

## INDEPENDENT AUDITOR'S REPORT

To the Members of Keshava Plantations Private Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of Keshava Plantations Private Limited ("the Company"), which comprise the Balance Sheet as at March 31<sup>st</sup> 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its loss, total comprehensive Income, the changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

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

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

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

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

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



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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time;
  - (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls with reference to financial statement of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
  - (g) The Company has not paid/ provided for managerial remuneration during the year.



(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The management has represented to us that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
(b) The management has represented to us that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and  
  
(c) Based on our audit procedures that are considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under paragraph 2(h) (iv)(a) &(b) above, contain any material mis-statement.
- v. The Company has not declared any dividend in last year which has been paid in current year. Further, no dividend has been declared in current year. Accordingly, the provision of section 123 of the Act is not applicable to the company.



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

*Utsav Saraf*

Utsav Saraf  
Partner

Membership No. 306932  
UDIN: - 22306932AMFFMU9730

Place: Kolkata  
Date: 11<sup>th</sup> May, 2022



**ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" section of our Report to the members of Keshava Plantations Private Limited of even date)

- i. In respect of the Company's fixed assets:
  - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  
  
(B) The Company has maintained proper records showing full particulars of intangible assets.
  - (b) The property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
  - (d) The Company has not revalued its property, plant and equipment and intangible assets during the year.
  - (e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its standalone financial statements does not arise.
- ii.
  - (a) According to information and explanation given to us, inventories were physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on such verification.
  - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- iii. The Company has not made any investment, provided any security and guarantee or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms and limited liability partnership or any other parties covered. Accordingly, report under clause (iii) (a) to (f) of the Order are not applicable to the company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not made any investment, provided any security and guarantee or granted any loans or advances in the nature of loans, secured or unsecured during the year in respect of which provision of section 185 and 186 are applicable and accordingly the requirement to report on clause 3 (iv) of the Order are not applicable to the company.
- v. The Company has not accepted deposits from public within the meaning of section 73,74, 75,76 of the Act and the Rules framed there under to the extent notified



- vi. The Central Government has not prescribed the maintenance of any cost records under Section 148 (1) of The Company Act, 2013.
- vii. a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Goods and Services Tax, Excise Duty, Value Added Tax, Cess and other statutory dues with the appropriate authorities. According to the information and explanations given to us and the records of the Company examined by us, no undisputed statutory dues as above were outstanding as at 31st March, 2022 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us and records of Company examined by us, the dues of sales tax, income tax, duty of customs, duty of excise, service tax and value added tax which have not been deposited on account of any dispute.
- viii. According to information and explanations given to us, Company has not surrendered or disclosed any transaction, previously unrecorded in the books of accounts, in the tax assessments under the Income Tax Act, 1961, as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable.
- ix. (a) According to the information and explanations given to us and as per the books and records examined by us, in our opinion, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender including the loans and interest are repayable on demand.
- (b) According to the information and explanations given to us and the records of the Company examined by us including representation received from the management, the Company has not been declared willful defaulter by any bank, financial institution or other lenders or government or any Government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, prima facie, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has no subsidiaries, associates or joint ventures. Accordingly, the requirement to report on clause 3(ix) (e) and (f) of the Order is not applicable.
- x. (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and as per the books and records examined by us, the company has not made any preferential allotment or private placement of shares or convertible debentures during the year. Accordingly, reporting under clause (x) (b) of the Order is not applicable to the Company.
- xi. a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or any fraud on the company has been noticed or reported during the year. Accordingly reporting under clause 3 (xi) (a) of the order is not applicable to the company.
- b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) Based on the information and explanations provided to us, the Company does not have a vigil mechanism and is not required to have a vigil mechanism as per Companies Act, 2013.



- xii. In our opinion, the company is not a Nidhi Company. Accordingly reporting under clause (xii) (a) to (c) of the order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi) (a) of the Order is not applicable to the Company.
- (b) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have more than one CIC.
- xvii. In our opinion, and according to the information and explanations provided to us, The Company has incurred cash losses of Rs. 81.74 Lakh in the current financial year and in the immediately preceding financial year there was no cash loss.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, provisions of clause (xviii) of the Order are not applicable to the Company.
- xix. The Company has incurred losses in the current year and the Company's current liabilities exceed its current assets as at 31 March 2022 by INR. 868.29 Lakh. According to the information and explanations given to us, on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans as given in Note 56.2.1.d of Financial Statements which causes us to believe that no material uncertainty exists as on the date of the audit report in relation to company's capability of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.



- xx. The requirements as stipulated by the provisions of section 135 of the Companies Act is not applicable to the Company. Accordingly, the requirement to report on clause 3 (xx) (a) and (b) of the Order is not applicable to the Company.
- xxi. As explained by the management, the company does not have subsidiary, associate and Joint venture, accordingly, the requirement to report on clause 3 (xxi) of the Order is not applicable to the Company.



**For J K V S & CO**  
**Chartered Accountants**  
**Firm 's Registration No. 318086E**

*Utsav Saraf*

**Utsav Saraf**  
**Partner**

**Membership No. 306932**  
**UDIN: 22306932AMFFMU9730**

**Place: Kolkata**

**Date: 11<sup>th</sup> May, 2022**



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

(Referred to in paragraph 2 (f) under "Report on Other Legal and Regulatory Requirements" section of our Report to the members of Keshava Plantations Private Limited of even date)

We have audited the internal financial controls over financial reporting of Keshava Plantations Private Limited ("the Company") as of 31st March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

**AUDITOR'S RESPONSIBILITY**

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

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

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



**MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENT**

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 WITH REFERENCE TO FINANCIAL STATEMENT**

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

**OPINION**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI.



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

*Utsav Saraf*

**Utsav Saraf**  
**Partner**

Membership No. 306932  
UDIN: 22306932AMFFMU9730

**Place: Kolkata**

**Date: 11<sup>th</sup> May, 2022**

**KESHAVA PLANTATIONS PRIVATE LIMITED**  
CIN No. U01132AS1999PTC005666  
BALANCE SHEET as at 31st March, 2022

(₹ in Lakhs)

	Note No.	As at 31st March, 2022		As at 31st March, 2021	
ASSETS					
1 NON-CURRENT ASSETS					
a Property, Plant and Equipment	5	2,341.41		2,344.94	
b Capital Work-In-Progress	6	22.08		59.22	
c Intangible Assets	7	5.79		4.75	
d Intangible Assets under Development	8	-		2.34	
e Financial Assets					
i Other Financial Assets	16	28.89		26.23	
f Other Non Current Assets	10	0.59		1.10	
g Non-Current Tax Assets	11	19.02	2,417.78	17.51	2,456.09
2 CURRENT ASSETS					
a Biological Asset other than Bearer Plants	12	6.44		2.52	
b Inventories	13	102.45		172.27	
c Financial Assets					
i Trade Receivables	14	14.08		4.31	
ii Cash and Cash Equivalents	15	10.86		1.90	
iii Loans	9	0.88		0.96	
iv Other Financial Assets	16	1.89		1.52	
d Other Current Assets	10	92.52	229.12	75.22	258.70
Total Assets			2,646.90		2,714.79
EQUITY AND LIABILITIES					
EQUITY					
a Equity Share Capital	17	80.00		80.00	
b Other Equity	18	1,181.24	1,261.24	1,336.35	1,416.35
LIABILITIES					
1 NON-CURRENT LIABILITIES					
a Financial Liabilities					
i Borrowings	19	39.50		51.74	
b Provisions	23	121.28		131.15	
c Deferred Tax Liabilities (Net)	20	106.90		112.57	
d Other Non Current Liabilities	24	20.57		9.73	
			288.25		305.19
2 CURRENT LIABILITIES					
a Financial Liabilities					
i Borrowings	19	952.74		824.11	
ii Trade Payables	21				
Total outstanding dues of creditors to micro enterprises and small enterprises		1.03		10.95	
Total outstanding dues of creditor to other than micro enterprises and small enterprises		37.43		45.83	
iii Other Financial Liabilities	22	59.55		71.02	
b Provisions	23	28.81		25.72	
c Other Current Liabilities	24	17.85	1,097.41	15.62	993.25
Total Equity and Liabilities			2,646.90		2,714.79

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

As per our report of even date annexed.

For and on behalf of  
J K V S & CO  
Chartered Accountants  
Firm Registration No. 318086E

Utsav Saraf  
(Partner)  
Membership No. 306932  
Kolkata  
Dated: 11th May, 2022



For and on behalf of Board of Directors  
  
Sayansiddha Das  
Director

Sharad Bagree  
Director

## KESHAVA PLANTATIONS PRIVATE LIMITED

CIN No. U01132AS1999PTC005666

## STATEMENT OF PROFIT &amp; LOSS for the year ended 31st March, 2022

(₹ in Lakhs)

INCOME	Note No.	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Revenue from Operations	25	1,034.38	992.12
Other Income	26	20.38	5.14
<b>Total Income</b>		<b>1,054.76</b>	<b>997.26</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	27	39.92	30.86
Changes in Inventories of Finished Goods, Stock-In-Trade and Work-in-Progress	28	78.61	(115.49)
Employee Benefits Expense	29	641.71	569.00
Finance Costs	30	95.94	93.81
Depreciation and Amortisation Expense	31	94.98	98.48
Other Expenses	32	280.32	264.79
<b>Total Expenses</b>		<b>1,231.48</b>	<b>941.45</b>
<b>Profit before Exceptional Items and Tax</b>		<b>(176.72)</b>	<b>55.81</b>
Exceptional Items		-	-
<b>Profit before Tax</b>		<b>(176.72)</b>	<b>55.81</b>
Tax Expense:	33		
Current Tax		-	-
Deferred Tax		(9.81)	(32.96)
<b>Profit for the year</b>		<b>(166.91)</b>	<b>88.77</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss	34		
Remeasurement of the defined benefit plans		15.94	(20.63)
Income tax relating to these items		(4.14)	5.36
<b>Other Comprehensive Income for the Year (Net of Tax)</b>		<b>11.80</b>	<b>(15.27)</b>
<b>Total Comprehensive Income for the period</b>		<b>(155.11)</b>	<b>73.50</b>
<b>Earnings Per Share</b>	35	(208.64)	110.96
Basis of preparation and presentation of Financial Statement	2		
Significant Accounting Policies	3		
Significant Judgements & Key Estimates	4		
The Notes are an integral part of the Financial Statements			

As per our report of even date annexed.

For and on behalf of

JKVS &amp; CO

Chartered Accountants

Firm Registration No. 318086E

Utsav Saraf

Utsav Saraf  
(Partner)

Membership No. 306932

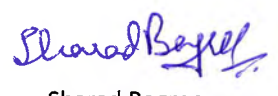
Kolkata

Dated: 11th May, 2022



For and on behalf of Board of Directors

  
 Sayansiddha Das  
 Director

  
 Sharad Bagree  
 Director



(₹ in Lakhs)

A) Equity Share Capital

1. Current reporting Year

Balance as at 01.04.2021	Change in Equity Share Capital due to prior period errors	Restated balance as at 01.04.2021	Changes in equity share capital during the current year	Balance as at 31.03.2022
80.00	-	-	-	80.00

2. Previous reporting Year

Balance as at 01.04.2020	Change in Equity Share Capital due to prior period errors	Restated balance as at 01.04.2020	Changes in equity share capital during the current year	Balance as at 31.03.2021
80.00	-	-	-	80.00

B) Other Equity

1. Current reporting Year

Particulars	Reserve & Surplus			Total
	Capital Reserve	Retained earnings (including Other Comprehensive Income)		
Balance as at April 1, 2021	5.00	1,331.35		1,336.35
Profit/(Loss) for the year	-	(166.91)		(166.91)
Other Comprehensive Income/(Loss) for the year	-	11.80		11.80
Balance as at March 31, 2022	5.00	1,176.24		1,181.24

2. Previous reporting Year

Particulars	Reserve & Surplus			Total
	Capital Reserve	Retained earnings (including Other Comprehensive Income)		
Balance as at April 1, 2020	5.00	1,257.85		1,262.85
Profit/(Loss) for the year	-	88.77		88.77
Other Comprehensive Income/(Loss) for the year	-	(15.27)		(15.27)
Balance as at March 31, 2021	5.00	1,331.35		1,336.35

The Notes are an integral part of the Financial Statements

As per our report of even date annexed.

For and on behalf of

J K V S & CO

Chartered Accountants

Firm Registration No. 318086E

Utsav Saraf

(Partner)

Membership No. 306932

Kolkata

Dated: 11th May, 2022

For and on behalf of Board of Directors



Savansiddha Das  
Director

Sharad Bagree  
Director

**KESHAVA PLANTATIONS PRIVATE LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022**

( Amount in ₹ )

	Particulars	2021-2022		2020-2021	
		Amount	Amount	Amount	Amount
A)	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
	Profit after Exceptional Items & before Tax		(176.72)		55.81
	Adjustments for :				
	Depreciation & Amortisation	94.98		98.48	
	Interest Income	(1.95)		(1.76)	
	Fair Valuation for Biological Assets other than bearer plant	(3.93)		(2.52)	
	Finance Cost	95.94		93.81	
	Sundry Credit bal. no longer required written back	(3.54)		(0.63)	
	Remeasurement of post -employment defined benefit obligation	15.94		(20.63)	
	Loss on Sale/ Discard of Property , Plant and Equipment	1.41		9.67	
			198.85	-	176.42
	Operating Profit before working capital changes		22.13		232.23
	Adjustments for :				
	(Increase)/Decrease in Trade Receivables	(9.77)		11.34	
	(Increase)/Decrease in Inventories	69.83		(124.99)	
	(Increase)/Decrease in Loans, Other Financial Assets & Other Assets	(19.74)		22.97	
	Increase/(Decrease) in Trade Payables & Other Liability	(7.71)		(7.54)	
	Increase/(Decrease) in Provision	(3.24)	29.37	6.09	(92.13)
	Cash Generated from Operations		51.50		140.10
	Direct Taxes (Paid)/Refund received (Net)		(1.51)		(4.95)
	Net Cash from operating activities		49.99		135.15
B)	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
	Purchase of Property, Plant and Equipment & Intangible Assets including CWIP / Capital Advances	(54.99)		(86.74)	
	Sale of Property, Plant and Equipment Assets	0.57		1.35	
	Interest Received	1.95		1.76	
	Net cash used in Investing Activities		(52.47)		(83.63)
			(2.48)		51.52
C)	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
	Proceeds from Non Current Borrowings	8.99		58.00	
	Repayments of Non Current Borrowings	(10.64)		(1.76)	
	(Repayments)/Proceeds from Short Term /Other Borrowings	118.04		(21.08)	
	Interest paid	(104.95)		(93.51)	
	Net Cash from/(used in) Financing Activities		11.44		(58.35)
	Net Increase/ (Decrease) in Cash and Cash Equivalents		8.96		(6.83)
	Cash and Cash Equivalents - Opening Balance	1.90		8.73	
	Cash and Cash Equivalents - Closing Balance	10.86		1.90	

**Notes :**

- 1 Cash and cash equivalents consists of cash on Hand and balances with banks in current / Cash Credit accounts as per note 3.2
- 2 Previous year's figures have been regrouped/ rearranged wherever necessary
- 3 Cash and cash equivalents consists of:

Particulars	2021-22	2020-21
Cash on hand	0.66	1.66
Bank Balance	10.20	0.24
Total	10.86	1.90

4

The above Cash Flows have been prepared under the 'Indirect Method' as set out in Indian Accounting Standards (IND AS) 7 - Statement of Cash Flows

This is the Cash Flow Statement referred to in our report of even date.

For and on behalf of

**J K V S & CO**

Chartered Accountants

Firm Registration No. 318086E

*Utsav Saraf*

Utsav Saraf  
(Partner)

Membership No. 306932

Kolkata

Dated: 11th May, 2022



For and on behalf of Board of Directors

*Sayansiddha Das*  
Sayansiddha Das  
Director

*Sharad Bagree*  
Sharad Bagree  
Director



**KESHAVA PLANTATIONS PRIVATE LIMITED**  
Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2022

## 1. CORPORATE AND GENERAL INFORMATION

Keshava Plantations Private Limited was incorporated as a Private Limited Company in India under the Companies Act 1956. It is a wholly owned subsidiary of Joonktollee Tea & Industries Limited. Since 2016, the Company has been under the management of the Joonktollee Tea & Industries Limited. The Company's principal business is manufacturing of Tea.

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

### 2.1 Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and presentation requirements of Division II of Schedule III to the Companies Act 2013, (IND AS Compliant Schedule III), as applicable to the financial statements and other relevant provisions of the Act and other accounting principles generally accepted in India.

The financial statements of the Company for the year ended 31st March, 2022 has been approved by the Board of Directors in their meeting held on 11<sup>th</sup> May, 2022.

### 2.2 Basis of Measurement

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

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

### 2.3 Functional and Presentation Currency

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

### 2.4 Use of Estimates and Judgements

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

### 2.5 Presentation of Financial Statements

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

### 2.6 Operating Cycle for current and non-current classification

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

An asset is classified as current when it is:

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





**KESHAVA PLANTATIONS PRIVATE LIMITED**  
**Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2022**

All the other assets are classified as non-current.

A liability is current when:

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

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

## **2.7 Measurement of Fair Values**

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

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

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

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

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

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

- **Ind AS 16 – Property Plant and equipment** - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022.
- **Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets** – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate





# KESHAVA PLANTATIONS PRIVATE LIMITED

Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2022

directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted.

- **Ind AS 103 – Reference to Conceptual Framework** The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103.
- **Ind AS 109 – Annual Improvements to Ind AS (2021)** The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability.
- **Ind AS 106 – Annual Improvements to Ind AS (2021)** The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration.

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

## 3 SIGNIFICANT ACCOUNTING POLICIES

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

### 3.1 INVENTORIES

Inventories are valued at the lower of cost and net realizable value (NRV). Cost is measured by including, unless specifically mentioned below, cost of purchase and other costs incurred in bringing the inventories to their present location and condition. NRV is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

- **Raw Materials:** At Cost or Net Realizable Value whichever is lower. Cost of harvested tea leaves, produced from own gardens, is measured at fair value less cost to sell at the point of harvest of tea leaves. Cost of other raw materials is measured on weighted average basis.
- **Stores and Spare Parts:** Stores and Spare Parts are measured at cost (measured at weighted average basis) or net realizable value whichever is lower.
- **Stock in Process:** Is valued with material at lower of weighted average cost and market rate and estimated conversion cost.
- **Finished Goods:** Finished goods produced from agricultural produce are valued at lower of cost and the net realizable value. Cost is arrived at by adding the cost of conversion to the fair value of agricultural produce. Other finished goods are measured at cost or NRV whichever is lower.
- **Waste/ Scrap:** Waste and Scrap (including tea waste) are valued at estimated realizable value.

### 3.2 CASH AND CASH EQUIVALENTS

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

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



# KESHAVA PLANTATIONS PRIVATE LIMITED

Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2022

## 3.3 INCOME TAX

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

### 3.3.1 Current Tax:

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

### 3.3.2 Deferred Tax

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

## 3.4 PROPERTY, PLANT AND EQUIPMENT

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

#### 3.4.1.1 Recognition and Measurement:

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





# KESHAHA PLANTATIONS PRIVATE LIMITED

Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2022

- If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.
- Profit or loss arising on the disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

## 3.4.1.2 Subsequent Measurement:

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

## 3.4.1.3 Depreciation and Amortization:

- Depreciation on Property, Plant & Equipment is provided under Written Down Method at rates determined based on the useful life of the respective assets and the residual values in accordance with Schedule II of the Companies Act, 2013 or as reassessed by the Company based on the technical evaluation.
- In case of asset "Fences, wells, tube wells" & "Carpeted Roads – Other than RCC", depreciation has been provided on written down value method at the rates determined considering the useful lives of 15 years which is based on assessment carried out by external valuers and the management believes that the useful lives as considered above best represent the period over which the respective assets shall be expected in use.
- In respect of spares for specific machinery, cost is amortized over the useful life of the related machinery as estimated by the management.
- In case of asset "Pruning Machine" and "Spraying Machine", depreciation has been provided on written down value method at the rates determined considering the useful lives of 3 years.
- Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed of).
- Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

## 3.4.1.4 Disposal of Assets

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

## 3.4.1.5 Capital Work In Progress

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

## 3.4.2 Bearer Plants

### 3.4.2.1 Recognition and Measurement:

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

### 3.4.2.2 Depreciation:

- Depreciation on bearer plants is recognised so as to write off its cost over useful lives, using the straight-line method.
- The residual value in case of Bearer Plants has been considered as NIL. Estimated useful life of the bearer plants has been determined as the following:

Tea Bushes	50 years
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# KESHAVA PLANTATIONS PRIVATE LIMITED

Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2022

## 3.4.2.3 Capital Work in Progress

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

## 3.5 LEASES

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

### 3.5.1 Company as lessor

#### ➤ Finance Lease

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

#### ➤ Operating Lease

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

### 3.5.2 Company as lessee

#### ➤ Finance Lease

Finance Leases, which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease Payments under such leases are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly to the statement of profit and loss. Lease management fees, legal charges and other initial direct costs are capitalized.

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

#### ➤ Operating Lease

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

#### i) Right-of-use Assets (ROU Assets)

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

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





# KESHAVA PLANTATIONS PRIVATE LIMITED

Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2022

## ii) Lease Liabilities

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

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

## iii) Short-term leases and leases of low-value assets

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

## 3.6 REVENUE FROM CONTRACT WITH CUSTOMERS

Revenue is recognized based to the extent it is probable that the economic benefit will flow to the company and 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, taking into account contractually defined terms of payment, and excludes taxes & duties collected on behalf of the Government and is reduced for estimated customer returns, rebates and other similar allowances.

### 3.6.1 Sale of Products:

Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

### 3.6.2 Rental Income

Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease unless the payments are structured to increase in line with expected general inflation to compensate for the company's expected inflationary cost increases.

### 3.6.3 Other Income:

Interest Income: For all debt instruments measured either at amortized cost or at fair value through other comprehensive income (FVTOCI), interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

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

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



**KESHAVA PLANTATIONS PRIVATE LIMITED**  
Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2022

**3.7 EMPLOYEE BENEFITS**

**3.7.1 Short Term Benefits**

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

**3.7.2 Other Long Term Employee Benefits**

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

**3.7.3 Post Employment Benefits**

The Company operates the following post employment schemes:

➤ **Defined Contribution Plan**

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

➤ **Defined Benefit Plans**

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

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

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

**3.8 GOVERNMENT GRANTS**

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

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

**3.9 FOREIGN CURRENCY TRANSACTIONS**

- Foreign currency (other than the functional currency) transactions are translated into the functional currency using the spot rates of exchanges at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchanges at the reporting date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities are generally recognized in profit or loss in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use,





# KESHAVA PLANTATIONS PRIVATE LIMITED

Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2022

which are included in the cost of those qualifying assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings, the balance is presented in the Statement of Profit and Loss within finance costs.

- Non-monetary items are not retranslated at period end and are measured at historical cost (translated using the exchange rate at the transaction date).

## 3.10 BORROWING COSTS

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

## 3.11 FINANCIAL INSTRUMENTS

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

### 3.11.1 Financial Assets

- Recognition and Initial Measurement:

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

- Classification and Subsequent Measurement:

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

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

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

- Measured at Amortized Cost: A debt instrument is measured at the amortized cost if both the following conditions are met:
  - The asset is held within a business model whose objective is achieved by both collecting contractual cash flows; and
  - The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade receivables, cash and bank balances, loans and other financial assets of the company.

- Measured at FVTOCI: A debt instrument is measured at the FVTOCI if both the following conditions are met:
  - The objective of the business model is achieved by both collecting contractual cash flows and selling the financial assets; and
  - The asset's contractual cash flows represent SPPI.



# KESHAHA PLANTATIONS PRIVATE LIMITED

Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2022

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

- **Measured at FVTPL:** FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss. Equity instruments which are, held for trading are classified as at FVTPL.
- **Equity Instruments designated at FVTOCI:** For equity instruments, which has not been classified as FVTPL as above, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. In case the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment.

➤ **Derecognition:**

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

➤ **Impairment of Financial Assets:**

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

## 3.11.2 Financial Liabilities

➤ **Recognition and Initial Measurement:**

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

➤ **Subsequent Measurement:**

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

➤ **Derecognition:**

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

## 3.11.3 Offsetting financial instruments

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





**KESHAVA PLANTATIONS PRIVATE LIMITED**  
Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2022

**3.12 Earnings Per Share**

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

**3.13 Impairment of Non-Financial Assets**

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

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

**3.14 Provisions, Contingent Liabilities and Contingent Assets**

**3.14.1 Provisions**

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

**3.14.2 Contingent Liabilities**

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

**3.14.3 Contingent Assets**

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

**3.15 Non-Current Assets held for sale**

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

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

**3.16 Intangible Assets**

**3.16.1 Recognition and Measurement**

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



## KESHAVA PLANTATIONS PRIVATE LIMITED

Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2022

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### 3.11.2 Financial Liabilities

➤ Recognition and Initial Measurement:

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

➤ Subsequent Measurement:

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

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

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





**KESHAVA PLANTATIONS PRIVATE LIMITED**  
Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2022

**3.12 Earnings Per Share**

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

**3.13 Impairment of Non-Financial Assets**

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

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

**3.14 Provisions, Contingent Liabilities and Contingent Assets**

**3.14.1 Provisions**

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

**3.14.2 Contingent Liabilities**

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

**3.14.3 Contingent Assets**

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

**3.15 Non-Current Assets held for sale**

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

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

**3.16 Intangible Assets**

**3.16.1 Recognition and Measurement**

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





**KESHAVA PLANTATIONS PRIVATE LIMITED**  
Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2022

**3.16.2 Subsequent Expenditure**

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

**3.16.3 Amortization**

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

**3.16.4 Intangible Assets under Development**

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

**3.17 Biological Assets and Agricultural Produce**

**3.17.1 Biological Assets**

Biological assets of the company comprise of un-harvested green tea leaves and other minor produce are measured at fair value less cost of sales. The gain or loss arising from a change in fair value less cost to sell of biological assets is included in Statement of Profit and Loss for the period in which it arises.

**3.17.2 Agricultural Produce**

Agricultural produce harvested from the Company's biological assets are valued at fair value less cost to sell at the point of harvest. A gain or loss arising on initial recognition of agricultural produce at fair value less cost to sell shall be included in Statement of Profit & Loss for the period in which it arises.

**3.18 Operating Segment**

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

The Company has identified single reporting segment i.e. tea.

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

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

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



## KESHAVA PLANTATIONS PRIVATE LIMITED

Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2022

assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.

- **Provisions and Contingencies:** The assessments undertaken in recognising provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.
- **Impairment of Financial Assets:** The Company reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication of impairment. If recoverable amount is less than its carrying amount, the impairment loss is accounted for.
- **Allowances for Doubtful Debts:** The Company makes allowances for doubtful debts through appropriate estimations of irrecoverable amount. The identification of doubtful debts requires use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.
- **Fair value measurement of financial Instruments:** When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The input to these models are taken from observable markets where possible, but where this not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.
- **Fair Value of Biological Assets and Agricultural Produce:** The fair value of Biological Assets and Agricultural Produce is determined based on recent transactions entered into with third parties or available market price. Fair valuation of Biological Asset and Agriculture Produce are based on the market rates published by the industrial body for various grades from which the fair value of Biological asset and Agriculture Produce are derived.
- **Uncertainties relating to the global health pandemic from COVID-19:**  
The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, projects work- in -progress and inventories including biological assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.





5 PROPERTY, PLANT AND EQUIPMENT

Particulars	Year Ended 31st March 2022							Net Carrying Amount
	Gross Carrying Amount			Accumulated Depreciation				
	As at	Additions	Disposals	As at	Depreciation charged	Deductions	As at	
	31st March 2021			31st March 2022	during the year		31st March 2022	
Leasehold Land & Development	1,358.97	-	-	1,358.97	-	-	-	1,358.97
Buildings	471.08	37.79	-	508.87	29.11	-	191.95	316.92
Plant and Machinery	324.01	30.80	10.52	344.29	29.61	9.63	226.48	117.81
Furniture and Fittings	14.96	0.87	-	15.83	7.80	1.88	9.68	6.15
Vehicles	48.79	10.27	-	59.06	15.32	-	25.06	34.00
Office Equipments	5.89	0.99	-	6.88	5.07	0.36	5.43	1.45
Bearer Plant	628.76	11.41	3.82	636.35	109.98	22.99	130.24	506.11
Total	2,853.46	92.13	14.34	2,931.25	507.51	12.36	588.84	2,341.41

Particulars	Year Ended 31st March 2021							
	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amount	
	As at 31st March 2020	Additions	Disposals	As at 31st March 2021	Depreciation charged during the year	Deductions		As at 31st March 2021
Leasehold Land & Development	1,358.97			1,358.97	-		-	1,358.97
Buildings	449.05	22.03	-	471.08	27.50		162.84	308.24
Plant and Machinery	413.96	2.71	92.66	324.01	36.16	81.64	206.50	117.50
Furniture and Fittings	14.96	-	-	14.96	5.48		7.80	7.16
Vehicles	29.66	19.13	-	48.79	9.15		15.32	33.47
Office Equipments	5.89	-	-	5.89	6.17		5.07	0.82
Bearer Plant	602.47	26.29	-	628.76	4.66		109.78	518.78
Total	2,875.96	70.16	92.66	2,853.46	87.24	81.64	507.51	2,344.94

- i) The Company has not revalued its property, plant and equipment during the year ended March 31, 2022 and March 31, 2021.  
ii) The Company does not have any immovable property, whose title deeds are not held in the name of the Company during the year ended March 31, 2022 and also as at March 31, 2021.  
iii) Refer note no. 47 for information on the carrying amounts of financial and non-financial assets pledged as security for the non-current borrowings.





KESHAVA PLANTATIONS PRIVATE LIMITED

CIN No. U01132AS1999PTC005666

Notes to Financial Statements as on and for the year ended 31st March, 2022

(₹ in Lakhs)

6 Capital Work in Progress

As at	As at
31st March, 2022	31st March, 2021
22.08	59.22

Capital Work in Progress

6.1 Ageing for Capital work-in-progress as at March 31, 2022 is as follows:

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1 year-2 years	2 years-3 years	More than 3 years	
Projects in progress					
Bearer Plant	6.03	10.02	5.73	-	21.78
Others	0.30	-	-	-	0.30
<b>TOTAL</b>	<b>6.33</b>	<b>10.02</b>	<b>5.73</b>	<b>-</b>	<b>22.08</b>

Ageing for Capital work-in-progress as at March 31, 2021 is as follows:

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1 year-2 years	2 years-3 years	More than 3 years	
Projects in progress					
Bearer Plant	13.95	6.69	6.52	-	27.16
Building	32.06	-	-	-	32.06
<b>TOTAL</b>	<b>46.01</b>	<b>6.69</b>	<b>6.52</b>	<b>-</b>	<b>59.22</b>

There are no projects as on each reporting period where activity has been suspended. Also there are no projects as on the reporting period which has exceeded cost as compared to the original plan or where completion is overdue.

Project execution plans are monitored on a periodic basis to determine whether the progress is as per the plans.



(₹ in Lakhs)

**7 INTANGIBLE ASSETS**

Particulars	Year Ended 31st March 2022				
	Gross Carrying Amount		Accumulated Depreciation/Amortisation		
	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021	Depreciation charged during the year	As at 31st March 2022
Computer Software	5.93	2.34	1.18	1.30	2.48
Total	5.93	2.34	1.18	1.30	2.48
					Net Carrying Amount
					5.79
					5.79

Particulars	Year Ended 31st March 2021				
	Gross Carrying Amount		Accumulated Depreciation/Amortisation		
	As at 31st March 2020	As at 31st March 2021	As at 31st March 2020	Depreciation charged during the year	As at 31st March 2021
Computer Software	9.99	5.93	7.99	3.18	1.18
Total	9.99	5.93	7.99	3.18	1.18
					Net Carrying Amount
					4.75
					4.75

The Company has not revalued its Intangible assets during the year ended March 31, 2022 and March 31, 2021.

**8 Intangible Assets under Development**

	As at 31st March 2022	As at 31st March 2021
Intangible Assets under Development	-	2.34

Ageing for Intangible Assets under development as at March 31, 2022 is as follows:

CWIP	Amount in CWIP for a period of			Total
	Less than 1 year	1 year-2 years	More than 3 years	
Computer Software	-	-	-	-
Total	-	-	-	-

Ageing for Intangible Assets under development as at March 31, 2021 is as follows:

CWIP	Amount in CWIP for a period of			Total
	Less than 1 year	1 year-2 years	More than 3 years	
Computer Software	-	2.34	-	2.34
Total	-	2.34	-	2.34

As on 31st March, 2022 there are no projects as on each reporting period where activity has been suspended. Also there are no projects as on the reporting period which has exceeded cost as compared to the original plan.

The Expected Completion of amounts lying in capital work in progress which are delayed is as below:

CWIP	Amount in CWIP to be completed in			Total
	Less than 1 year	1 year-2 years	More than 3 years	
Computer Software	2.34	-	-	2.34
Total	2.34	-	-	2.34



**KESHAVA PLANTATIONS PRIVATE LIMITED**  
CIN No. U01132AS1999PTC005666  
Notes to Financial Statements as on and for the year ended 31st March, 2022

(₹ in Lakhs)

Refer Note  
No.

	Non Current		Current	
	As at 31st March 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021
<b>9 LOANS</b>				
Other Loans and Advances, unsecured, considered good unless otherwise mentioned				
Loan / Advance to Employees	-	-	3.80	3.88
Less: Provision for Doubtful Advances	-	-	3.80	3.88
<b>Total Loans</b>	-	-	2.92	2.92
	-	-	0.88	0.96

- 9.1 No Loans are due from directors or other officers of the company either severally or jointly with any other person, nor any loan are due from firms or private companies respectively in which any director is a partner, a director or a member.
- 9.2 The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person or entity, including foreign entities ("Intermediaries") with the understanding (whether recorded in writing or otherwise) that the Intermediary shall, whether, directly or indirectly lend or invest in other persons/ entities identified in any manner whatsoever by or on behalf of the Company ('ultimate beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Accordingly, no further disclosures, in this regard, are required.

**10 OTHER ASSETS**

(Unsecured and considered good)

Advances other than Capital Advances

- Advances to Suppliers & Service Providers
- Balances with Government & Statutory Authorities
- Prepaid Expenses
- Incentive & Subsidy Receivable

**Total Other Current Assets**

- 10.1 Includes Rs.64.23 lacs to Holding Company

	Non Current		Current	
	As at 31st March 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021
	-	-	66.35	50.92
	-	0.74	12.54	10.39
	0.59	0.36	3.93	4.18
	-	-	9.70	9.73
<b>Total</b>	<b>0.59</b>	<b>1.10</b>	<b>92.52</b>	<b>75.22</b>

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

Income Tax Receivable (Net of Provision)

As at 31st March 2022	As at 31st March 2021
19.02	17.51
19.02	17.51

**12 Biological Asset other than Bearer Plant**

Biological Asset other than Bearer Plant

As at 31st March 2022	As at 31st March 2021
6.44	2.52
6.44	2.52

Refer Note  
No.

**13 INVENTORIES**

(As valued and certified by the Management)

- Finished Goods
- Stores and Spares (net of obsolesce)

As at 31st March 2022	As at 31st March 2021
52.53	131.14
49.92	41.13
102.45	172.27

- 13.1 Inventories are hypothecated against working capital borrowings ( Refer note no . 47)

- 13.2 Mode of Valuation (Refer note no. 3.1. of significant accounting policies)

**14 TRADE RECEIVABLES**

- Trade Receivables considered good - Secured;
- Trade Receivables considered good - Unsecured;
- Trade Receivables which have significant increase in Credit Risk; and
- Trade Receivables - credit impaired
- Less : Provision for Doubtful Debts

**Total**

**14.1 Trade Receivables includes**

- Receivable from Related Party
- Unbilled Receivables
- Others
- Total**

- 14.2 Trade Receivable are hypothecated against working capital borrowings ( Refer note no . 47 )

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

Trade Receivables ageing schedule

Particulars	Outstanding from the due date of payment as on 31st March 2022						Total
	Not due	upto 6 months	6 months - 1 year	1year-2 years	2 years-3 years	More than 3 years	
Unbilled Receivables	-	-	-	-	-	-	-
Undisputed							
- considered good	9.65	3.54	0.89	-	-	-	14.08
- credit impaired	-	-	-	-	-	-	-
Less: credit impaired							
<b>Total</b>	<b>9.65</b>	<b>3.54</b>	<b>0.89</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14.08</b>
Disputed							
- considered good	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-
Less: credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand total</b>	<b>9.65</b>	<b>3.54</b>	<b>0.89</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14.08</b>





**KESHAVA PLANTATIONS PRIVATE LIMITED**  
CIN No. U01132AS1999PTC005666  
Notes to Financial Statements as on and for the year ended 31st March, 2022

Particulars	Outstanding from the due date of payment as on 31st March 2021						
	Not due	upto 6 months	6 months - 1 year	1 year-2 years	2 years-3 years	More than 3 years	Total
Unbilled Receivables	-	-	-	-	-	-	-
Undisputed	-	-	-	-	-	-	-
-/- considered good	0.64	3.61	0.01	0.05	-	-	4.31
-/- credit impaired	-	-	-	-	-	-	-
Less: credit impaired	-	-	-	-	-	-	-
Total	0.64	3.61	0.01	0.05	-	-	4.31
Disputed	-	-	-	-	-	-	-
-/- considered good	-	-	-	-	-	-	-
-/- credit impaired	-	-	-	-	-	-	-
Less: credit impaired	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-
Grand total	0.64	3.61	0.01	0.05	-	-	4.31

Refer Note  
No.  
15.1

**15 CASH AND CASH EQUIVALENTS**

Balances With Banks :  
In Current Account  
In Cash Credit Account  
Cash In Hand

	As at 31st March 2022	As at 31st March 2021
	10.10	0.24
	0.10	-
	0.66	1.66
	10.86	1.90

15.1 Cash and Cash equivalents are hypothecated against working capital borrowings ( Refer note no . 47)

**Changes in liabilities arising from financing activities**

**Particulars**

Non Current Borrowings (including current maturities of long term debts) (Refer note no.19 )  
Current Borrowings  
Total liabilities from financing activities

April 1,2021	Cash Flows	March 31, 2022
63.44	(1.65)	61.79
812.41	118.04	930.45
875.85	116.39	992.24

**Particulars**

Non Current Borrowings (including current maturities of long term debts) (Refer note no. 19 )  
Current Borrowings  
Total liabilities from financing activities

April 1,2020	Cash Flows	March 31, 2021
7.20	56.24	63.44
833.49	(21.08)	812.41
840.69	35.16	875.85

**16 OTHERS FINANCIAL ASSETS**

(Unsecured and considered good)  
Deposit with Nabard  
Security Deposit  
Others Receivable

Non Current		Current	
As at 31st March 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021
-	-	0.57	0.57
28.89	26.23	-	-
-	-	1.32	0.95
28.89	26.23	1.89	1.52

(₹ in Lakhs)

**17 EQUITY SHARE CAPITAL**

**17.1 Authorised Share Capital**

Equity Shares:  
Equity Shares of Rs. 100/- each

31st March 2022		31st March 2021	
No. of Shares	Amount	No. of Shares	Amount
1,00,000	100.00	1,00,000	100.00
1,00,000	100.00	1,00,000	100.00

**17.2 Issued Share Capital**

Equity Shares of Rs. 100/- each

80,000	80.00	80,000	80.00
80,000	80.00	80,000	80.00

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

Equity Shares of Rs. 100/- each fully paid-up

80,000	80.00	80,000	80.00
80,000	80.00	80,000	80.00

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

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

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

The Company has only one class of issued shares i.e. Equity Shares having par value of Rs. 100/- per share. Each holder of Equity Shares is entitled to one vote per share and equal right for dividend. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

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

Entire shareholding of the company is held by M/S. Joonktolee Tea & Industries Limited (Holding Company)

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

Equity Shares of ₹ 10/- each fully paid

Joonktolee Tea & Industries Limited and its nominees

Details of shareholding of Promoters

Joonktolee Tea & Industries Limited and its nominees

31st March 2022		31st March 2021	
No. of Shares	% Holding	No. of Shares	% Holding
80,000	100%	80,000	100%

No. of Shares	% Holding	% Changes during the year	No. of Shares	% Holding	% Changes during the year
80,000	100%	-	80,000	100%	-



**KESHAVA PLANTATIONS PRIVATE LIMITED**  
CIN No. U01132AS1999PTC005666  
Notes to Financial Statements as on and for the year ended 31st March, 2022

- 17.8 No Equity shares have been reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment as at the Balance Sheet date.
- 17.9 No Equity Shares have been bought back by the Company during the period of 5 years preceding the date as at which the Balance Sheet is prepared.
- 17.10 No securities convertible into Equity/ Preference shares have been issued by the Company during the year.
- 17.11 No calls are unpaid by any Director or Officer of the Company during the year.

	Refer Note No.	As at 31st March 2022	As at 31st March 2021
<b>18 OTHER EQUITY</b>			
Capital Reserve	18.1	5.00	5.00
Retained Earnings	18.2	1,176.24	1,331.35
		<u>1,181.24</u>	<u>1,336.35</u>
a) Capital reserve represents a resource created by accumulated capital surplus and remains invested in the business for set off against any capital expenditure. This will not be distributed as dividends.			
b) Retained Earnings: Retained earnings represent accumulated profits earned by the Company and remaining undistributed as on date.			
<b>18.1 Capital Reserve</b>			
Balance at the beginning and at the end of the year		5.00	5.00
<b>18.2 Retained Earnings</b>			
Balance at the beginning of the year		1,331.35	1,257.85
Add: Other Comprehensive Income arising from remeasurement of defined benefit obligation (net of tax)		11.80	(15.27)
Add: Profit/(Loss) for the year		(166.91)	88.77
Balance at the end of the year		<u>1,176.24</u>	<u>1,331.35</u>
<b>Other Equity</b>		<u>1,181.24</u>	<u>1,336.35</u>

	Non-Current		Current	
	As at 31st March 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021
<b>19 BORROWINGS</b>				
<b>Secured</b>				
Term Loan from Banks	7.45	-	-	-
Working Capital Term Loan from Banks	30.98	48.33	-	-
Term Loan from other Financial Institution	1.07	3.41	-	-
<b>Working Capital loans repayable on demand</b>				
Working Capital loans from banks repayable on demand	-	-	430.45	312.41
Current Maturity of Long Term Borrowings	-	-	22.29	11.70
Loan from Body Corporates - repayable on demand	-	-	500.00	500.00
	<u>39.50</u>	<u>51.74</u>	<u>952.74</u>	<u>824.11</u>

- The Company has used the borrowings from banks and financial institutions for the specific purposes for which it was taken.
- 19.1 Details of Security Given for Loan & Other terms
- Working Capital Term Loan(GECL) from a Bank amounting to Rs. 49.39 lacs with one year moratorium together with working capital facility from the same Bank is secured by exclusive charge on the title deeds of Azizbagh Tea Estate. The Loan is repayable in 26 monthly instalments of Rs.1.85 lacs incl. interest is payable monthly @ 9.25% p.a
  - Vehicle loan from Bank payable in 60 instalments incl. Interest @ 7% p.a
  - Vehicle Loan from Financial Institution payable in remaining 29 instalments of Rs.0.22 lacs including interest @ 7.60% p.a
  - Loan from Body Corporate is secured by second charge by way of mortgage of Azizbagh Tea Estate alongwith standing tea crop, buildings and plant and machinery. The same carries interest @ 12% p.a.
- 19.2 Refer note no. 47 for information on the carrying amounts of financial and non-financial assets pledged as security for the non-current and current borrowings
- 19.3 No amount have been guaranteed by Directors of the Company.
- 19.4 There is no default on balance sheet date in repayment of borrowings and interest thereon.
- 19.5 Term loans were applied for the purpose for which the loans were obtained
- 1 The Company has filed quarterly returns or statements with the banks in lieu of the sanctioned working capital facilities, which are in agreement with the books of account.

		(₹ in Lakhs)	
		As at 31st March 2022	As at 31st March 2021
<b>20 DEFERRED TAX LIABILITIES (NET)</b>			
<b>Deferred Tax Liabilities</b>			
Arising on account of:			
Property, Plant & Equipments & Intangible Assets		189.44	185.32
		<u>189.44</u>	<u>185.32</u>
<b>Less: Deferred Tax Assets</b>			
Arising on account of:			
Section 43B of Income-tax Act		34.44	37.24
Unabsorbed Depreciation/ Carried Forward Business Losses	20.1	47.80	35.21
Others		0.30	0.30
		<u>82.54</u>	<u>72.75</u>
<b>Deferred Tax Liabilities (Net)</b>		<u>106.90</u>	<u>112.57</u>

- 20.1 The recognition of deferred tax asset on unabsorbed depreciation/business losses has been restricted to the extent of deferred tax liability on account of timing difference in respect of depreciation, the reversal of which is virtually certain.
- 20.2 Movement in deferred tax asset and deferred tax liabilities during the year ended 31st March, 2022

Particulars	As at 1st April, 2021	Recognized in Statement of Profit & Loss	Recognized in Other Comprehensive Income	As at 31st March, 2022
<b>Deferred Income Tax Liabilities</b>				
Property, Plant & Equipments & Intangible Assets	185.32	4.12	-	189.44
	<u>185.32</u>	<u>4.12</u>	<u>-</u>	<u>189.44</u>
<b>Deferred Income Tax Assets</b>				
Items u/s 43B of the Income Tax Act, 1961	37.24	1.34	(4.14)	34.44
Unabsorbed Depreciation/ Carried Forward Business Losses	35.21	12.59	-	47.80
Others	0.30	-	-	0.30
	<u>72.75</u>	<u>13.93</u>	<u>(4.14)</u>	<u>82.54</u>



## KESHAVA PLANTATIONS PRIVATE LIMITED

CIN No. U01132AS1999PTC005666

Notes to Financial Statements as on and for the year ended 31st March, 2022

## 20.2 Movement in deferred tax asset and deferred tax liabilities during the year ended 31st March, 2021

Particulars	As at 1st April, 2020	Recognized in Statement of Profit & Loss	Recognized in Other Comprehensive Income	As at 31st March, 2021
<b>Deferred Income Tax Liabilities</b>				
Property, Plant & Equipments & Intangible Assets	219.05	(33.73)	-	185.32
	<b>219.05</b>	<b>(33.73)</b>	<b>-</b>	<b>185.32</b>
<b>Deferred Income Tax Assets</b>				
Items u/s 43B of the Income Tax Act, 1961	33.15	(1.27)	5.36	37.24
Unabsorbed Depreciation/ Carried Forward Business Losses	35.01	0.20	-	35.21
Others	-	0.30	-	0.30
	<b>68.17</b>	<b>(0.77)</b>	<b>5.36</b>	<b>72.75</b>

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

## 21 TRADE PAYABLES

Trade Payables for goods and services

Total outstanding dues of creditors to micro enterprises and small enterprises

Total outstanding dues of creditor to other than micro enterprises and small enterprises

	As at 31st March 2022	As at 31st March 2021
	1.03	10.95
	37.43	45.83
	<b>38.46</b>	<b>56.78</b>

## Trade Payable ageing schedule

Particulars	Outstanding from the due date of payment as on 31st March 2022					
	Not due	Less than 1 Year	1 year-2 years	2 years-3 years	More than 3 years	Total
Unbilled Payables						
Total outstanding dues of micro enterprises and small enterprises	1.03	-	-	-	-	1.03
Total outstanding dues of creditors other than micro enterprises and small	18.00	18.55	0.87	0.01	-	37.43
Disputed dues of micro enterprises and small enterprises						
Disputed dues of creditors other than micro enterprises and small enterprises						
Total	19.03	18.55	0.87	0.01	-	38.46

Particulars	Outstanding from the due date of payment as on 31st March 2021					
	Not due	Less than 1 Year	1 year-2 years	2 years-3 years	More than 3 years	Total
Unbilled Payables						
Total outstanding dues of micro enterprises and small enterprises	6.47	4.44	0.04	-	-	10.95
Total outstanding dues of creditors other than micro enterprises and small	12.05	32.65	1.13	-	-	45.83
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	18.52	37.09	1.17	-	-	56.78

## 22 OTHER CURRENT FINANCIAL LIABILITIES

Employee Related Liability

Amount Payable for Capital Items

Interest Accrued on Borrowings

Creditors for other Liability

22.1

	As at 31st March 2022	As at 31st March 2021
	28.68	31.16
	15.21	17.54
	4.72	13.73
	10.94	8.59
	<b>59.55</b>	<b>71.02</b>

22.1 These includes liability for Utilities and audit fee

## 23 PROVISIONS

Provision for Employee Benefits

Gratuity

Bonus

Non Current		Current	
As at 31st March 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021
121.28	131.15	-	-
-	-	28.81	25.72
<b>121.28</b>	<b>131.15</b>	<b>28.81</b>	<b>25.72</b>

(₹ in Lakhs)

Non Current		Current	
As at 31st March 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021
-	-	17.38	15.62
20.57	9.73	0.47	-
<b>20.57</b>	<b>9.73</b>	<b>17.85</b>	<b>15.62</b>

## 24 OTHER LIABILITIES

Statutory Dues Payable

Deferred Government Subsidy





KESHAHA PLANTATIONS PRIVATE LIMITED  
CIN No. U01132AS1999PTC005666  
Notes to Financial Statements as on and for the year ended 31st March, 2022

	Refer Note No.	For the year ended 31st March 2022	For the year ended 31st March 2021
<b>25 REVENUE FROM OPERATIONS</b>			
Sale of Finished Goods-Tea		1,033.91	992.06
		<u>1,033.91</u>	<u>992.06</u>
<b>Other Operating Revenues</b>			
Incentives & Subsidies	25.1	0.47	-
Insurance and Other Claims (Net)		-	0.06
		<u>0.47</u>	<u>0.06</u>
		<u>1,034.38</u>	<u>992.12</u>
<b>25.1 Grant sanctioned by Government of Assam against Replantation</b>			
Geographical Sales		1,033.91	992.06
India		-	-
Outside India		<u>1,033.91</u>	<u>992.06</u>
<b>26 OTHER INCOME</b>			
<b>Interest Income</b>			
On Security Deposits		1.56	1.76
On Others		0.39	-
Interest Subvention on Working Capital	26.1	9.70	-
<b>Other Non Operating Income</b>			
Excess Liabilities and Unclaimed Balances written back		3.54	0.63
Miscellaneous Income		1.26	0.23
Changes in Fair value of Biological assets		3.93	2.52
		<u>20.38</u>	<u>5.14</u>
<b>26.1 Interest Subvention on working capital for the financial year 2020-2021 from Government of Assam as per notification dated 6th November, 2020</b>			
<b>27 COST OF MATERIALS CONSUMED</b>			
Purchase of Green Leaf		39.92	30.86
<b>28 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS</b>			
<b>Inventories at the end of the year</b>			
Tea		52.53	131.14
		<u>52.53</u>	<u>131.14</u>
<b>Inventories at the beginning of the year</b>			
Tea		131.14	15.65
		<u>131.14</u>	<u>15.65</u>
		<u>78.61</u>	<u>(115.49)</u>
<b>29 EMPLOYEE BENEFITS EXPENSE</b>			
Salaries & Wages		521.71	463.48
Contribution to Provident Funds and Others		59.45	52.08
Contribution to Gratuity Fund		21.07	17.33
Staff Welfare Expenses		43.89	42.29
		<u>646.12</u>	<u>575.18</u>
Less: Amount Capitalised		4.41	6.18
		<u>641.71</u>	<u>569.00</u>
<b>30 FINANCE COST</b>			
<b>Interest Expenses</b>			
To Banks On Working Capital Loans		32.31	30.11
On Corporate Loans & Others		60.00	60.00
To Financial Institution		0.65	0.95
<b>Other Borrowing Costs</b>			
Other Financial Charges		2.48	3.50
Others		0.50	-
		<u>95.94</u>	<u>94.56</u>
Less: Amount Capitalised	30.1	-	0.75
		<u>95.94</u>	<u>93.81</u>

30.1 Note: During current year company has not capitalised interest on borrowings but in previous year it was weighted average interest rate applicable to the entity's general borrowings i.e., 11.62%



		(₹ in Lakhs)	
		For the year ended 31st March 2022	For the year ended 31st March 2021
<b>31 DEPRECIATION AND AMORTIZATION EXPENSES</b>			
On Property, Plant and Equipment		93.68	95.30
On Intangible Assets		1.30	3.18
		<b>94.98</b>	<b>98.48</b>
<b>32 OTHER EXPENSES</b>			
<b>Manufacturing Expenses</b>			
Stores, Spare Parts & Packing Materials Consumed		9.67	11.79
Power & Fuel		79.15	71.05
Cultivations		87.85	84.90
Repairs to Buildings		15.14	15.35
Repairs to Machinery		13.82	11.07
Repairs to Other Assets		1.72	2.31
		<b>207.35</b>	<b>196.47</b>
Less: Amount Capitalised		<b>1.62</b>	<b>7.02</b>
		<b>205.73</b>	<b>189.45</b>
<b>Selling and Administration Expenses</b>			
Freight & Cartage		14.99	13.74
Commission, Brokerage & Discount		4.46	2.08
Rates & Taxes		1.87	4.18
Rent		1.50	1.50
Insurance		2.99	3.79
Vehicle Running & Maintenance Expense		21.79	19.85
Auditors' Remuneration -			
Audit Fees		1.50	1.50
Loss on sale/Discard of Property, Plant and Equipment		1.41	9.67
Director Sitting Fees		0.75	0.60
Provision for Doubtful Advances		-	2.92
Other Miscellaneous Expenses		23.33	15.51
		<b>74.59</b>	<b>75.34</b>
		<b>280.32</b>	<b>264.79</b>
<b>33 TAX EXPENSE</b>			
Current Tax		-	-
Deferred Tax		(9.81)	(32.96)
		<b>(9.81)</b>	<b>(32.96)</b>
<b>33.1 Reconciliation of estimated Income tax expense at statutory Income tax rate to income tax expense reported in statement of Total Comprehensive Income</b>			
Profit before income tax expense	31st March 2022	31st March 2021	
Statutory Income Tax rate*	(176.72)	55.81	
Estimated Income Tax Expense	26%	26%	
	(45.95)	14.51	
<i>Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense</i>			
Due to Deferred tax on business losses not considered	0.23	4.81	
Deferred Tax on tax holiday period reversed	10.56	19.49	
Exempt Income	15.10	13.19	
Others	10.25	9.98	
	<b>36.14</b>	<b>47.47</b>	
	<b>(9.81)</b>	<b>(32.96)</b>	
<b>Income tax expense in Statement of Profit &amp; Loss</b>			
* Applicable Statutory Income Tax rate for Fiscal Year 2022 & 2021 is 26%			
<b>34 OTHER COMPREHENSIVE INCOME</b>			
Items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit plans	(15.94)	20.63	
Less: Tax expense on the above	4.14	(5.36)	
	<b>(11.80)</b>	<b>15.27</b>	
	<b>(11.80)</b>	<b>15.27</b>	
<b>35 Earning per Shares</b>			
Nominal Value of Equity Shares (Rs.)	100	100	
Profit attributed to the Equity shareholders of the Company	(166.91)	88.77	
Weighted average number of equity shares	0.80	0.80	
Basis and diluted earning per shares (Rs.)	<b>(208.64)</b>	<b>110.96</b>	
There are no dilutive equity shares in the Company.			



- 36 Contingent Liabilities, Contingent Assets & Commitment  
The Company does not have any Contingent Liabilities & Contingent Assets.

36.1 Commitments

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

- 37 Loans or advances (repayable on demand or without specifying any terms or period of repayment) to specified persons  
During the year ended March 31, 2022 the Company did not provide any Loans or advances which remains outstanding (repayable on demand or without specifying any terms or period of repayment) to specified persons (Nil as on March 31, 2021)
- 38 Relationship with Struck off Companies  
The Company did not have any transaction with companies struck off during the year ended March 31, 2022 and also for the year ended March 31, 2021.
- 39 Benami Property held  
No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 40 Disclosure in relation to undisclosed income  
The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year ended March 31, 2022 and March 31, 2021 in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)
- 41 Wilful Defaulter  
Company is not a declared wilful defaulter by any bank or financial institution or other lender.
- 42 Registration of charges or satisfaction with Registrar of Companies (ROC)  
The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- 43 Utilisation of Borrowed funds and share premium  
The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries. The Company has not advanced or lent or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- 44 Crypto Currency  
The Company has not traded or invested in Crypto currency or Virtual Currency during the year ended March 31, 2022 and March 31, 2021
- 45 The company has complied with the provisions of number of layers prescribed under clause 87 of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017

46 Elements of Ratio

Ratio	Numerator	Denominator	For the year ended March 31, 2022	For the year ended March 31, 2021	% age of change	Reason for Variance
Current ratio	Current Assets	Current Liabilities	0.21	0.26	-19.84	
Debt- Equity Ratio	Total Debt	Shareholder's Equity	0.79	0.62	27.22	Increase in debts and decrease in retained earnings.
Debt Service Coverage ratio	Earnings before interest, depreciation and taxes (Profit after Tax + Interest + Depreciation + other adjustments like loss on sale of Fixed assets etc)	Debt service (Interest & Lease Payments + Principal Repayments)	0.11	0.11	0.66	
Return on Equity ratio	Profit for the period/year	Average Shareholder's Equity	-2.09	1.11	-288.03	Decrease in selling price per kg of tea and increase in per day wages during the current year has reduced the profit margins in comparison to last year.
Inventory Turnover ratio	Cost of Goods Sold	Average Inventory	10.02	8.57	16.82	
Trade Receivable Turnover Ratio	Net Credit Sales	Avg. Accounts Receivable	112.44	99.40	13.12	
Trade Payable Turnover Ratio	Net Credit Purchase	Average Trade Payables	2.05	1.55	32.25	Reduction in credit period for making payment to suppliers.
Net Capital Turnover Ratio	Net Sales	Capital (Current Assets - Current Liabilities)	-1.19	-1.35	-11.83	
Net Profit ratio	Net Profit (PAT)	Net Sales	-0.16	0.09	-280.41	Decrease in selling price per kg of tea and increase in per day wages during the current year has reduced the profit margins in comparison to last year.
Return on Capital Employed	Earning before interest and taxes	Capital Employed (Tangible Net Worth + Total Debt + Deferred Tax Liability)	-0.02	0.04	-152.31	

Since the Company has no Investment as at March 31, 2022 and March 31, 2021, the ratio of return on Investment has not been disclosed.

47 Assets pledged as security

The carrying amounts of assets pledged as security for current & non-current borrowings are as follows:

Particulars	Refer Note No.	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Current</b>			
Financial assets		14.08	4.31
First and Second charge			
Trade Receivables	14	14.08	4.31
Non-financial assets		102.45	172.27
First and Second charge			
Inventories	13	102.45	172.27
Total current assets pledged as security		116.53	176.58
<b>Non-current</b>			
First and Second charge			
Property, Plant & Equipments	5	2,341.41	2,344.94
Capital Work in Progress	6	22.08	59.22
Total non-currents assets pledged as security		2,363.49	2,404.16
Total assets pledged as security		2,480.02	2,580.74



48 Disclosure as required under the Micro, Small and Medium Enterprises development act, 2006, to the extent ascertained, and as per notification number GSR 679 (E) dated 4th September, 2015

Sl. No.	Particulars	As at 31st March 2022	As at 31st March 2021
i	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each financial year.	1.03	10.95
ii	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iii	The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
iv	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
v	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

49 Disclosure pursuant to Indian Accounting Standard - 19 'Employee Benefits'

49.1 Defined Contribution Plan:

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

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

Sl. No.	Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
a	Provident Fund	59.45	52.08

49.2 Defined Benefit Plan:

The following are the types of defined benefit plans

48.2.1 Gratuity Plan

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

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

49.2.2 Risk Exposure

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

Interest rate risk	The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation with tend to increase.
Salary Inflation risk	Higher than expected increases in salary will increase the defined benefit obligation.
Demographic risk	This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compare to long service employee.

49.2.3 Reconciliation of the net defined benefit (asset)/ liability

(₹ in Lakhs)

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

Particulars	Gratuity	
	2021-22	2020-21
Net defined benefit asset/(liability) at the beginning of the year	(131.15)	(127.49)
Service Cost	(12.91)	(9.94)
Net interest on net defined benefit (liability)/asset	(8.16)	(7.39)
Amount recognised in OCI	15.94	(20.63)
Employer contributions	15.00	34.30
Net defined benefit asset/(liability) at the end of the year	(121.28)	(131.15)

49.2.4 Reconciliation of Defined Benefit Obligations

The following table shows a reconciliation to defined benefits obligations:

(₹ in Lakhs)

Particulars	Gratuity	
	2021-22	2020-21
Defined Benefit Obligation at the beginning of the year	164.14	132.39
Current Service Cost	12.91	9.94
Interest Cost on the defined benefit obligation	10.29	8.54
Curtailment (Credit)/ Cost	-	-
Settlement (Credit)/ Cost	-	-
Past Service cost- plan amendments	-	-
Acquisitions (Credit)/ Cost	-	-
Actuarial (gain)/loss-experience	(10.96)	21.60
Actuarial (gain)/ loss -demographic assumptions	-	-
Actuarial (gain)/loss-financial assumptions	(6.08)	1.58
Benefits paid directly by the Company	-	-
Benefits paid from plan assets	(16.51)	(9.91)
Defined Benefit Obligation at the end of the year	153.79	164.14



#### 49.2.5 Reconciliation of the Plan Assets

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

Particulars	Gratuity	
	2021-22	2020-21
Fair Value of Plan Assets at the beginning of the year	32.99	4.9
Interest Income on Plan Assets	2.13	1.15
Return on plan assets greater/ (lesser) than discount rate	-1.10	2.55
Employer Contributions	15.00	34.30
Benefits Paid	(16.51)	(9.91)
Fair Value of Plan Assets at the end of the year	32.51	32.99

#### 49.2.6 Expenses recognized in profit or loss

Particulars	Gratuity	
	2021-22	2020-21
Current Service Cost	12.91	9.94
Interest Cost	10.29	8.54
Interest Income on Plan Assets	(2.13)	(1.15)
	21.07	17.33

#### 49.2.7 Remeasurements recognized in other comprehensive income

Particulars	Gratuity	
	2021-22	2020-21
Actuarial (gain)/ Loss on defined benefit obligation	(17.04)	23.18
Return on plan assets greater/ (lesser) than discount rate	1.10	(2.55)
	(15.94)	20.63

#### 49.2.8 Major Categories of Plan Assets

The Gratuity Scheme is invested in a Group Unit Linked Gratuity Plan managed by Life Insurance Corporation of India and the Independent Administered Gratuity Fund. The information on the allocations of fund managed by Life Insurance Corporation of India into major assets classes and expected return on each major classes are not readily available. The expected rate of return on plan assets is based on the assumed rate of return provided by Company's actuary.

#### 49.2.9 Actuarial Assumptions

Particulars	Gratuity	
	2021-22	2020-21
<b>Financial Assumptions</b>		
Discount Rate	7.00	6.60
Salary Escalation Rate	6.00	6.00
<b>Demographic Assumptions</b>		
Mortality Rate	Indian Assured Lives Mortality (2006-08) Ult Age from 20-40 : 2.00% Age from 40-60 : 1.00%	Indian Assured Lives Mortality (2006-08) Ult Age from 20-40 : 2.00% Age from 40-60 : 1.00%
Withdrawal Rate		

49.2.10 The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

49.2.11 At 31st March 2022, the weighted average duration of the defined benefit obligation was 9 years (previous year 9 years). The distribution of the timing of benefits payment i.e., the maturity analysis of the benefit payments is as follows:

Expected benefits payment for the year ending on	(₹ in Lakhs)	
	2021-22 Gratuity	2020-21 Gratuity
Within 1 year	7.15	3.00
1-2 Year	3.28	13.40
2-3 Year	25.13	6.37
3-4 Year	15.75	29.89
4-5 Year	10.34	15.77
5-9 Years	77.11	79.96

49.2.12 The Company expects to contribute ₹ NIL (previous year ₹ NIL lacs) to its gratuity fund in 2022-23

#### 49.2.13 Sensitivity Analysis

The sensitivity analyses below have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Particulars	Gratuity	
	2021-22	2020-21
Effect on DBO due to 1% increase in Discount Rate	(13.59)	(14.77)
Effect on DBO due to 1% decrease in Discount Rate	16.02	17.40
Effect on DBO due to 1% increase in Salary Escalation Rate	16.02	17.34
Effect on DBO due to 1% decrease in Salary Escalation Rate	(13.83)	(14.98)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.



**50 Applicability of CSR**

The Company is not getting covered under Sec 135 of the Companies Act 2013 and as such the provisions of CSR are not applicable for the Company.

**51 Related Party Disclosures****51.1 Name of the related parties and description of relationship****Holding Company**

- Joonkollie Tea & Industries Limited (Holding Company)
- The Cochin Malabar Estates And Industries Limited (Associate of Holding Company)
- Pranav Infradev Co.Pvt.Limited (Fellow Subsidiary Company)

**Key Management Personnel**

Manoj Kumar Daga-Director  
Sayansiddha Das - Director  
Sharad Bagree - Director

**51.2 Summary of transactions with the related parties**

Particulars	Holding Company		Associate of Holding Company		Key Management Personnel	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Advance (given)/taken	(100.00)	(75.00)	-	(28.00)	-	-
Sale of Tea	-	1.43	-	-	-	-
Sitting Fees	-	-	-	-	0.75	0.60
Purchase of Green Leaf	23.63	30.69	-	-	-	-
Service Charges Expense	29.37	26.95	-	-	-	-

**51.3 Summary of Closing Balance Outstanding with the related parties**

Particulars	Holding Company		Associate of Holding Company	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Advance Given	64.24	46.85	-	-

**51.4 Major terms and conditions of transactions with related parties**

Transactions with related parties are carried out in the normal course of business and are made on terms equivalent to those that prevail in arm's length transactions.

**52 Segment Reporting**

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Based on the management approach as defined in Ind AS 108, the Chief Operating Decision Maker evaluates the Company's performance based on only one segment i.e. manufacturing Tea.

The following Customers individually accounted for more than 10% of the revenues from external customers during the year ended March 31, 2022 and March 31, 2021.

Name of the Customer	31st March, 2022	31st March, 2021
Pranjivan J Shah	42.72%	62.53%
Venus Tea Corporation	8.30%	14.34%

**53 Fair Value Measurement**

Categories of Financial Assets & Financial Liabilities as at 31st March 2022 and 31st March 2021

Particulars	31st March 2022			31st March 2021		
	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost
<b>Financial Assets</b>						
Trade Receivables			14.08			4.31
Cash and Cash Equivalents			10.86			1.90
Loans to Employees			0.88			0.96
Other Financial Assets			30.78			27.75
<b>Total Financial Assets</b>	-	-	56.60	-	-	34.92
<b>Financial Liabilities</b>						
Borrowings			992.24			875.85
Trade Payables			38.46			56.78
Other Financial Liabilities			59.55			71.02
<b>Total Financial Liabilities</b>	-	-	1,090.25	-	-	1,003.65





#### 54 Fair Values of Financial Assets and Financial Liabilities measured at Amortised Cost

54.1 The following is the comparison by class of the carrying amounts and fair value of the Company's financial instruments that are measured at amortized cost:

Particulars	31st March 2022		31st March 2021	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial Assets</b>				
Trade Receivables	14.08	14.08	4.31	4.31
Cash and Cash Equivalents	10.86	10.86	1.90	1.90
Loans to Employees	0.88	0.88	0.96	0.96
Other Financial Assets	30.78	30.78	27.75	27.75
<b>Total Financial Assets</b>	<b>56.60</b>	<b>56.60</b>	<b>34.92</b>	<b>34.92</b>
<b>Financial Liabilities</b>				
Borrowings	992.24	992.24	875.85	875.85
Trade Payables	38.46	38.46	56.78	56.78
Other Financial Liabilities	59.55	59.55	71.02	71.02
<b>Total Financial Liabilities</b>	<b>1,090.25</b>	<b>1,090.25</b>	<b>1,003.65</b>	<b>1,003.65</b>

54.2 The management assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, short term borrowings, and other financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.

54.3 The management considers that the carrying amounts of Financial assets and Financial liabilities recognised at nominal cost/amortised cost in the Financial statements approximate their fair values.

54.4 Working Capital Cash Credit borrowings has been contracted at floating rates of interest, which are reset at short intervals. Fair value of floating interest rate borrowings approximates their carrying value subject to adjustments made for transaction cost.

#### 55 Fair Value Hierarchy

##### 55.1 Biological assets other than bearer plants

This section explains the judgements and estimates made in determining the fair values of the biological assets other than bearer plants that are recognised and measured at fair value in the financial statements. The Company uses a Valuation technique that is appropriate in the circumstances and for which sufficient data are available to measure the fair value, maximising the use of relevant observable inputs.

**Biological Assets measured at Fair Value less cost to sell**

As at 31st March 2022 and 31st March 2021

Particulars	31st March 2022			31st March 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Non Financial Assets</b>						
Biological Assets other than Bearer Plant						
- Unharvested Tea Leaf	-	6.44	-	-	2.52	-
<b>Total Non Financial Assets</b>	<b>-</b>	<b>6.44</b>	<b>-</b>	<b>-</b>	<b>2.52</b>	<b>-</b>

55.2 During the year ended March 31, 2022 and March 31, 2021 there are no transfers between level 1, level 2 and level 3.

##### 55.2.1 Valuation Technique

**Unharvested Tea Leaf:** Fair value is being arrived at based on the observable market prices of made tea adjusted for manufacturing costs. The same is applied on quantity of the tea leaves unharvested using plucking averages of various estates.

##### 55.3 Explanation to the fair value hierarchy

The Company measures Financial instruments, such as, equity investments and non financial instruments, such as, unharvested tea leaf and timber plantation, at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The valuation of equity instruments are based on level 3 inputs and valuation of unharvested tea leaf and timber plantation are based on level 2 inputs as per the hierarchy mentioned in the Accounting Policies.

#### 56 Financial Risk Management

Financial management of the Company has been receiving attention of the top management of the Company. The management considers finance as the lifeline of the business and therefore, financial management is carried out meticulously on the basis of detailed management information systems and reports at periodical intervals extending from daily reports to long-term plans. Importance is laid on liquidity and working capital management with a view to reduce over-dependence on borrowings and reduction in interest cost. Various kinds of financial risks and their mitigation plans are as follows:

##### 56.1 Credit Risk

Credit risk is the risk that counterparty will not meet its obligations leading to financial loss. The Company has an established credit policy and a credit review mechanism. Credit exposure is undertaken only with large reputed business houses and with no history of default against payments. The Company has used a practical expedience by computing the expected credit losses matrix which has taken into account historical credit loss experience based on which no expected credit loss risk has been estimated.

##### 56.2 Liquidity Risk

The Company determines its liquidity requirement in the short, medium and long term. This is done by drawings up cash forecast for short term and long term needs.

The Company manage its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent position. The management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity monitoring future cash flow and liquidity on a regular basis. Surplus funds not immediately required are invested in and fixed deposit which provide flexibility to liquidate. Besides, it generally has certain undrawn credit facilities which can be assessed as and when required; such credit facilities are reviewed at regular basis.

##### 56.2.1 Maturity Analysis for financial liabilities

The following are the remaining contractual maturities of financial liabilities as at 31st March 2022

Particulars	On Demand	Less than 6 months	6 months to 1 year	1 years to 5 years	More than 5 years	Total
<b>Borrowings</b>						
Term Loan from Bank		9.73	10.22	38.43		58.38
Term Loan from other financial institution		1.13	1.21	1.07		3.41
Short term loan	500.00					500.00
Working Capital loans repayable on demand	430.45					430.45
Trade payables		38.46				38.46
Other financial liabilities	15.21	44.34				59.55
<b>Total</b>	<b>945.66</b>	<b>93.66</b>	<b>11.43</b>	<b>39.50</b>		<b>1,090.25</b>



b The following are the remaining contractual maturities of financial liabilities as at 31st March 2021

Particulars	On Demand	Less than 6 months	6 months to 1 year	1 years to 5 years	More than 5 years	Total
<b>Borrowings</b>						
Term Loan from Bank			9.67	48.33		58.00
Term Loan from other financial institution		0.98	1.05	3.41		5.44
Short term loan	500.00					500.00
Working Capital loans repayable on demand	312.41					312.41
Trade payables		56.78				56.78
Other financial liabilities	31.23	39.80				71.03
<b>Total</b>	<b>843.64</b>	<b>97.56</b>	<b>10.72</b>	<b>51.74</b>	<b>-</b>	<b>1,003.66</b>

c The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements (if any). The interest payments on variable interest rate loans in the tables above reflect market forward interest rates at the respective reporting dates and these amounts may change as market interest rates change. Except for these financial liabilities, it is not expected that cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts. When the amount payable is not fixed, the amount disclosed has been determined with reference to conditions existing at the reporting date.

d The Board of Directors at its meeting held on 11th May, 2022 is evaluating different avenues for raising of additional long term funds in order to mitigate any shortfall arising in current liquidity position of the company.

#### 56.3 Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's business primarily agricultural in nature, exposes it to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of adverse weather conditions and lack of future markets. The Company closely monitors the changes in market conditions and select the sales strategies to mitigate its exposure to risk. Market risk comprises two type of risks: Interest Rate Risk and Commodity Risk.

##### 56.3.1 Commodity Risk

Cultivation of tea being an agricultural activity, there are certain specific financial risks. These financial risks arise mainly due to adverse weather conditions, logistic problems inherent to remote areas, and fluctuation of selling price of finished goods viz. tea, coffee and rubber due to increase in supply/availability.

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

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

##### 56.3.2 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 rates. The company's exposure to the risk of changes in market interest rate relates primarily to company's borrowing with floating interest rates. The Company do not have any significant interest rate risk on its current borrowing due to their short tenure.

The Company is also exposed to interest rate risk on surplus funds parked in loans. To manage such risks, such loans are granted for short durations with fixed interest rate in line with the expected business requirements for such funds.

a Exposure to interest rate risk

Particulars	31st March 2022	31st March 2021
Borrowings at floating rate	479.83	370.41
Borrowings at fixed rate	512.41	505.44
	<b>992.24</b>	<b>875.85</b>

b Sensitivity Analysis

Profit or loss is sensitive to higher/ lower interest expense from borrowings as a result of changes in interest rates. This analysis assumes that all other variables, remain constant and ignores any

Particulars	31st March 2022				31st March 2021			
	Sensitivity Analysis	Impact on		Sensitivity Analysis	Impact on		Sensitivity Analysis	Impact on
		Profit before tax	Other Equity		Profit before tax	Other Equity		
Interest Rate Increase by	0.50%	(2.40)	(2.40)	0.50%	(1.85)	(1.85)		
Interest Rate Decrease by	0.50%	2.40	2.40	0.50%	1.85	1.85		

##### 56.3.3 Currency Risk

The Company has no exposure to foreign exchange during the financial year. There were no foreign exchange derivative contracts dealt by the Company.

#### 57 Capital Management

The Company objective to manage its capital is to ensure continuity of business while at the same time provide reasonable returns to its various stakeholders but keep associated costs under control. In order to achieve this, requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic investments. Sourcing of capital is done through judicious combination of equity/internal accruals and borrowings, both short term and long term. Net debt (total borrowings less cash and cash equivalents) to equity ratio is used to monitor capital.

Particulars	31st March 2022	31st March 2021
Net Debt	992.24	875.85
Total Equity	1,261.24	1,416.35
Net Debt to Equity Ratio	0.79	0.62

58 Miscellaneous Expenditure includes revenue expenditure on research and development Rs.1.50 lacs (2021: Rs. 1.23 lacs) incurred towards subscription to Tea Research Association.



- 59 On the basis of notification dated 6th November, 2020 by Govt. of Assam providing tax holiday from 2020-21 to 2022-23 on Agricultural Income Tax, no provision on Agricultural Income Tax has been created for the year ended 31st March, 2022. Further, existing provision of deferred tax in respect of tax holiday period has been reversed.
- 60 The Company's management believes that it has taken into consideration all the possible impact of known events till the date of approval of its financial statements arising from COVID-19 pandemic in the preparation of the financial results. Management is of the view that considering the nature of its business operations, existing customer and supplier relationships and its market position, impact on its business operation, if any, arising from COVID-19 pandemic is not expected to be significant in relation to financial statements prepared. The actual outcome of these assumptions and estimates may vary in future due to impact of pandemic.
- 61 Previous year figures have been regrouped / rearranged wherever necessary, to confirm to the current period's classification.

The Notes are an integral part of the Financial Statements  
As per our report of even date annexed.

For and on behalf of Board of Directors

For and on behalf of

J K V S & CO  
Chartered Accountants  
Firm Registration No. 318086E

*Utsav Saraf*  
Utsav Saraf  
(Partner)  
Membership No. 306932  
Kolkata  
Dated: 11th May, 2022



*Sayansiddha Das*  
Sayansiddha Das  
Director

*Sharad Bagree*  
Sharad Bagree  
Director