	Recognised in Statement of profit and Loss	Recognised in OCI	Recognised Directly in Equity	Others	31-03-2021
	Property, Plant and Equipment	(53.82)	71.18	-	-	-
Provision for Employee Benefits	21.87	(9.37)	-	-	-	31.23
Other Items	25.81	22.50	-	-	-	3.31
	(6.14)	84.32	-	-	-	(90.45)

Notes to Consolidated Financial Statements (Contd.) (₹ in Lacs)

	01-04-2019	Recognised in Statement of profit and Loss	Recognised in OCI	Recognised Directly in Equity	Others	31-03-2020
Property, Plant and Equipment	(35.47)	18.34	-	-	-	(53.82)
Provision for Employee Benefits	-	(21.87)	-	-	-	21.87
Other Items	13.31	(8.54)	-	-	(3.96)	25.81
	(22.16)	(12.06)	-	-	(3.96)	(6.14)

The following table provides the details of Income Tax Assets and Income Tax Liabilities

As at	31-03-2021	31-03-2020
Income Tax Assets (Net)	3.16	22.42
Current Tax Liabilities (Net)	-	15.36
Net Current Income Tax Asset / (Liability)	3.16	7.05

NOTE 33 - CONTINGENT LIABILITIES AND COMMITMENTS

(i) Contingent Liabilities

- (a) Claims against the Company not acknowledged as debt in respect to income tax, sales tax and other matters amounted to **Rs. 177.50 Lacs as at 31st March, 2021**; (31 March 2020 : Rs. 180.32 Lakhs)
- VAT and Sales Tax Demand on Assessment aggregating **Rs. 154.65 Lacs as at 31st March, 2021**; (31 March 2020 : Rs.154.65 lakhs) being disputed.
 - Income Tax demands - **Rs. 22.85 Lacs as at 31st March, 2021**; (31st March 2020 : Rs. 25.67 Lakhs) being disputed.
- (b) Bank guarantees outstanding **Rs. 80.03 Lacs as at 31st March, 2021**; (31 March 2020 : Rs. 153.19 Lakhs)

(ii) Commitments:

- (a) Estimated Amount of Contracts remaining to be executed on capital account and not provided for **Rs. Nil as at 31st March, 2021**; (31 March 2020 : Rs Nil)
- (b) The Company has extended corporate guarantees and equitable mortgage on Company's immovable properties created to secure the loans limit sanctioned in favour of the following Companies:

Name of the Company	Name of the Bank	Limit sanctioned		Outstanding as at	
		31-03-2021	31-03-2020	31-03-2021	31-03-2020
Abhijit Tea Company Pvt. Ltd.	Bank of India	1,244.00	930.00	649.65	572.62
Terai Overseas Private Limited	Bank of India	--	5,343.00	--	4,544.19

Regarding items (i) and (ii) (b) above, it is not practicable to disclose information in respect of the estimate of the financial effect, an indication of the uncertainties relating to outflow and the possibility of any reimbursement as it is determinable only on occurrence of uncertain future events / receipt of judgements pending at various forums.

Notes to Consolidated Financial Statements (Contd.) (₹ in Lacs)

NOTE 34 - EARNINGS PER SHARE

A. Computation of Earnings Per Share is as Follows :

For the period	31-03-2021	31-03-2020
Net Profit Attributable to the Equity Shareholders	783.30	275.47
Nominal Value of Equity Shares	10	10
Number of Weighted Average Shares Considered for Calculation of Basic and Diluted Earnings Per Share	68,79,300	68,79,300
Earnings Per Share :		
- Basic	11.39	4.00
- Diluted	11.39	4.00

NOTE 35 : AUDITOR'S REMUNERATION (INCLUDED IN LEGAL AND PROFESSIONAL FEES, EXCLUDING APPLICABLE TAXES)

For the period	31-03-2021	31-03-2020
Statutory Audit Fees	2.00	2.00
Tax Audit Fees	0.50	0.50
	2.50	2.50

NOTE 36 - RELATED PARTIES

1. Relationships			
Associate Companies	Abhijit Tea Company Private Limited Amit Paridhan Private Limited East Indian Produce Limited Jaldacca Tea Plantations Private Limited New Darjeeling Union Tea Company Limited Sayedabad Tea Company Limited Terai Dooars Tea Company Private Limited Terai Financial Services Private Limited Terai Infrastructures Limited Terai Ispat & Trading Private Limited Terai Tea Resorts Limited Terai Resorts & Country Club Private Limited Terai Overseas Private Limited The Kharibari Tea Company Limited		
2. Key Management Personnel (KMP): Managing Director Chief Financial Officer Company Secretary	Shri Ajit Kumar Agarwala Shri Rajendra Kanodia Shri Roshan Dave (Till 20.04.2021) Shri Rajesh Singhania (w.e.f. 21.04.2021)		
3. Entities where key management personnel and their relatives are able to exercise significant influence	Ajit Kumar Agarwala and Others (HUF) Kanchanview Resorts Pvt. Ltd., Bagdogra Tea Co. Pvt. Ltd.		
4. The following are significant transactions with related parties by the Company.			
Particulars	Relation	31-03-2021	31-03-2020
Sale of Products	Associates	14.09	13.15
Purchase of Goods	Associates	12.42	10.66
Short-Term Employee Benefits	KMP	74.49	81.72
5. The Balance Receivable from and Payable to Related Parties are as follows:			
Particulars		31-03-2021	31-03-2020
Trade Receivables		-	-
Loans and Advances		-	-

Note: The Sales and Purchases from related parties are made on the terms equivalent to those that prevail in arm's length transactions. Outstanding balance at the year end are unsecured and interest free and settlement occurs in cash. This assessment is undertaken at each financial year through examining the financial position of the related party and the market in which the related party operates.

Notes to Consolidated Financial Statements (Contd.) (₹ in Lacs)

NOTE 37 - EMPLOYEE BENEFITS

(a) Defined Contribution Plans

The Company has recognised an amount of Rs.20.77 (31 March 2020: Rs.24.61 lakhs) as expenses under the defined contribution plans in the statement of profit and loss for the year:

(b) Defined benefit plans

1. Reconciliation of Net Defined Benefit Asset / (Liability)	31-03-2021	31-03-2020
(i) Reconciliation of Present Value of Defined Benefit Obligation		
Obligations as at 1 April	84.11	88.25
Current Service Cost	9.35	7.84
Interest Cost	6.02	4.91
Benefits Settled	(4.43)	(3.35)
Actuarial (Gain) / Loss Due to Financial Assumptions	1.00	5.22
Actuarial (Gain) / Loss Due to Experience Adjustments	22.15	(18.76)
Obligations at the year end 31 March	118.21	84.11
(ii) Reconciliation of Present Value of Plan Asset:		
Plan Assets as at 1 April	-	-
Expected Return on Plan Assets	-	-
Return on Assets Excluding Interest Income	-	-
Contributions	4.43	3.35
Benefits Settled	(4.43)	(3.35)
Plan Assets at 31 March at Fair Value	-	-
(iii) Reconciliation of Net Defined Benefit Asset / (Liability)		
Present Value of Obligation as at 31 March	118.21	84.11
Plan Assets at 31 March at Fair Value	-	-
Amount Recognised in Balance Sheet Asset / (Liability)	(118.21)	(84.11)
Non-Current	113.72	79.32
Current	6.42	4.79
2. Expenses Recognised in the Statement of Profit and Loss Under		
Employee Benefit Expense:		
Current Service Cost	9.35	7.84
Interest Cost	6.02	4.91
Changes in Financial Assumptions	1.00	5.22
Experience Adjustments	22.15	(18.76)
Net Cost	38.53	(0.79)
3. Remeasurements Recognised in Statement of Other Comprehensive Income		
Changes in Financial Assumptions	-	-
Net Loss / (Gain) Recognised in Statement of Other Comprehensive Income	-	-
4. Principal Actuarial Assumptions		
Discount Factor [Refer Note (i) Below]	6.90%	7.00%
Salary Escalation Rate [Refer Note (iii) Below]	6.00%	6.00%
Retirement Age (in years)	60	60

Notes:

- (i) The Discount Rate is based on the prevailing market yield on Government Securities as at the balance sheet date for the estimated term of obligations.
- (iii) The Estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Sensitivity Analysis

The Sensitivity Analysis of Significant Actuarial Assumption as of end of reporting period is shown below.

	31 March 2021	31 March 2020
A. Discount Rate		
Discount Rate -1%	130.98	94.41
Discount Rate +1%	110.68	78.79
B. Salary Escalation Rate		
Salary Rate -1%	110.02	78.29
Salary Rate +1%	131.54	94.82

Notes to Consolidated Financial Statements (Contd.) (₹ in Lacs)

NOTE 38 - FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

Accounting Classification and Fair Values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at 31 March 2021, including their levels in the fair value hierarchy.

Particulars	Note	FVTPL	Carrying Amount				Fair Value			
			FVOCI	Other Financial Assets Amortised Cost	Other Financial Liabilities	Total Carrying Amount	Level-1	Level-2	Level-3	Total
Financial Assets Measured at Fair Value										
Investment in Mutual Funds	13	1,120.20	-	-	-	1,120.20	1,120.20	-	-	1,120.20
Investment in Equity Shares	5, 13	8.67	-	7,008.97	-	7,017.65	8.67	-	7,008.97	7,017.65
		1,128.87	-	7,008.97	-	8,137.85	1,128.87	-	7,008.97	8,137.85
Financial Assets Not Measured at Fair Value										
Loans	6	-	-	10.17	-	10.17				
Other Financial Assets	7, 12	-	-	1,950.71	-	1,950.71				
Trade Receivables	10	-	-	231.61	-	231.61				
Cash and Cash Equivalents	11	-	-	42.49	-	42.49				
		-	-	2,234.98	-	2,234.98				
Financial Liabilities Not Measured at Fair Value										
Borrowings	17,20	-	-	-	2,245.75	2,245.75				
Trade Payables	21	-	-	-	243.61	243.61				
Other Financial Liabilities	22	-	-	-	131.82	131.82				
		-	-	-	2,621.18	2,621.18				

The following table shows the carrying amounts and fair values of Financial Assets and Financial Liabilities as at 31 March 2020, including their levels in the fair value hierarchy.

Particulars	Note	FVTPL	Carrying Amount				Fair Value			
			FVOCI	Other Financial Assets Amortised Cost	Other Financial Liabilities	Total Carrying Amount	Level-1	Level-2	Level-3	Total
Financial Assets Measured at Fair Value										
Investment in Mutual Funds	5, 13	882.55	-	-	-	882.55	882.55	-	-	882.55
Investment in Equity Shares	5, 13	5.80	-	6,654.16	-	6,659.96	5.80	-	6,654.16	6,659.96
		888.35	-	6,654.16	-	7,542.41	888.35	-	6,654.16	7,542.51
Financial Assets Not Measured at Fair Value										
Loans	6	-	-	10.51	-	10.51				
Other Financial Assets	7, 12	-	-	1,189.43	-	1,189.43				
Trade Receivables	10	-	-	1,879.02	-	1,879.02				
Cash and Cash Equivalents	11	-	-	30.37	-	30.37				
		-	-	3,109.34	-	3,109.34				
Financial Liabilities Not Measured at Fair Value										
Borrowings	17,20	-	-	-	4,485.24	4,485.24				
Trade Payables	21	-	-	-	789.48	789.48				
Other Financial Liabilities	22	-	-	-	11.10	11.10				
		-	-	-	5,285.82	5,285.82				

Notes to Consolidated Financial Statements (Contd.) (₹ in Lacs)

NOTE 38 - FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (Contd.)

Financial Risk Management

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's management risk policy is set by the Board. The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. A summary of the risks have been given below.

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

Financial Assets that are Not Credit Impaired

The Company has financial assets which are in the nature of cash and cash equivalents, other bank balances, loans, security deposits, interest accrued on fixed deposits and other receivables which are not credit impaired. These are contractually agreed where the probability of default is negligible.

Financial Assets that are Credit Impaired

Trade Receivables

The Company has calculated the impairment loss arising on account of past trends in the default rate for time bucket.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information. Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Out of the total Trade Receivables of Rs. 347.08 (31 March 2020: Rs. 1,978.31 lakhs), the exposure considered for expected credit loss is Rs. 114.88 Lakhs (31 March 2020 : Rs. 99.28 Lakhs).

Movement in the Allowance for Impairment in Trade Receivables	31-03-2021	31-03-2020
Opening Balance	99.28	90.63
Amount Provided for	15.59	8.65
Net Remeasurement of Loss Allowance	114.88	99.28

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2021.

Particulars	As at 31 March 2021	
	<1 year	>1 year
Non-Derivative Financial Liabilities		
Trade Payables	243.61	-
Other Financial Liabilities	131.82	-
Borrowings	1,412.74	818.00
	1,788.18	818.00

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2020

Particulars	As at 31 March 2020	
	<1 year	>1 year
Non-Derivative Financial Liabilities		
Trade Payables	789.48	-
Other Financial Liabilities	11.10	-
Borrowings	1,896.50	2,588.75
	2,697.08	2,588.75

Notes to Consolidated Financial Statements (Contd.) (₹ in Lacs)

NOTE 38 - FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (Contd.)

Market Risk

Market risk is the risk that changes in market prices – such as interest rates 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.

Interest Rate Risk

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the Company is currently carrying its loans at variable interest rates.

Particulars	31 March 2021	31 March 2020
Variable Rate Borrowings	2,230.75	4,485.24
Fixed Rate Borrowings	--	—
Total	2,230.75	4,485.24

Sensitivity Analysis

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variable held constant, the Company's profit/(loss) before tax is affected through the impact on floating rate borrowings, as follows:

31 March 2021	Profit or Loss		Equity, Net of Tax	
	Strengthening	Weakening	Strengthening	Weakening
Movement by 50 Basis Points	11.15	(11.15)	8.25	(8.25)
	11.15	(11.15)	8.25	(8.25)

31 March 2020	Profit or Loss		Equity, Net of Tax	
	Strengthening	Weakening	Strengthening	Weakening
Movement by 50 Basis Points	22.43	(22.43)	16.60	(16.60)
	22.43	(22.43)	16.60	(16.60)

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, logistic problems inherent to remote areas, and fluctuation of selling price of finished goods (tea) due to increase in supply/availability.

The Company manages the above financial risks in the following manner:

- Sufficient inventory levels of chemicals, fertilisers and other inputs are maintained so that timely corrective action can be taken in case of adverse weather conditions.
- Slightly higher level of consumable stores viz. packing materials, coal and HSD are maintained in order to mitigate financial risk arising from logistics problems.
- Sufficient working-capital-facility is obtained from banks in such a way that cultivation, manufacture and sale of tea is not adversely affected even in times of adverse conditions.

NOTE 39 - CAPITAL MANAGEMENT

The Company's policy is to maintain a stable capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors capital on the basis of return on capital employed as well as the debt to total equity ratio.

The Company monitors capital on the basis of the following gearing ratio.

	31st March, 2021	31st March, 2020
Total Debt	2,246	4,485
Total Equity	13,337	12,554
Debt to Equity Ratio	16.84%	35.73%

Notes to Consolidated Financial Statements (Contd.) (₹ in Lacs)

NOTE 40 : The Company acquired by way of purchase of Dharnipur Tea Estate as a “Going Concern” from its owner Sri Dharendra Nath Bhowmick (since deceased) and Dharnipur Tea Industries (P) Ltd. as confirming party and the Deed of conveyance was duly executed and registered in the name of the Company. The said Deed of Conveyance was cancelled in view of certain pending disputes between the seller and another party. However the agreement for purchase of the said Tea Estate subsists and is subject matter of a specific performance suit pending before Hon’ble Calcutta High Court. The Company is not in possession of the said Tea estate and has accordingly not accounted for the profit and loss on account of the operation or ownership of the said Tea Estate. The value of Dharnipur Tea estate represents the costs paid at the time of purchase and the legal expenses incurred thereafter on behalf of Bhowmicks and/or legal heirs for contesting their suit which was pending. All advocate fees at High Court and at Supreme Court were paid by this Company and capitalized. On the basis of Hon’ble Supreme Court order dated 1.10.91, if Bhowmick’s title is confirmed in their pending suit then the rights of this company remains intact. The title of Bhowmicks/legal heirs was confirmed by Hon’ble Calcutta High Court. A SLP for declaration and title in favour of the Company is pending.

NOTE 41 : The Company acquired certain interest in a plot of land at Bangalore for which registration in the name of the Company has not been done. All expenses of litigation in respect of the said land are considered as deemed cost of land and the same has been accounted as advance given for land.

NOTE 42 : The Company has considered the possible effects that may result from COVID-19 on the carrying amounts of financial assets, inventory, receivables, loans and advances, property plant and equipment, intangibles etc as well as liabilities accrued. The Company is part of the tea industry which suffered initial crop losses because of the lockdown. The Company took initiative and started its operation to mitigate the production loss and improve quality standard for higher realization. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company has used internal and external information. Having reviewed the underlying data and based on current estimates, the Company does not expect any material impact on the carrying amount of these assets and liabilities. The Company has now been able to operate its Tea plantation and Tea factories by mobilizing critical work force and adopting stringent social distancing, safety measures and guidelines issued in this regard. The impact of COVID-19 on the Company’s financial statements may differ from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions. The Company has also evaluated the impact of the same on the aforementioned risks i.e. credit risk, liquidity risk, market risk and interest risk and does not foresee any material impact on account of the same.

NOTE 43 : In accordance with Ind AS 108, Operating segments, segment information has been provided in the consolidated financial statements of the Company.

NOTE 44 : Previous year figures have been reclassified / regrouped / rearranged wherever necessary.

As per our Report of even date attached

For and on behalf of the Board of Directors

For **SAHA & MAJUMDER**

Chartered Accountants

FRN 303087E

Sd/-

S.N. Bhattacharjee

Partner

Membership No 010767

ICAI UDIN : 21010767AAAAAY6521

Place : Siliguri

Dated : 13th August, 2021

Sd/-

Ajit Kumar Agarwala

Managing Director

DIN : 00265775

Sd/-

Rajendra Kanodia

Director & CFO

DIN : 00175574

Sd/-

Rajesh Singhania

Company Secretary

FCS F7746

TERAI TEA COMPANY LIMITED

Regd. Office : "Ezra Mansion", 10, Government Place (East), 1st Floor, Kolkata- 700 069, Ph: (033) 460-13789 / 39789 Fax : (033) 2248-9182
 Website : www.teraigroup.com • E-mail : teraitea@gmail.com • CIN : L51226WB1973PLC029009

ATTENDANCE SLIP

Name of the Members(S) :
 Registered Address :

 Folio No. / Client ID No. & DP ID
 No. of Share(s) held

I/We here by record my/our presence at the 48th Annual General Meeting held on Saturday, October 30, 2021 at 10.30 AM. at ,Ezra Mansion, 10 Government Place (East), 1st Floor, Kolkata 700 069.

Member's /Proxy Name in Block Letters _____ Signature of Member's / Proxy _____
 (Please cut here and bring the attendance slip duly signed, to the meeting and hand it over at the entrance. Duplicate Slip will not be issued at the venue of the meeting.)

TERAI TEA COMPANY LIMITED

Regd. Office : "Ezra Mansion", 10, Government Place (East), 1st Floor, Kolkata- 700 069, Ph: (033) 460-13789 / 39789 Fax : (033) 2248-9182
 Website : www.teraigroup.com • E-mail : teraitea@gmail.com • CIN : L51226WB1973PLC029009

PROXY FORM - MGT 11

(Pursuant of section 105(6) of the Companies Act 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2020)
 48th Annual General Meeting held on Saturday, October 30, 2021 at 10.30 AM. at, Ezra Mansion, 10 Government Place (East), 1st Floor, Kolkata 700 069.

Name of the Members(S) :
 Registered Address :

 E-mail ID :
 Folio No. / Client ID No. & DP ID

I/We, being the member(s) holding shares of the above named company, hereby appoint

1. Name
 Address
 E-mail ID Signature : _____ or failing him;
2. Name
 Address
 E-mail ID Signature : _____ or failing him;
3. Name
 Address
 E-mail ID Signature : _____ or failing him;

as my/our proxy to attend and vote (on poll) for me /us and on my / our behalf at the 48th Annual General Meeting of the Company to be held at, Ezra Mansion, 10 Government Place (East), 1st Floor, Kolkata 700 069 on Saturday, October 30, 2021 at 10.30 AM and at any adjournment thereof in respect of such resolutions as are indicated below.

Resolution No.	Resolution	Optional* For Against	
Ordinary Business			
1	To receive, consider and adopt : a) The Audited Standalone Financial Statements of the Company for the financial year ended on 31st March, 2021 with the reports of the Board of Directors' and Auditors thereon and b) The Audited Consolidated Financial Statements of the Company for the financial year ended on 31st March, 2021 together with report of the Auditors thereon.		
2	Appoint a Director in place of Mr. Ajit Kumar Agarwala (DIN : 00265775) who Retires by Rotation and being eligible, offers himself for re-appointment.		
Special Business			
3	Approval of the Remuneration of the Cost Auditor for Financial Year 2020-21.		

Signed this.....day of, 2021

 Signature of the Share Holder

 Signature of the Proxy Holder

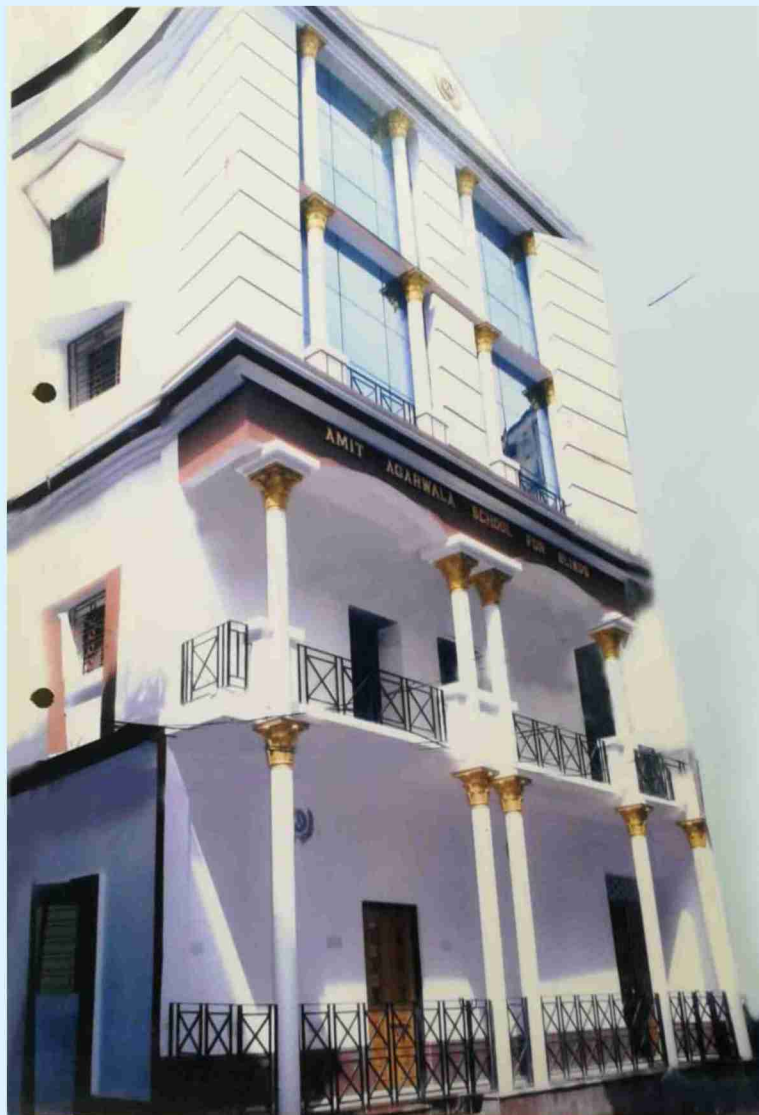
Affix
 Revenue
 Stamp

Notes : (1) This form of Proxy in order to be effective should be duly stamped, completed, signed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the Meeting. (2) For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 48th Annual General Meeting. *(3) It is optional to put a 'X' in the appropriate column against the Resolutions indicated to the Box. If you leave the 'For' or 'Against' column blank against any or all 'Resolution' your proxy will be entitled to vote in the manner as he/ she thinks appropriate.

Shri Shri Mahamaya Kalibari (Natmandir), Siliguri



Amit Agarwala School for Blinds, Kolkata



Printed Matter Book Post



If undelivered please return to :
Terai Tea Company Limited
"Ezra Mansion"
10, Government Place (East)
1st Floor, Kolkata- 700 069