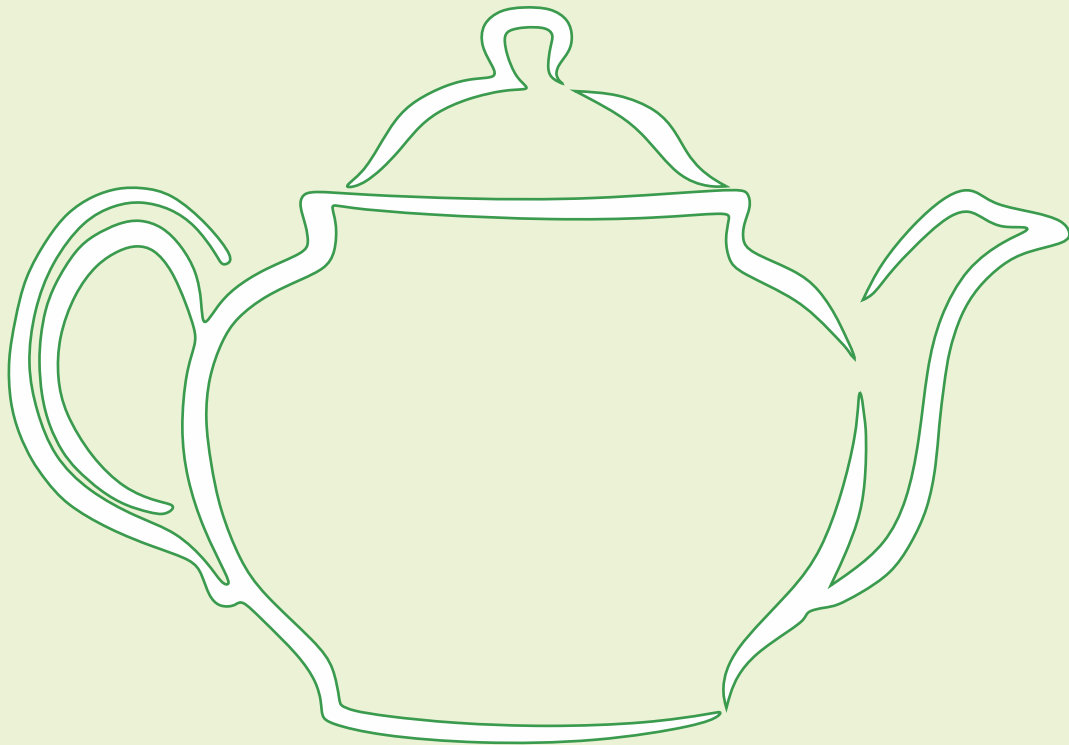


# 123RD ANNUAL REPORT



**RYDAK SYNDICATE LIMITED**

FOR THE YEAR ENDED 31ST MARCH, 2021

# Corporate Information

## BOARD OF DIRECTORS

Mr. Rajvinder Singh	Managing Director
Mr. Subir Das	Non-Executive Independent Director
Ms. Suparna Charkrabortti	Non-Executive Independent Director
Dr. Gyan Dutt Gautama	Non-Executive Independent Director
Mr. Prabir Kumar Bhattacharjee	Non-Executive Independent Director

## KEY MANAGERIAL PERSONNEL

Ms. Nishita Dutta Chadda	Company Secretary
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## REGISTERED OFFICE

4, Dr. Rajendra Prasad Sarani  
Kolkata – 700 001  
Phone : (033) 2230 4351  
Fax : (033) 2230 7555  
E-mail : compliances@rydak syndicate.com

## CIN

L65993WB1900PLC001417

## BANKER

Axis Bank Limited  
Kotak Mahindra Bank Limited

## STATUTORY AUDITORS

**M. C. Das & Co.**  
Chartered Accountants  
53, College Street, 1<sup>st</sup> Floor,  
Kolkata – 700 073

## REGISTRAR AND SHARE TRANSFER AGENTS

**Niche Technologies Pvt. Ltd.**  
3A, Auckland Place, 7th Floor, Room No. 7A & 7B  
Kolkata - 700 017  
Phone : (033) 2280 6616 / 17 / 18  
Fax : (033) 2280 6619  
Email : nichtechpl@nichtechpl.com  
Website : www.nichtechpl.com

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## Contents

Notice	2
Directors' Report	14
Independent Auditor's Report	32
Balance Sheet	40
Statement of Profit & Loss	41
Cash Flow Statement	42
Statement of changes in equity	43
Notes to Financial Statements	44
Consolidated Accounts	66

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# Notice of the 123rd Annual General Meeting

To,  
The Members of  
**RYDAK SYNDICATE LIMITED**

Notice is hereby given that the 123rd Annual General Meeting ('AGM') of Rydak Syndicate Limited will be held on **Thursday, August 26, 2021 at 12:00 noon through Video Conferencing/Other Audio Visual Means ("VC/OAVM") Facility** to transact the following business:

## **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2021 and the Reports of the Board of Directors and the Auditors' thereon.
2. To declare final Dividend of Rs. 1 (Rupees One) per equity share for the Financial Year ended 31st March, 2021.

## **SPECIAL BUSINESS:**

### **3. Re-appointment of Mr. Subir Das (DIN: 00199255) as an Independent Director of the Company for a term of Five years**

To consider and if thought fit, to pass the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Mr. Subir Das (DIN: 00199255), who was appointed as an Independent Director of the Company for a term of five years w.e.f 28th January, 2016 by the members at the 118th Annual General Meeting, in terms of Section 149 of the Companies Act, 2013, be and is hereby re-appointed as an Independent Director of the Company for a second term of five years commencing from 28th January, 2021 up to 27th January, 2026, not liable to retire by rotation.

**RESOLVED FURTHER THAT** the Directors of the Company and the Company Secretary be and are hereby severally authorized to do all such acts, deeds and things and to sign all such documents and writings as may be necessary, expedient and incidental thereto to give effect to this resolution and for matters connected therewith or incidental thereto."

### **4. Appointment of Mr. Prabir Kumar Bhattacharjee (DIN: 09090827) as an Independent Director for a term of Five Years**

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the recommendation of Nomination & Remuneration Committee and pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 ('Act'), rules framed there under read with Schedule IV and applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Prabir Kumar Bhattacharjee (DIN: 09090827), who was appointed as an Additional Director of the Company with effect from March 05, 2021, by the Board of Directors in terms of Section 161(1) of the Act, read with the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting be and is hereby appointed as a Non-Executive Independent Director of the Company with effect from March 05, 2021, for a term of five consecutive years and shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** the Directors of the Company and the Company Secretary be and are hereby severally authorized to do all such acts, deeds and things and to sign all such documents and writings as may be necessary, expedient and incidental thereto to give effect to this resolution and for matters connected therewith or incidental thereto."

### **5. Ratification of remuneration of Cost Auditors**

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, and other applicable provisions, if any, the Company hereby ratifies the remuneration of Rs. 35,000 and out of pocket expenses payable to Mr. Rana Ghosh, Cost Accountant ( FRN: 102189), who has been appointed by the Board of Directors as Cost Auditors of the Company to conduct cost audits relating to cost records of the Company for the for the financial year ending 2020-2021.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

### **6. Appointment of Mr. Rajvinder Singh (DIN: 06931916) as the Managing Director of the Company**

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the recommendation of the Nomination and Remuneration Committee of the Company and pursuant

## Notice *(Contd.)*

to the provisions of Sections 196, 197, 198 and 203 and any other applicable provisions of the Companies Act, 2013 and Rules made thereunder read with Schedule V to the Companies Act, 2013, (including any statutory modification(s) or re-enactment thereof for the time being in force and the Articles of Association of the Company and subject to such other approvals as may be necessary, approval of the Members of the Company be and is hereby accorded to the appointment of Mr. Rajvinder Singh (DIN: 06931916) as the Managing Director of the Company with effect from 10th February, 2021 for a period of five years, not liable to retire by rotation as per the terms and conditions and remuneration set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting.

**RESOLVED FURTHER THAT** the overall managerial remuneration payable to Mr. Rajvinder Singh shall be such amount as may be fixed by the Board from time to time on the recommendation of the Nomination and Remuneration Committee but not exceeding the limits specified in Schedule V of the Companies Act, 2013 as may be agreed to by the Board and Mr. Rajvinder Singh.

**RESOLVED FURTHER THAT** the Directors of the Company be and are hereby severally authorised to do all acts, deeds, things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**Registered Office:**

4, Dr. Rajendra Prasad Sarani  
Kolkata- 700001

**CIN:** L65993WB1900PLC001417

**Phone:** (033) 2230-4351

**Fax:** (033) 2230-7555

**E-mail:** compliances@rydaksyndicate.com

**Website:** www.rydaksyndicate.com

**Place:** Kolkata

**Date:** 24th June, 2021

By Order of the Board of Directors  
For **Rydak Syndicate Limited**

**Nishita Dutta Chadda**  
Company Secretary

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### NOTES FORMING PART OF THE NOTICE TO MEMBERS:

#### 1. Explanatory Statement

The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out material facts concerning the business under Item Nos. 3 to 6 of the accompanying Notice, is annexed hereto. The Board of Directors of the Company at its meeting held on 24th June, 2021 considered that the special business under Item Nos. 3 to 6, being considered unavoidable, be transacted at the 123rd AGM of the Company.

A brief resume of the Directors as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other requisite information as per Clause 1.2.5 of Secretarial Standards-2 on General Meetings, relating to the Director seeking re-appointment are provided in the Annexure to this Notice.

#### 2. General instructions for accessing and participating in the 123rd AGM through VC/OAVM Facility and voting through electronic means including remote e-Voting

- a. In view of the resurgence of second wave of COVID-19 pandemic the government has laid down social distancing norms and restrictions on public gathering. The Ministry of Corporate Affairs, (MCA) vide its General Circular No. 02/2021 dated 13th January, 2021 has allowed Companies to conduct their AGMs due in the years 2020 and 2021 in accordance with the requirements provided in the paragraphs 3 and 4 of its General Circular No. 20/2020 dated 5th May 2020, on or before 31st December, 2021. Similarly the Securities and Exchange Board of India (SEBI) vide Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 has extended the relaxations in paragraphs 3 to 6 of its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 related to general meetings to be held through electronic mode till 31st December, 2021. Pursuant to the aforesaid MCA and SEBI circulars and in compliance with the relevant provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") the 123rd AGM of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of members at a common venue. The deemed venue for the 123rd AGM shall be the Registered Office of the Company.

Hence, Members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participating in the meeting through VC/OAVM is annexed herewith and available at the Company's website at [www.rydaksyndicate.com](http://www.rydaksyndicate.com).

- b. The helpline number regarding any query/assistance for participation in the AGM through VC/OAVM is (033) 2230-4351 (5 lines).

## Notice *(Contd.)*

- c. In terms of the respective MCA Circulars, since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the 123rd AGM. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the Members may be appointed for the purpose of voting through remote e-Voting, for participation in the 123rd AGM through VC/OAVM Facility and e-Voting during the 123rd AGM.
- d. Members are requested to participate on first come first serve basis, as participation through video conferencing is limited and will be closed on expiry of 15 minutes from the scheduled time of the AGM. However, the participation of members holding 2% or more is not restricted on first come first serve basis. Members can log in and join 15 minutes prior to the scheduled time of meeting and window for joining shall be kept open till the expiry of 15 minutes after the scheduled time.
- e. Since the AGM will be held through VC/OAVM Facility, the Route Map is not annexed in this Notice.
- f. Central Depository Services (India) Limited ("CDSL") will be providing facility for voting through remote e-Voting, for participation in the 123rd AGM through VC/OAVM Facility and e-Voting during the 123rd AGM.
- g. Attendance of the Members participating in the 123rd AGM through VC/OAVM Facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

### 3. Corporate Representation

A Corporate Member shall be deemed to be present personally only if it is represented in accordance with Section 113 of the Companies Act, 2013, supported by a certified true copy of the resolution passed by the Board of Directors of the Company authorizing the Representative to attend and vote at the meeting on behalf Corporate Member.

### 4. Inspection By Members

The Register of Directors & Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode. Members can inspect the same by sending an email to [compliances@rydak syndicate.com](mailto:compliances@rydak syndicate.com).

### 5. Book Closure

Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from 20th August, 2021 to 26th August, 2021 (both days inclusive).

### 6. Bank Account Details

Regulation 12 and Schedule-I of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, requires all Companies to use the facilities of electronic clearing services for payment of dividend.

You are requested to submit your Bank Details along with an original cancelled cheque or a photo copy of the cheque to our Registrar, Niche Technologies Pvt. Ltd. to enable them to update our records, in case you hold shares in physical form and to your Depository Participants in respect of shares held by you in dematerialised form.

### 7. Nomination Facility

Members holding shares in the physical form and desirous of making/ changing Nomination in respect of their shareholdings in the Company, as permitted under Section 72 of the Companies Act, 2013 and Rules made thereunder, are requested to submit an application for this purpose to the Company's Registrar and Share Transfer Agent (RTA), Niche Technologies Pvt. Ltd., who will provide the form on request. In respect of shares held in electronic/ demat form, the Members may please contact their respective depository participant.

### 8. Communication

Pursuant to the MCA Circulars and SEBI Circular, in view of the prevailing situation, owing to the difficulties involved in dispatching of physical copies of the Notice of the 123rd AGM and the Annual Report for the year 2021 including therein the Audited Financial Statements for year 2021, the same are being sent only by email to the Members. Therefore, those Members, whose email address is not registered with the Company or with their respective Depository Participant/s, and who wish to receive the Notice of the 123rd AGM and the Annual Report for the year 2021 and all other communication sent by the Company, from time to time, can get their email address registered by following the steps as given below:-

- a. For Members holding shares in physical form, please send scan copy of a signed request letter mentioning your folio number, scanned copy of the share certificate (front and back), complete address, email address to be registered along with scanned

## Notice *(Contd.)*

self-attested copy of the PAN and any document (such as Driving License, Passport, Bank Statement, AADHAR), supporting the registered address of the Member, by email to the Company's email address at [compliances@rydaksyndicate.com](mailto:compliances@rydaksyndicate.com) or to email address of Niche Technologies Pvt. Ltd., the Company's Registrar and Share Transfer Agent (RTA) at [nichetechpl@nichetechpl.com](mailto:nichetechpl@nichetechpl.com).

- b. For the Members holding shares in demat form, please update your email address through your respective Depository Participant/s.

### 9. Registrar & Share Transfer Agents

Niche Technologies Pvt. Ltd. is the Registrar and Share Transfer Agent (RTA) of the Company. All investor related communication may be addressed to the following address:

Niche Technologies Pvt. Ltd.

3A, Auckland Place, 7th Floor, Room No. 7A & 7B, Kolkata– 700017

Phone No.: 033 2280 6616 / 17 / 18; Telefax: 033 2280 6619, Email: [nichetechpl@nichetechpl.com](mailto:nichetechpl@nichetechpl.com)

Members holding Shares in physical mode are requested to intimate changes in their address to Niche Technologies Pvt. Ltd. Members holding Shares in electronic mode are requested to send the intimation for change of address to their respective Depository Participants. Any such changes effected by the Depository Participants will automatically reflect in the Company's subsequent records.

### 10. Unclaimed Dividend

Members wishing to claim dividends, which remain unclaimed, are requested to correspond with the Share Department of the Company, at the Company's registered office. Pursuant to the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of the unpaid and unclaimed amounts lying with the Company on the website of the Company ([www.rydaksyndicate.com](http://www.rydaksyndicate.com)), as also on the website of the Ministry of Corporate Affairs ([www.mca.gov.in](http://www.mca.gov.in)). Those Members, who have not encashed their dividends are requested to correspond with the Registrar & Share Transfer Agent as mentioned above or to the Company Secretary at the Company's Registered Office or via mail at [compliances@rydaksyndicate.com](mailto:compliances@rydaksyndicate.com).

### 11. Transfer of Unclaimed Shares to the IEPF Authority

Pursuant to the provisions of Section 124(6) of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, ("Rules") as amended from time to time all equity shares of the Company on which dividend has not been paid or claimed for seven consecutive years shall be transferred by the Company to Investor Education and Protection Fund ("IEPF"). No claim shall lie against the Company in respect of these equity shares post their transfer to IEPF. Upon transfer, the Shareholders will be able to claim these equity shares only from the IEPF Authority by making an online application the details of which are available at [www.iepf.gov.in](http://www.iepf.gov.in).

### 12. Mandatory PAN Submission

The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding Shares in electronic form are, therefore, requested to submit the PAN details to their Depository Participants with whom they are maintaining their demat accounts. Members holding Shares in physical form must submit their PAN details to the Company's Registrar and Share Transfer Agent, Niche Technologies Pvt. Ltd.

### 13. Dematerialization of Shareholding

Members are requested to dematerialize their shareholding to avoid inconvenience. Members whose shares are in electronic mode are requested to inform change of address and updates of bank account(s) to their respective Depository Participants. Members are encouraged to use the National Electronic Clearing Services (NECS) for receiving dividends.

### 14. Instruction for Electronic Voting (E-Voting)

Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Company is pleased to provide the members the facility to exercise their right to vote by electronic means and all resolutions set forth in this Notice may be transacted through e-Voting Services provided by Central Depository Services (India) Limited ("CDSL").

In addition, the facility for voting through electronic voting system shall also be made available at the AGM and the Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to vote at the AGM (Refer Annexure-1 for the

## Notice *(Contd.)*

detailed procedure). Members who are present in the meeting through video conferencing facility and have not casted their vote on resolution through remote e-voting, shall be allowed to vote through e-voting system during the meeting.

However, in case Members cast their vote exercising both the options, i.e. Voting at the venue and e-voting, then votes cast through e-voting shall only be taken into consideration and treated valid whereas votes cast at the meeting shall be treated as invalid. The instructions for remote e-voting are as under. Members are requested to follow the instruction below to cast their vote through remote e-voting.

The voting period begins on Monday, August 23, 2021 (9:00 a.m. IST) and ends on Wednesday, August 25, 2021 (5:00 p.m. IST) (inclusive of both days). During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of August 19, 2021, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.

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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

### **A. 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	<ol style="list-style-type: none"> <li>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 <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at: <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>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 <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>

## Notice *(Contd.)*

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li>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: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & 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 <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 and 022-23058542-43.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

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

- i) The shareholders should log on to the e-voting website at [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
- ii) Click on “Shareholders” tab.
- iii) Now enter your User Id:
  - a. For CDSL: 16 digits beneficiary ID;



## Notice *(Contd.)*

- b. For NSDL: 8 characters DP ID followed by 8 digits client ID and
- c. Members holding shares in Physical Form should enter Folio No. registered with the Company excluding the special character.
- iv) Next enter the Image Verification as displayed and Click on Login.
- v) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

If you are a first time user follow the steps given below:

If you are a first time user follow the steps given below:

For Member holding shares in Demat Form and Physical Form	
<b>PAN</b>	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
<b>DOB</b>	Enter the Date of Birth as recorded in your demat account with the depository or in the Company records for your folio in dd/mm/yyyy format.
<b>Bank Account Number (DBD)</b>	Enter the Bank Account Number as recorded in your demat account with the depository or in the Company records for your folio. <ul style="list-style-type: none"> <li>Please enter the DOB or Bank Account Number in order to login.</li> <li>If both the details are not recorded with the depository or company then please enter the member-id/ folio number in the Bank Account Number details field as mentioned in above instruction (iii).</li> </ul>

- vi) After entering these details appropriately, click on "SUBMIT" tab.
- vii) Members holding shares in physical form will then directly reach the Company selection screen. However, members 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 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 Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ix) Click on the EVSN for the relevant Company name i.e., "RYDAK SYNDICATE LIMITED" 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/NO" as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xi) Shareholders holding multiple folios/ demat accounts shall choose the voting process separately for each folio/ demat account.
- xii) Click on the "RESOLUTION FILE LINK" if you wish to view the entire Resolution details.
- xiii) 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.
- xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote
- xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

## Notice *(Contd.)*

xvi) Notes for Institutional Shareholders:

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp & signed of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details they have to create a compliance user 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 should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- 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.

xvii) Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at [compliances@rydaksyndicate.com](mailto:compliances@rydaksyndicate.com) and [aklabhcs@gmail.com](mailto:aklabhcs@gmail.com) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) without which the vote shall not be treated as valid.

### C. Other Instructions:

- i) The voting right of the Members shall be in proportion to their shares of the paid up equity share capital of the Company held by them as on cut-off date of 19th August, 2021. The facility of e-voting would be provided once for every folio/ client id, irrespective of the number of joint holders. A person who is not a member as on cut-off date should treat this notice for information purpose only.
- ii) The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members/ beneficiary owners as at closing hours of business, on 25th June, 2021.
- iii) Investors who became members of the Company subsequent to the dispatch of the Notice/ Email and holds the shares as on the cut-off date i.e. 19th August, 2021 are requested to send the written/ email communication to the Company at [compliances@rydaksyndicate.com](mailto:compliances@rydaksyndicate.com) by mentioning their Folio No./ DP ID and Client ID to obtain the Login-ID and Password for e-voting.
- iv) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact them at (022) 2305 8738 and (022) 2305 8542 / 43.
- v) All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai- 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call (022) 2305 8542 / 43.
- vi) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June, 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.

### 15. Scrutinizer

The Company has appointed Mr. Atul Kumar Labh, Practicing Company Secretary (FCS No. 4848/C.P. No. 3238), as Scrutinizer for conducting the electronic voting process (both remote e-voting and voting at the AGM through Insta Poll) in a fair and transparent manner.

### 16. Declaration Of Results

The results shall be declared on or after the AGM, but not later than two 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 the Company at [www.rydaksyndicate.com](http://www.rydaksyndicate.com) and on the website of CDSL viz. [www.evotingindia.com](http://www.evotingindia.com) within two days of the passing of the resolutions at the 123rd Annual General Meeting on August 26, 2021 and will be communicated to the Stock Exchange where the Company's Shares are listed, i.e. Calcutta Stock Exchange Ltd.

## Notice *(Contd.)*

### Annexure-I

#### PROCESS AND MANNER FOR PARTICIPATING IN AGM THROUGH VIDEO CONFERENCING

##### A. Instructions For Shareholders attending the AGM through VC/OAVM are as under:

1. The procedure for attending meeting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders are encouraged to join the Meeting through Laptops/ IPads for better experience.
4. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
5. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
6. Shareholders who would like to express their views/ ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 (seven) days prior to meeting mentioning their name, demat account number/ folio number, email id, mobile number at [compliances@rydaksyndicate.com](mailto:compliances@rydaksyndicate.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 (seven) days prior to meeting mentioning their name, demat account number/ folio number, email id, mobile number at [compliances@rydaksyndicate.com](mailto:compliances@rydaksyndicate.com). These queries will be replied to by the Company suitably by email.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the meeting.

##### B. Instructions For Shareholders For E-Voting During the AGM are as under:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

#### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

##### Item No. 3

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, on 24th June, 2021 re-appointed Mr. Subir Das (DIN: 00199255) as an Independent Director of the Company under Section 149 of the Companies Act, 2013 for a term of five consecutive years to hold office from 28th January, 2021 to 27th January, 2026. His re-appointment is subject to the approval of the Members.

The Company has received intimation in Form DIR-8 from Mr. Subir Das that, he is not disqualified from being re-appointed as an Independent Director in terms of Section 164 of the Act, declaration that he meets with the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 & Regulation 16(1)(b) of SEBI Listing Regulations and his consent to continue as an Independent Director.

The resolution seeks the approval of members for the re-appointment of Mr. Subir Das as an Independent Director of the Company commencing from 28th January, 2021 to 27th January, 2026 in terms of Section 149 and other applicable provisions of the Act and Rules made there under. He is not liable to retire by rotation.

In the opinion of the Board, Mr. Subir Das fulfils the conditions for his re-appointment as an Independent Director as specified in the Act and the SEBI Listing Regulations and is independent of the management.

## Notice *(Contd.)*

The Board considers that his association would be of immense benefit to the Company and it is desirable to avail services of Mr. Das as an Independent Director for a further term of five years from 28th January, 2021 to 27th January, 2026. Accordingly, based on recommendation of the Nomination and Remuneration Committee, the Board recommends Special Resolution as set out at Item No. 3 of the accompanying Notice of AGM for the approval by the Members.

Except Mr. Subir Das, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the accompanying Notice of AGM.

### Item No. 4

Mr. Prabir Kumar Bhattacharjee (DIN: 09090827) was appointed as an Additional Director of the Company in Independent Capacity w.e.f 05th March, 2021 pursuant to the provisions of Sections 149, 150, 152, 161 and rules framed thereunder read with Schedule IV of the Companies Act, 2013 (the Act) and the Articles of Association of the Company. Being an Additional Director, Mr. Prabir Kumar Bhattacharjee is eligible to hold office till this Annual General Meeting pursuant to the provisions of Section 161 of the Companies Act, 2013. Hence it is being proposed to regularize the appointment of Mr. Prabir Kumar Bhattacharjee as an Independent Director for a term of five years in terms of Sections 149(10) and 149(11) of the Act.

Mr. Prabir Kumar Bhattacharjee, aged 67 years is Post Graduated Diploma in Personnel and Industrial Relations. He has a vast experience of 32 years in Tea Industry along with 10 years experience as a Central Government Employee under the Ministry of Labour & Employment and the Ministry of Finance. He has got commendable expertise on Administration, Human Resources, Industrial Relations and Legal Matters.

The Company has received from Mr. Prabir Kumar Bhattacharjee his consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended from time to time. The Company has also received a declaration from Mr. Prabir Kumar Bhattacharjee confirming the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and under the Regulation 16(b) of the Listing Regulations, as amended from time to time and a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director. Mr. Prabir Kumar Bhattacharjee is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013, as amended from time to time. In the opinion of the Board, Mr. Prabir Kumar Bhattacharjee fulfils the conditions for appointment of Independent Director as specified in the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations, 2015') and is independent of the management.

The Board considers that given his background and experience the association of Mr. Prabir Kumar Bhattacharjee would be beneficial to the Company and it is desirable to regularize his appointment as an Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years i.e. up to March 04, 2026. The Board of Directors recommends the ordinary resolution at Item No. 4 of this Notice for your approval.

Except Mr. Prabir Kumar Bhattacharjee, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the accompanying Notice of AGM.

### Item No. 5

The Company is required to have the audit of its cost records conducted by a Cost Accountant in practice under Section 148 of the Act, read with the Companies (Cost Records and Audit) Rules, 2014 ("the Rules").

The Board, has approved the appointment and remuneration of Mr. Rana Ghosh, Cost Accountant ( FRN: 102189), as the Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending 2020-2021 at a remuneration of Rs. 35000/- plus out of pocket expenses.

In accordance with the provisions of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending 2020-2021. The Board of Directors recommends the Ordinary Resolution set out at Item No. 5 of the notice for approval by the members.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the accompanying Notice of AGM.

### Item No. 6

Mr. Rajvinder Singh, previously the Whole Time Director of the Company, has been appointed as the Managing Director of the Company by the Board of Directors upon the recommendation of the Nomination and Remuneration Committee for a period of 5 years w.e.f 10th February, 2021, subject to the approval of the Members.

## Notice *(Contd.)*

In accordance with Section 196, 197 read with Schedule V (as amended) and applicable rules under the Companies Act, 2013, the approval of the members is being sought for the appointment of Mr. Singh as the Managing Director of the Company. The Board of Directors recommends the ordinary resolution at Item No. 6 of this notice for your approval. The main terms and conditions relating to the appointment of Mr. Singh as the Managing Director are as follows:

PARTICULARS	AMOUNT
Basic Salary	Rs. 76000/- per month with increment of Rs. 5000/- every year
Helper Allowance	Rs. 30,000/- per month
Education Allowance	Rs. 30,000/- per month
Visiting Allowance	Rs. 40,000/- per month

### PERQUISITES

Company provides rent free furnished accommodation with electricity and an allowance for flat maintenance, Car with Chauffeur, Telephone, Medical Benefit, Entertainment Allowance, Leave Fare Assistance and Ex-gratia as per Company's Policy as given in the following annexure:

PARTICULARS	AMOUNT
Leave Fare Allowance	Rs. 300,000 per annum
Medical Benefit	One month basic
Flat Maintenance Allowance	Actual (not exceeding Rs. 1,20,000 per annum)
Electricity	Actual (not exceeding Rs. 10,000 per month)
Car with Chauffeur (official use)	<ul style="list-style-type: none"> <li>• Fuel- Actual (not exceeding Rs. 8,000 per month);</li> <li>• Chauffeur- Actual (not exceeding Rs. 12,000 per month);</li> <li>• Chauffeur Bonus and LTA- Rs. 24000 per annum</li> </ul>
Entertainment Allowance	Actual (not exceeding Rs. 60,000 per annum)
Ex Gratia	As per Company Rules (not exceeding one month basic)
Telephone	Actual (not exceeding Rs. 3,000 per month)

None of the Directors and Key Managerial Personnel of the Company and their relatives, except Mr. Rajvinder Singh to whom the resolution relates, is concerned or interested, financially or otherwise, in the resolution set out at Item No.6 of the accompanying Notice of AGM.

**The Statement of disclosures pursuant to Secretarial Standard-2 on General Meetings and Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, is as under:**

Name of the Director	Mr. Subir Das	Mr. Prabir Kumar Bhattacharjee	Mr. Rajvinder Singh
DIN	00199255	09090827	06931916
Date of Birth	24/11/1958	23/01/1954	13/06/1972
Date of Appointment	28/01/2016	05/03/2021	10/02/2021
Qualification	B.Com, CA	Post Graduated Diploma in Personnel and Industrial Relations	Graduate in Economics
Expertise in specific functional areas	Experienced in Finance, Legal and Management.	Vast Experience in Tea Industry and as an employee of Central Government under the Ministry of Labour & Employment and Ministry of Finance. Expertise in Administration, Human Resources, Industrial Relations and Legal Matters.	Experienced in Tea Industry.

## Notice *(Contd.)*

Name of the Director	Mr. Subir Das	Mr. Prabir Kumar Bhattacharjee	Mr. Rajvinder Singh
<b>Directorship held in other entities</b>	<ul style="list-style-type: none"> <li>Tide Water Oil Co. India Ltd.</li> <li>Parcon (India) Pvt. Ltd.</li> </ul>	Nil	<ul style="list-style-type: none"> <li>Dhelakhat Tea Co. Ltd.</li> <li>Sripadam Investments Ltd.</li> <li>Behubor Investments Ltd.</li> </ul>
<b>Membership/Chairmanship across public companies</b>	Member of Audit Committee, Corporate Social Responsibility Committee, Risk Management Committee, Stakeholders Relationship Committee, Compensation Committee and Committee of Board of Directors in Tide Water Oil Co. India Ltd.	Nil	<ul style="list-style-type: none"> <li>Member of Audit Committee and Nomination &amp; Remuneration Committee in Dhelakhat Tea Co. Ltd.</li> </ul>
<b>No. of shares held in the Company</b>	Nil	Nil	Nil
<b>Relationship with any Director(s) of the Company</b>	Not Applicable	Not Applicable	Not Applicable
<b>Number of Meetings of the Board attended</b>	5 out of 5	0 out of 1	5 out of 5

**Registered Office:**

4, Dr. Rajendra Prasad Sarani  
Kolkata- 700001

**CIN:** L65993WB1900PLC001417

**Phone:** (033) 2230-4351

**Fax:** (033) 2230-7555

**E-mail:** compliances@rydaksyndicate.com

**Website:** www.rydaksyndicate.com

**Place:** Kolkata

**Date:** 24th June, 2021

By Order of the Board of Directors  
For **Rydak Syndicate Limited**

**Nishita Dutta Chadda**  
Company Secretary

# Directors' Report

## To the Members,

Your Directors are pleased to present the 123rd Annual Report, together with the Audited Financial Statements and the Auditors' Report of the Company for the financial year ended March 31, 2021.

### 1. CORPORATE OVERVIEW

Rydak Syndicate Limited is a Company with business in manufacturing of black tea. The Company has its registered office in Kolkata and has six tea estates which are located in Assam and Dooar's region of West Bengal.

### 2. FINANCIAL RESULTS (STANDALONE AND CONSOLIDATED)

The performance of the Company for the financial year ended March 31, 2021 is summarized below :

Amount (Rs. in Lakhs)

Particulars	Standalone		Consolidated	
	2020-2021	2019-2020	2020-2021	2020-2021
Total income	12,938.80	10,427.29	12,938.80	10,427.29
Profit Before Interest, Depreciation & Tax	2,361.34	920.89	2,361.34	920.89
Finance costs	266.21	478.76	266.21	478.76
Depreciation expense	591.52	288.08	591.52	288.08
Profit Before Tax	1,503.61	154.05	1,503.61	154.05
Provision for Current Tax	105.40	28.52	105.40	28.52
Deferred Tax	(62.46)	9.31	(63.17)	9.31
Profit After Tax	1,460.67	116.22	1,461.37	116.22
Other Comprehensive Income (Net of Taxes)	168.39	20.96	168.39	20.96
Total Comprehensive Income	1,292.28	95.26	1,292.99	95.26

### 3. DIVIDEND

Your Directors recommend a dividend of INR 1.00 (Rs.1 Only) per share aggregating to INR 9,73,218/- (Rupees Nine Lakhs Seventy Three Thousand Two Hundred and Eighteen Only) for the current financial year subject to approval of the shareholders at the ensuing Annual General Meeting. The dividend, if approved by the members, would result in a cash outflow of INR 9,73,218/- (Rupees Nine Lakhs Seventy Three Thousand Two Hundred and Eighteen Only).

### 4. TRANSFER TO RESERVES

For the year under review no amount has been proposed to be transferred to General Reserve.

### 5. TRANSFER OF UNCLAIMED DIVIDEND

Dividend declared at the Annual General Meeting held on 24th July, 2014, for the year ended 31st March, 2014, which remains unclaimed, will be transferred to the Investor Education and Protection Fund established by the Central Government pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013. Members are requested to lodge their claims with the Company immediately.

### 6. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

Your Directors wish to present details of Business Operations done during the year under review:

- The Company carries on the business of growing and manufacturing of tea. The market this year was moderate and the company's Six Estates produced saleable crop of 51.26 Lakh kgs as compared to 50.53 Lakh kgs achieved in the previous year. The Company's continued policy of making quality teas has paid off during the year.
- The net sales during the year 2020-21 were INR 128.31 Crores as compared to INR 102.70 Crores in the previous financial year.

### 7. CHANGES IN THE NATURE OF BUSINESS

There has been no change in the nature of business of the Company, during the financial year 2020-2021.

### 8. SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2021 stood at 9,731,280/-. During the year under review, the Company has neither issued shares with differential voting rights nor has granted any stock options or sweat equity as on March 31, 2021, none of the Directors of the Company hold instruments convertible into equity shares of the Company.



## Directors' Report *(Contd.)*

### 9. MATERIAL CHANGES & COMMITMENT DURING THE FINANCIAL YEAR

There are no material changes or commitments that have occurred after the close of the year till the date of this Report, which affects the financial position of the Company.

### 10. DIRECTORS

In accordance with the provisions of Section 149, 150, 152 & 161 and the Rules made there under read with Schedule IV of the Companies Act, 2013 Mr. Prabir Kumar Bhattacharjee (DIN: 09090827) has been appointed as an Independent Director with effect from March 5, 2021 subject to the approval of the Shareholders at the ensuing Annual General meeting of the Company.

Mr. Subir Das (DIN: 00199255) has been re-appointed by the Board as an Independent Director of the Company in accordance with the provisions of the Section 149 of the Companies Act, 2013, for a further period of five years with effect from 28th January, 2021. The Board recommends his re-appointment for the consideration of the Members of the Company at the ensuing Annual General Meeting.

Mr. Rajvinder Singh (DIN: 06931916) has been appointed as the Managing Director of the Company with effect from February 10, 2021. The Board recommends his appointment for the consideration of the Members of the Company at the ensuing Annual General Meeting.

### 11. DECLARATION BY INDEPENDENT DIRECTORS

All the independent directors have given declarations that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013. In the opinion of the Board, they fulfill the conditions of independence as specified in the Act and the Rules made there under and they are independent of the management. All the Independent Directors of the Company have registered themselves on the online databank of Ministry of Corporate Affairs.

### 12. KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of Section 203 of the Companies Act, 2013, following are the Key Managerial Personnel (KMP) of the Company as on the date of this report:

- a) Mr. Rajvinder Singh, Managing Director (w.e.f. 10.02.2021)
- b) Mrs. Nishita Dutta Chadda, Company Secretary (w.e.f. 31.05.2021)

During the financial year under review following cessation took place:

- a) Mr. Aditya Gupta resigned as the Company Secretary (w.e.f. 01.12.2020)
- b) Mr. Vishnu Kumar Sharma resigned as the Chief Financial Officer (w.e.f. 10.02.2021)

### 13. MEETING OF THE BOARD AND IT'S COMMITTEES

#### Board Meetings

During the year ended March 31, 2021, 5 (Five) Board Meetings were held. Attendance of the Directors has been as follows.

Name of the Director	Whether attended the meetings held on				
	30.07.20	09.09.20	09.11.20	10.02.21	05.03.21
Ms. Suparna Chakrabortti	YES	YES	YES	YES	YES
Mr. Subir Das	YES	YES	YES	YES	YES
Mr. Rajvinder Singh	YES	YES	YES	YES	YES
Dr. Gyan Dutt Gautama	YES	YES	YES	YES	YES
Mr. Prabir Kumar Bhattacharjee	NA##	NA##	NA##	NA##	NO

# Mr. Prabir Kumar Bhattacharjee Independent Director appointed w.e.f. 05.03.2021

NA##- The concerned person was not a Director of the Company on the given date

#### Audit Committee

##### Composition

The Audit Committee of the Company consists of Ms. Suparna Chakrabortti, Independent Director as the Chairperson along with Mr. Subir Das, Independent Director, Dr. Gyan Dutt Gautama, Independent Director, and Mr. Rajvinder Singh, Managing Director, as its Members. Mrs. Nishita Dutta Chadda, Company Secretary, acts as the Secretary of the Audit Committee.

##### Attendance

The Audit Committee met 4 (four) times during the financial year 2020-2021 and the attendance of the members has been as follows:



## Directors' Report *(Contd.)*

Name of the Directors	Whether attended the meetings held on			
	30.07.20	09.09.20	09.11.20	10.02.21
Ms. Suparna Chakrabortti	YES	YES	YES	YES
Mr. Subir Das	YES	YES	YES	YES
Mr. Rajvinder Singh	YES	YES	YES	YES
Dr. Gyan Dutt Gautama	YES	YES	YES	YES

During the year there were no instances where the Board of Directors of the Company had not accepted the recommendations of the Audit Committee.

In compliance with the provisions of Section 177(9) of the Companies Act, 2013 and the Listing Regulations, the company has formulated a whistle blower policy to establish a vigil mechanism for Directors and employees to report genuine concerns about actual or suspected unethical behavior, malpractice, wrongful conduct, discrimination, sexual harassment, fraud, violation of the Company policies including Code of Conduct without fear of reprisal/retaliation which has been uploaded on the Company's website at [www.rydak syndicate.com](http://www.rydak syndicate.com).

### Nomination and Remuneration Committee

#### i) Composition

The Nomination and Remuneration Committee ('NRC') of the Board consists of Ms. Suparna Chakrabortti, Independent Director as the Chairperson, Mr. Subir Das, Independent Director and Dr. Gyan Dutt Gautama, Independent Director, as its members. Mrs. Nishita Dutta Chadda, Company Secretary, acts as the Secretary of the Nomination and Remuneration Committee.

#### ii) Attendance

2 (Two) Meetings of the NRC were held during the financial year ended March 31, 2021 and the attendance of the members has been as follows:

Name of the Director	Whether attended the meetings held on	
	30.07.20	10.02.21
Ms. Suparna Chakrabortti	YES	YES
Mr. Subir Das	YES	YES
Dr. Gyan Dutt Gautama	YES	YES

#### Independent Directors' Meeting

Independent Directors Meetings of the Company was held on 10.02.2021 and was attended by all the Independent Directors of the Company.

### 14. PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a structured questionnaire was prepared after taking into consideration the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Independent Directors was duly completed. The performance evaluation of the Chairperson and the Non- Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

### 15. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of our knowledge and belief and according to the information and explanations obtained by us, your Directors make the following statement in terms of Section 134(3)(c) of the Companies Act, 2013:

- that in the preparation of Annual Accounts for the year ended March 31, 2021, the applicable Accounting Standards had been followed along with proper explanation relating to material departures, if any;
- that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2021 and of the profit of the Company for the year ended on that date;
- that the Directors had taken proper and sufficient care 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;
- that the Directors have prepared the annual accounts on a going concern basis;

## Directors' Report *(Contd.)*

- v) that the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- vi) that the Directors had devised proper systems to ensure compliance with the provision of all applicable laws and that such systems were adequate and operating effectively;

### 16. AUDITORS

#### Statutory Auditors

M/s. M.C. Das & Co., Chartered Accountants (FRN:301110E) were appointed as Statutory Auditors of your Company at the Annual General Meeting held on 27th July, 2017 for a term of five consecutive years.

There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

#### Secretarial Auditor

M/s Anjan Kumar Roy & Co., Practicing Company Secretary has been appointed as the Secretarial Auditor of the Company, in accordance with the provisions of Section 204 of the Companies Act, 2013. The Secretarial Audit Report is annexed as **Annexure-A** and forms an integral part of this Report.

There are no qualifications, adverse remarks or disclaimer made by the Secretarial Auditor in his Report save and except the observation on composition of Committee of the company formed under the Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013 which was hindered due to the unprecedented COVID-19 pandemic situation.

#### Internal Auditor

The Company has set up an Internal Audit Department headed by the Chief Internal Auditor during the year, pursuant to Section 138 of the Companies Act, 2013. Reports of the Internal Audit are reviewed by the Audit Committee and the Board of Directors from time to time.

### 17. INTERNAL FINANCIAL CONTROL AND RISK MANAGEMENT

#### Internal Financial Control

The Company has in place adequate internal financial controls with reference to financial statements. The internal financial control system is commensurate with the size, scale and complexities of the operations the Company. The Internal Control systems of the company are monitored and evaluated by internal auditors and their audit reports are periodically reviewed by the Audit Committee and the Board of Directors.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same:

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

#### Risk Management

The development and implementation of Risk Management Policy has been covered in the Management Discussion and Analysis Report, which forms part of this Report.

The Company has formulated a Risk Management Policy after identifying the following elements of risks which pose significant challenges in terms of the operations and impact on financial results of the Company itself:

## Directors' Report *(Contd.)*

- a) Tea production is dependent on the vagaries of weather viz crop, temperature and humidity. To combat this risk, the Company has taken a policy of augmenting irrigation and digging of ponds near tea areas to combat lesser rainfall;
- b) Escalation in world crop and demand/supply dynamics affects the price of tea in India;
- c) The unpredictable nature of Government policy in terms of determination of minimum wages and other labor costs like supply of rations has crucial impact on overall costs and profitability of the Company;
- d) Tea Crop is also dependent on pest activity on the estate. The new Protection Code implemented by Tea Board has reduced the chemicals that can be applied for control of pests and in some cases there is no chemical approved for certain pests which are prevalent in India.

The Audit Committee of the Board of Directors of the Company reviews the Company's policy and procedures to ensure the risks associated with the Company's business operations are effectively addressed. No fraud was reported by the Auditors of the Company to the Audit Committee or the Board of Directors during the year under review.

### 18. CORPORATE SOCIAL RESPONSIBILITY

The Company has not formed any Corporate Social Responsibility as per the provisions of Section 135 of the Companies Act, 2013. However, in view of the criteria specified under the Act, the said committee needs to be constituted during the current financial year.

### 19. SUBSIDIARY / JOINT VENTURES / ASSOCIATES

As on March 31, 2021 the Company has only one associate i.e., Sangam Investments Limited. In accordance with Section 129(3) of the Companies Act, 2013, the Company has prepared consolidated financial statements which form part of the Annual Report. As at the financial year ended March 31, 2021, the Company did not have any Subsidiary Company. The details of performance of Sangam Investments Limited during the financial year 2020-21 are as follows:

*(Amount in INR Hundreds)*

Particulars	2020-21	2019-20
Total Revenue	80.49	66
Total Comprehensive Income for the year	(201)	(541)

Pursuant to the provisions of Section 129(3) of the Act, a statement containing salient features of the financial statements of Sangam Investments Limited in Form AOC-1 in **Annexure – B** is annexed.

### 20. DEPOSITS

During the year, the Company has not accepted any deposits, within the meaning of Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.

### 21. LOANS, GUARANTEES OR INVESTMENTS

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

### 22. CONTRACTS OR ARRANGEMENTS MADE WITH THE RELATED PARTIES

All related party transactions are in the ordinary course of business and at arm's length basis, which are not material in nature. All related party transactions are with the approval of the Audit Committee and periodically placed before the Board for review.

The policy on Related Party Transactions as approved by the Board of Directors of the Company may be accessed on the Company's website at [www.rydaksyndicate.com](http://www.rydaksyndicate.com).

### 23. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

A statement giving details of conservation of energy, technology absorption and foreign exchange earnings and outgo in terms of Section 134(3)(m) of the Companies Act, 2013 and read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed as **Annexure-C** and forms an integral part of this Report.

### 24. EXTRACT OF ANNUAL RETURN

For the Extract of Annual Return please refer to the link at the Company website [www.rydaksyndicate.com](http://www.rydaksyndicate.com).

### 25. MANAGERIAL REMUNERATION

The information required pursuant to Section 197(12) read with Rule 5(1) of The Companies (Appointment and Remuneration of

## Directors' Report *(Contd.)*

Managerial Personnel) Rules, 2014 in respect of employees of the Company is annexed here to as **Annexure-D** and forms part of this Report.

### 26. PARTICULAR OF EMPLOYEES

There are no employees who are in receipt of remuneration in excess of the limit specified under Section 134(3)(q) read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

A statement comprising the names of top ten employees in terms of remuneration drawn and every persons employed throughout the year, who were in receipt of remuneration in terms of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as **Annexure – E** and forms an integral part of this Report.

### 27. SIGNIFICANT AND MATERIAL ORDERS

There are no significant and material orders passed by the Regulators/ Courts that would impact the going concern status of the Company and its future operations.

### 28. FRAUD REPORTING

There was no fraud reported by the Auditors of the Company to the Audit Committee or the Board of Directors during the year under review.

### 29. OCCUPATIONAL HEALTH AND ENVIRONMENTAL SAFETY

The Company is conscious of the importance of environmentally clean and safe operations. Occupational health and safety remain the management's top priority. Workers are provided with adequate safety equipments while performing their jobs.

### 30. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

As required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has constituted an Internal Complaints Committee to review the complaints lodged. During the year under review, no complaints were reported to the Board.

### 31. SECRETARIAL STANDARD

The Company has complied with the applicable secretarial standards issued by the Institute of Company Secretaries of India.

### 32. ACKNOWLEDGEMENT

The Directors wish to place on record, their sincere appreciation for the continued support and cooperation extended to the Company by its Investors, various departments of the Central and the State Government, Banks and Financial Institutions, various governmental regulatory authorities, its customers, suppliers and employees at all levels.

For and on behalf of the Board of Directors

**Suparna Chakraborti**  
Director  
(DIN : 07090308)

**Rajvinder Singh**  
Managing Director  
(DIN: 06931916)

Place : Kolkata  
Date : June 24, 2021

# Annexure 'A' to the Directors' Report

## Annexure - A

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31<sup>st</sup> March, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
Rydak Syndicate Ltd.  
4, Dr. Rajendra Prasad Sarani,  
Kolkata – 700 001

1. We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Rydak Syndicate Limited (hereinafter called 'the Company') for and during the financial year ended 31st March, 2021. Secretarial Audit was conducted on test check basis, in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.
2. On the basis of aforesaid verification of the secretarial compliance and on the basis of secretarial audit of company's books, papers, minutes book, forms and returns filed and other records maintained by the company, as obtained by us using appropriate Information Technology tools during the said audit, relying on management representation letter and also based on the information provided by the company, its officers, agents and authorized representatives during the conduct of the aforesaid secretarial audit, we hereby report that in our opinion and to the best of our understanding, the company has, during the audit period covering the financial year ended on 31st March, 2021, complied with the statutory provisions listed hereunder and also the company has adequate Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:
3. We further report that compliance with applicable laws is the responsibility of the company and our report constitutes an independent opinion. Our report is neither an assurance for future viability of the company nor a confirmation of efficient management by the company.
4. (I) We have examined the secretarial compliance on test check basis of the books, papers, minutes book, forms and returns filed and other records maintained by M/s. Rydak Syndicate Limited for the financial year ended on 31st March, 2021, according to the provisions of the following laws and as shown to us during our audit, as also referred in above paragraphs of this report:
  - (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
  - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
  - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
  - (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.: -
    - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended;
    - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended;
    - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended;
    - d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended;
    - e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients.
- (II) We have received management representation that M/s. Rydak Syndicate Limited during the financial year ended on 31st March, 2021, has fully complied with the provisions of the following laws specifically applicable to the Company;
  - a) The Tea Act, 1953.
  - b) The Tea Warehouse (Licensing) Order, 1989.

## Annexure 'A' to the Directors' Report (Contd.)

- c) The Tea Waste Control Order, 1959.
  - d) The Tea (Distribution and Export) Control Order, 2005.
  - e) Plant Protection Code (Formulated by the Tea Board of India).
  - f) Food Safety and Standard Act, 2006.
  - g) The Tea (Marketing) Control Order, 2003.
  - h) The Tea Board Guidelines and Orders.
  - i) Legal Metrology Act, 2009.
5. We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India under Section 118 of the Companies Act, 2013.
  6. That on the basis of the audit as referred above, to the best of our knowledge, understanding and belief, we are of the view that during the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above in Paragraph 4(I), Paragraph 4(II) and Paragraph 5 of this report:
    - 6(a) It has been observed that the Committee of the company formed under The Sexual Harassment of Women at Workplace (prevention, prohibition and redressal) Act, 2013 does not have any member associated with a non-governmental organization or associations committed to the cause of women or a person familiar with the issues relating to sexual harassment.
  7. We have checked the compliance with the provisions of the Standard Listing Agreement entered by the company with the following Stock Exchange in India also with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable during the period under review and to the best of our knowledge, belief and understanding, we are of the view that the Company has complied with the secretarial functions and board processes to comply with the applicable provisions thereof, during the aforesaid period under review
    - a) The Calcutta Stock Exchange Limited (CSE)
  8. We further report that,
    - a) The Board of Directors of the company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the applicable provisions of the Act.
    - b) Adequate notices are 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.
    - c) Majority decision is carried through and recorded as part of the minutes.
  9. 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, generally applicable to company.
  10. This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this Report.

For, **ANJAN KUMAR ROY & CO.**  
Company Secretaries

**ANJAN KUMAR ROY**  
Proprietor

FCS No. 5684

CP. No. 4557

UDIN: F005684C000502114

Place : Kolkata

Date : 24th June, 2021

## Annexure 'A' to the Directors' Report (Contd.)

### Annexure - A

(To the Secretarial Audit Report of Rydak Syndicate Ltd. for the financial year ended 31st March, 2021)

To,  
The Members,  
Rydak Syndicate Ltd.  
4, Dr. Rajendra Prasad Sarani,  
Kolkata – 700 001

Our Secretarial Audit Report for the financial year ended 31st March, 2021 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is limited to expressing an opinion on existence of adequate board process and compliance management system, commensurate to the size of the Company, based on the secretarial records as shown to us during the said audit and also based on the information furnished to us by the officers and agents of the Company during the said audit.
2. We have followed the audit practices and processes as were appropriate, to the best of our understanding, to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to check as to whether correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion. Due to COVID 19 pandemic, the aforesaid Audit has been conducted partially physically and partially through electronic communication in the best possible manner in the prevailing situation.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc. and we have relied on such representation, in forming our opinion.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of compliance procedures on test basis. We would not be liable for any business decision or any consequences arising thereof, made on the basis of our report.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness or accuracy with which the management has conducted the affairs of the company.

For, **ANJAN KUMAR ROY & CO.**  
Company Secretaries

**ANJAN KUMAR ROY**  
*Proprietor*

FCS No. 5684  
CP. No. 4557

UDIN: F005684C000502114

Place : Kolkata  
Date : 24th June, 2021

# Annexure 'B' to the Directors' Report

Annexure-B

## AOC-1

Statement containing salient features of the financial statement of subsidiaries/  
associate companies/ joint ventures

### Part "A" – Subsidiaries

The Company has no subsidiaries

### Part "B": Associates and Joint Ventures –

Name of Associates/Joint Ventures		Sangam Investments Limited
1.	Latest audited Balance Sheet Date	March 31, 2021
2.	Shares of Associates/Joint Ventures held by the Company on the year end	24,150 shares
	Amount of Investment in Associates/Joint Ventures	INR 123,165
	Extent of Holding %	24.15%
3.	Description of how there is significant influence	There is significant influence due to (%) of share capital
4.	Reason why the associate/joint venture is not consolidated	Not Applicable
5.	Networth attributable to Shareholding as per latest audited Balance Sheet	INR (32,59,085)
6.	Profit / Loss for the year	
	i. Considered in Consolidation	NIL
	ii. Not Considered in Consolidation	–

For and on behalf of the Board of Directors

**Suparna Chakrabortti**  
Director  
(DIN : 07090308)

**Rajvinder Singh**  
Managing Director  
(DIN: 06931916)

Place : Kolkata  
Date : June 24, 2021



## Annexure 'C' to the Directors' Report

Annexure- C

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

#### A. POWER & FUEL CONSUMPTION

Particulars		Year Ended 31st March 2021	Year Ended 31st March 2020
1.	<b>Electricity</b>		
a)	Purchased Units (in lacs)	55.54	52.45
	Amount (INR in lacs)	520.71	515.02
	Cost Unit (INR)	9.38	9.82
b)	Own Generation		
i)	Through Diesel Generator (Units)(lacs) <b>Unit per litre of Diesel oil:</b>	3.64	5.29
	Petrol Litre	94,059	226,183
	Petrol Rs. (Litre)	77.73	66.68
	Total Cost	73,11,480	15,082,367
	Cost per Unit (INR)	28.52	28.52
ii)	Through Steam Turbine/Generator Units	-	-
2.	<b>Coal (used for Drying of Tea)</b>		
	Quantity (Metric Tonnes)	3,130.10	2,851.11
	Total Cost (INR in lacs)	339.61	342.89
	Average Rates (INR per Metric Tonne)	10,849.93	12,026.61

#### B. CONSUMPTION PER UNIT OF PRODUCTION

Particulars	Standards (if any)	Current Year	Previous Year
Tea produced	There is no specific standard as the consumption per unit of production depends on Actual production mix	5,247,603.00	5,169,949.00
Electricity (Unit/kg of tea)		1.13	1.01
Furnace Oil (Litre/Kg. of Tea)		-	-
Coal (Per Kg of Tea)		0.85	0.80

<b>A CONSERVATION OF ENERGY</b>	a)	The Company continues to give priority to conservation of energy as an ongoing process
	b)	To reduce the energy cost the Company has taken considerable energy saving measures through various in-house electrical modifications and the effect of the same has been felt.
	c)	The Form of disclosure of Particulars (Form – A) is not applicable to this Company

#### B. TECHNOLOGY ABSORPTION

RESEARCH & DEVELOPMENT (R&D)	
a)	Specific areas in which R & D: carried out by the Company : NIL
b)	Benefits derived as a result of: above R & D : The company makes in-house efforts in order to keep pace with technological developments.
c)	Future Plan of Action: : The Company is in the process of organizing and expanding Agency Division in line with the market requirements.
d)	Expenditure on R & D: : The Company has not spent any specific amount on Research and Development during the year under review.
i)	Capital: : NIL
ii)	Recurring: : NIL
iii)	Total: : NIL
iv)	Total R & D expenditure as a percentage of total turnover : NIL

## Annexure 'C' to the Directors' Report (Contd.)

<b>II. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION</b>			
a)	Efforts in brief made towards technology absorption, adaptation and innovation	:	Further to details set out in part 1 above, the Company is endeavouring to update through in-house effects technology in line with industry requirements for its agency division
b)	Benefits derived as a result of the above efforts e.g. products improvement, cost reduction, production development, import substitution		
<b>III FOREIGN EXCHANGE EARNINGS AND OUTGO</b>			
		:	(1) Earnings Rs. NIL
			(2) Outgo Rs. NIL

For and on behalf of the Board of Directors

Place : Kolkata  
Date : June 24, 2021

**Suparna Chakrabortti**  
*Director*  
(DIN : 07090308)

**Rajvinder Singh**  
*Managing Director*  
(DIN: 06931916)

## Annexure 'D' to the Directors' Report

ANNEXURE – D

### Information pertaining to remuneration of employees

Pursuant to section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014

#### 1. The ratio of remuneration of each Director to the median remuneration of employees of the Company for the financial year 2020-21

All employees median remuneration for FY 2020-21	:	INR 48,430/--
The percentage increase in the median remuneration of employees in the FY 2020-21	:	6.18
The number of permanent employees on the rolls of the Company as on March 31, 2021	:	6566

Name of Director/ KMP	Ratio of remuneration to median	% increase in remuneration in the FY 2020
Mr. Subir Das	All the Directors were paid sitting fees for attending the meeting and the same has not been considered as Remuneration.	
Ms. Suparna Chakrabortti		
Dr. Gyan Dutt Gautama		
Mr. Prabir Kumar Bhattacharjee (Appointed w.e.f. 05.03.2021)		

KEY MANAGERIAL PERSONNEL	% increase in remuneration in the FY 2021
Mr. Rajvinder Singh, Managing Director	3.06%
Mr. Aditya Gupta, Company Secretary (Resigned w.e.f. 01.12.2020)	6.42%
Mr. Vishnu Kumar Sharma, Chief Financial Officer (Resigned w.e.f. 10.02.2021)	-18.68%

#### 2. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

- Average percentile salary increase of employees other than managerial personnel is 10.30%;
- Average percentile Salary increase of managerial personnel is 1.61 %;
- There are no exceptional circumstances in increase in managerial remuneration.

#### 3. Affirmation that the remuneration is as per the remuneration policy of the Company.

Remuneration paid during the Financial Year ended 31.03.2021 is as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors

**Suparna Chakrabortti**  
Director  
(DIN : 07090308)

**Rajvinder Singh**  
Managing Director  
(DIN: 06931916)

Place : Kolkata  
Date : June 24, 2021

## Annexure 'E' to the Directors' Report

## PARTICULARS OF EMPLOYEE PURSUANT TO SECTION 134(3) (g) OF COMPANIES ACT, 2013 READ WITH RULE 5(2) &amp; 5(3) OF COMPANIES APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL), RULES, 2014:

Top ten employees in terms of remuneration drawn during the year

SL NO	NAME	DESIGNATION	AGE (year)	REMUNERATION (Rs.)	QUALIFICATION	TOTAL EXPERIENCE (years)	DATE OF COMMENCEMENT OF EMPLOYMENT (IN THIS COMPANY)	PREVIOUS EMPLOYMENT	% OF EQUITY Shares held
1	Mr. R Singh	Managing Director	47	2317147	B.A	25	1 <sup>st</sup> October 1994	NA	NIL
2	Mr. Avnish Mehta	Senior General Manager	54	1221400	B.Com	33	27 <sup>th</sup> June 1985	NA	NIL
3	Mr. Rajnish Mehta	Senior General Manager	52	1139000	B.Com	30	3 <sup>rd</sup> August 2018	NA	NIL
4	Mr. Uttam Kr. Chakraborty	Senior Estate Manager	49	1105867	B.SC	25	21 <sup>st</sup> June 2010	Tirrihannah Tea Co Ltd	NIL
5	Mr. Gurmeet Singh Pahwa	Senior Estate Manager	45	1105667	B.SC	21	16 <sup>th</sup> February 1998	NA	NIL
6	Mr. Khushwant Singh	Estate Manager	43	954417	B.A	03	1 <sup>st</sup> June 2018	NA	NIL
7	Mr. M.K. Sinha	Estate Manager	56	894367	Graduate	01	17 <sup>th</sup> January 2020	Birjhora Tea Estate	Nil
8	Mr. Biswajit Chatterjee	Manger, HR	58	887321	B.Sc. B. A. LLB	35	3 <sup>rd</sup> March 1986	Jardine Henderson Ltd.	NIL
9	Mr. G K Singh	Estate Manager	42	747167	MA	11	27 <sup>th</sup> February, 2010	Binaguri Tea Estate	NIL
10	Mr. R. P. Sinha	Retainer	57	687237	M.Sc.	13	18 <sup>th</sup> July, 2008	Mahadeobari Tea Estate	NIL

Note :

- None of the employee of the Company is holding shares in the Company;
- In respect of all the employees, the nature of employment is contractual in accordance with terms and conditions as per Companies Rules, terminable by notice on either side;
- No employee is a relative of any Director or Manager of the Company. Rule 5(2)(iii) of the captioned Rules is not applicable to any employee;
- None of the employees mentioned above is relative of any Director of the Company;
- Total experience shown in Column 7 includes service with previous employers.

For and on behalf of the Board of Directors

**Suparna Chakrabortti**  
Director  
(DIN : 07090308)

**Rajvinder Singh**  
Managing Director  
(DIN : 06931916)

Place : Kolkata  
Date : June 24, 2021

## Management Discussion and Analysis Report

India is one of the major tea producing countries in the world and one of the finest producers of tea. As tea is one of the oldest industries in the country, India enjoys a large network of producers, auctioneers, distributors, retailers, packers, and exporters.

Tea Crop in India was approx 1283.03 million Kgs in 2020 as compared to 1360.81 million Kgs in 2019 which is down by 77.78 million kgs around 5.72%. Drop in India Tea production is primarily due to COVID-19 pandemic and lockdown in operations in the Estates.

Global production of some of the major tea producing countries (in million kgs) is given below:

Country	2020-21	2019-20	Diff	Percentage
Sri Lanka	278	300	(22.00)	-7.33%
Bangladesh	86	96	(10.00)	-10.42%
Kenya	570	459	111.00	24.18%
Malawi	45	48	(3.00)	-6.25%

### Review of the Company's Operations and Performance in 2020-21

The Company grows and manufactures tea in its 6 Estates (3 of which are located in the Dooars and 3 in Assam). During the Financial Year under review, your Company recorded production of saleable crop of 51.26 lakh kgs as compared to 50.53 lakh kgs last year.

Net Sales for the year 2020-21 was Rs. 12,830.89 lakhs as compared to Rs. 10,270.06 lakhs during the year 2019-20. The average price realisation of the Company's tea was Rs. 256.10 this year as compared to Rs.199.05 in the previous year. Profit After Tax has increased from Rs. 116.22 lakhs in 2019-20 to Rs. 1460.67 lakhs in 2020-21.

The year under review began with new revised Wages both for Staff as well as Daily Rated Workers. In Dooars it got revised twice – once from Rs.169 to Rs.176 with effect from 01.04.2020, and then from January 2021 it got revised again from Rs.176 to Rs.202- a substantial increase of 15%. This particular increase of 15% impacted the last Quarter finances. Along with Labour Wages, Staff and Sub Staff Salaries were also increased by 15% from January 2021. In Assam, Sub Staff Salaries were also revised by more than 15% which was the highest ever done. In Assam, Labour Wages are also being revised which will have an impact particularly in the next financial year. We expect that Assam wages will be settled somewhere around Rs.220/- or more, thus there will be an increase of more than 30% in one shot. The increase in wages if it happens to this extent will shake the entire Industry and we will have to find out new ways and means to retain the viability of the property. This revision has created a substantial inflation in the cost of production. Your Company continued to increase the volume of mechanised activities in pruning, plucking, spraying and manufacturing. Thus productivity has increased to mitigate the increase in the cost of production to some extent.

Uprooting and replanting was an ongoing Developmental Plan in all the Estates which in a big way improves the health of the bushes and their yield.

Efforts were made to deal with the challenges of climate change (Global warming) by bringing more areas under irrigation and having better shade status in all the Estates.

Pest activity was controlled by adhering to strict norms of Plant Protection Code (PPC). The group has also made efforts to reduce dependence on usage of conventional chemicals and taken steps to use Bio organic pesticides. More compost and Vermicompost was generated in-house for plant nutrition. Your Company has engaged professional consultant in Bio-Sciences for two of its Estates, Rydak and Baradighi to conduct long term projects in order to improve plant health and ultimately reduce the pesticide load and inorganic manures.

**Conservation of Energy** - Machinery up-gradation is a regular process in the tea Factories of Rydak Syndicate Limited with a view to conserve fuel and electrical energy. Other related initiatives undertaken during the FY 2020-21 are as follows:a) Installation of Capacitors on the LT Panel Board to improve the power factor in order to bring down electrical cost

- b) Installation of new Genset with better efficiency at Baradighi Tea Estate factory.
- c) Improvement of Withering Heater for better coal efficiency and also to enhance the Withering Capacity at Kopati Tea Estate.
- d) Conduct of regular energy audits by authorised agencies.

# Management Discussion and Analysis Report *(Contd.)*

## Technology Absorption

**Efforts** – In-house seminars, discussions and workshops have been an ongoing process for innovative ideas of production and knowledge updating. Employees are sponsored to attend different seminars and courses for their improvement in various aspects of functioning of the Company.

**Benefits** – The above steps have resulted in improvement of production and quality resulting in economy of cost and improved operational efficiency.

## Management Discussion & Analysis

Particulars	Standalone (in Rs. Lakhs)	
	2020-21	2019-20
Total income	12,938.80	10,427.29
Profit Before Interest, Depreciation & Tax	2,361.34	920.89
Finance costs	266.21	478.76
Depreciation expense	591.52	288.08
Profit Before Tax	1,503.61	154.05

This year has been one of the most memorable years in the history of the Tea Industry not only from the point of view of COVID pandemic as the financial year started with a lockdown but also from the market side where extreme fluctuations were experienced.

## Economic unsustainability of the Industry

We give below, some of the hardships being faced by the Tea Industry including the organized tea sector, and the ever increasing cost which is pushing the industry towards unsustainability.

Increasing Production Costs - Basic input has gone up since 2010:

- a) Coal – 9.01%
- b) MOP – 13.41%
- c) Gas – 10.10%
- d) Sulphur – 13.31%
- e) Electricity Tariff – 7.09%
- f) Wages – 11.33% (Expecting a revision of more than 22% in Assam)
- g) All India Auction Prices – 3.28%

Stagnant Selling Prices - Production in India has risen from 945 million kgs to 1,255 million kgs in 2020, indicating a 33% rise in production in the last more than 10 years which outstripped the consumption of Tea in the country leading to stagnant selling prices.

The 2020 prices cannot be considered as normal since the production was substantially down due to Covid-19 and the pandemic situation in the country. Production in 2020 was down by 77.78 million kgs which impacted the working of all the estates.

Production in India has risen from 945 million kgs to 1,255 million kgs in 2020, indicating a 33% rise in production in the last more than 10 years which outstripped the consumption of Tea in the country leading to stagnant selling prices.

Most of the growth in production is due to small growers (Bought Leaf segment). As of now, this segment consists of 50% share in All India production.

## Disadvantages of Organised Sector vis a vis Small Growers

Labour cost in the organised sector is about 60% apart from many in-kind benefits which are provided to the workers like housing, medical, ration and retirement benefits like Gratuity, etc. These are regulated under various laws including PLA, 1951. However, the small growers are not covered under this law. This creates a gap between both the sectors. The low cost tea available from small growers puts pressure on the prices of the organised tea estates.

## Management Discussion and Analysis Report *(Contd.)*

A statistical survey by the Tea Board shows that the realisation of profit per hectare is lowest in India amongst the tea growing nations of the world.

To overcome this entire situation, your Company has mainly focussed on:

- a) Cost control activities
- b) Increase in Productivity of made tea per manday
- c) Introduction of mechanised harvesting in different estates.

We are trying to mechanise our factories to improve factory productivity and also in the field where machine harvesters are encouraged to improve the productivity per plucker.

Power Sprayers are also introduced in all the estates on a large scale to achieve better efficiency in pest control while cutting down mandays.

### Impact of COVID

With the outbreak of the COVID pandemic, most of the country was affected. Government announced a nationwide lockdown from 24<sup>th</sup> March, 2020 subsequent to which all operations were suspended in all the gardens. Gardens remained closed till 12<sup>th</sup> April, 2020 following which there was a gradual easing of restrictions and gardens were allowed to function first with a 15% work force, which was gradually increased to 50%. Normalcy returned from the first week of May when all the workers were allowed to resume duties by taking all precautions as were prescribed by the operating procedures.

As a result of the closure, the overgrown Leaf in the garden had to be skiffed due to which crop of April and also some second flush was lost substantially. The set back continued till end May, after which the bushes slowly started returning to normalcy in June.

Auction centres also skipped sales due to non availability of teas in the market. This led to a huge deficit in the market which was never seen earlier. This condition of demand and supply resulted in a huge surge in prices in the tea auction centres which ultimately helped in mitigating the fear of losses due to loss of crop.

A special mention may be made to the Workers, Staff and Planters of the gardens and personnel across the Company who displayed exemplary commitment in rising up to the challenge of COVID and then lockdown. It was due to their untiring efforts that our Company could resume operations without much delay following the required safety procedures as per protocol and ensuring least amount of loss to production, sale and more importantly human life.

### Outlook/Opportunities and Threats for the Industry in the Coming Season (2021)

As we look ahead to the forthcoming year, the production has not started as expected. Both Assam as well as Dooars has gone through very dry spells and drought conditions in the beginning of the season, with very scanty rainfall. Upper Assam and South Bank particularly, received rainfall very late and that too much lesser than the previous years. Cachar where Serispore T.E. is located received its first rainfall in the second week of April. Due to lesser rainfall and very dry winter, higher temperatures were recorded in both Assam and Dooars, due to which pest activity was much more intense than last year. Pest activity was particularly more pronounced in the Dooars.

Another phenomenon which we have experienced because of this adverse weather was that, the temporary dormancy (Banjhi) which normally comes in the first week of April came much earlier and the bushes had gone into dormancy as early as the 2<sup>nd</sup> week of March.

Furthermore, the market also opened on a very sluggish demand. Assam in particular is much more erratic and lower than Dooars. Dooars market (Siliguri), though, opened on a good note but under very strict influence of high quality teas only.

As expected, there is an interim upward revision in wages by the Assam Government. This will definitely impact the cash flow of your Company as well as the overall profitability of the Company. So this may create constraints in further developmental work.

It is expected that the cost of Labour in the overall expenditure will go up further and the overall cost per kg is expected to be much above the existing levels. As such, extreme efforts are required to meet the challenges which include :

- a) Cutting of costs in all aspects particularly in the labour area by way of deploying labour very judiciously and productively.
- b) Increasing the overall productivity of Pluckers in the field.

## Management Discussion and Analysis Report *(Contd.)*

- c) Mechanizing factory and field operations.
- d) Increasing the crop and improving the yield of the Company.
- e) Combatting the risk of Climate Change– This is something we have started experiencing this year right from the beginning. Dry and drought conditions in the beginning of the season have impacted the leaf intake and thus the expected crop in the first quarter will be less by 15-20%.
- f) Mitigating the effects of increased pest activity which is intense thus leading to more expenditure on pesticide spraying. The recent increase in the prices of fertilisers particularly, MOP and DAP will further increase the cost of manure for the gardens. Not only this, due to very strict norms of procurement in the plantation sector, the availability of fertiliser for the Tea estates has become a challenge and, it has become difficult to procure fertilisers for the garden on time.

A petition has been submitted to the State Government by the Association in order to intervene and facilitate availability of fertilisers for the plantation sector.

### Internal Control System and their adequacy

An external independent firm carries out the internal audit of your Company, and findings and recommendations are placed before the Audit Committee periodically. Your Company is committed to the functioning of a quality and effective Internal Control System.

Further, the Company strives to maintain healthy relations with labour in the Estates, and employees in general.

### Human Resource Development and Industrial relations

Tea Industry is highly labour intensive. Employee relations remained satisfactory during the period under review. The Company would like to record its appreciation of the whole hearted support and dedication of its employees at all levels in ensuring smooth operations in the production of tea at all the Tea Estates throughout the year.

### Others

Your Company continues its endeavour to produce premium tea. We are proud to declare once again that, Kartick has obtained the No.1 Rank in the Batting Order of the auction centres in Dooars (Siliguri). Most of the teas were sold through the Registered Brokers in Siliguri, Guwahati and Kolkata.

We are also trying to diversify into the tourism sector for which one of our heritage bungalow in Baradighi is being explored.

The operation commenced commercially from 1<sup>st</sup> January, 2021.

### Cautionary Statement

The forward looking statements and the views expressed in the Management Discussion and Analysis Report are based on certain assumptions. The actual results, performance or achievements may differ materially from those stated therein. The Company shall not be held liable, in any manner, if the future turns out to be quite different, even materially.

For and on behalf of the Board of Directors

Place : Kolkata  
Date : June 24, 2021

**Suparna Chakraborti**  
*Director*  
(DIN : 07090308)

**Rajvinder Singh**  
*Whole-time Director*  
(DIN: 06931916)



# Independent Auditor's Report

## To the Members of Rydak Syndicate Limited Report on the Standalone Ind AS Financial Statements

### Opinion

We have audited the accompanying Standalone financial statements of Rydak Syndicate Limited ('the Company'), which comprise the balance sheet as at 31 March 2021, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standard prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), and other accounting principles generally accepted in India, of the state of affairs of the company as at 31st March, 2021, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

We conducted the 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 sections of our Report. We are independent of the Company in accordance with the code of Ethics issued by the Institute of the Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our Audit of the Standalone Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and The 'ICAI's code of Ethics.

We believe that the Audit evidence obtained by us is sufficient and appropriate to provide a basis for our Audit opinion on the Standalone financial Statements.

### Key Audit Matters:

Key Audit Matters are those matters that, in our professional judgment, were of most significant in our Audit of the Standalone Financial Statements of the current period. These matters are 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.

Key audit matters	How our audit addressed the key audit matters
<p><b>Estimation of Useful Life of Bearer Plants</b> (as described in note 3 of the standalone Ind AS financial statements)</p> <p>The carrying value of Bearer Plants as on March 31, 2021 is Rs. 4,496.96 lakhs.</p> <p>Estimation of useful life of Bearer Plants requires the management to exercise significant judgement. The changes in natural factors may affect the useful life expectancy of such assets and consequently have an impact on the carrying value of these assets and depreciation expense.</p> <p>As per Ind AS 16 'Property, Plant and Equipment', the management reviews estimated useful life and residual value of Bearer Plants annually. This matter has been identified as a key audit matter due to significant estimates / judgment involved in estimating useful life for these asset and frequent changes in Policy.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>Assessed the management's estimate of useful life of Bearer Plants, for which we (1) evaluated the consistency of estimates with the Company's pattern of economic benefits embodied in such assets and future operating plans including acquisitions and retirements of the Bearer Plants; (2) compared the useful life estimates with those adopted by comparable tea producers, as per external available information; and (3) considered the Company's historical experience.</li> <li>Evaluated the assumptions and critical judgements used by the management and tested the underlying supporting documents / details.</li> <li>Assessed the related disclosures in the standalone Ind AS financial statements.</li> </ul>
<p><b>Valuation of Biological Assets and agriculture produce</b> (as described in note 11 of the standalone Ind AS financial statements)</p>	

## Independent Auditor's Report *(Contd.)*

<p>As required by Ind AS 41 "Agriculture", management estimates the fair value of plucked (agriculture produce) and un-plucked tea leaves (biological assets) as at the balance sheet date through the use of valuation model and recent transaction prices. As at March 31, 2021, the carrying value of biological assets included under current assets is ` Rs.33.93 Lakhs. Finished goods produced from agricultural produce are valued at lower of cost (arrived at by adding the cost of conversion to the fair value of agricultural produce) and the net realisable value.</p> <p>For harvested or unharvested green leaves, since there is no active market for own leaves, significant judgement is involved in considering key assumptions used in determining average prevalent selling prices of the tea leaf, average quality of the tea leaf and quantity of unplucked leaf. Accordingly, this matter has been identified as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Understood, evaluated and tested the operating effectiveness of internal controls over valuation of biological assets and harvested tea leaf inventory.</li> <li>• Assessed the significant assumptions used in the valuation model with reference to available market information, including the possible impact of COVID-19 pandemic on measurement of such estimates.</li> <li>• Tested the data inputs used and compared them with underlying supporting documents.</li> <li>• Assessed the related disclosures in the standalone Ind AS financial statements for compliance with disclosure requirements.</li> <li>• Testing the consistency of application of the fair value approaches and models over the years.</li> </ul>
<p><b>Investment in Associate and other than Associate</b> <i>(as described in note 5 and 6 of the standalone Ind AS financial statements)</i></p>	
<p>The company carries its investments in Associate and an other than Associates at cost, adjusted for impairment if any. At 31st March 2021, total investments amounted to Rs. 51.80 Lakhs, The amount is significant to the financial statements. Moreover, the testing of impairment exercise involves the use of estimates and judgements. The identification of impairment events and the determination of an impairment charge also require the application of significant judgement by management, in particular with respect to the timing, quantity and estimation of future cash flows. In view of the significance of the investments and the above, we consider investment valuation/impairment to be a significant key audit matter.</p>	<p>Our audit procedures comprised, amongst others:</p> <ul style="list-style-type: none"> <li>• We have assessed the valuation methodology used by management and the requirements in IndAS and tested the inputs used</li> <li>• Our audit response also consisted of analysing the possible indications of impairment and discussed them with management.</li> <li>• We have discussed the forecasted results of the investments with management and also reviewed the substantiation of the forecasts based on historical information.</li> <li>• We have reviewed the market value of assets provided by the management based upon prevalent market conditions and evidences of the market value of the assets.</li> </ul>
<p><b>Contingent Liabilities</b> <i>as described in note 42(b) of the standalone Ind AS financial statements)</i></p>	
<p>The Company is exposed to different laws, regulations and interpretations thereof. The company is also subject to number of significant claims and litigations. The assessment of the likelihood and quantum of any liability in respect of these matters can be judgmental due to the uncertainty inherent in their nature. At March 31, 2021, the Company has disclosed significant pending legal cases with respect to Income tax under appeal, and other material contingent liabilities.</p> <p>We considered this to be a key audit matter, since the accounting and disclosure of claims and litigations is complex and judgmental, and the amounts involved are, or can be, material to the financial statements.</p>	<p>Our audit procedures included among others:</p> <ol style="list-style-type: none"> <li>I. Understanding and assessing the internal control environment relating to the identification, recognition and measurement of provisions for disputes, potential claims and litigation, and contingent liabilities; II. Analyzed significant changes/update from previous periods and obtained a detailed understanding of such items. Assessed recent judgments passed by the court authorities affecting such change;</li> <li>III. Discussed the status of significant known actual and potential litigations with the management &amp; noted that information placed before the board for such cases and IV. Assessment of the management's assumptions and estimates related to the recognized provisions for disputes and disclosures of contingent liabilities.</li> </ol>

## Independent Auditor's Report *(Contd.)*

<p><b>Impairment of trade receivables</b></p> <p>As at 31 March 2021 the Company held Rs. 162.74 Lakhs of trade receivables . As disclosed in Note 12, these amounts are receivable from customers across the country and a majority of these trade receivables are not secured. The determination of whether trade receivables will be realized at the stated amounts, especially considering the Covid 19 outbreak requires management to exercise judgement and apply assumptions relating to expectations of recovery from past due customers also considering the market in which the customers operate due to which this matter was considered as a key audit matter.</p> <p>During the year the Company has Provided for Doubtful Debts INR 3,39,61,253</p>	<p>Our audit approach included the following;</p> <ul style="list-style-type: none"> <li>~ We assessed the management's process, systems and controls implemented over the identification of past due receivables and the assessment of impairment of doubtful debts thereon.</li> <li>~ We verified the subsequent receipts of money for outstanding invoices on a sample basis, in ascertaining whether an increased credit risk is identified with regard to the Groups trade dues.</li> <li>~ For past due customers, we inquired reasons for being long overdue, and assessed whether the resultant credit risk has been considered by management in their impairment assessment.</li> </ul> <p>We also assessed the adequacy of disclosures made in relation to impairment of trade receivables in Note 11 to the Ind AS financial statements.</p>
<p><b>Revenue from Contracts with customers. (Revenue Accounting Standards)</b></p> <p>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 .Revenue from Contracts with customers.(New Revenue Accounting Standards).</p> <p>The application of accounting standards involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of basis used to measure revenue recognized over a period and estimate of variable consideration. Additionally, revenue accounting standards contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to balance sheet date..</p> <p><b>However there is no Invoice Financing as on 31<sup>st</sup>.March, 2021.</b></p>	<p>Principle Audit procedures</p> <p>We assessed the Company's process to identify the impact of adoption of the revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:</p> <ul style="list-style-type: none"> <li>. Evaluated the design of internal controls relating to implementation of the new revenue accounting standard.</li> <li>. Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, re-performance and inspection of evidence in respect of operation of these controls. . Tested the relevant information technology systems access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard.</li> <li>. Selected a sample of continuing and new contracts and performed the following procedures : <ul style="list-style-type: none"> <li>- Read, analysed and identified the distinct performance obligations in these contracts.</li> <li>- Compared these performance obligations with that identified and recorded by the Company.</li> <li>- Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration.</li> <li>- Sample of revenues disaggregated by type and service offerings was tested with the performance obligations specified in the underlying contracts.</li> <li>- Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings.</li> </ul> </li> </ul>

## Independent Auditor's Report *(Contd.)*

Tea Tourism Bungalow	Principle Audit procedure
<p>The Company has started operation of its Tea Tourism business from December,2020 onwards at its Baradighi Tea Estate in Jalpaiguri,W.B. and renovated the existing VA Bungalow to the new "The Bungalow" for Tourism Resort. Till previous year all expenditure was kept in VA Bungalow CWIP. During this year they have capitalised the Project-Bungalow expense in different Assets Head.</p>	<ul style="list-style-type: none"> <li>• We have examined the Board of Directors Resolution and eligibility letter from the relevant Authority for Company's operation in a separate segment of Business.</li> <li>• We have also checked the expenses incurred with the evidences for 2018-19 &amp;2019-20and 2020-21with documents so far made available to us</li> </ul>

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

The Companies Board of Directors is responsible of preparation of other information .The other information comprises of the information included in the management discussion and analysis, Board's report including Annexures , business responsibility report, corporate governance report, shareholders' information, but does not include financial statement and audit 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 statement our responsibility is to read the other information and in doing so, we consider whether the other information is materially inconsistent with the Standalone financial statements or our knowledge obtained during yhe course of our audit or otherwise appears to be materially misstated.

If based on the work we have performed, we conclude that there is a material misstatement ,we required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

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

In preparing the Standalone Financial Statements, the Management is responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operation or has no realistic alternative but to do so.

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

### Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Standalone Ind AS financial statements.

## Independent Auditor's Report *(Contd.)*

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS financial statements.

As a part of audit in accordance with SA we exercise Professional judgment and maintained professional skepticism throughout the Audit .

We also :

- i) Identify and assess the risk of material misstatement of the Standalone financial Statement, 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 of our opinion. The risk of not detecting of material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, omissions, misrepresentation or the override of Internal control.
- ii) 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 also are responsible for expressing our opinion on whether the Company has adequate internal control system in place.
- iii) Evaluate the appropriateness of Accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- iv) Conclude on the appropriateness of the Management's use of the going concern basis of Accounting and based on audit evidences obtained whether a material uncertainty exists related to events and conditions that may cast significant doubts on the entity'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 disclosure in the Standalone Financial Statement. Our conclusions are based on the audit evidence obtained up to the date of our Audit Report. However in future events or conditions may cause the entity to cease to continue as a going concern.
- v) Evaluate the overall presentation, structure, and content of the Standalone financial statement, including the disclosures and whether the Standalone financial statement represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by 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, the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account.
  - (d) in our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - (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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in  
 "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **M. C. DAS & Co**  
 Chartered Accountants  
 Firm's Registration Number: 301110E  
**A. K. BANERJEE**  
 Partner  
 Membership Number: 050243  
 UDIN: 21050243AAAAF11616

Kolkata  
 24th. June, 2021

## Annexure - A to the Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of **Rydak Syndicate Limited** ("the Company") as of 31st March, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

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

#### Auditors' Responsibility

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

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

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



## Annexure - A to the Auditor's Report *(Contd.)*

### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were generally operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **M. C. DAS & Co**  
Chartered Accountants  
Firm's Registration Number: 301110E

**A. K. BANERJEE**  
Partner  
Membership Number: 050243  
UDIN: 21050243AAAAFI1616

Kolkata  
24th. June, 2021

## Annexure - B to the Auditor's Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone Ind AS 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 programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) As explained to us Inventories have been physically verified during the year by the management at reasonable interval ,except for teas lying with Agents. The procedure of physical verification followed by the management are reasonable and adequate in relation to the size of the Company and nature if its business .
- (iii) The Company has not granted loans to any bodies corporate 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 section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The Company has not accepted any deposits under section 73 to76 of the Companies Act,2013 from the public.
- (vi) The Central Government has prescribed the maintenance of cost records under section 148(1) of the Act and such records have been made and maintained.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company,

## Annexure - B to the Auditor's Report (Contd.)

amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess, GST and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and 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 .

According to the information and explanations given to us, there are no dues of duty of customs which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of income tax, and value added tax have not been deposited by the Company on account of disputes:

Name of the statute	Nature of dues	Amount (in Rs)	Period to which the amount relates	Forum where dispute is pending
Income Tax	Central Tax	4542231	2016-17	CIT(A)
Income Tax	Central Tax	19304840	2018-19	Appeal Filed ,Pending before CIT(A)
Income Tax	Central Tax	7182110	2019-20	CIT(A)

- (viii) The Company has not defaulted repayment of loans or borrowing from Bank during the year.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) however term loans received during the year has been utilised for the purpose for which they were taken.
- (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 course of our audit.
- (xi) According to the information and explanations give to us and based on our 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 explanations given to us, the Company is not a nidhi company as prescribed under section 406 of the Act. Accordingly reporting under clause (xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence reporting under clause (xiv) of the Order is not applicable to the Company.
- (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 and hence provisions of section 192 of The Companies Act,2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act ,1934.

For **M. C. DAS & Co**  
Chartered Accountants  
Firm's Registration Number: 301110E

**A. K. BANERJEE**  
Partner

Membership Number: 050243  
UDIN: 21050243AAAAF11616

Kolkata  
24th. June,2021



# Balance Sheet

as at 31st March 2021

(All amounts in INR hundreds, unless otherwise stated)

Particulars	No	31st March 2021	31st March 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	6,068,775	5,119,253
Capital work-in-progress	4	317,305	1,198,330
Investment in associate	5	1,232	1,232
<b>Financial assets</b>			
Investments	6	50,577	93,497
Non current tax asset (net)	7	246,182	221,168
Deferred tax assets (net)	8	273,699	143,921
Other non-current assets	9	68,884	117,670
<b>Total non-current assets</b>		<b>7,026,654</b>	<b>6,895,071</b>
<b>Current assets</b>			
Inventories	10	2,406,321	2,360,866
Biological assets other than bearer plants	11	33,930	17,698
<b>Financial assets</b>			
(i) Trade receivables	12	162,746	358,878
(ii) Cash and cash equivalents	13	70,834	71,230
(iii) Other financial assets	14	21,789	21,789
Other current assets	15	397,282	408,468
<b>Total current assets</b>		<b>3,092,902</b>	<b>3,238,929</b>
<b>Total assets</b>		<b>10,119,556</b>	<b>10,134,000</b>
<b>EQUITY AND LIABILITIES</b>			
Equity share capital	16	97,313	97,313
Other equity	17	3,302,808	2,017,829
<b>Total equity</b>		<b>3,400,121</b>	<b>2,115,142</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	18	300,247	56,892
Provisions	19	1,020,055	791,094
<b>Total non-current liabilities</b>		<b>1,320,302</b>	<b>847,986</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	20	1,472,380	2,797,030
(ii) Trade payables	21	1,978,488	2,570,665
(iii) Other financial liabilities	22	1,621,180	1,187,432
Other current liabilities	23	110,165	413,823
Provisions	24	216,920	201,923
<b>Total current liabilities</b>		<b>5,399,133</b>	<b>7,170,872</b>
<b>Total equity and liabilities</b>		<b>10,119,556</b>	<b>10,134,000</b>

## ACCOUNTING POLICIES AND NOTES ON ACCOUNTS - 1 to 41

The notes referred to above form an integral part of the Financial Statements.

In terms of our attached Report of even date

For **M. C. DAS & Co**

Chartered Accountants

Firm's Registration Number: 301110E

**A. K. BANERJEE**

Partner

Membership Number: 050243

Place : Kolkata

Date : 24th June, 2021

For and on behalf of the Board of Directors

**Suparna Chakrabortti**

Director

DIN: 07090308

**Rajvinder Singh**

Managing Director

DIN: 06931916

**Nishita Dutta Chadda**

Company Secretary

## Statement of Profit and Loss

for the year ended 31 March 2021

(All amounts in INR hundreds, unless otherwise stated)

Particulars	Note	31st March 2021	31st Marc
Income	25	12,830,895	10,270,055
Revenue from operations	26	107,902	157,236
Other income			
<b>Total income</b>		<b>12,938,797</b>	<b>10,427,291</b>
<b>Expenses</b>			
Cost of materials consumed	27	1,015,085	1,190,601
Changes in inventories of finished goods	28	68,800	(247,176)
Change in carrying amount of biological assets other than bearer plant ((gain)/loss)	29	(16,232)	24,098
Employee benefits expense	30	7,156,671	6,643,443
Finance costs	31	266,207	478,757
Depreciation expense	3	591,516	288,076
Other expenses	32	2,353,138	1,895,438
<b>Total expenses</b>		<b>11,435,185</b>	<b>10,273,237</b>
<b>Profit before tax</b>		<b>1,503,612</b>	<b>154,054</b>
<b>Tax expense:</b>			
- Current tax	34	105,403	28,522
- Deferred tax	34	(62,458)	9,308
<b>Total tax expenses</b>		<b>42,945</b>	<b>37,830</b>
<b>Profit for the year</b>		<b>1,460,667</b>	<b>116,224</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations	38	235,709	28,326
Income tax relating to these items	34	(67,319)	(7,365)
<b>Other comprehensive income for the year, net of tax</b>		<b>168,390</b>	<b>20,961</b>
<b>Total comprehensive income for the year</b>		<b>1,292,277</b>	<b>95,263</b>
<b>Earnings per equity share:</b>			
Basic and Diluted	33	150.10	11.94
(Nominal value per Share Rs.10)			

### ACCOUNTING POLICIES AND NOTES ON ACCOUNTS - 1 to 41

The notes referred to above form an integral part of the Financial Statements.

In terms of our attached Report of even date

For **M. C. DAS & Co**

Chartered Accountants

Firm's Registration Number: 301110E

**A. K. BANERJEE**

Partner

Membership Number: 050243

Place : Kolkata

Date : 24th June, 2021

For and on behalf of the Board of Directors

**Suparna Chakrabortti**

Director

DIN: 07090308

**Rajvinder Singh**

Managing Director

DIN: 06931916

**Nishita Dutta Chadda**

Company Secretary

## Cash Flow Statement

for the year ended 31 March 2021

(All amounts in INR hundreds, unless otherwise stated)

Particulars	31st March 2021	31st March 2020
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit Before Tax	1,503,614	154,054
<b>Adjustments for:</b>		
Depreciation expenses	591,516	288,076
Net gain on fair valuation of financial assets		
Finance cost	266,207	478,757
Provision For Bad & Doubtful Debts	339,611	-
Net gain/(loss) on financial assets (investments) measured at fair value through profit or loss	42,920	-
(Profit)/Loss on sale of property, plant and equipment	-	-)
Loss on sale of property, plant and equipment	-	-
<b>Operating Profit before Working Capital Changes</b>	<b>2,743,868</b>	<b>920,887</b>
<b>Adjustments for:</b>		
Non-Current/Current financial and other assets	(240,880)	(76,548)
Inventories	(45,455)	(174,107)
Non-Current/Current financial and other liabilities/provisions	(218,129)	(145,149)
<b>Cash generated from operations</b>	<b>2,239,404</b>	<b>525,083</b>
Income Tax paid	(58,960)	(55,094)
<b>Net Cash flow from Operating activities</b>	<b>2,180,444</b>	<b>469,989</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payment for purchase of property, plant and equipment	(799,669)	(8,08,464)
Interest On FD received	(1,782)	-
<b>Net Cash used in Investing activities</b>	<b>(801,451)</b>	<b>(374,774)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds/(Repayment) of short term borrowings	(1,324,650)	31,166
Proceeds from long term borrowings	243,355	370,960
Interest paid	(290,795)	(501,755)
Dividend paid	(7,298)	(5,866)
<b>Net Cash used in financing activities</b>	<b>(1,379,388)</b>	<b>(105,495)</b>
Net increase in cash & Cash Equivalents	(395)	(10,280)
Cash and Cash equivalents as at the beginning of the year	71,231	81,511
<b>Cash and Cash equivalents as at the end of the year</b>	<b>70,836</b>	<b>71,231</b>

### Note-

- 1) The above cashflow statement have been prepared using "Indirect Method" as set out in Ind AS 7 - Statement of cashflows.
- 2) Cash and cash equivalents includes cash on hand, balances with banks in current account. Refer note 13.
- 3) In case of Company's financing activities (including) borrowings there are no non-cash transactions as impact of changes in foreign exchange rates.
- 4) Previous year figures have been regrouped/rearranged whether considered necessary to conform to current years presentation.

### ACCOUNTING POLICIES AND NOTES ON ACCOUNTS - 1 to 41

The notes referred to above form an integral part of the Financial Statements.

In terms of our attached Report of even date

For **M. C. DAS & Co**

Chartered Accountants

Firm's Registration Number: 301110E

**A. K. BANERJEE**

Partner

Membership Number: 050243

Place : Kolkata

Date : 24th June, 2021

For and on behalf of the Board of Directors

**Suparna Chakrabortti**

Director

DIN: 07090308

**Rajvinder Singh**

Managing Director

DIN: 06931916

**Nishita Dutta Chadda**

Company Secretary

## Statement of changes in equity

for the year ended 31 March 2021

(All amounts in INR hundreds, unless otherwise stated)

### A. Equity share capital

Description	Amount
As at 01 April 2020	97,313
Changes in equity share capital	-
<b>As at 31 March 2021</b>	<b>97,313</b>

### B. Other equity

Description	Reserve and surplus			
	Security Premium account	General reserve	Retained earnings	Total other equity
<b>Balance at 01 April 2019</b>	45,594	1,305,922	576,917	1,928,433
Profit for the year	-	-	116,224	116,224
Other comprehensive income	-	-	(20,961)	(20,961)
<b>Total comprehensive income</b>	-	-	<b>95,263</b>	<b>95,263</b>
Dividend paid	-	-	(4,866)	(4,866)
Tax on dividend	-	-	(1,000)	(1,000)
<b>Balance at 31 March 2020</b>	<b>45,594</b>	<b>1,305,922</b>	<b>666,314</b>	<b>2,017,830</b>

Description	Reserve and surplus			
	Security Premium account	General reserve	Retained earnings	Total other equity
<b>Balance at 01 April 2020</b>	45,594	1,305,922	666,314	2,017,830
Profit for the year	-	-	1,460,667	1,460,667
Other comprehensive income	-	-	(168,390)	(168,390)
<b>Total comprehensive income for the year</b>	-	-	<b>1,292,277</b>	<b>1,292,277</b>
Dividend paid	-	-	(7,298)	(7,298)
<b>Balance at 31st March 2021</b>	<b>45,594</b>	<b>1,305,922</b>	<b>1,951,293</b>	<b>3,302,809</b>

### ACCOUNTING POLICIES AND NOTES ON ACCOUNTS - 1 to 41

The notes referred to above form an integral part of the Financial Statements.

In terms of our attached Report of even date

For **M. C. DAS & Co**

Chartered Accountants

Firm's Registration Number: 301110E

**A. K. BANERJEE**

Partner

Membership Number: 050243

Place : Kolkata

Date : 24th June, 2021

For and on behalf of the Board of Directors

**Suparna Chakrabortti**

Director

DIN: 07090308

**Rajvinder Singh**

Managing Director

DIN: 06931916

**Nishita Dutta Chadda**

Company Secretary

# Notes to Financial Statements

for the year ended 31 March 2021

## 1 General Information

Rydak Syndicate Limited is a Company incorporated under the Companies Act, 2013. The Company's shares are listed on the Calcutta Stock Exchange. The Company is engaged in harvesting, manufacturing and selling of tea. During the year the company has commenced operations commercially from 1st January, 2021 as a Tea Tourism operations in Dooars Region in the name of Baradighi – The Bungalow by converting one of its heritage bungalow into a commercial property.

The financial statements as at 31 March 2021 present the financial position of the Company.

The functional and presentation currency of the Company is Indian Rupee ("INR") which is the currency of the primary economic environment in which the Company operates.

The financial statements for the year ended March 31, 2021 were approved by the Board of Directors and authorised for issue on signing date of accounts 24th June, 2021.

### Standards issued but not yet effective

#### Ind AS 115 - Revenue from Contracts with Customers

The Ministry of Corporate Affairs ('MCA') has notified Ind AS - 115 - "Revenue from Contract with Customers" which becomes effective from 01 April 2018. Ind AS 115 requires recognition of revenue to depict transfer of promised goods and services to customers in an amount that reflects the consideration to which the entity expects to be entitled to in exchange for these goods and services. It also requires that revenue should be recognised when the control over the goods or services have been transferred to the buyer.

The Company is in the process of assessing the detailed impact of Ind AS 115. Presently, the Company is not able to reasonably estimate the impact that application of Ind AS 115 is expected to have on its financial statements, except that adoption of Ind AS 115 is not expected to significantly change the timing of the Company's revenue recognition.

## 2.0 Significant accounting policies

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements unless otherwise indicated.

### 2.1 Statement of compliance

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 01, 2016.

These financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

### 2.2 Basis of preparation

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention, except for the following:

- a) certain financial assets and liabilities that is measured at fair value;
- b) certain biological assets (including unplucked green leaves) measured at fair value less cost to sell.

### 2.3 Use of estimates and critical accounting judgments

In preparation of the financial statements, the Company makes judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Significant judgments and estimates relating to the carrying amounts of assets and liabilities include useful lives of property, plant and equipment, intangible assets, impairment of property, plant and equipment, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

### 2.4 Property, plant and equipment

An item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. This recognition principle is applied to the costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the statement of profit and loss as incurred. When a replacement occurs, the carrying amount of the replaced part is derecognised. Where an item of property,

# Notes to Financial Statements *(Contd.)*

for the year ended 31 March 2021

plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.

The Company's tea bushes qualify as bearer plants under the definition in Ind AS 41 and are therefore accounted for as a part of property, plant and equipment.

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use. Borrowing costs, if any, during the period of construction is capitalised as part of cost of the qualifying assets.

The gain or loss arising on disposal of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset, and is recognised in the statement of profit and loss.

## Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

## 2.5 Biological assets

Tea leaves growing on tea bushes are measured at fair value less cost to sell with changes in fair value recognised in Statement of profit and loss.

## 2.6 Depreciation methods, estimated useful lives and residual value of property, plant and equipment

Depreciation, other than bearer plant, is calculated using written down value method to allocate their cost, net of their residual values on the basis of useful lives prescribed in Schedule II to the Companies Act, 2013, which are also supported by technical evaluation.

Bearer plants are depreciated using straight line method from the date when they are ready for commercial harvest.

The estimated useful lives of assets and residual values are reviewed regularly and, when necessary, revised. No further charge is provided in respect of assets that are fully written down but are still in use.

The estimated useful lives for the main categories of property, plant and equipment and other intangible assets are:

Particulars	Useful life (in years)
Plant and machinery	15
Furniture and Fixture	10
Building	60
Bearer plants	74
Office equipments	3 - 10
Vehicles	8 - 10
Software	5

In initial years company adopted to 80 years of normal life on trial basis and data analysis was further undertaken by the management which suggests an normal life of 75 years on average embracing the total coverage of 6 TE's spread over entire tea cultivation area. It was empirically ascertained to a minor adjustment of 75 years of normal life of tea bushes on overall basis as per the management decision adopted during the current year.

## 2.7 Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash flows from other assets or group of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

## 2.8 Leases

Leases are classified as finance lease where the terms of the lease transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

### Company as lessee

- Operating lease** – Rentals payable under operating leases are charged to the statement of profit and loss on a straight line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

# Notes to Financial Statements *(Contd.)*

for the year ended 31 March 2021

- (ii) **Finance lease** – Finance leases are capitalised at the commencement of lease, at the lower of the fair value of the property or the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest.

## 2.9 Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

### Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

#### (a) Financial assets

##### Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have maturities of less than three months from the date of such deposits. These balances with banks are unrestricted for withdrawal and usage.

##### Other bank balances

Other bank balances include balances and deposits with banks that are restricted for withdrawal and usage or having maturities of more than three months from the date of such deposits.

##### Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business model whose objective is to hold these assets 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 measured at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these 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 measured at fair value through profit or loss

Financial asset not measured at amortized cost or at fair value through other comprehensive income is carried at fair value through profit or loss.

##### Impairment of financial assets

Loss allowance for expected credit losses is recognized for financial assets measured at amortized cost and fair value through other comprehensive income.

The Company recognises life time expected credit losses for all trade receivables that do not constitute a financing transaction.

For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

##### De-recognition of financial assets

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

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

#### (b) Financial liabilities and equity instruments

##### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

# Notes to Financial Statements *(Contd.)*

for the year ended 31 March 2021

## Financial liabilities

### Trade and other payables

Financial liabilities such as trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant.

### Borrowings

Interest-bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method.

### Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

## 2.10 Employee benefits

### (a) Post employment obligations

#### Defined contribution plans

The Company makes provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

#### Defined benefit plans - Gratuity

The liability or asset recognised in the balance sheet in respect of gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets, if any. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets, if any. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

### (b) Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised based on actuarial valuation at the present value of the obligation as on the reporting date.

The obligations are presented as current liabilities in the balance sheet since the Company does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

## 2.11 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government Grant that are receivable as a compensation for expenses or losses incurred for the purpose of giving immediate financial support with no future related cost are recognised in statement of Profit and loss in the year it is received.

Tea Plantation Subsidy and other subsidies is accounted for on acceptance from the concerned authorities.

## 2.12 Provisions

Provisions are recognised in the balance sheet when the Company has a present obligation (legal or constructive) as a result of a past event, which is expected to result in an outflow of resources embodying economic benefits which can be reliably estimated. Each provision is based on the best estimate of the expenditure required to settle the present obligation at the balance sheet date. When appropriate, provisions are measured on a discounted basis.

## 2.13 Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable



## Notes to Financial Statements *(Contd.)*

for the year ended 31 March 2021

income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

### 2.14 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable net of discounts, taking into account contractually defined terms and excluding taxes or duties collected on behalf of the government.

#### Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognized if there are significant uncertainties regarding recovery of the amount due, associated costs or the possible return of goods.

### 2.15 Income recognition

#### a) Interest income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

#### b) Dividend income

Dividend income from investments is recognised when the shareholder's rights to receive payment have been established.

### 2.16 Inventories

Raw materials including harvested tea leaves, produced from own gardens are measured at lower of cost and net realisable value. Cost being the fair value less cost to sell at the point of harvest of tea leaves.

Raw materials of purchased green leaves, stores and spare parts and finished goods are stated at lower of cost and net realisable value. Cost of finished goods comprise direct material, direct labour and appropriate portion of variable and fixed overhead expenditure. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Cost are assigned to individual items of inventory on the basis of weighted average method. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

### 2.17 Research and development

Revenue expenditure on research and development is recognised as a charge in the Statement Profit and Loss. Capital expenditure on assets acquired for research and development is added to Property, plant and equipment, if any.

### 2.18 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest hundreds as per the requirements of Schedule III, unless stated otherwise.

## Notes to Financial Statements (Contd.)

for the year ended 31 March 2021

### Note 3 : Property, plant and equipment

(All amounts in INR hundreds, unless otherwise stated)

Particulars	Gross carrying amount			Accumulated Depreciation			Net carrying amount		
	As at 01 April 2019	Addition/ Adjustments	Deductions/ Adjustments	As at 31 March 2020	As on 01 April 2019	Charge during the year	Deductions/ Adjustments	As at 31 March 2020	As at 31 March 2019
Leasehold land	203,729	-	-	203,729	-	-	-	-	203,729
Bearer plant	3,114,208	984,521	-	4,098,729	166,297	77,868	-	244,165	3,854,565
Buildings	317,146	-	-	317,146	59,215	14,602	-	73,817	243,329
Plant & Machinery	1,292,579	7,014	-	1,299,593	490,395	136,687	-	627,082	672,511
Furniture & Fixture	4,844	-	-	4,844	2,072	491	-	2,563	2,281
Motor & Other Vehicles	139,570	78,388	-	217,958	56,225	40,140	-	96,365	121,593
Office equipments	7,753	2,463	-	10,216	5,467	1,588	-	7,055	3,160
Plant & Machinery Spares	-	34,784	-	34,784	-	16,700	-	16,700	18,085
<b>Total</b>	<b>5,079,829</b>	<b>1,107,170</b>	<b>-</b>	<b>6,186,999</b>	<b>779,671</b>	<b>288,076</b>	<b>-</b>	<b>1,067,747</b>	<b>4,300,159</b>

Particulars	Gross carrying amount			Accumulated Depreciation			Net Carrying Amount		
	As at 01 April 2020	Addition/ Adjustments	Deductions/ Adjustments	As at 31 March 2021	As on 01 April 2020	Charge during the year	Deductions/ Adjustments	As at 31 March 2021	As at 31 March 2020
Leasehold land	203,729	-	-	203,729	-	-	-	-	203,729
Bearer plant	4,098,729	1,034,086	-	5,132,815	244,165	391,688	-	635,852	4,496,963
Buildings	317,146	367,750	-	684,896	73,817	19,925	-	93,742	591,154
Plant & Machinery	1,299,593	58,967	-	1,358,561	627,082	126,697	-	753,779	604,782
Furniture & Fixture	4,844	42,306	-	47,150	2,563	2,752	-	5,315	41,835
Motor & Other Vehicles	217,958	34,137	-	252,095	96,365	39,226	-	135,591	116,504
Office equipments	10,216	3,793	-	14,009	7,055	2,086	-	9,141	4,868
Plant & Machinery Spares	34,784	-	-	34,784	16,700	9,143	-	25,842	8,942
<b>Total</b>	<b>6,186,999</b>	<b>1,541,039</b>	<b>-</b>	<b>7,728,039</b>	<b>1,067,747</b>	<b>591,516</b>	<b>-</b>	<b>1,659,262</b>	<b>6,068,777</b>

Refer Note No.2 .6 for change in useful life of bearer plant, the impact of which is Rs. 3,02,447

## Notes to Financial Statements *(Contd.)*

for the year ended 31 March 2021

*(All amounts in INR hundreds, unless otherwise stated)*

### Note 4: Capital work-in-progress

Description	As at 01 April 2019	Addition	Deductions / Adjustments	Closing as at 31 March 2020
Bearer plant - young trees	1,751,876	262,565	(984,521)	1,029,920
Others	128,731	39,678	-	168,409
<b>Total</b>	<b>1,880,607</b>	<b>302,243</b>	<b>(984,521)</b>	<b>1,198,329</b>

Description	As at 01 April 2020	Addition	Deductions / Adjustments	Closing as at 31 March 2021
Bearer plant - young trees	1,029,920	321,471	(1,034,086)	317,305
Others	168,409	-	(168,409)	-
<b>Total</b>	<b>1,198,329</b>	<b>321,471</b>	<b>(1,202,495)</b>	<b>317,305</b>

### Note: 5 Investment in associate

Particulars	31st March 2021	31st March 2020
<b>Unquoted</b>		
<b>Investments in equity instruments</b>		
Sangam Investments Ltd 24,150 Equity shares of Rs 10 each fully paid	1,232	1,232
<b>Total</b>	<b>1,232</b>	<b>1,232</b>
(a) Aggregate amount of unquoted investments	<b>1,232</b>	<b>1,232</b>

### Note: 6 Investments

Particulars	31st March 2021	31st March 2020
<b>Investment in equity shares designated at FVPL - Others (fully paid up):</b>		
<b>i) Unquoted</b>		
a) Woodland Multiplicity Hospitals Limited 1,130 Equity Shares of Rs 10 each fully paid up	2,224	2,224
b) ABC Tea Workers' Welfare Services (Formerly Assam Bengal Cereals Ltd.) 1000 Equity Shares of Rs 10 each fully paid up	100	100
c) Allied International Products Limited 21,500 Equity Shares of Rs 10 each fully paid up	215	215
d) Cachar Club Limited 20 Ordinary Shares of Rs 10 each fully paid up	21	21
e) Jalpaiguri Club Limited 20 Ordinary Shares of Rs 10 each fully paid up	-	-
<b>ii) Quoted</b>		
Dhelakhat Tea Company Limited 62,924 Equity Shares of Rs 10 each fully paid up	48,017	90,937
<b>Other Investments through FVTPL</b>		
<b>Investment in preference share - Others</b>		
<b>Unquoted</b>		
3 Preference shares of ₹ 10 each fully paid up	-	-
<b>Total</b>	<b>50,577</b>	<b>93,497</b>

### Note: 7 Non current tax asset (net)

Particulars	31st March 2021	31st March 2020
Advance income tax, tax deducted at source and refund receivable	246,182	221,168
<b>Total</b>	<b>246,182</b>	<b>221,168</b>

## Notes to Financial Statements *(Contd.)*

for the year ended 31 March 2021

*(All amounts in INR hundreds, unless otherwise stated)*

### Note: 8 Deferred tax assets (net)

Particulars	31st March 2021	31st March 2020
<b>Deferred tax asset</b>		
Expenses allowable on payment basis	260,186	185,718
Biological asset other than bearer plant	-	266
Inventory - black tea	9,620	4,848
Investments	549	-
<b>Gross deferred tax assets</b>	<b>270,355</b>	<b>190,832</b>
<b>Deferred tax liability</b>		
Property, plant and equipment	(3,294)	36,488
Biological asset other than bearer plant	(50)	-
Investments	-	10,423
<b>Gross deferred tax liability</b>	<b>(3,344)</b>	<b>46,911</b>
<b>Net deferred tax asset</b>	<b>273,699</b>	<b>143,921</b>

### Note: 9 Other non-current assets

Particulars	31st March 2021	31st March 2020
Advance others	68,884	117,670
<b>Total</b>	<b>68,884</b>	<b>117,670</b>

### Note: 10 Inventories

Particulars	31st March 2021	31st March 2020
Stock of tea	2,030,044	2,098,844
Stores and spares	376,277	262,022
<b>Total</b>	<b>2,406,321</b>	<b>2,360,866</b>

### Note :11 Biological assets other than bearer plants

Particulars	31st March 2021	31st March 2020
Fair value of biological assets other than bearer plants (Unharvested tea leaves)	33,930	17,698
<b>Total</b>	<b>33,930</b>	<b>17,698</b>

Reconciliation of changes in the carrying amount of biological assets	31st March 2021	31st March 2020
Opening balance	17,698	41,796
Gain/ (loss) arising from changes in fair value less costs to sell	-	2,950
Increases due to purchases/ flushing during the year	33,930	14,748
Decreases due to harvest during the year	(17,698)	(41,796)
<b>Closing balance</b>	<b>33,930</b>	<b>17,698</b>

Note: Unharvested tea leaves on bushes as at 31 March 2021 was 3,34,194 kgs (31 March 2020 - 175,623 kgs )

### Note :12 Trade receivables

Particulars	31st March 2021	31st March 2020
Unsecured, considered good	502,357	358,878
Less: Provision For Bad & Doubtful Debts	(339,611)	-
<b>Total</b>	<b>162,746</b>	<b>358,878</b>

Refer note 37 for credit risk and market risk on trade receivable.

## Notes to Financial Statements *(Contd.)*

for the year ended 31 March 2021

*(All amounts in INR hundreds, unless otherwise stated)*

### Note: 13 Cash and cash equivalents

Particulars	31st March 2021	31st March 2020
<b>Cash and cash equivalents</b>		
Cash in hand	7,214	6,370
<b>Balances with banks:</b>		
- In current account	22,938	28,094
Fixed Deposits	36,058	32,636
On unpaid dividend account	4,624	4,130
<b>Total</b>	<b>70,834</b>	<b>71,230</b>

### Note: 14 Other financial assets - Current

Particulars	31st March 2021	31st March 2020
Security deposits	21,789	21,789
<b>Total</b>	<b>21,789</b>	<b>21,789</b>

### Note: 15 Other current assets

Particulars	31st March 2021	31st March 2020
Balances with excise and other government authorities	104,655	86,615
Advance to vendor	267,580	292,683
Advance to staff	15,087	16,849
Prepaid expenses	9,960	12,320
<b>Total</b>	<b>397,282</b>	<b>408,468</b>

### Note: 16 Equity share capital

Particulars	31st March 2021	31st March 2020
Authorized shares		
12,00,000 Equity shares of Rs 10 each	120,000	1,20,000
<b>Issued, subscribed and fully paid-up shares</b>		
9,73,128 Equity shares of Rs.10 each	97,313	97,313
	<b>97,313</b>	<b>97,313</b>

#### (i) Movement in equity share capital

Particulars	31st March 2021		31st March 2020	
	No. of shares	Amount	No. of shares	Amount
<b>Equity shares</b>				
At the beginning of the year	973,128	97,313	9,73,128	97,313
Issued during the year	-	-	-	--
<b>Outstanding at the end of the year</b>	<b>973,128</b>	<b>97,313</b>	<b>9,73,128</b>	<b>97,313</b>

#### (ii) Terms / rights 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.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after the distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## Notes to Financial Statements *(Contd.)*

for the year ended 31 March 2021

*(All amounts in INR hundreds, unless otherwise stated)*

(iii) Details of shareholders holding more than 5 % shares in the company

Particulars	31st March 2021		31st March 2020	
	No. of shares	% of holding	No. of shares	% of holding
Equity shares of Rs 10 each fully paid-up				
1. Jardine Henderson, Limited	485,366	49.88	485,366	49.88
2. Sripadam Investments Ltd.	81,100	8.33	81,100	8.33
3. Kant & Co. Ltd.	100,687	10.35	100,687	10.35
4. Monet Securities Private Limited	58,990	6.06	58,990	6.06

As per records of the Company, the above shareholding represents both legal and beneficial ownership of shares.

(iv) During the period of 5 years immediately preceding the balance sheet date, no shares were issued for consideration other than cash. Also, no bonus shares were issued and no shares were bought back by the company during the said period.

### Note: 17 Other equity

Particulars	31st March 2021	31st March 2020
<b>Reserve and surplus</b>		
(a) Securities premium account	45,594	45,594
(b) General reserve	1,305,922	1,305,922
(c) Retained earnings	1,951,293	666,314
<b>Total</b>	<b>3,302,808</b>	<b>2,017,829</b>

#### Note: 17(a) Securities premium account

Particulars	31st March 2021	31st March 2020
Opening balance	45,594	45,594
Movement during the year	-	-
<b>Closing balance</b>	<b>45,594</b>	<b>45,594</b>

#### Note: 17(b) General reserve

Particulars	31st March 2021	31st March 2020
Opening balance	1,305,922	1,305,922
Amount transferred from retained earnings	-	-
<b>Closing balance</b>	<b>1,305,922</b>	<b>1,305,922</b>

#### Note: 17(c) Retained earnings

Particulars	31st March 2021	31st March 2020
Opening balance	666,314	576,917
Net profit/ (loss) for the year	1,460,667	116,224
- Remeasurements of post-employment benefit obligation, net of tax	(168,390)	(20,961)
Dividend paid	(7,298)	(4,866)
Tax on dividend paid	-	(1,000)
<b>Closing balance</b>	<b>1,951,293</b>	<b>666,314</b>

#### Nature and purpose of other reserves

##### a) Securities premium account

Securities premium account is used to record the premium on issue of shares. The same is utilised in accordance with the provisions of Section 52 of the Companies Act, 2013.

## Notes to Financial Statements *(Contd.)*

for the year ended 31 March 2021

### b) General reserve

Under the erstwhile Indian Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act, 2013, the requirement to mandatory transfer a specified percentage of the net profit to general reserve has been withdrawn though the Company may transfer such percentage of its profits for the financial year as it may consider appropriate. Declaration of dividend out of such reserve shall not be made except in accordance with rules prescribed in this behalf under the Act.

### c) Retained earnings

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

### Note: 18 Borrowings (Non-Current)

Particulars	31st March 2021	31st March 2020
<b>Secured</b>		
Car loan from Kotak Mahindra Bank	392,823	79,980
Less: Current maturities of long term debts (included in Note 22)	92,576	23,088
<b>Total</b>	<b>300,247</b>	<b>56,892</b>

### Note: 19 Provisions (Non-current)

Particulars	31st March 2021	31st March 2020
<b>Provision for employee benefits</b>		
Provision for gratuity (Refer note 38)	1,020,055	791,094
<b>Total</b>	<b>1,020,055</b>	<b>791,094</b>

### Note: 20 Borrowings (Current)

Particulars	31st March 2021	31st March 2020
<b>Loans repayable on demand</b>		
<b>Secured</b>		
Cash credit from banks	725,737	1,970,387
<b>Unsecured</b>		
Intercompany deposit	746,643	826,643
<b>Total</b>	<b>1,472,380</b>	<b>2,797,030</b>

- (a) Cash credit (including Working Capital Demand Loans) from banks are secured against hypothecation of stock and other current assets of the Company and second charge on fixed assets pertaining and are repayable on demand. The above loans carry interest @ 8.40% p.a. (31 March 2020 :@ 9.5% p.a. , 31 March 2019 :@ 9.6% p.a.)
- (b) Intercompany deposit from body corporates are unsecured and are repayable on demand. The above deposit carry interest @ 15% p.a and 5.5% p.a. (31 March 2020 :@ 10% p.a. and 15% p.a. , 31 March 2019 :@ 10% p.a. and 15% p.a.)

### Note: 21 Trade payables

Particulars	31st March 2021	31st March 2020
Trade payables	1,978,488	2,570,665
<b>Total</b>	<b>1,978,488</b>	<b>2,570,665</b>

**Note:** As per Micro, small and Medium Enterprise Development Act.2006 the Company is required to identify the Micro, Small and Medium Suppliers and pay them interest on over dues beyond the specified period irrespective of the terms agreed with the suppliers. The Company has initiated the process of identification of such suppliers at the point in time.

## Notes to Financial Statements *(Contd.)*

for the year ended 31 March 2021

*(All amounts in INR hundreds, unless otherwise stated)*

### Note :22 Other Financial Liabilities

Particulars	31st March 2021	31st March 2020
Current maturities of long-term borrowings	92,576	23,088
Interest accrued but not due borrowings	430,571	438,410
Bank balance in overdraft accounts	16,881	149,611
Unpaid dividend	4,622	4,128
Payable to employees	199,428	176,160
Bonus payable	849,327	360,631
Others liability payable	27,775	35,404
<b>Total</b>	<b>1,621,180</b>	<b>1,187,432</b>

\* As per the conventional policy of the company took a minimum bonus provision of 8.33%, however owing to better cash flow and profitability, the company has decided to take additional provision of 11.67% which constitutes 20% amounting to Rs.4,88,697, the company has decided to follow this policy in future also.

### Note: 23 Other Current Liabilities

Particulars	31st March 2021	31st March 2020
Statutory liabilities	110,165	413,823
<b>Total</b>	<b>110,165</b>	<b>413,823</b>

### Note: 24 Provisions (Current)

Particulars	31st March 2021	31st March 2020
<b>Provision for employee benefits</b>		
Provision for gratuity (Note 40 )	201,159	193,799
Provision for compensated absences	15,761	8,124
<b>Total</b>	<b>216,920</b>	<b>201,923</b>

### Note: 25 Revenue from operations

Particulars	31st March 2021	31st March 2020
<b>Sale of goods and services:</b>		
Indigeneous:		
Sale of products and services	12,830,895	10,270,055
<b>Total</b>	<b>12,830,895</b>	<b>10,270,055</b>

### Note: 26 Other income

Particulars	31st March 2021	31st March 2020
Interest income from financial assets at amortised cost	1,782	317
Sale of tea waste	49,154	9,283
Rent income	2,771	2,771
Government grant	-	14,165
Sundry receipts	98,175	130,700
<b>Total</b>	<b>150,822</b>	<b>157,236</b>

### Note: Other Gains /( Losses)

Particulars	31st March 2021	31st March 2020
Net gain/(loss) on financial assets (investments) measured at fair value through profit or loss	(42,920)	-
<b>Total</b>	<b>(42,920)</b>	<b>-</b>
<b>Total Other Income and Other Gain/ (Losses)</b>	<b>107,902</b>	<b>157,236</b>



## Notes to Financial Statements *(Contd.)*

for the year ended 31 March 2021

*(All amounts in INR hundreds, unless otherwise stated)*

### Note: 27 Cost of materials consumed

Particulars	31st March 2021	31st March 2020
Materials:		
Inventory at the beginning of the year	262,022	335,091
Add: Purchases	1,129,340	1,117,532
Less: Inventory at the end of the year	376,277	262,022
<b>Cost of materials consumed</b>	<b>1,015,085</b>	<b>1,190,601</b>

### Note: 28 Changes in inventories of finished goods

Particulars	31st March 2021	31st March 2020
Opening Stock of Tea	2,098,844	1,851,668
Closing Stock of Tea	(2,030,044)	(2,098,844)
<b>(Increase)/Decrease</b>	<b>68,800</b>	<b>(247,176)</b>

### Note: 29 Change in carrying amount of biological assets other than bearer plant (gain/(loss))

Particulars	31st March 2021	31st March 2020
Stock at the beginning of the year	17,698	41,796
Stock at the end of year	33,930	17,698
	<b>(16,232)</b>	<b>24,098</b>

### Note: 30 Employee benefits expense

Particulars	31st March 2021	31st March 2020
Salaries, Wages and Bonus *	6,171,380	5,756,540
Contribution to Provident and other funds	555,489	472,547
Gratuity	156,614	141,373
Workmen and Staff Welfare	273,188	272,983
<b>Total</b>	<b>7,156,671</b>	<b>6,643,443</b>

### Note: 31 Finance costs

Particulars	31st March 2021	31st March 2020
Interest and finance charges on financial liabilities not at fair value through profit or loss	290,795	501,755
Less: Borrowing cost capitalised during the year	(24,588)	(22,998)
<b>Total</b>	<b>266,207</b>	<b>478,757</b>

*The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the entity's general borrowing during the year, in this case is 8.45%, (31 March 2020: 9.50%)*

### Note: 32 Other expenses

Particulars	31st March 2021	31st March 2020
Power and Fuel	1,237,472	1,242,028
Rent	2,963	4,367
Repairs to Buildings	73,255	23,338
Repairs to Machinery	52,459	33,302
Insurance	23,943	1,802
Rates & Taxes	12,230	11,936
Brokerage & Commission	125,216	95,397
Freight and Transit Charges	99,453	117,701
Cultivation Expenses	25,066	17,272
Provision For Bad & Doubtful Debts	339,611	-

## Notes to Financial Statements *(Contd.)*

for the year ended 31 March 2021

*(All amounts in INR hundreds, unless otherwise stated)*

Particulars	31st March 2021	31st March 2020
Director's sitting Fees	1,950	1,750
<b>Auditors' Remuneration:-</b>		
Statutory Audit fees	2,200	1,800
Tax Audit fees	200	150
Other Services	1,200	1,600
Miscellaneous Expenses	355,920	342,995
<b>Total:</b>	<b>2,353,138</b>	<b>1,895,438</b>

### Note: 33 Earnings per share

Particulars	31st March 2021	31st March 2020
(a) Profit attributable to equity holders of the company used in calculating basic and diluted earnings per share <b>(INR hundreds)</b>	1,460,667	116,224
(b) Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share <b>(in numbers)</b>	973,128	973,128
(c) Nominal value of Equity Share <b>(in Rs.)</b>	10	10
(d) Basic and diluted earnings per share <b>(INR)</b>	<b>150.10</b>	<b>11.94</b>

### Note 34: Income tax expense

This note provides an analysis of the Company's income tax expense, shows amounts that are recognised in profit or loss or other comprehensive income and how the tax expense is affected by non-assessable and non-deductible items.

Particulars	31st March 2021	31st March 2020
<b>(a) Income tax expense</b>		
Current tax		
Current tax on profits for the year		
Profit and loss	105,403	28,522
<b>Total current tax expense</b>	<b>105,403</b>	<b>28,522</b>
Deferred tax		
Decrease (increase) in deferred tax assets	(12,203)	(166,282)
(Decrease) increase in deferred tax liabilities	(50,255)	175,590
<b>Total deferred tax expense/(benefit)</b>	<b>(62,458)</b>	<b>9,308</b>
<b>Income tax expense</b>	<b>42,945</b>	<b>37,830</b>

Particulars	31st March 2021	31st March 2020
Current tax expense recognised in profit or loss		
Current tax on profits for the year		
Profit and loss	105,403	28,522
<b>Total current tax expense (A)</b>	<b>105,403</b>	<b>28,522</b>
Deferred tax expense recognised in profit or loss		
Deferred taxes	(62,458)	9,308
<b>Total deferred tax expense recognised in profit or loss (B)</b>	<b>(62,458)</b>	<b>9,308</b>
Deferred tax expense recognised in Other comprehensive income		
Deferred taxes	(67,319)	(7,365)
<b>Total deferred tax expense recognised in Other comprehensive income (C)</b>	<b>(67,319)</b>	<b>(7,365)</b>
Total deferred tax for the year (B+C)	(129,778)	1,943
Total income tax expense recognised in profit or loss (A+B)	42,945	37,830
Total income tax expense recognised in Other comprehensive income (C)	(67,319)	7,365
<b>Total income tax expense (A+B+C)</b>	<b>(24,375)</b>	<b>30,465</b>

## Notes to Financial Statements *(Contd.)*

for the year ended 31 March 2021

*(All amounts in INR hundreds, unless otherwise stated)*

### Note: 35 Fair value measurements

#### Financial instruments by category

Particulars	31st March 2021		31st March 2020	
	FVPL	Amortised cost	FVPL	Amortised cost
<b>Financial assets</b>				-
Investments in equity instruments	50,577	-	93,497	-
Trade receivables	-	162,746	-	358,878
Cash and cash equivalents	-	70,834	-	71,231
Other financial assets	-	21,789	-	21,789
<b>Total financial assets</b>	<b>50,577</b>	<b>255,369</b>	<b>93,497</b>	<b>451,898</b>
<b>Financial liabilities</b>				
Borrowings	-	392,823	-	79,980
Cash credit from banks	-	725,737	-	1,970,387
Intercorporate deposit	-	746,643	-	826,643
Trade payable	-	1,978,484	-	2,570,663
Interest accrued and due on borrowings	-	430,571	-	438,410
Unpaid dividend	-	4,622	-	4,128
Payable to Employees	-	199,428	-	176,160
Others liability payable	-	27,775	-	35,404
Provision for bonus	-	849,327	-	360,631
<b>Total financial liabilities</b>	<b>-</b>	<b>5,355,410</b>	<b>-</b>	<b>6,462,406</b>

#### (i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The entire financial assets and liabilities of the Company is classified as Level 3 in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

#### Note:

- There have been no transfers between Level 1 and Level 2 for the years ended March 31, 2021 and March 31, 2020
- Costs of unquoted equity instruments has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.
- Fair value of borrowings which do not have an active market or are unquoted is estimated by discounting expected future cash flows using a discount rate equivalent to the risk-free rate of return adjusted for credit spread considered by lenders for instruments of similar maturities which is categorised as level 3 in the fair value hierarchy.

#### (ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the fair value of the financial instruments is determined using discounted cash flow analysis.

The fair values for financial instruments were calculated based on cash flows discounted using current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

## Notes to Financial Statements *(Contd.)*

for the year ended 31 March 2021

### (iii) Fair value of biological assets other than bearer plants

Particulars	31st March 21	31st March 20
Fair value of biological assets other than bearer plants (Unharvested tea leaves) for which fair value (less cost to sell) are disclosed	33,930	17,698

**Note:** The fair value of biological assets other than bearer plants are to considered as Level 2 fair values

### Note : 36 Capital management

#### (a) Risk management

The company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through a mixture of equity, long term borrowings and short term borrowings.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The amount mentioned under total equity in balance sheet is considered as Capital.

#### (b) Dividends paid and proposed

Particulars	31st March, 2021	31st March, 2020
<b>(i) Equity shares</b>		
Final dividend for the year ended 31 March 2020 - Rs. 0.75 (31 March 2019 - Rs. 0.50) per fully paid share	7,298	4,866
Dividend distribution tax	-	1,000
<b>(ii) Dividends not recognised at the end of the year</b>		
In addition to the above dividends, since year end the board has recommended the payment of a final dividend of Rs. 1 per fully paid equity share (31 March 2020 – Rs. 0.75). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	9,731	7,298

### Note: 37 Financial Risk Management

The Company's activities are exposed to a variety of financial risks: credit risk, liquidity risk and market risk (i.e. foreign currency risk, interest rate risk and price risk).

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk:

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables and financial assets measured at amortised cost.	Aging analysis Credit ratings	Diversification of bank deposits and credit limits, quality of customers
Liquidity risk	Financial liabilities that are settled by delivering cash or another financial asset.	Cash flow forecasts	Projecting cash flows and considering the level of liquid assets necessary to meet the liabilities
Market risk – security prices	Investments in equity securities	Sensitivity analysis	Portfolio diversification

## Notes to Financial Statements *(Contd.)*

for the year ended 31 March 2021

### (A) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) including deposits with banks and financial institutions and other financial instruments carried at amortised cost and financial guarantees.

#### i) Trade receivables

The Company's trade receivables comprises from various parties. Trade receivables are non-interest bearing. Outstanding customer receivables are regularly monitored. The ageing of trade receivables as of balance sheet date is given below. The age analysis have been considered from the due date:

Particulars	Less than six months	More than six months	Total
Trade receivable as on 31 March 2021 (Gross)	162,756	339,611	502,367
Less: Provision for impairment loss	-	(339,611)	(339,611)
<b>Trade receivable as on 31 March 2021 (Net)</b>	<b>162,756</b>	<b>-</b>	<b>162,756</b>

Particulars	Less than six months	More than six months	Total
Trade receivable as on 31 March 2020 (Gross)	19,267	339,611	358,878
Less: Provision for impairment loss	-	-	-
<b>Trade receivable as on 31 March 2020 (Net)</b>	<b>19,267</b>	<b>339,611</b>	<b>358,878</b>

The requirement for impairment is analysed at each reporting date. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 37. The Company does not hold collateral as security.

#### ii) Other financial instruments and deposits

Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loans receivables, investments and cash and cash equivalents held by the Company. None of the financial instruments of the Company result in material concentration of credit risk.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was Rs. 255,368 as at 31 March 2021, Rs. 451,898 as at 31 March 2020, being the total of the carrying amount of trade receivables and other financial assets.

### (B) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally performed in accordance with practice and limits set by the Company.

#### (i) Maturities of financial liabilities

The tables below analyse the group's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities 31st March 2021	Less than 1 year	More than 1 years	Total
Borrowings and interest thereon	300,247	92,576	392,823
Cash credit from banks	725,737	-	725,737
Intercorporate deposit	746,643	-	746,643
Trade payable	1,978,484	-	1,978,484
Interest accrued and due on borrowings	430,571	-	430,571
Unpaid dividend	4,622	-	4,622
Payable to Employees	199,428	-	199,428
Others liability payable	27,775	-	27,775
Provision for bonus	849,327	-	849,327
<b>Total financial liabilities</b>	<b>5,262,834</b>	<b>92,576</b>	<b>5,355,410</b>

## Notes to Financial Statements *(Contd.)*

for the year ended 31 March 2021

*(All amounts in INR hundreds, unless otherwise stated)*

Contractual maturities of financial liabilities 31st March 2020	Less than 1 year	More than 1 years	Total
Borrowings and interest thereon	56,892	23,088	79,980
Cash credit from banks	1,970,387	-	1,970,387
Intercompany deposit	826,643	-	826,643
Trade payable	(2,570,663)	-	(2,570,663)
Interest accrued and due on borrowings	438,410	-	438,410
Unpaid dividend	4,128	-	4,128
Payable to Employees	176,160	-	176,160
Others liability payable	35,404	-	35,404
Provision for bonus	360,631	-	360,631
<b>Total financial liabilities</b>	<b>6,439,318</b>	<b>23,088</b>	<b>6,240,662</b>

### (C) Market risk

#### (i) Foreign currency risk

Foreign Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's transactions are denominated only in INR and hence the Company is not exposed to any foreign currency risk.

#### (ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to the risk of changes in market interest rates because it does not have any floating rate borrowings nor does it have any variable rate financial assets.

#### (iii) Price risk

##### (a) Exposure

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market. The company's exposure to equity securities price risk arises from investments held by the company in equity securities and classified in the balance sheet as at fair value through other comprehensive income.

##### (b) Sensitivity

The table below summarises the impact of increases/decreases of the prices of respective securities on company's equity and total other comprehensive income for the period. The analysis is based on the assumption that the price of the respective securities had increased by 5% or decreased by 5% with all other variables held constant:

Particulars	Impact on profit before tax		Impact on other component of equity	
	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
Increase by 5% (2020: 5%)*	2,529	4,675	1,808	3,313
Decrease by 5% (2020: 5%)*	(2,529)	(4,675)	(1,808)	(3,313)

\* Holding all other variables constant

### Note : 38 Employee benefit obligations

#### (i) Defined contribution plan

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident fund which is defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are recognised in the Statement of Profit and Loss as they accrue. The amount recognised as an expense towards contribution to Provident fund for the year aggregates to Rs. 555,489 (2019-20: Rs. 472,547).

#### (ii) Post-employment obligations

##### a) Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic (including dearness allowance) salary per month computed proportionately for 15 days (reckoning 26 days for a month) salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India.

Based on actuarial valuation, a provision is recognised in full for the projected obligation over and above the funds held in scheme.

## Notes to Financial Statements *(Contd.)*

for the year ended 31 March 2021

### (iii) Balance sheet recognition

#### a) Gratuity

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>1 April 2019</b>	<b>883,983</b>	-	<b>883,983</b>
Current service cost	73,307	-	73,307
Interest expense/(income)	68,067	-	68,067
<b>Total amount recognised in profit or loss</b>	<b>141,374</b>	-	<b>141,374</b>
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	44	(44)
Actuarial (gain)/loss from change in financial assumptions	24,016	-	24,016
Actuarial (gain)/loss from unexpected experience	(1,203)	-	(1,203)
<b>Total amount recognised in other comprehensive income</b>	<b>22,813</b>	<b>44</b>	<b>22,769</b>
Employer contributions/ premium paid	-	63,239	(63,239)
Benefit payments	(58,239)	(58,239)	-
<b>31 March 2020</b>	<b>989,931</b>	<b>5,044</b>	<b>984,887</b>

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>1 April 2020</b>	<b>989,931</b>	<b>5,044</b>	<b>984,887</b>
Current service cost	87,672		87,672
Interest expense/(income)	69,296	353	68,943
<b>Total amount recognised in profit or loss</b>	<b>156,968</b>	<b>353</b>	<b>156,615</b>
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	170	170
Actuarial (gain)/loss from change in financial assumptions	9,220	-	9,220
Actuarial (gain)/loss from unexpected experience	200,926	-	200,926
<b>Total amount recognised in other comprehensive income</b>	<b>210,146</b>	<b>170</b>	<b>210,316</b>
Employer contributions/ premium paid	-	130,604	(130,604)
Benefit payments	(130,604)	(130,604)	-
<b>31 March 2021</b>	<b>1,226,441</b>	<b>5,227</b>	<b>1,221,214</b>

\* The amount is higher because of increase in last drawn wages of Assam and Bengal Workers as notified by the Government. The increase in Wages of Bengal happened twice in a year and second time it included 15% increase in staff and substaff wages, whereas in Assam the increase is almost 30% one of highest in tea industries history

### (iv) Significant estimates: actuarial assumptions

The significant actuarial assumptions were as follows:

Particulars	31st March 2021	31st March 2020
Discount rate	6.90%	7.00%
Salary growth rate	2.00%	2.00%
Mortality rate	IALM (2012-14) Table	IALM (2012-14) Table
Disability Rate	5% of Mortality Rate	5% of Mortality Rate
Withdrawal rate	1% to 8%	1% to 8%
Retirement Age	58 Years	58 Years
Average Future Service	18.37	19.14

## Notes to Financial Statements *(Contd.)*

for the year ended 31 March 2021

*(All amounts in INR hundreds, unless otherwise stated)*

### (v) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Impact on defined benefit obligation			
	31st March 2021		31st March 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (-/+ 1%)	(55,428)	110,246	(160,375)	94,431
Salary growth rate (-/+ 1%)	116,789	(61,759)	99,884	(48,147)
Withdrawal rate (-/+ 1%)	56,413	(16,067)	51,104	(11,658)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied while calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

### (vi) The major categories of plan assets

The defined benefit plans are funded with insurance companies of India. The Company does not have any liberty to manage the funds provided to insurance companies. Thus the composition of each major category of plan assets has not been disclosed

### (vii) Risk exposure

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

#### Investment risk:

The defined benefit plans are funded with insurance companies of India. The Company does not have any liberty to manage the funds provided to insurance companies.

The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the Government of India bonds. If the return on plan asset is below this rate, it will create a plan deficit.

#### Interest risk:

A decrease in the interest rate on plan assets will increase the plan liability.

#### Life expectancy:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

#### Salary growth risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

### (viii) Defined benefit liability and employer contributions

Expected contributions to post-employment benefit plans for the year ending 31 March, 2021 are Rs. 41,145,867

The weighted average duration of the defined benefit obligation is 4.58 years (31 March, 2020 – 4.59 years). The expected maturity analysis of undiscounted gratuity benefits is as follows:

Particulars	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years
<b>31 March, 2021</b>	-	469,750	251,813	419,870
Defined benefit obligation (gratuity)	-	469,750	251,813	419,870
<b>Total</b>				
<b>31 March, 2020</b>				
Defined benefit obligation (gratuity)	181,269	271,300	167,726	370,541
<b>Total</b>	<b>1,81,269</b>	<b>2,71,300</b>	<b>1,67,726</b>	<b>3,70,541</b>



## Notes to Financial Statements *(Contd.)*

for the year ended 31 March 2021

### (ix) Compensated absences

Compensated absences cover the Company's liability for sick and earned leave. As the Company does not have an unconditional right to defer the payment beyond 12 months the entire amount has been treated as current.

### Note : 39 Segment reporting

The Company is engaged in the business of growing, manufacturing and sale of black tea and is having its manufacturing facilities located in India. The performance of the Company is assessed and reviewed by the Chief Operating Decision Maker ('CODM') as a single operating segment and accordingly growing, manufacturing and sale of black tea is the only operating segment. Further, there are no reportable geographical segment since significant business is within India. Accordingly there is no other reportable segment as defined by Ind AS 108 "Operating Segment".

The Company is domiciled in India and sells its products in India.

### Note : 40 Related party disclosure

- a) **Associate Company** Sangam Investments Limited
- b) **Key management personnel** Mr Rajvinder Singh (Whole Time Director)  
Mrs. Nishita Dutta Chadda (Company Secretary)
- c) **Entities having significant influence over the Company :** Jardine Henderson Ltd.
- d) **Key management personnel compensation**

Particulars	31st March 21	31st March 20
Short-term employee benefits	37,709	43,649
Post-employment benefits		
Long-term employee benefits		
Termination benefits		

### e) Transactions with related party

The following transactions occurred with related parties:

Particulars	31st March 21	31st March 20
Jardine Henderson Ltd.:		
a) Establishment charge	1,800	1,800
b) Other Services	5,883	7,848
c) Interest on loan	25,564	52,858

### f) Outstanding balances arising from sales/purchases of goods and services.

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

Particulars	31st March 21	31st March 20
Trade payables (purchases of goods and services) - Jardine Henderson Ltd.	60,784	59,613
Trade receivables (sale of goods and services) - Jardine Henderson Ltd.	-	-

### g) Loans to/from related parties

Particulars	31st March 21	31st March 20
Loans from Jardine Henderson Ltd.		
Beginning of the year	948,953	711,483
Loans advanced	-	237,470
Loan repayments made	-	-
End of the year	948,953	948,953

There is no allowance account for impaired receivables in relation to any outstanding balances, and no expense has been recognised in respect of impaired receivables due from related parties.

Transactions relating to dividends were on the same terms and conditions that applied to other shareholders.

All outstanding balances are unsecured and are repayable in cash.

## Notes to Financial Statements *(Contd.)*

for the year ended 31 March 2021

*(All amounts in INR hundreds, unless otherwise stated)*

### Note : 41 Other notes to accounts

- a. Estimated amount of contracts remaining to be executed on Capital Account and not provided for Rs. Nil (31st March 2019 – Rs. Nil).
- b. **Contingent liability not provided for:**
- i) In respect of Central sales tax matters under appeal Rs. 49,56,717 (31st March 2020 Rs. 49,56,717) and in respect of Value Added Tax matters under appeal Rs. 75,808 (31st March 2020 Rs. 75,808 )
- ii) In respect of Income Tax matters under appeal Rs. 3,39,73,985 (31st March 2020 Rs. 51,57,590 )
- Certain areas of certain estates of the Company have been acquired by the Governments of West Bengal and Assam under West Bengal Estates Acquisition Act, and Assam Land Ceiling Act, respectively. Compensation, if any, in this regard is yet to be ascertained.

### Particulars in respect of manufacture of black tea:

(In kgs)

Year	Licensed Capacity	Installed Capacity	Actual production	Total saleable tea
2020-21	N.A	Not ascertainable in terms of made tea	5,247,603	5,126,438
2019-20			5,169,949	5,053,500

### Particulars in respect of Sales, Opening and Closing stock of black tea:

Year	Sales		Opening Stock		Closing Stock	
	Quantity (Kg.)	Amount	Quantity (Kg.)	Amount	Quantity (Kg.)	Amount
2020-21	5,015,720	12,826,084	1,321,946	2,098,962	1,240,406	2,030,044
2019-20	5,066,022	10,270,055	1,454,436	1,851,668	1,321,946	2,098,962

### ACCOUNTING POLICIES AND NOTES ON ACCOUNTS - 1 to 41

The notes referred to above form an integral part of the Financial Statements.

In terms of our attached Report of even date

For **M. C. DAS & Co**

Chartered Accountants

Firm's Registration Number: 301110E

**A. K. BANERJEE**

Partner

Membership Number: 050243

Place : Kolkata

Date : 24th June, 2021

For and on behalf of the Board of Directors

**Suparna Chakrabortti**

Director

DIN: 07090308

**Rajvinder Singh**

Managing Director

DIN: 06931916

**Nishita Dutta Chadda**

Company Secretary

# Consolidated Financials

# Independent Auditor's Report

To the Members of Rydak Syndicate Limited  
Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying Consolidated Ind AS financial statements of "RYDAK SYNDICATE LIMITED", and its Associated company, "SANGAM INVESTMENTS LTD.", which comprise the Consolidated Balance Sheet as on 31st March 2021, the Consolidated Statement of Profit & Loss (including other comprehensive income), Consolidated statement of Cash Flows and the statement of changes of equity for the year then ended and a summary of significant accounting policies and other explanatory information (herein after referred to as "Consolidated Ind AS financial statements").

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standard prescribed under section 133 of the Act read with Companies (Indian Accounting Standard) Rules, 2015 (as amended) and other accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31 March, 2021, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

## Basis for Opinion

We conducted the Audit of the Consolidated 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 Financial Statements sections of our Report. We are independent of the Company in accordance with the code of Ethics issued by the Institute of the Chartered Accountants of India together with the ethical requirements that are relevant to our Audit of the Consolidated Financial Statement.

We believe that the Audit evidences we have obtained so far is sufficient to provide a basis for our Audit opinion on the Consolidated financial Statement.

## Key Audit Matters:

Key Audit Matters are those matters that, in our professional judgment, were of most significant in our Audit of the Consolidated Financial Statement of the current period. These matters are addressed in the context of our Audit of the Consolidated Financial Statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters.

Key audit matters	How our audit addressed the key audit matters
<p><b>Estimation of Useful Life of Bearer Plants</b> (as described in note 3 of the standalone Ind AS financial statements)</p> <p>The carrying value of Bearer Plants as on March 31, 2021 is Rs. 4,496.96 lakhs.</p> <p>Estimation of useful life of Bearer Plants requires the management to exercise significant judgement. The changes in natural factors may affect the useful life expectancy of such assets and consequently have an impact on the carrying value of these assets and depreciation expense.</p> <p>As per Ind AS 16 'Property, Plant and Equipment', the management reviews estimated useful life and residual value of Bearer Plants annually. This matter has been identified as a key audit matter due to significant estimates / judgment involved in estimating useful life for these asset and frequent changes in Policy.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>Assessed the management's estimate of useful life of Bearer Plants, for which we (1) evaluated the consistency of estimates with the Company's pattern of economic benefits embodied in such assets and future operating plans including acquisitions and retirements of the Bearer Plants; (2) compared the useful life estimates with those adopted by comparable tea producers, as per external available information; and (3) considered the Company's historical experience.</li> <li>Evaluated the assumptions and critical judgements used by the management and tested the underlying supporting documents / details.</li> <li>Assessed the related disclosures in the standalone Ind AS financial statements.</li> </ul>
<p><b>Valuation of Biological Assets and agriculture produce</b> (as described in note 11 of the standalone Ind AS financial statements)</p>	

## Independent Auditor's Report *(Contd.)*

<p>As required by Ind AS 41 "Agriculture", management estimates the fair value of plucked (agriculture produce) and un-plucked tea leaves (biological assets) as at the balance sheet date through the use of valuation model and recent transaction prices. As at March 31, 2021, the carrying value of biological assets included under current assets is ` Rs.33.93 Lakhs. Finished goods produced from agricultural produce are valued at lower of cost (arrived at by adding the cost of conversion to the fair value of agricultural produce) and the net realisable value.</p> <p>For harvested or unharvested green leaves, since there is no active market for own leaves, significant judgement is involved in considering key assumptions used in determining average prevalent selling prices of the tea leaf, average quality of the tea leaf and quantity of unplucked leaf. Accordingly, this matter has been identified as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Understood, evaluated and tested the operating effectiveness of internal controls over valuation of biological assets and harvested tea leaf inventory.</li> <li>• Assessed the significant assumptions used in the valuation model with reference to available market information, including the possible impact of COVID-19 pandemic on measurement of such estimates.</li> <li>• Tested the data inputs used and compared them with underlying supporting documents.</li> <li>• Assessed the related disclosures in the standalone Ind AS financial statements for compliance with disclosure requirements.</li> <li>• Testing the consistency of application of the fair value approaches and models over the years.</li> </ul>
<p><b>Investment in Associate and other than Associate</b> <i>(as described in note 5 and 6 of the standalone Ind AS financial statements)</i></p>	
<p>The company carries its investments in Associate and an other than Associates at cost, adjusted for impairment if any. At 31st March 2021, total investments amounted to Rs. 51.80 Lakhs, The amount is significant to the financial statements. Moreover, the testing of impairment exercise involves the use of estimates and judgements. The identification of impairment events and the determination of an impairment charge also require the application of significant judgement by management, in particular with respect to the timing, quantity and estimation of future cash flows. In view of the significance of the investments and the above, we consider investment valuation/impairment to be a significant key audit matter.</p>	<p>Our audit procedures comprised, amongst others:</p> <ul style="list-style-type: none"> <li>• We have assessed the valuation methodology used by management and the requirements in IndAS and tested the inputs used</li> <li>• Our audit response also consisted of analysing the possible indications of impairment and discussed them with management.</li> <li>• We have discussed the forecasted results of the investments with management and also reviewed the substantiation of the forecasts based on historical information.</li> <li>• We have reviewed the market value of assets provided by the management based upon prevalent market conditions and evidences of the market value of the assets.</li> </ul>
<p><b>Contingent Liabilities</b> <i>as described in note 42(b) of the standalone Ind AS financial statements)</i></p>	
<p>The Company is exposed to different laws, regulations and interpretations thereof. The company is also subject to number of significant claims and litigations. The assessment of the likelihood and quantum of any liability in respect of these matters can be judgmental due to the uncertainty inherent in their nature. At March 31, 2021, the Company has disclosed significant pending legal cases with respect to Income tax under appeal, and other material contingent liabilities.</p> <p>We considered this to be a key audit matter, since the accounting and disclosure of claims and litigations is complex and judgmental, and the amounts involved are, or can be, material to the financial statements.</p>	<p>Our audit procedures included among others:</p> <ol style="list-style-type: none"> <li>I. Understanding and assessing the internal control environment relating to the identification, recognition and measurement of provisions for disputes, potential claims and litigation, and contingent liabilities; II. Analyzed significant changes/update from previous periods and obtained a detailed understanding of such items. Assessed recent judgments passed by the court authorities affecting such change;</li> <li>III. Discussed the status of significant known actual and potential litigations with the management &amp; noted that information placed before the board for such cases and IV. Assessment of the management's assumptions and estimates related to the recognized provisions for disputes and disclosures of contingent liabilities.</li> </ol>

## Independent Auditor's Report *(Contd.)*

<p><b>Impairment of trade receivables</b></p>	
<p>As at 31 March 2021 the Company held Rs. 162.74 Lakhs of trade receivables . As disclosed in Note 12, these amounts are receivable from customers across the country and a majority of these trade receivables are not secured. The determination of whether trade receivables will be realized at the stated amounts, especially considering the Covid 19 outbreak requires management to exercise judgement and apply assumptions relating to expectations of recovery from past due customers also considering the market in which the customers operate due to which this matter was considered as a key audit matter.</p> <p>During the year the Company has Provided for Doubtful Debts INR 3,39,61,253</p>	<p>Our audit approach included the following;</p> <p>~ We assessed the management's process, systems and controls implemented over the identification of past due receivables and the assessment of impairment of doubtful debts thereon.</p> <p>~ We verified the subsequent receipts of money for outstanding invoices on a sample basis, in ascertaining whether an increased credit risk is identified with regard to the Groups trade dues.</p> <p>~ For past due customers, we inquired reasons for being long overdue, and assessed whether the resultant credit risk has been considered by management in their impairment assessment.</p> <p>We also assessed the adequacy of disclosures made in relation to impairment of trade receivables in Note 11 to the Ind AS financial statements.</p>
<p><b>Revenue from Contracts with customers. (Revenue Accounting Standards)</b></p>	
<p>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 .Revenue from Contracts with customers.(New Revenue Accounting Standards).</p> <p>The application of accounting standards involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of basis used to measure revenue recognized over a period and estimate of variable consideration. Additionally, revenue accounting standards contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to balance sheet date..</p> <p><b>However there is no Invoice Financing as on 31<sup>st</sup>.March, 2021.</b></p>	<p>Principle Audit procedures</p> <p>We assessed the Company's process to identify the impact of adoption of the revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:</p> <ul style="list-style-type: none"> <li>. Evaluated the design of internal controls relating to implementation of the new revenue accounting standard.</li> <li>. Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, re-performance and inspection of evidence in respect of operation of these controls. . Tested the relevant information technology systems access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard.</li> <li>. Selected a sample of continuing and new contracts and performed the following procedures : <ul style="list-style-type: none"> <li>- Read, analysed and identified the distinct performance obligations in these contracts.</li> <li>- Compared these performance obligations with that identified and recorded by the Company.</li> <li>- Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration.</li> <li>- Sample of revenues disaggregated by type and service offerings was tested with the performance obligations specified in the underlying contracts.</li> <li>- Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings.</li> </ul> </li> </ul>

## Independent Auditor's Report *(Contd.)*

<p><b>Tea Tourism Bungalow</b></p> <p>The Company has started operation of its Tea Tourism business from December,2020 onwards at its Baradighi Tea Estate in Jalpaiguri,W.B. and renovated the existing VA Bungalow to the new "The Bungalow" for Tourism Resort. Till previous year all expenditure was kept in VA Bungalow CWIP. During this year they have capitalised the Project-Bungalow expense in different Assets Head.</p>	<p><b>Principle Audit procedure</b></p> <ul style="list-style-type: none"> <li>• We have examined the Board of Directors Resolution and eligibility letter from the relevant Authority for Company's operation in a separate segment of Business.</li> <li>• We have also checked the expenses incurred with the evidences for 2018-19 &amp;2019-20and 2020-21with documents so far made available to us</li> </ul>
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### Information other than the Standalone Financial Statements and Auditor's Report thereon

The Companies Board of Directors is responsible of preparation of other information .The other information comprises of the information included in the management discussion and analysis, Board's report including Annexures , business responsibility report, corporate governance report, shareholders' information, but does not include financial statement and audit report thereon.

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 statement our responsibility is to read the other information and in doing so, we consider whether the other information is materially inconsistent with the Consolidated financial statements or our knowledge obtained during yhe course of our audit or otherwise appears to be materially misstated.

If based on the work we have performed, we conclude that there is a material misstatement ,we required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

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

In preparing the Consolidated Financial Statements, the Management is responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operation or has no realistic alternative but to do so.

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

### Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated Ind AS

## Independent Auditor's Report *(Contd.)*

financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Consolidated Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS financial statements.

As a part of audit in accordance with SA we exercise Professional judgment and maintained professional skepticism throughout the Audit .

### We also :

- i) Identify and assess the risk of material misstatement of the Consolidated financial Statement, 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 of our opinion. The risk of not detecting of material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, omissions, misrepresentation or the override of Internal control.
- ii) 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 also are responsible for expressing our opinion on whether the Company has adequate internal control system in place.
- iii) Evaluate the appropriateness of Accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- iv) Conclude on the appropriateness of the Management's use of the going concern basis of Accounting and based on audit evidences obtained whether a material uncertainty exists related to events and conditions that may cast significant doubts on the entity'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 disclosure in the Consolidated Financial Statement. Our conclusions are based on the audit evidence obtained up to the date of our Audit Report. However in future events or conditions may cause the entity to cease to continue as a going concern.
- v) Evaluate the overall presentation, structure, and content of the Consolidated financial statement, including the disclosures and whether the Consolidated financial statement represent the underlying transactions and events in a manner that achieves fair presentation.

### 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 section 143(11) of the Act, we give in the Annexure B, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) the balance sheet, the statement of profit and loss, the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
  - (d) in our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;
  - e) On the basis of written representations received from the directors of Rydak Syndicate Limited and on the reports of the



## Independent Auditor's Report *(Contd.)*

statutory Auditor of Associated Company (Sangam Investment Limited), incorporated in India as on 31 March, 2021, taken on record by the respective 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.

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
- (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 (Rydak Syndicate Limited) has disclosed the impact of pending litigations on its financial position in its Consolidated Ind AS financial statement.
  - ii. the Company (Rydak Syndicate Limited) has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company (Rydak Syndicate Limited).

Kolkata  
24th. June, 2021

For **M. C. DAS & Co**  
Chartered Accountants  
Firm's Registration Number: 301110E  
**A. K. BANERJEE**  
Partner  
Membership Number: 050243  
UDIN: 21050243AAAAFJ8015

## Annexure - A to the Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of Consolidated Ind AS financial statements of THE RYDAK SYNDICATE LIMITED, ('the Company') and its Associated company, SANGAM INVESTMENTS LTD . as on 31 March, 2021, in conjunction with our audit of the Consolidated Ind AS financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

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

#### Auditors' Responsibility

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

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

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

#### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were generally operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **M. C. DAS & Co**  
Chartered Accountants  
Firm's Registration Number: 301110E

**A. K. BANERJEE**  
Partner

Membership Number: 050243  
UDIN: 21050243AAAAFJ8015

Kolkata  
24th. June, 2021

## Annexure - B to the Auditor's Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Consolidated Ind AS 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 programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) As explained to us Inventories have been physically verified during the year by the management at reasonable interval ,except for teas lying with Agents. The procedure of physical verification followed by the management are reasonable and adequate in relation to the size of the Company and nature if its business .
- (iii) The Company has not granted loans to any bodies corporate 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 section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The Company has not accepted any deposits under section 73 to76 of the Companies Act,2013 from the public.
- (vi) The Central Government has prescribed the maintenance of cost records under section 148(1) of the Act and such records have been made and maintained.
- (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, income-tax, sales tax, value added tax, duty of customs, service tax, cess, GST and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and 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 .

According to the information and explanations given to us, there are no dues of duty of customs which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of income tax, and value added tax have not been deposited by the Company on account of disputes:

Name of the statute	Nature of dues	Amount (in Rs)	Period to which the amount relates	Forum where dispute is pending
Income Tax	Central Tax	4542231	2016-17	CIT(A)
Income Tax	Central Tax	19304840	2018-19	Appeal Filed ,Pending before CIT(A)
Income Tax	Central Tax	7182110	2019-20	CIT(A)

- (viii) The Company has not defaulted repayment of loans or borrowing from Bank during the year.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) however term loans received during the year has been utilised for the purpose for which they were taken.
- (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 course of our audit.
- (xi) According to the information and explanations give to us and based on our 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 explanations given to us, the Company is not a nidhi company as prescribed under section 406 of the Act. Accordingly reporting under clause (xii) of the Order is not applicable to the Company.

## Annexure - B to the Auditor's Report *(Contd.)*

- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Consolidated financial statements as required by the applicable Indian Accounting Standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence reporting under clause (xiv) of the Order is not applicable to the Company.
- (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 and hence provisions of section 192 of The Companies Act,2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act ,1934.

For **M. C. DAS & Co**  
Chartered Accountants  
Firm's Registration Number: 301110E

**A. K. BANERJEE**  
Partner  
Membership Number: 050243  
UDIN: 21050243AAAAFI1616

Kolkata  
24th. June,2021

# Consolidated Balance Sheet

as at 31st March 2021

(All amounts in INR hundreds, unless otherwise stated)

Particulars	No	31st March 2021	31st March 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	6,068,775	5,119,253
Capital work-in-progress	4	317,305	1,198,330
Investment in associate	5	-	-
<b>Financial assets</b>			
Investments	6	50,577	93,497
Non current tax asset (net)	7	246,182	221,168
Deferred tax assets (net)	8	274,404	143,921
Other non-current assets	9	68,884	117,670
<b>Total non-current assets</b>		<b>7,026,127</b>	<b>6,893,839</b>
<b>Current assets</b>			
Inventories	10	2,406,321	2,360,866
Biological assets other than bearer plants	11	33,930	17,698
<b>Financial assets</b>			
(i) Trade receivables	12	162,746	358,878
(ii) Cash and cash equivalents	13	70,834	71,230
(iii) Other financial assets	14	21,789	21,789
Other current assets	15	397,282	408,468
<b>Total current assets</b>		<b>3,092,902</b>	<b>3,238,929</b>
<b>Total assets</b>		<b>10,119,029</b>	<b>10,132,768</b>
<b>EQUITY AND LIABILITIES</b>			
Equity share capital	16	97,313	97,313
Other equity	17	3,302,281	2,016,597
<b>Total equity</b>		<b>3,399,593</b>	<b>2,113,910</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	18	300,247	56,892
Provisions	19	1,020,055	791,094
<b>Total non-current liabilities</b>		<b>1,320,302</b>	<b>847,986</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	20	1,472,380	2,797,030
(ii) Trade payables	21	1,978,488	2,570,665
(iii) Other financial liabilities	22	1,621,180	1,187,432
Other current liabilities	23	110,165	413,823
Provisions	24	216,920	201,923
<b>Total current liabilities</b>		<b>5,399,133</b>	<b>7,170,872</b>
<b>Total equity and liabilities</b>		<b>10,119,028</b>	<b>10,132,768</b>

## ACCOUNTING POLICIES AND NOTES ON ACCOUNTS - 1 to 42

The notes referred to above form an integral part of the Financial Statements.

In terms of our attached Report of even date

For **M. C. DAS & Co**

Chartered Accountants

Firm's Registration Number: 301110E

**A. K. BANERJEE**

Partner

Membership Number: 050243

Place : Kolkata

Date : 24th June, 2021

For and on behalf of the Board of Directors

**Suparna Chakrabortti**

Director

DIN: 07090308

**Rajvinder Singh**

Managing Director

DIN: 06931916

**Nishita Dutta Chadda**

Company Secretary

## Consolidated Statement of Profit and Loss

for the year ended 31 March 2021

(All amounts in INR hundreds, unless otherwise stated)

Particulars	Note	31st March 2021	31st Marc
Income	25	12,830,895	10,270,055
Revenue from operations	26	107,902	157,236
Other income			
<b>Total income</b>		<b>12,938,797</b>	<b>10,427,291</b>
<b>Expenses</b>			
Cost of materials consumed	27	1,015,085	1,190,601
Changes in inventories of finished goods	28	68,800	(247,176)
Change in carrying amount of biological assets other than bearer plant ((gain)/loss)	29	(16,232)	24,098
Employee benefits expense	30	7,156,671	6,643,443
Finance costs	31	266,207	478,757
Depreciation expense	3	591,516	288,076
Other expenses	32	2,353,138	1,895,438
<b>Total expenses</b>		<b>11,435,185</b>	<b>10,273,237</b>
<b>Profit before tax</b>		<b>1,503,612</b>	<b>154,054</b>
<b>Tax expense:</b>			
- Current tax	34	105,403	28,522
- Deferred tax	34	(63,164)	9,308
<b>Total tax expenses</b>		<b>42,239</b>	<b>37,830</b>
<b>Profit for the year</b>		<b>14,61,373</b>	<b>116,224</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations	38	235,709	28,326
Income tax relating to these items	34	(67,319)	(7,365)
<b>Other comprehensive income for the year, net of tax</b>		<b>168,390</b>	<b>20,961</b>
<b>Total comprehensive income for the year</b>		<b>1,292,982</b>	<b>95,263</b>
<b>Earnings per equity share:</b>			
Basic and Diluted	33	150.10	11.94
(Nominal value per Share Rs.10)			

### ACCOUNTING POLICIES AND NOTES ON ACCOUNTS - 1 to 42

The notes referred to above form an integral part of the Financial Statements.

In terms of our attached Report of even date

For **M. C. DAS & Co**

Chartered Accountants

Firm's Registration Number: 301110E

**A. K. BANERJEE**

Partner

Membership Number: 050243

Place : Kolkata

Date : 24th June, 2021

For and on behalf of the Board of Directors

**Suparna Chakrabortti**

Director

DIN: 07090308

**Rajvinder Singh**

Managing Director

DIN: 06931916

**Nishita Dutta Chadda**

Company Secretary

## Consolidated Cash Flow Statement

for the year ended 31 March 2021

(All amounts in INR hundreds, unless otherwise stated)

Particulars	31st March 2021	31st March 2020
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit Before Tax	1,503,614	154,054
<b>Adjustments for:</b>		
Depreciation expenses	591,516	288,076
Net gain on fair valuation of financial assets		
Finance cost	266,207	478,757
Provision For Bad & Doubtful Debts	339,611	-
Net gain/(loss) on financial assets (investments) measured at fair value through profit or loss	42,920	-
(Profit)/Loss on sale of property, plant and equipment	-	-)
Loss on sale of property, plant and equipment	-	-
<b>Operating Profit before Working Capital Changes</b>	<b>2,743,868</b>	<b>920,887</b>
<b>Adjustments for:</b>		
Non-Current/Current financial and other assets	(240,880)	(76,548)
Inventories	(45,455)	(174,107)
Non-Current/Current financial and other liabilities/provisions	(218,129)	(145,149)
<b>Cash generated from operations</b>	<b>2,239,404</b>	<b>525,083</b>
Income Tax paid	(58,960)	(55,094)
<b>Net Cash flow from Operating activities</b>	<b>2,180,444</b>	<b>469,989</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payment for purchase of property, plant and equipment	(799,669)	(8,08,464)
Interest On FD received	(1,782)	-
<b>Net Cash used in Investing activities</b>	<b>(801,451)</b>	<b>(374,774)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds/(Repayment) of short term borrowings	(1,324,650)	31,166
Proceeds from long term borrowings	243,355	370,960
Interest paid	(290,795)	(501,755)
Dividend paid	(7,298)	(5,866)
<b>Net Cash used in financing activities</b>	<b>(1,379,388)</b>	<b>(105,495)</b>
Net increase in cash & Cash Equivalents	(395)	(10,280)
Cash and Cash equivalents as at the beginning of the year	71,231	81,511
<b>Cash and Cash equivalents as at the end of the year</b>	<b>70,836</b>	<b>71,231</b>

### Note-

- 1) The above cashflow statement have been prepared using "Indirect Method" as set out in Ind AS 7 - Statement of cashflows.
- 2) Cash and cash equivalents includes cash on hand, balances with banks in current account. Refer note 13.
- 3) In case of Company's financing activities (including) borrowings there are no non-cash transactions as impact of changes in foreign exchange rates.
- 4) Previous year figures have been regrouped/rearranged whether considered necessary to conform to current years presentation.

### ACCOUNTING POLICIES AND NOTES ON ACCOUNTS - 1 to 42

The notes referred to above form an integral part of the Financial Statements.

In terms of our attached Report of even date

For **M. C. DAS & Co**

Chartered Accountants

Firm's Registration Number: 301110E

**A. K. BANERJEE**

Partner

Membership Number: 050243

Place : Kolkata

Date : 24th June, 2021

For and on behalf of the Board of Directors

**Suparna Chakrabortti**

Director

DIN: 07090308

**Rajvinder Singh**

Managing Director

DIN: 06931916

**Nishita Dutta Chadda**

Company Secretary

# Consolidated Statement of changes in equity

for the year ended 31 March 2021

(All amounts in INR hundreds, unless otherwise stated)

## A. Equity share capital

Description	Amount
As at 01 April 2020	97,313
Changes in equity share capital	-
<b>As at 31 March 2021</b>	<b>97,313</b>

## B. Other equity

Description	Reserve and surplus			
	Security Premium account	General reserve	Retained earnings	Total other equity
<b>Balance at 01 April 2019</b>	45,594	1,304,689	576,917	1,927,201
Profit for the year	-	-	116,224	116,224
Other comprehensive income	-	-	(20,961)	(20,961)
<b>Total comprehensive income</b>	-	-	<b>95,263</b>	<b>95,263</b>
Dividend paid	-	-	(4,866)	(4,866)
Tax on dividend	-	-	(1,000)	(1,000)
<b>Balance at 31 March 2020</b>	<b>45,594</b>	<b>1,304,689</b>	<b>666,314</b>	<b>2,016,597</b>

Description	Reserve and surplus			
	Security Premium account	General reserve	Retained earnings	Total other equity
<b>Balance at 01 April 2020</b>	45,594	1,304,689	666,314	2,016,597
Profit for the year	-	-	1,461,373	1,461,373
Other comprehensive income	-	-	(168,390)	(168,390)
<b>Total comprehensive income for the year</b>	-	-	<b>1,292,277</b>	<b>1,292,982</b>
Dividend paid	-	-	(7,299)	(7,298)
<b>Balance at 31st March 2021</b>	<b>45,594</b>	<b>1,304,689</b>	<b>1,951,998</b>	<b>3,302,281</b>

## ACCOUNTING POLICIES AND NOTES ON ACCOUNTS - 1 to 42

The notes referred to above form an integral part of the Financial Statements.

In terms of our attached Report of even date

For **M. C. DAS & Co**

Chartered Accountants

Firm's Registration Number: 301110E

**A. K. BANERJEE**

Partner

Membership Number: 050243

Place : Kolkata

Date : 24th June, 2021

For and on behalf of the Board of Directors

**Suparna Chakrabortti**

Director

DIN: 07090308

**Rajvinder Singh**

Managing Director

DIN: 06931916

**Nishita Dutta Chadda**

Company Secretary



# Notes to the Consolidated Financial Statements

for the year ended 31 March 2021

## 1 General Information

Rydak Syndicate Limited is a Company incorporated under the Companies Act, 2013. The Company's shares are listed on the Calcutta Stock Exchange. The Company is engaged in harvesting, manufacturing and selling of tea. During the year the company has commenced operations commercially from 1st January, 2021 as a Tea Tourism operations in Dooars Region in the name of Baradighi – The Bungalow by converting one of its heritage bungalow into a commercial property.

The financial statements as at 31 March 2021 present the financial position of the Company.

The functional and presentation currency of the Company is Indian Rupee ("INR") which is the currency of the primary economic environment in which the Company operates.

The financial statements for the year ended March 31, 2021 were approved by the Board of Directors and authorised for issue on signing date of accounts 24th June, 2021.

### Standards issued but not yet effective

#### Ind AS 115 - Revenue from Contracts with Customers

The Ministry of Corporate Affairs ('MCA') has notified Ind AS - 115 - "Revenue from Contract with Customers" which becomes effective from 01 April 2018. Ind AS 115 requires recognition of revenue to depict transfer of promised goods and services to customers in an amount that reflects the consideration to which the entity expects to be entitled to in exchange for these goods and services. It also requires that revenue should be recognised when the control over the goods or services have been transferred to the buyer.

The Company is in the process of assessing the detailed impact of Ind AS 115. Presently, the Company is not able to reasonably estimate the impact that application of Ind AS 115 is expected to have on its financial statements, except that adoption of Ind AS 115 is not expected to significantly change the timing of the Company's revenue recognition.

## 2.0 Significant accounting policies

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements unless otherwise indicated.

### 2.1 Statement of compliance

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 01, 2016.

These financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

### 2.2 Basis of preparation

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention, except for the following:

- a) certain financial assets and liabilities that is measured at fair value;
- b) certain biological assets (including unplucked green leaves) measured at fair value less cost to sell.

### 2.3 Principles of consolidation and equity accounting

#### (i) Associates

Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (ii) below), after initially being recognised at cost.

#### (ii) 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.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

(iii) The difference between the cost of the investment and the Group's share of the net fair value of the investee's identifiable assets and liabilities at the time of acquisition of share in the associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be.

(iv) The financial statements of the associates used in the consolidation are drawn up to the same reporting date as that of the Group i.e. 31st March, 2020.

# Notes to the Consolidated Financial Statements *(Contd.)*

for the year ended 31 March 2021

(v) In case of one associate viz., Sangam Investments Ltd, as Group's share of loss exceeds the carrying amount of investment, the loss over the value of the investment has not been considered in Consolidated Financial Statement and investment is considered at Nil value.

## 2.4 Use of estimates and critical accounting judgments

In preparation of the financial statements, the Company makes judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Significant judgments and estimates relating to the carrying amounts of assets and liabilities include useful lives of property, plant and equipment, intangible assets, impairment of property, plant and equipment, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

## 2.5 Property, plant and equipment

An item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. This recognition principle is applied to the costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the statement of profit and loss as incurred. When a replacement occurs, the carrying amount of the replaced part is derecognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.

The Company's tea bushes qualify as bearer plants under the definition in Ind AS 41 and are therefore accounted for as a part of property, plant and equipment.

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use. Borrowing costs, if any, during the period of construction is capitalised as part of cost of the qualifying assets.

The gain or loss arising on disposal of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset, and is recognised in the statement of profit and loss.

### Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

## 2.6 Biological assets

Tea leaves growing on tea bushes are measured at fair value less cost to sell with changes in fair value recognised in Statement of profit and loss.

## 2.7 Depreciation methods, estimated useful lives and residual value of property, plant and equipment

Depreciation, other than bearer plant, is calculated using written down value method to allocate their cost, net of their residual values on the basis of useful lives prescribed in Schedule II to the Companies Act, 2013, which are also supported by technical evaluation.

Bearer plants are depreciated using straight line method from the date when they are ready for commercial harvest.

The estimated useful lives of assets and residual values are reviewed regularly and, when necessary, revised. No further charge is provided in respect of assets that are fully written down but are still in use.

The estimated useful lives for the main categories of property, plant and equipment and other intangible assets are:

Particulars	Useful life (in years)
Plant and machinery	15
Furniture and Fixture	10
Building	60
Bearer plants	74
Office equipments	3 - 10
Vehicles	8 - 10
Software	5

In initial years company adopted to 80 years of normal life on trial basis and data analysis was further undertaken by the management which suggests an normal life of 75 years on average embracing the total coverage of 6 TE's spread over entire tea cultivation area. It was empirically ascertained to a minor adjustment of 75 years of normal life of tea bushes on overall basis as per the management decision adopted during the current year.

# Notes to the Consolidated Financial Statements *(Contd.)*

for the year ended 31 March 2021

## 2.8 Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash flows from other assets or group of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

## 2.9 Leases

Leases are classified as finance lease where the terms of the lease transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

### Company as lessee

- (i) **Operating lease** – Rentals payable under operating leases are charged to the statement of profit and loss on a straight line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.
- (ii) **Finance lease** – Finance leases are capitalised at the commencement of lease, at the lower of the fair value of the property or the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest.

## 2.10 Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

### Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

### (a) Financial assets

#### Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have maturities of less than three months from the date of such deposits. These balances with banks are unrestricted for withdrawal and usage.

#### Other bank balances

Other bank balances include balances and deposits with banks that are restricted for withdrawal and usage or having maturities of more than three months from the date of such deposits.

#### Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business model whose objective is to hold these assets 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 measured at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these 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 measured at fair value through profit or loss

Financial asset not measured at amortized cost or at fair value through other comprehensive income is carried at fair value through profit or loss.

#### Impairment of financial assets

Loss allowance for expected credit losses is recognized for financial assets measured at amortized cost and fair value through other comprehensive income.

The Company recognises life time expected credit losses for all trade receivables that do not constitute a financing transaction.

For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

# Notes to the Consolidated Financial Statements *(Contd.)*

for the year ended 31 March 2021

## De-recognition of financial assets

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

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

## (b) Financial liabilities and equity instruments

### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

### Financial liabilities

#### Trade and other payables

Financial liabilities such as trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant.

#### Borrowings

Interest-bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method.

#### Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

## 2.11 Employee benefits

### (a) Post employment obligations

#### Defined contribution plans

The Company makes provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

#### Defined benefit plans - Gratuity

The liability or asset recognised in the balance sheet in respect of gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets, if any. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets, if any. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

#### (b) Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised based on actuarial valuation at the present value of the obligation as on the reporting date.

The obligations are presented as current liabilities in the balance sheet since the Company does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

## 2.12 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government Grant that are receivable as a compensation for expenses or losses incurred for the purpose of giving immediate financial support with no future related cost are recognised in statement of Profit and loss in the year it is received.

Tea Plantation Subsidy and other subsidies is accounted for on acceptance from the concerned authorities.

## 2.13 Provisions

Provisions are recognised in the balance sheet when the Company has a present obligation (legal or constructive) as a result of a

# Notes to the Consolidated Financial Statements *(Contd.)*

for the year ended 31 March 2021

past event, which is expected to result in an outflow of resources embodying economic benefits which can be reliably estimated. Each provision is based on the best estimate of the expenditure required to settle the present obligation at the balance sheet date. When appropriate, provisions are measured on a discounted basis.

## 2.14 Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

## 2.15 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable net of discounts, taking into account contractually defined terms and excluding taxes or duties collected on behalf of the government.

### Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognized if there are significant uncertainties regarding recovery of the amount due, associated costs or the possible return of goods.

## 2.15 Income recognition

### a) Interest income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

### b) Dividend income

Dividend income from investments is recognised when the shareholder's rights to receive payment have been established.

## 2.16 Inventories

Raw materials including harvested tea leaves, produced from own gardens are measured at lower of cost and net realisable value. Cost being the fair value less cost to sell at the point of harvest of tea leaves.

Raw materials of purchased green leaves, stores and spare parts and finished goods are stated at lower of cost and net realisable value. Cost of finished goods comprise direct material, direct labour and appropriate portion of variable and fixed overhead expenditure. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Cost are assigned to individual items of inventory on the basis of weighted average method. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

## 2.17 Research and development

Revenue expenditure on research and development is recognised as a charge in the Statement Profit and Loss. Capital expenditure on assets acquired for research and development is added to Property, plant and equipment, if any.

## 2.18 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest hundreds as per the requirements of Schedule III, unless stated otherwise.

# Notes to the Consolidated Financial Statements (Contd.)

for the year ended 31 March 2021

## Note 3 : Property, plant and equipment

(All amounts in INR hundreds, unless otherwise stated)

Particulars	Gross carrying amount			Accumulated Depreciation			Net carrying amount		
	As at 01 April 2019	Addition/ Adjustments	Deductions/ Adjustments	As at 31 March 2020	As on 01 April 2019	Charge during the year	Deductions/ Adjustments	As at 31 March 2020	As at 31 March 2019
Leasehold land	203,729	-	-	203,729	-	-	-	-	203,729
Bearer plant	3,114,208	984,521	-	4,098,729	166,297	77,868	-	244,165	3,854,565
Buildings	317,146	-	-	317,146	59,215	14,602	-	73,817	243,329
Plant & Machinery	1,292,579	7,014	-	1,299,593	490,395	136,687	-	627,082	672,511
Furniture & Fixture	4,844	-	-	4,844	2,072	491	-	2,563	2,281
Motor & Other Vehicles	139,570	78,388	-	217,958	56,225	40,140	-	96,365	121,593
Office equipments	7,753	2,463	-	10,216	5,467	1,588	-	7,055	3,160
Plant & Machinery Spares	-	34,784	-	34,784	-	16,700	-	16,700	18,085
<b>Total</b>	<b>5,079,829</b>	<b>1,107,170</b>	<b>-</b>	<b>6,186,999</b>	<b>779,671</b>	<b>288,076</b>	<b>-</b>	<b>1,067,747</b>	<b>4,300,159</b>

Particulars	Gross carrying amount			Accumulated Depreciation			Net Carrying Amount		
	As at 01 April 2020	Addition/ Adjustments	Deductions/ Adjustments	As at 31 March 2021	As on 01 April 2020	Charge during the year	Deductions/ Adjustments	As at 31 March 2021	As at 31 March 2020
Leasehold land	203,729	-	-	203,729	-	-	-	-	203,729
Bearer plant	4,098,729	1,034,086	-	5,132,815	244,165	391,688	-	635,852	4,496,963
Buildings	317,146	367,750	-	684,896	73,817	19,925	-	93,742	591,154
Plant & Machinery	1,299,593	58,967	-	1,358,561	627,082	126,697	-	753,779	604,782
Furniture & Fixture	4,844	42,306	-	47,150	2,563	2,752	-	5,315	41,835
Motor & Other Vehicles	217,958	34,137	-	252,095	96,365	39,226	-	135,591	116,504
Office equipments	10,216	3,793	-	14,009	7,055	2,086	-	9,141	4,868
Plant & Machinery Spares	34,784	-	-	34,784	16,700	9,143	-	25,842	8,942
<b>Total</b>	<b>6,186,999</b>	<b>1,541,039</b>	<b>-</b>	<b>7,728,039</b>	<b>1,067,747</b>	<b>591,516</b>	<b>-</b>	<b>1,659,262</b>	<b>6,068,777</b>

Refer Note No.2 .6 for change in useful life of bearer plant, the impact of which is Rs. 3,02,447

## Notes to the Consolidated Financial Statements *(Contd.)*

for the year ended 31 March 2021

*(All amounts in INR hundreds, unless otherwise stated)*

### Note 4: Capital work-in-progress

Description	As at 01 April 2019	Addition	Deductions / Adjustments	Closing as at 31 March 2020
Bearer plant - young trees	1,751,876	262,565	(984,521)	1,029,920
Others	128,731	39,678	-	168,409
<b>Total</b>	<b>1,880,607</b>	<b>302,243</b>	<b>(984,521)</b>	<b>1,198,329</b>

Description	As at 01 April 2020	Addition	Deductions / Adjustments	Closing as at 31 March 2021
Bearer plant - young trees	1,029,920	321,471	(1,034,086)	317,305
Others	168,409	-	(168,409)	-
<b>Total</b>	<b>1,198,329</b>	<b>321,471</b>	<b>(1,202,495)</b>	<b>317,305</b>

### Note: 5 Investment in associate

Particulars	31st March 2021	31st March 2020
<b>Unquoted</b>		
<b>Investments in equity instruments</b>		
Sangam Investments Ltd 24,150 Equity shares of Rs 10 each fully paid	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
(a) Aggregate amount of unquoted investments	-	-

### Note: 6 Investments

Particulars	31st March 2021	31st March 2020
<b>Investment in equity shares designated at FVPL - Others (fully paid up):</b>		
<b>i) Unquoted</b>		
a) Woodland Multiplicity Hospitals Limited 1,130 Equity Shares of Rs 10 each fully paid up	2,224	2,224
b) ABC Tea Workers' Welfare Services (Formerly Assam Bengal Cereals Ltd.) 1000 Equity Shares of Rs 10 each fully paid up	100	100
c) Allied International Products Limited 21,500 Equity Shares of Rs 10 each fully paid up	215	215
d) Cachar Club Limited 20 Ordinary Shares of Rs 10 each fully paid up	21	21
e) Jalpaiguri Club Limited 20 Ordinary Shares of Rs 10 each fully paid up	-	-
<b>ii) Quoted</b>		
Dhelakhat Tea Company Limited 62,924 Equity Shares of Rs 10 each fully paid up	48,017	90,937
<b>Other Investments through FVTPL</b>		
<b>Investment in preference share - Others</b>		
<b>Unquoted</b>		
3 Preference shares of ₹ 10 each fully paid up	-	-
<b>Total</b>	<b>50,577</b>	<b>93,497</b>

### Note: 7 Non current tax asset (net)

Particulars	31st March 2021	31st March 2020
Advance income tax, tax deducted at source and refund receivable	246,182	221,168
<b>Total</b>	<b>246,182</b>	<b>221,168</b>



# Notes to the Consolidated Financial Statements *(Contd.)*

for the year ended 31 March 2021

*(All amounts in INR hundreds, unless otherwise stated)*

## Note: 8 Deferred tax assets (net)

Particulars	31st March 2021	31st March 2020
<b>Deferred tax asset</b>		
Expenses allowable on payment basis	260,186	185,718
Biological asset other than bearer plant	-	266
Inventory - black tea	9,620	4,848
Investments	1254	-
<b>Gross deferred tax assets</b>	<b>271,060</b>	<b>190,832</b>
<b>Deferred tax liability</b>		
Property, plant and equipment	(3,294)	36,488
Biological asset other than bearer plant	(50)	-
Investments	-	10,423
<b>Gross deferred tax liability</b>	<b>(3,344)</b>	<b>46,911</b>
<b>Net deferred tax asset</b>	<b>274,404</b>	<b>143,921</b>

## Note: 9 Other non-current assets

Particulars	31st March 2021	31st March 2020
Advance others	68,884	117,670
<b>Total</b>	<b>68,884</b>	<b>117,670</b>

## Note: 10 Inventories

Particulars	31st March 2021	31st March 2020
Stock of tea	2,030,044	2,098,844
Stores and spares	376,277	262,022
<b>Total</b>	<b>2,406,321</b>	<b>2,360,866</b>

## Note :11 Biological assets other than bearer plants

Particulars	31st March 2021	31st March 2020
Fair value of biological assets other than bearer plants (Unharvested tea leaves)	33,930	17,698
<b>Total</b>	<b>33,930</b>	<b>17,698</b>

Reconciliation of changes in the carrying amount of biological assets	31st March 2021	31st March 2020
Opening balance	17,698	41,796
Gain/ (loss) arising from changes in fair value less costs to sell	-	2,950
Increases due to purchases/ flushing during the year	33,930	14,748
Decreases due to harvest during the year	(17,698)	(41,796)
<b>Closing balance</b>	<b>33,930</b>	<b>17,698</b>

Note: Unharvested tea leaves on bushes as at 31 March 2021 was 3,34,194 kgs (31 March 2020 - 175,623 kgs )

## Note :12 Trade receivables

Particulars	31st March 2021	31st March 2020
Unsecured, considered good	502,357	358,878
Less: Provision For Bad & Doubtful Debts	(339,611)	-
<b>Total</b>	<b>162,746</b>	<b>358,878</b>

Refer note 37 for credit risk and market risk on trade receivable.



## Notes to the Consolidated Financial Statements *(Contd.)*

for the year ended 31 March 2021

*(All amounts in INR hundreds, unless otherwise stated)*

### Note: 13 Cash and cash equivalents

Particulars	31st March 2021	31st March 2020
<b>Cash and cash equivalents</b>		
Cash in hand	7,214	6,370
<b>Balances with banks:</b>		
- In current account	22,938	28,094
Fixed Deposits	36,058	32,636
On unpaid dividend account	4,624	4,130
<b>Total</b>	<b>70,834</b>	<b>71,230</b>

### Note: 14 Other financial assets - Current

Particulars	31st March 2021	31st March 2020
Security deposits	21,789	21,789
<b>Total</b>	<b>21,789</b>	<b>21,789</b>

### Note: 15 Other current assets

Particulars	31st March 2021	31st March 2020
Balances with excise and other government authorities	104,655	86,615
Advance to vendor	267,580	292,683
Advance to staff	15,087	16,849
Prepaid expenses	9,960	12,320
<b>Total</b>	<b>397,282</b>	<b>408,468</b>

### Note: 16 Equity share capital

Particulars	31st March 2021	31st March 2020
Authorized shares		
12,00,000 Equity shares of Rs 10 each	120,000	1,20,000
<b>Issued, subscribed and fully paid-up shares</b>		
9,73,128 Equity shares of Rs.10 each	97,313	97,313
	<b>97,313</b>	<b>97,313</b>

#### (i) Movement in equity share capital

Particulars	31st March 2021		31st March 2020	
	No. of shares	Amount	No. of shares	Amount
<b>Equity shares</b>				
At the beginning of the year	973,128	97,313	9,73,128	97,313
Issued during the year	-	-	-	--
<b>Outstanding at the end of the year</b>	<b>973,128</b>	<b>97,313</b>	<b>9,73,128</b>	<b>97,313</b>

#### (ii) Terms / rights 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.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after the distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

# Notes to the Consolidated Financial Statements *(Contd.)*

for the year ended 31 March 2021

*(All amounts in INR hundreds, unless otherwise stated)*

(iii) Details of shareholders holding more than 5 % shares in the company

Particulars	31st March 2021		31st March 2020	
	No. of shares	% of holding	No. of shares	% of holding
Equity shares of Rs 10 each fully paid-up				
1. Jardine Henderson, Limited	485,366	49.88	485,366	49.88
2. Sripadam Investments Ltd.	81,100	8.33	81,100	8.33
3. Kant & Co. Ltd.	100,687	10.35	100,687	10.35
4. Monet Securities Private Limited	58,990	6.06	58,990	6.06

As per records of the Company, the above shareholding represents both legal and beneficial ownership of shares.

(iv) During the period of 5 years immediately preceding the balance sheet date, no shares were issued for consideration other than cash. Also, no bonus shares were issued and no shares were bought back by the company during the said period.

## Note: 17 Other equity

Particulars	31st March 2021	31st March 2020
<b>Reserve and surplus</b>		
(a) Securities premium account	45,594	45,594
(b) General reserve	13,04,689	13,04,689
(c) Retained earnings	19,51,998	666,314
<b>Total</b>	<b>3,302,281</b>	<b>2,016,597</b>

### Note: 17(a) Securities premium account

Particulars	31st March 2021	31st March 2020
Opening balance	45,594	45,594
Movement during the year	-	-
<b>Closing balance</b>	<b>45,594</b>	<b>45,594</b>

### Note: 17(b) General reserve

Particulars	31st March 2021	31st March 2020
Opening balance	13,04,689	13,04,689
Amount transferred from retained earnings	-	-
<b>Closing balance</b>	<b>13,04,689</b>	<b>13,04,689</b>

### Note: 17(c) Retained earnings

Particulars	31st March 2021	31st March 2020
Opening balance	666,314	576,917
Net profit/ (loss) for the year	14,61,373	116,224
- Remeasurements of post-employment benefit obligation, net of tax	(168,390)	(20,961)
Dividend paid	(7,299)	(4,866)
Tax on dividend paid	-	(1,000)
<b>Closing balance</b>	<b>19,51,998</b>	<b>666,314</b>

### Nature and purpose of other reserves

#### a) Securities premium account

Securities premium account is used to record the premium on issue of shares. The same is utilised in accordance with the provisions of Section 52 of the Companies Act, 2013.

## Notes to the Consolidated Financial Statements *(Contd.)*

for the year ended 31 March 2021

### b) General reserve

Under the erstwhile Indian Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act, 2013, the requirement to mandatory transfer a specified percentage of the net profit to general reserve has been withdrawn though the Company may transfer such percentage of its profits for the financial year as it may consider appropriate. Declaration of dividend out of such reserve shall not be made except in accordance with rules prescribed in this behalf under the Act.

### c) Retained earnings

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

### Note: 18 Borrowings (Non-Current)

Particulars	31st March 2021	31st March 2020
<b>Secured</b>		
Car loan from Kotak Mahindra Bank	392,823	79,980
Less: Current maturities of long term debts (included in Note 22)	92,576	23,088
<b>Total</b>	<b>300,247</b>	<b>56,892</b>

### Note: 19 Provisions (Non-current)

Particulars	31st March 2021	31st March 2020
<b>Provision for employee benefits</b>		
Provision for gratuity (Refer note 38)	1,020,055	791,094
<b>Total</b>	<b>1,020,055</b>	<b>791,094</b>

### Note: 20 Borrowings (Current)

Particulars	31st March 2021	31st March 2020
<b>Loans repayable on demand</b>		
<b>Secured</b>		
Cash credit from banks	725,737	1,970,387
<b>Unsecured</b>		
Intercompany deposit	746,643	826,643
<b>Total</b>	<b>1,472,380</b>	<b>2,797,030</b>

- (a) Cash credit (including Working Capital Demand Loans) from banks are secured against hypothecation of stock and other current assets of the Company and second charge on fixed assets pertaining and are repayable on demand. The above loans carry interest @ 8.40% p.a. (31 March 2020 :@ 9.5% p.a. , 31 March 2019 :@ 9.6% p.a.)
- (b) Intercompany deposit from body corporates are unsecured and are repayable on demand. The above deposit carry interest @ 15% p.a and 5.5% p.a. (31 March 2020 :@ 10% p.a. and 15% p.a. , 31 March 2019 :@ 10% p.a. and 15% p.a.)

### Note: 21 Trade payables

Particulars	31st March 2021	31st March 2020
Trade payables	1,978,488	2,570,665
<b>Total</b>	<b>1,978,488</b>	<b>2,570,665</b>

**Note:** As per Micro, small and Medium Enterprise Development Act.2006 the Company is required to identify the Micro, Small and Medium Suppliers and pay them interest on over dues beyond the specified period irrespective of the terms agreed with the suppliers. The Company has initiated the process of identification of such suppliers at the point in time.

## Notes to the Consolidated Financial Statements (Contd.)

for the year ended 31 March 2021

(All amounts in INR hundreds, unless otherwise stated)

### Note :22 Other Financial Liabilities

Particulars	31st March 2021	31st March 2020
Current maturities of long-term borrowings	92,576	23,088
Interest accrued but not due borrowings	430,571	438,410
Bank balance in overdraft accounts	16,881	149,611
Unpaid dividend	4,622	4,128
Payable to employees	199,428	176,160
Bonus payable	849,327	360,631
Others liability payable	27,775	35,404
<b>Total</b>	<b>1,621,180</b>	<b>1,187,432</b>

\* As per the conventional policy of the company took a minimum bonus provision of 8.33%, however owing to better cash flow and profitability, the company has decided to take additional provision of 11.67% which constitutes 20% amounting to Rs.4,88,697, the company has decided to follow this policy in future also.

### Note: 23 Other Current Liabilities

Particulars	31st March 2021	31st March 2020
Statutory liabilities	110,165	413,823
<b>Total</b>	<b>110,165</b>	<b>413,823</b>

### Note: 24 Provisions (Current)

Particulars	31st March 2021	31st March 2020
<b>Provision for employee benefits</b>		
Provision for gratuity (Note 40 )	201,159	193,799
Provision for compensated absences	15,761	8,124
<b>Total</b>	<b>216,920</b>	<b>201,923</b>

### Note: 25 Revenue from operations

Particulars	31st March 2021	31st March 2020
<b>Sale of goods and services:</b>		
Indigeneous:		
Sale of products and services	12,830,895	10,270,055
<b>Total</b>	<b>12,830,895</b>	<b>10,270,055</b>

### Note: 26 Other income

Particulars	31st March 2021	31st March 2020
Interest income from financial assets at amortised cost	1,782	317
Sale of tea waste	49,154	9,283
Rent income	2,771	2,771
Government grant	-	14,165
Sundry receipts	98,175	130,700
<b>Total</b>	<b>150,822</b>	<b>157,236</b>

### Note: Other Gains /( Losses)

Particulars	31st March 2021	31st March 2020
Net gain/(loss) on financial assets (investments) measured at fair value through profit or loss	(42,920)	-
<b>Total</b>	<b>(42,920)</b>	<b>-</b>
<b>Total Other Income and Other Gain/ (Losses)</b>	<b>107,902</b>	<b>157,236</b>

# Notes to the Consolidated Financial Statements *(Contd.)*

for the year ended 31 March 2021

*(All amounts in INR hundreds, unless otherwise stated)*

## Note: 27 Cost of materials consumed

Particulars	31st March 2021	31st March 2020
Materials:		
Inventory at the beginning of the year	262,022	335,091
Add: Purchases	1,129,340	1,117,532
Less: Inventory at the end of the year	376,277	262,022
<b>Cost of materials consumed</b>	<b>1,015,085</b>	<b>1,190,601</b>

## Note: 28 Changes in inventories of finished goods

Particulars	31st March 2021	31st March 2020
Opening Stock of Tea	2,098,844	1,851,668
Closing Stock of Tea	(2,030,044)	(2,098,844)
<b>(Increase)/Decrease</b>	<b>68,800</b>	<b>(247,176)</b>

## Note: 29 Change in carrying amount of biological assets other than bearer plant (gain/(loss))

Particulars	31st March 2021	31st March 2020
Stock at the beginning of the year	17,698	41,796
Stock at the end of year	33,930	17,698
	<b>(16,232)</b>	<b>24,098</b>

## Note: 30 Employee benefits expense

Particulars	31st March 2021	31st March 2020
Salaries, Wages and Bonus *	6,171,380	5,756,540
Contribution to Provident and other funds	555,489	472,547
Gratuity	156,614	141,373
Workmen and Staff Welfare	273,188	272,983
<b>Total</b>	<b>7,156,671</b>	<b>6,643,443</b>

## Note: 31 Finance costs

Particulars	31st March 2021	31st March 2020
Interest and finance charges on financial liabilities not at fair value through profit or loss	290,795	501,755
Less: Borrowing cost capitalised during the year	(24,588)	(22,998)
<b>Total</b>	<b>266,207</b>	<b>478,757</b>

*The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the entity's general borrowing during the year, in this case is 8.45%, (31 March 2020: 9.50%)*

## Note: 32 Other expenses

Particulars	31st March 2021	31st March 2020
Power and Fuel	1,237,472	1,242,028
Rent	2,963	4,367
Repairs to Buildings	73,255	23,338
Repairs to Machinery	52,459	33,302
Insurance	23,943	1,802
Rates & Taxes	12,230	11,936
Brokerage & Commission	125,216	95,397
Freight and Transit Charges	99,453	117,701
Cultivation Expenses	25,066	17,272
Provision For Bad & Doubtful Debts	339,611	-

## Notes to the Consolidated Financial Statements (Contd.)

for the year ended 31 March 2021

(All amounts in INR hundreds, unless otherwise stated)

Particulars	31st March 2021	31st March 2020
Director's sitting Fees	1,950	1,750
<b>Auditors' Remuneration:-</b>		
Statutory Audit fees	2,200	1,800
Tax Audit fees	200	150
Other Services	1,200	1,600
Miscellaneous Expenses	355,920	342,995
<b>Total:</b>	<b>2,353,138</b>	<b>1,895,438</b>

### Note: 33 Earnings per share

Particulars	31st March 2021	31st March 2020
(a) Profit attributable to equity holders of the company used in calculating basic and diluted earnings per share (INR hundreds)	1,460,667	116,224
(b) Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share (in numbers)	973,128	973,128
(c) Nominal value of Equity Share (in Rs.)	10	10
(d) Basic and diluted earnings per share (INR)	<b>150.10</b>	<b>11.94</b>

### Note 34: Income tax expense

This note provides an analysis of the Company's income tax expense, shows amounts that are recognised in profit or loss or other comprehensive income and how the tax expense is affected by non-assessable and non-deductible items.

Particulars	31st March 2021	31st March 2020
<b>(a) Income tax expense</b>		
Current tax		
Current tax on profits for the year		
Profit and loss	105,403	28,522
<b>Total current tax expense</b>	<b>105,403</b>	<b>28,522</b>
Deferred tax		
Decrease (increase) in deferred tax assets	(12,203)	(166,282)
(Decrease) increase in deferred tax liabilities	(50,255)	175,590
<b>Total deferred tax expense/(benefit)</b>	<b>(62,458)</b>	<b>9,308</b>
<b>Income tax expense</b>	<b>42,945</b>	<b>37,830</b>

Particulars	31st March 2021	31st March 2020
Current tax expense recognised in profit or loss		
Current tax on profits for the year		
Profit and loss	105,403	28,522
<b>Total current tax expense (A)</b>	<b>105,403</b>	<b>28,522</b>
Deferred tax expense recognised in profit or loss		
Deferred taxes	(62,458)	9,308
<b>Total deferred tax expense recognised in profit or loss (B)</b>	<b>(62,458)</b>	<b>9,308</b>
Deferred tax expense recognised in Other comprehensive income		
Deferred taxes	(67,319)	(7,365)
<b>Total deferred tax expense recognised in Other comprehensive income (C)</b>	<b>(67,319)</b>	<b>(7,365)</b>
Total deferred tax for the year (B+C)	(129,778)	1,943
Total income tax expense recognised in profit or loss (A+B)	42,945	37,830
Total income tax expense recognised in Other comprehensive income (C)	(67,319)	7,365
<b>Total income tax expense (A+B+C)</b>	<b>(24,375)</b>	<b>30,465</b>

# Notes to the Consolidated Financial Statements *(Contd.)*

for the year ended 31 March 2021

*(All amounts in INR hundreds, unless otherwise stated)*

## Note: 35 Fair value measurements

### Financial instruments by category

Particulars	31st March 2021		31st March 2020	
	FVPL	Amortised cost	FVPL	Amortised cost
<b>Financial assets</b>				-
Investments in equity instruments	50,577	-	93,497	-
Trade receivables	-	162,746	-	358,878
Cash and cash equivalents	-	70,834	-	71,231
Other financial assets	-	21,789	-	21,789
<b>Total financial assets</b>	<b>50,577</b>	<b>255,369</b>	<b>93,497</b>	<b>451,898</b>
<b>Financial liabilities</b>				
Borrowings	-	392,823	-	79,980
Cash credit from banks	-	725,737	-	1,970,387
Intercorporate deposit	-	746,643	-	826,643
Trade payable	-	1,978,484	-	2,570,663
Interest accrued and due on borrowings	-	430,571	-	438,410
Unpaid dividend	-	4,622	-	4,128
Payable to Employees	-	199,428	-	176,160
Others liability payable	-	27,775	-	35,404
Provision for bonus	-	849,327	-	360,631
<b>Total financial liabilities</b>	<b>-</b>	<b>5,355,410</b>	<b>-</b>	<b>6,462,406</b>

#### (i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The entire financial assets and liabilities of the Company is classified as Level 3 in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

#### Note:

- There have been no transfers between Level 1 and Level 2 for the years ended March 31, 2021 and March 31, 2020
- Costs of unquoted equity instruments has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.
- Fair value of borrowings which do not have an active market or are unquoted is estimated by discounting expected future cash flows using a discount rate equivalent to the risk-free rate of return adjusted for credit spread considered by lenders for instruments of similar maturities which is categorised as level 3 in the fair value hierarchy.

#### (ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the fair value of the financial instruments is determined using discounted cash flow analysis.

The fair values for financial instruments were calculated based on cash flows discounted using current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

## Notes to the Consolidated Financial Statements *(Contd.)*

for the year ended 31 March 2021

### (iii) Fair value of biological assets other than bearer plants

Particulars	31st March 21	31st March 20
Fair value of biological assets other than bearer plants (Unharvested tea leaves) for which fair value (less cost to sell) are disclosed	33,930	17,698

**Note:** The fair value of biological assets other than bearer plants are to considered as Level 2 fair values

### Note : 36 Capital management

#### (a) Risk management

The company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through a mixture of equity, long term borrowings and short term borrowings.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The amount mentioned under total equity in balance sheet is considered as Capital.

#### (b) Dividends paid and proposed

Particulars	31st March, 2021	31st March, 2020
<b>(i) Equity shares</b>		
Final dividend for the year ended 31 March 2020 - Rs. 0.75 (31 March 2019 - Rs. 0.50) per fully paid share	7,298	4,866
Dividend distribution tax	-	1,000
<b>(ii) Dividends not recognised at the end of the year</b>		
In addition to the above dividends, since year end the board has recommended the payment of a final dividend of Rs. 1 per fully paid equity share (31 March 2020 – Rs. 0.75). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	9,731	7,298

### Note: 37 Financial Risk Management

The Company's activities are exposed to a variety of financial risks: credit risk, liquidity risk and market risk (i.e. foreign currency risk, interest rate risk and price risk).

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk:

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables and financial assets measured at amortised cost.	Aging analysis Credit ratings	Diversification of bank deposits and credit limits, quality of customers
Liquidity risk	Financial liabilities that are settled by delivering cash or another financial asset.	Cash flow forecasts	Projecting cash flows and considering the level of liquid assets necessary to meet the liabilities
Market risk – security prices	Investments in equity securities	Sensitivity analysis	Portfolio diversification



## Notes to the Consolidated Financial Statements *(Contd.)*

for the year ended 31 March 2021

### (A) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) including deposits with banks and financial institutions and other financial instruments carried at amortised cost and financial guarantees.

#### i) Trade receivables

The Company's trade receivables comprises from various parties. Trade receivables are non-interest bearing. Outstanding customer receivables are regularly monitored. The ageing of trade receivables as of balance sheet date is given below. The age analysis have been considered from the due date:

Particulars	Less than six months	More than six months	Total
Trade receivable as on 31 March 2021 (Gross)	162,756	339,611	502,367
Less: Provision for impairment loss	-	(339,611)	(339,611)
<b>Trade receivable as on 31 March 2021 (Net)</b>	<b>162,756</b>	<b>-</b>	<b>162,756</b>

Particulars	Less than six months	More than six months	Total
Trade receivable as on 31 March 2020 (Gross)	19,267	339,611	358,878
Less: Provision for impairment loss	-	-	-
<b>Trade receivable as on 31 March 2020 (Net)</b>	<b>19,267</b>	<b>339,611</b>	<b>358,878</b>

The requirement for impairment is analysed at each reporting date. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 37. The Company does not hold collateral as security.

#### ii) Other financial instruments and deposits

Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loans receivables, investments and cash and cash equivalents held by the Company. None of the financial instruments of the Company result in material concentration of credit risk.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was Rs. 255,368 as at 31 March 2021, Rs. 451,898 as at 31 March 2020, being the total of the carrying amount of trade receivables and other financial assets.

### (B) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally performed in accordance with practice and limits set by the Company.

#### (i) Maturities of financial liabilities

The tables below analyse the group's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities 31st March 2021	Less than 1 year	More than 1 years	Total
Borrowings and interest thereon	300,247	92,576	392,823
Cash credit from banks	725,737	-	725,737
Intercorporate deposit	746,643	-	746,643
Trade payable	1,978,484	-	1,978,484
Interest accrued and due on borrowings	430,571	-	430,571
Unpaid dividend	4,622	-	4,622
Payable to Employees	199,428	-	199,428
Others liability payable	27,775	-	27,775
Provision for bonus	849,327	-	849,327
<b>Total financial liabilities</b>	<b>5,262,834</b>	<b>92,576</b>	<b>5,355,410</b>

# Notes to the Consolidated Financial Statements (Contd.)

for the year ended 31 March 2021

(All amounts in INR hundreds, unless otherwise stated)

Contractual maturities of financial liabilities 31st March 2020	Less than 1 year	More than 1 years	Total
Borrowings and interest thereon	56,892	23,088	79,980
Cash credit from banks	1,970,387	-	1,970,387
Intercompany deposit	826,643	-	826,643
Trade payable	(2,570,663)	-	(2,570,663)
Interest accrued and due on borrowings	438,410	-	438,410
Unpaid dividend	4,128	-	4,128
Payable to Employees	176,160	-	176,160
Others liability payable	35,404	-	35,404
Provision for bonus	360,631	-	360,631
<b>Total financial liabilities</b>	<b>6,439,318</b>	<b>23,088</b>	<b>6,240,662</b>

## (C) Market risk

### (i) Foreign currency risk

Foreign Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's transactions are denominated only in INR and hence the Company is not exposed to any foreign currency risk.

### (ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to the risk of changes in market interest rates because it does not have any floating rate borrowings nor does it have any variable rate financial assets.

### (iii) Price risk

#### (a) Exposure

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market. The company's exposure to equity securities price risk arises from investments held by the company in equity securities and classified in the balance sheet as at fair value through other comprehensive income.

#### (b) Sensitivity

The table below summarises the impact of increases/decreases of the prices of respective securities on company's equity and total other comprehensive income for the period. The analysis is based on the assumption that the price of the respective securities had increased by 5% or decreased by 5% with all other variables held constant:

Particulars	Impact on profit before tax		Impact on other component of equity	
	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
Increase by 5% (2020: 5%)*	2,529	4,675	1,808	3,313
Decrease by 5% (2020: 5%)*	(2,529)	(4,675)	(1,808)	(3,313)

\* Holding all other variables constant

## Note : 38 Employee benefit obligations

### (i) Defined contribution plan

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident fund which is defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are recognised in the Statement of Profit and Loss as they accrue. The amount recognised as an expense towards contribution to Provident fund for the year aggregates to Rs. 555,489 (2019-20: Rs. 472,547).

### (ii) Post-employment obligations

#### a) Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic (including dearness allowance) salary per month computed proportionately for 15 days (reckoning 26 days for a month) salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India.

Based on actuarial valuation, a provision is recognised in full for the projected obligation over and above the funds held in scheme.

## Notes to the Consolidated Financial Statements *(Contd.)*

for the year ended 31 March 2021

### (iii) Balance sheet recognition

#### a) Gratuity

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>1 April 2019</b>	<b>883,983</b>	-	<b>883,983</b>
Current service cost	73,307	-	73,307
Interest expense/(income)	68,067	-	68,067
<b>Total amount recognised in profit or loss</b>	<b>141,374</b>	-	<b>141,374</b>
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	44	(44)
Actuarial (gain)/loss from change in financial assumptions	24,016	-	24,016
Actuarial (gain)/loss from unexpected experience	(1,203)	-	(1,203)
<b>Total amount recognised in other comprehensive income</b>	<b>22,813</b>	<b>44</b>	<b>22,769</b>
Employer contributions/ premium paid	-	63,239	(63,239)
Benefit payments	(58,239)	(58,239)	-
<b>31 March 2020</b>	<b>989,931</b>	<b>5,044</b>	<b>984,887</b>

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>1 April 2020</b>	<b>989,931</b>	<b>5,044</b>	<b>984,887</b>
Current service cost	87,672		87,672
Interest expense/(income)	69,296	353	68,943
<b>Total amount recognised in profit or loss</b>	<b>156,968</b>	<b>353</b>	<b>156,615</b>
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	170	170
Actuarial (gain)/loss from change in financial assumptions	9,220	-	9,220
Actuarial (gain)/loss from unexpected experience	200,926	-	200,926
<b>Total amount recognised in other comprehensive income</b>	<b>210,146</b>	<b>170</b>	<b>210,316</b>
Employer contributions/ premium paid	-	130,604	(130,604)
Benefit payments	(130,604)	(130,604)	-
<b>31 March 2021</b>	<b>1,226,441</b>	<b>5,227</b>	<b>1,221,214</b>

\* The amount is higher because of increase in last drawn wages of Assam and Bengal Workers as notified by the Government. The increase in Wages of Bengal happened twice in a year and second time it included 15% increase in staff and substaff wages, whereas in Assam the increase is almost 30% one of highest in tea industries history

### (iv) Significant estimates: actuarial assumptions

The significant actuarial assumptions were as follows:

Particulars	31st March 2021	31st March 2020
Discount rate	6.90%	7.00%
Salary growth rate	2.00%	2.00%
Mortality rate	IALM (2012-14) Table	IALM (2012-14) Table
Disability Rate	5% of Mortality Rate	5% of Mortality Rate
Withdrawal rate	1% to 8%	1% to 8%
Retirement Age	58 Years	58 Years
Average Future Service	18.37	19.14

# Notes to the Consolidated Financial Statements *(Contd.)*

for the year ended 31 March 2021

*(All amounts in INR hundreds, unless otherwise stated)*

**(v) Sensitivity analysis**

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Impact on defined benefit obligation			
	31st March 2021		31st March 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (-/+ 1%)	(55,428)	110,246	(160,375)	94,431
Salary growth rate (-/+ 1%)	116,789	(61,759)	99,884	(48,147)
Withdrawal rate (-/+ 1%)	56,413	(16,067)	51,104	(11,658)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied while calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

**(vi) The major categories of plan assets**

The defined benefit plans are funded with insurance companies of India. The Company does not have any liberty to manage the funds provided to insurance companies. Thus the composition of each major category of plan assets has not been disclosed

**(vii) Risk exposure**

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

**Investment risk:**

The defined benefit plans are funded with insurance companies of India. The Company does not have any liberty to manage the funds provided to insurance companies.

The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the Government of India bonds. If the return on plan asset is below this rate, it will create a plan deficit.

**Interest risk:**

A decrease in the interest rate on plan assets will increase the plan liability.

**Life expectancy:**

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

**Salary growth risk**

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

**(viii) Defined benefit liability and employer contributions**

Expected contributions to post-employment benefit plans for the year ending 31 March, 2021 are Rs. 41,145,867

The weighted average duration of the defined benefit obligation is 4.58 years (31 March, 2020 – 4.59 years). The expected maturity analysis of undiscounted gratuity benefits is as follows:

Particulars	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years
<b>31 March, 2021</b>	-	469,750	251,813	419,870
Defined benefit obligation (gratuity)	-	469,750	251,813	419,870
<b>Total</b>				
<b>31 March, 2020</b>				
Defined benefit obligation (gratuity)	181,269	271,300	167,726	370,541
<b>Total</b>	<b>1,81,269</b>	<b>2,71,300</b>	<b>1,67,726</b>	<b>3,70,541</b>

# Notes to the Consolidated Financial Statements *(Contd.)*

for the year ended 31 March 2021

## (ix) Compensated absences

Compensated absences cover the Company's liability for sick and earned leave. As the Company does not have an unconditional right to defer the payment beyond 12 months the entire amount has been treated as current.

## Note : 39 Segment reporting

The Company is engaged in the business of growing, manufacturing and sale of black tea and is having its manufacturing facilities located in India. The performance of the Company is assessed and reviewed by the Chief Operating Decision Maker ('CODM') as a single operating segment and accordingly growing, manufacturing and sale of black tea is the only operating segment. Further, there are no reportable geographical segment since significant business is within India. Accordingly there is no other reportable segment as defined by Ind AS 108 "Operating Segment".

The Company is domiciled in India and sells its products in India.

## Note : 40 Related party disclosure

- a) **Associate Company** Sangam Investments Limited
- b) **Key management personnel** Mr Rajvinder Singh (Whole Time Director)  
Mrs. Nishita Dutta Chadda (Company Secretary)
- c) **Entities having significant influence over the Company :** Jardine Henderson Ltd.
- d) **Key management personnel compensation**

Particulars	31st March 21	31st March 20
Short-term employee benefits	37,709	43,649
Post-employment benefits		
Long-term employee benefits		
Termination benefits		

## e) Transactions with related party

The following transactions occurred with related parties:

Particulars	31st March 21	31st March 20
Jardine Henderson Ltd.:		
a) Establishment charge	1,800	1,800
b) Other Services	5,883	7,848
c) Interest on loan	25,564	52,858

## f) Outstanding balances arising from sales/purchases of goods and services.

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

Particulars	31st March 21	31st March 20
Trade payables (purchases of goods and services) - Jardine Henderson Ltd.	60,784	59,613
Trade receivables (sale of goods and services) - Jardine Henderson Ltd.	-	-

## g) Loans to/from related parties

Particulars	31st March 21	31st March 20
Loans from Jardine Henderson Ltd.		
Beginning of the year	948,953	711,483
Loans advanced	-	237,470
Loan repayments made	-	-
End of the year	948,953	948,953

There is no allowance account for impaired receivables in relation to any outstanding balances, and no expense has been recognised in respect of impaired receivables due from related parties.

Transactions relating to dividends were on the same terms and conditions that applied to other shareholders.

All outstanding balances are unsecured and are repayable in cash.

## Notes to the Consolidated Financial Statements (Contd.)

for the year ended 31 March 2021

(All amounts in INR hundreds, unless otherwise stated)

### Note : 41 Other notes to accounts

- a. Estimated amount of contracts remaining to be executed on Capital Account and not provided for Rs. Nil (31st March 2019 – Rs. Nil).
- b. **Contingent liability not provided for:**
- i) In respect of Central sales tax matters under appeal Rs. 49,56,717 (31st March 2020 Rs. 49,56,717) and in respect of Value Added Tax matters under appeal Rs. 75,808 (31st March 2020 Rs. 75,808 )
- ii) In respect of Income Tax matters under appeal Rs. 3,39,73,985 (31st March 2020 Rs. 51,57,590 )
- Certain areas of certain estates of the Company have been acquired by the Governments of West Bengal and Assam under West Bengal Estates Acquisition Act, and Assam Land Ceiling Act, respectively. Compensation, if any, in this regard is yet to be ascertained.

### Particulars in respect of manufacture of black tea:

(In kgs)

Year	Licensed Capacity	Installed Capacity	Actual production	Total saleable tea
2020-21	N.A	Not ascertainable in terms of made tea	5,247,603	5,126,438
2019-20			5,169,949	5,053,500

### Particulars in respect of Sales, Opening and Closing stock of black tea:

Year	Sales		Opening Stock		Closing Stock	
	Quantity (Kg.)	Amount	Quantity (Kg.)	Amount	Quantity (Kg.)	Amount
2020-21	5,015,720	12,826,084	1,321,946	2,098,962	1,240,406	2,030,044
2019-20	5,066,022	10,270,055	1,454,436	1,851,668	1,321,946	2,098,962

### ACCOUNTING POLICIES AND NOTES ON ACCOUNTS - 1 to 42

The notes referred to above form an integral part of the Financial Statements.

In terms of our attached Report of even date

For and on behalf of the Board of Directors

For **M. C. DAS & Co**

Chartered Accountants

Firm's Registration Number: 301110E

**A. K. BANERJEE**

Partner

Membership Number: 050243

Place : Kolkata

Date : 24th June, 2021

**Suparna Chakrabortti**

Director

DIN: 07090308

**Rajvinder Singh**

Managing Director

DIN: 06931916

**Nishita Dutta Chadda**

Company Secretary

## Notes to the Consolidated Financial Statements *(Contd.)*

for the year ended 31 March 2021

### Note: 42 Interests in other entity

Interest in associate

Set out below is the associate of the Group as at 31 March 2021. The entities listed below have share capital consisting solely of equity shares, which are held directly by the Group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of the entity	Place of business/ country of incorporation	Relationship	Accounting method	% of ownership interest		Principal activities
				31 March 2021 %	31 March 2020 %	
Sangam Investments Limited	India	Associate	Equity method	24.15%	24.15%	Trading and investment activities

### (i) Summarised financial information for associate

The tables below provide summarised financial information for the associate. The information disclosed reflects the amounts presented in the financial statements of the relevant associate and not SIL's share of those amounts.

Summarised balance sheet	Sangam Investments Limited	
	31 March 2021	31 March 2020
Total current assets	4,099	4,041
Total non-current assets	820	804
Total current liabilities	37,510	37,235
Total non-current liabilities	-	-
<b>Net assets</b>	<b>(32,591)</b>	<b>(32,390)</b>

### Summarised statement of profit and loss

Summarised statement of profit and loss	Sangam Investments Limited	
	31 March 2021	31 March 2020
Revenue	80	66
Profit for the year	(201)	(541)
Other comprehensive income	-	-
Total comprehensive income	(201)	(541)

### Reconciliation to carrying amounts

	Sangam Investments Limited	
	31 March 2021	31 March 2020
Closing net assets	(32,591)	(32,390)
Group's share in %	24.15%	24.15%
Group's shares	(7,871)	(7,822)
Group's shares of losses exceeding investments not recognised	7,871	7,822
<b>Carrying amount</b>	<b>-</b>	<b>-</b>

### ACCOUNTING POLICIES AND NOTES ON ACCOUNTS - 1 to 42

The notes referred to above form an integral part of the Financial Statements.

In terms of our attached Report of even date

For **M. C. DAS & Co**

Chartered Accountants

Firm's Registration Number: 301110E

**A. K. BANERJEE**

Partner

Membership Number: 050243

Place : Kolkata

Date : 24th June, 2021

For and on behalf of the Board of Directors

**Suparna Chakrabortti**

Director

DIN: 07090308

**Rajvinder Singh**

Managing Director

DIN: 06931916

**Nishita Dutta Chadda**

Company Secretary

*If undelivered, please return to :*

**RYDAK SYNDICATE LIMITED**

CIN : L65993WB1900PLC001417

4, Dr. Rajendra Prasad Sarani

Kolkata - 700 001