



# 84<sup>th</sup> ANNUAL REPORT 2020-21



A VISION FOR THE FUTURE



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**khaitan (India) Limited**

CIN: L10000WB1936PLC008775

Regd. Office: 46 C, J. L. Nehru Road, Kolkata 700 071

Phone: (033) 2288 8391, 4050 5000

E-mail: kilsugar@gmail.com website: www.khaitansugar.in

**BOARD OF DIRECTORS**

MR. SUNAY KRISHNA KHAITAN, Executive Director

MR.SANDIP CHATTERJEE

MRS.SUJATA CHATTERJEE

MR. MONOJ CHHAWCHHARIA , w.e.f. 07.04.2021

MR. GOPAL MOR , w.e.f. 07.04.2021

MRS.SANGITA JAIN , w.e.f. 07.04.2021

**CHIEF FINANCIAL OFFICER**

MR.SWAPAN KUMAR DAS

**COMPANY SECRETARY & COMPLIANCE OFFICER**

MR.PRADIP HALDER

**STATUTORY AUDITORS**

M/s. K. C. BHATTACHERJEE & PAUL

CHARTERED ACCOUNTANTS

**BANKERS**

IDBI BANK LTD.

BANK OF BARODA

**SUGAR & AGRICULTURE DIVISIONS**

**OFFICE:**

46 C, J.L. NEHRU ROAD, KOLKATA 700 071

PHONE: (033) 2288 8391, 4050 5000

**SUGAR MILL:**

KHAITAN NAGAR 741 157

PLASSEY (NADIA), WEST BENGAL

PHONE: (03474) 262345/6/7, FAX: 03474 262348

**AGRICULTURAL DIVISION**

RAMNAGAR 742 163

(MURSHIDABAD), WEST BENGAL

PHONE: (03482) 244244

**REGISTRARS & SHARE TRANSFER AGENTS**

M/s. MAHESHWARI DATAMATICS (P) LTD.

23, R. N. MUKHERJEE ROAD, 5<sup>TH</sup> FLOOR

KOLKATA - 700001



**NOTICE**

**NOTICE TO THE MEMBERS**

Notice is hereby given that the 84<sup>th</sup> Annual General Meeting (84<sup>th</sup> AGM or e-AGM or AGM) of **Khaitan (India) Limited** will be held on **Thursday, 30<sup>th</sup> September, 2021 at 11.30 A.M.** through Video Conferencing ("VC") / other Audio Visual Means ("OAVM"), to transact the following business.

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2021, together with the Report of the Directors and Auditors thereon.
2. To appoint a director in place of Mr. Sunay Krishna Khaitan (DIN: 07585070), who retires by rotation and, being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS**

3. **Appointment of Mr. Manoj Chhawchharia (DIN: 00214867) as Non-Executive, Independent Director.**

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

**"RESOLVED THAT** pursuant to the provision of Section 149, 152, 160, 161, the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and other rules made there under, Schedule IV and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Manoj Chhawchharia (DIN: 00214867) in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for office of Director, be and is hereby appointed as an Independent Director of the Company, to hold office for a period of five consecutive years, for a term ending at the conclusion of Annual General Meeting to be held during the financial year 2026."

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

4. **Appointment of Mr. Gopal Mor (DIN: 00555282) as Non-Executive, Independent Director.**

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

**"RESOLVED THAT** pursuant to the provision of Section 149, 152, 160, 161, the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and other rules made there under, Schedule IV and all other applicable provision of the Companies Act, 2013 (including any statutory modifications(s) or re-enactment thereof for the time being in force) Mr. Gopal Mor (DIN: 00555282) in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for office of Director, be and is hereby appointed as an Independent Director of the Company, to hold office for a period of five consecutive years, for a term ending at the conclusion of Annual General Meeting to be held during the financial year 2026."

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

5. **Appointment of Mrs. Sangita Jain (DIN: 08363050) as Non-Executive Independent Women Director.**

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

**"RESOLVED THAT** pursuant to the provision of Section 149, 152, 160, 161, the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and other rules made there under, Schedule IV and all other applicable provision of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) Mrs. Sangita Jain (DIN: 08363050) in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for office of Director, be and is hereby appointed as an Independent Women Director of the Company, to hold office for a period of five consecutive years, for a term ending at the conclusion of Annual General Meeting to be held during the financial year 2026."

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

Registered Office:  
46C, J. L. Nehru Road  
Kolkata – 700071  
The 13<sup>th</sup>, August, 2021

By Order of the Board of Directors  
For **Khaitan (India) Limited**  
**Pradip Halder**  
Company Secretary and Compliance Officer

**NOTES:** (cont)

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19", circular no. 20/2020 dated May 5, 2020 in relation to "Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)" and Circular no. 02/2021 dated January 13, 2021 in relation to "Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)" (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 in relation to "Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015- Covid-19 pandemic " and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 in relation to "Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to the COVID -19 pandemic" (collectively referred to as "SEBI Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars and SEBI Circulars, the AGM of the members of the Company is being held through VC / OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.
2. Pursuant to the provisions of the Companies Act, 2013 ("Act") a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and route map of the AGM are not annexed to this Notice.
3. Corporate members are requested to send to the Company, a certified copy of the Board Resolution/Power of Attorney authorizing their representative to attend and vote in the AGM through VC/OAVM on its behalf and to vote through remote e-voting. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM.
4. The Register of Members and Share Transfer Books will remain closed from Friday, 24<sup>th</sup> September, 2021 to Thursday, 30<sup>th</sup> September, 2021 (both days inclusive) on account of the Annual General Meeting.
5. Dispatch of Notice and Annual Report, etc. to Shareholders: In compliance with the MCA Circulars and SEBI Circulars, the Annual Report including the notice of the e-AGM is being sent only through electronic mode to those members whose email IDs are registered with the Company / Depository Participant(s) and are holding shares of the Company as on Friday, 27<sup>th</sup> August, 2021 being the cut-off date for the purpose. Members may also note that the Annual Report for FY 2020-21 and the Notice will also be available on the Company's website [www.khaitansugar.in](http://www.khaitansugar.in), on the website of Stock Exchanges BSE Limited [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited [www.nseindia.com](http://www.nseindia.com)
6. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 which sets out details, relating to Special Business at the meeting, is annexed hereto.
7. Shareholders are requested to update their Bank account details with their Depository Participant, If they are holding the shares in Demat and RTA in case they are holding the shares in physical. In this connection, the Company has already issued reminders to all shareholders, who have not update their PAN and Bank account details of first and sole shareholder of the Company. Once again, the members are advised to update the details with RTA.
8. Further, the Company draws your attention to the notification issued by SEBI dated June 8, 2018 and the press release dated 3<sup>rd</sup> December 2018 amending Regulation 40 of the SEBI (Listing obligations and Disclosure Requirements) Regulation, 2015 Pursuant to the amended provision, any request for effecting transfer of shares in physical form shall not be processed except in case of transmission or transposition of shares unless the shares are held in demat form. Hence, the Company/Registrar and Share Transfer Agent would not be in position to accept/ process the requests for transfer of shares held in physical form with effect from 01.04.2019. Therefore, the company advises you to take immediate steps for dematerializing your shareholding in the Company. Holding of shares in dematerialized form offers lots of benefits like enhanced security, ease of handling, faster transfers and eliminating be deliveries. In view of the above, in order to ensure that you are able to deal in shares hassle-free, kindly take steps for dematerializing the shares at the earliest.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every Participant in Securities market, Member holding Shares in electronic form are, therefore, requested to submit the PAN details to their Depositor Participants with whom they are demat account. Members holding Shares in physical form can submit their PAN details to the Company's Registrar and Shares Transfer Agents.
10. Pursuant to Section 72 of the Act, Members holding shares in physical form are advised to file nomination in the prescribed Form SH-13 with the Company's RTA. In respect of shares held in electronic/ demat form, the Members may please contact their respective depository participants(s).
11. Disclosure pursuant to Regulation 36(3) of SEBI (LODR) Regulation, 2015 and Secretarial Standard - 2 (SS-2) with respect to the Directors seeking re-appointment at the forthcoming Annual General Meeting is appended to the Notice.



**NOTES: (cont)**

12. In compliance with the aforesaid MCA Circular and SEBI circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. The Notice calling the AGM and Annual Report has been uploaded on the website of the Company at <https://www.khaitansugar.in>. The Notice can also be accessed from the website of the Stock Exchange i.e. National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) and BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the VC/OAVM facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com)
13. The Register of Directors' and key Managerial Personnel (KMPs) and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode. Members can send an e-mail requesting for inspection of the Registers.
14. The attendance of the members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the Quorum under Section 103 of the Companies Act, 2013.
15. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to this Notice. Voting through Electronic means Pursuant to the provision of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and MCA Circulars dated April 8, 2020, April 13, 2020 the Company shall provide the facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM through VC or OAVM will be provided by CDSL.

**The Instruction for members for remote e-voting is as under:**

16. The remote e-voting period begins on Monday, 27<sup>th</sup> September, 2021 at 9.00 A.M. and ends on Wednesday, 29<sup>th</sup> September, 2021 at 5.00 P.M. During this period, Members holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Thursday, 23<sup>rd</sup> September, 2021 may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter. (i) Pursuant to SEBI Circular No. SEBI / HO / CFD / C MD / CIR / P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.
  - (i) Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.
 

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the Demat account holders, by way of a single login credential, through their Demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.
  - (ii) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their Demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their Demat accounts in order to access e-Voting facility.
 

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

| Type of shareholders   | Login Method  |
|--|---|
| Individual Shareholders holding securities in Demat mode with CDSL | 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.<br>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. |



**NOTES:** (cont)

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

**Important note :** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

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

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



**NOTES:** (cont)

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

- (i) Shareholders who have already vote prior to the meeting date would not be entitled to vote through e-voting provided during VC/OAVM
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (iii) Click on "Shareholders" module to cast your votes.
- (iv) Now Enter your User ID.

| Details             | For Members holding shares in Demat Form  | For Members holding shares in Physical Form |
|---------------------|---|---|
| <b>Form User ID</b> | For <b>NSDL</b> : 8 Character DP ID followed by 8 Digits Client ID For <b>CDSL</b> : 16 digits beneficiary ID | Folio Number registered with the Company    |

- (v) Then enter the Captcha Code as displayed and Click on Login.
- (vi) If you are holding shares in Demat Form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and vote on an earlier voting of any Company, then your existing password is to be used:
- (vii) If you are area first time user follow the steps given below:

| Details                             | For Shareholders holding shares in Demat Form other than individual and Physical Form  |
|-------------------------------------|--|
| <b>PAN</b>                          | Enter your 10-digit alpha numeric PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as Physical shareholders),<br>Shareholders who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number which is mentioned in the e-mail communication in the PAN field sent by Company / RTA or contact Company / RTA. |
| <b>Dividend Bank Details of DOB</b> | Enter the Dividend Bank Details or Date of Birth as recorded in your Demat account or in the Company records for the said Demat account or folio in DD/MM/YYYY format in order to login.<br>If both the details are not recorded with the Depository or Company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).                     |

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, shares in demat form will now reach "Password Creation" menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for Resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the Resolutions contained in this Notice.
- (xi) Click on the relevant Company Name i.e. Khaitan (India) Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same, the option "YES/ON" for voting. Select the option YES or No as desired. The option YES implies that you assent to the Resolution and option No implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTION FILE LINK" if you wish to view the entire Resolution.
- (xiv) After selecting the Resolution, you have decided to vote on click on "SUBMIT" A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the Resolution, you will not be allowed to modify your vote.
- (xvi) You can also take print of the vote cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) If you are registered for CDSL's EASI/ EASI/EASIEST e- service, you can login at <https://www.cdslindia.com> from Login-Myeasi using your login credentials. Once you successfully log-in to CDS's EASI/EASIEST e-services, click on e-voting option and proceed directly to cast your vote electronically.



**NOTES:** (cont)

- (xix) Shareholders can also cast their vote using CDSL's mobile app m-voting available for android based mobiles. The m-voting app can be downloaded from Google Play store, iPhone and windows phone users can download the app from the App Store and the Windows Phone Stores respectively.
- (xx) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
- (a) A scanned copy of the Registration Form bearing the stamp and signature of the entity should be e-mailed to helpdesk. [evotaing@cdslindia.com](mailto:evotaing@cdslindia.com).
- (b) After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on. The list of accounts linked in the login should be mailed to helpdesk, [evoting@cdslindia.com](mailto:evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- (c) A scanned copy to the Board Resolution and Power of Attorney (POA) which they have issued in favour of the custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (d) Alternatively Non Individual shareholders are required to send the relevant Board Resolution /Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer ([amithmchoraira@gmail.com](mailto:amithmchoraira@gmail.com)) and to the RTA ([mdpldc@yahoo.com](mailto:mdpldc@yahoo.com)), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- (xxi) If you have any queries or issues regarding attending AGM & e-voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to helpdesk. [evoting@cdslindia.com](mailto:evoting@cdslindia.com)
- (xxii) All grievances connected with the facility for voting by electronic means may be addressed to Manager, (CDSL) Central Depository Service (India) Limited. A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compunds, N.M. Joshi Marg, Lower Parel (East), Mumbai – 400013 or send an email to helpdesk. [evoting@cdslindia.com](mailto:evoting@cdslindia.com) or call 022-23058542/43.

**Process for those shareholders whose email addresses are not registered with the depositories for obtaining login credentials for e-voting for the resolutions proposed in this Notice:**

1. For Physical shareholders: Members are requested to directly register their email id/update their PAN by visiting the link of the Company's Registrar and Share Transfer Agent M/s. Maheshwari Datamatics Pvt. Ltd. as given below:  
Link for email registration – <http://mdpl.in/form/email-update>
2. For Demat shareholders: Register/Update through respective Depository Participants (DPs) (Any such updation effected by the DPs will automatically reflect in the Company's subsequent records)

**Instructions for shareholders attending the AGM through VC/OAVM are as under:**

1. Shareholders will be provided with a facility to attend the AGM through VC /OAVM through the CDSL e- Voting system. Shareholders may access the same at <https://evotaingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/ members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / Desktop / I Pads for better experience.
3. Further, shareholders will be required to allow Camera and use internet with a good speed to avoid disturbance during the meeting.
4. Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss fluctuation in their respective network. It is therefore recommended to use Stable WiFi or LAN Connection to mitigate any kind of aforesaid glitches.
5. The Members can join the AGM through VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional investors, Director, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
6. Shareholders who would like to express their view / ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 15 days prior to meeting mentioning their name, demat account number /folio number, email id, mobile number at [kilsugar@gmail.com](mailto:kilsugar@gmail.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 15 days prior to meeting mentioning their name, demat account number/ folio number, email id, mobile number at [kilsugar@gmail.com](mailto:kilsugar@gmail.com) please mention the the email id of the Company.

**Instructions for shareholders for e-voting during the AGM are as under:**

- 1) The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.



**NOTES:** (cont)

- 2) The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
- 3) Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
- 4) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- 5) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- 6) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- 7) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 15 days prior to meeting mentioning their name, Demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 15 days prior to meeting mentioning their name, Demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
- 8) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting
- 9) Only those shareholders, who are present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- 10) If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**General:**

- a) The remote e-voting period commences on Monday, 27<sup>th</sup> September 2021 at 9.00 A.M. and ends on Wednesday, 29<sup>th</sup> September 2021 at 5.00 P.M. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut of date only shall be entitled to avail the facility of remote e-voting as well as voting in the general meeting. The remote e-voting e-voting module shall be blocked by CDSL for e-voting thereafter, once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- b) After dispatch of the notice, any person who acquires shares of the Company and becomes member of the Company as on the cut-off date i.e. Thursday, 23<sup>rd</sup> September, 2021 may obtain the login ID and password by sending an email to [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com) or helpdesk. [evoting@cdslindia.com](mailto:evoting@cdslindia.com) by mentioning their Folio No. / DP.ID No However, if you are already registered with CDSL for remote e-voting, then you can use your existing user ID and password for casting your vote.
- c) The voting rights of a member shall be in proportion to his shares in the paid –up equity share capital of the Company as on the cut-off i.e. Thursday, 23<sup>rd</sup> September, 2021.
- d) Mr. Amit Choraria, proprietor M/s. Amit Choraria & Co., Chartered Accountants, Membership No. 066838 Kolkata, has been appointed as Scrutinizer to scrutinize the voting process (electronically or otherwise) in a fair and transparent.
- e) The Scrutinizer shall, immediately after the conclusion of voting in the Annual General Meeting held through VC/OAVM, will first count the votes cast in the meeting, and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days after the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairperson or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- f) The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.khaitansugar.in](http://www.khaitansugar.in) website of CDSL [www.evotingindia.com](http://www.evotingindia.com) and also forward the same to The National Stock Exchange of India Limited simultaneously, where the Company's shares are listed

**ANNEXURE TO NOTICE**

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

The following explanatory Statement of pursuant to provision of Section 102 of the Companies Act, 2013 (including any statutory modification(s) thereto or re-enactments(s) thereof for the time being in force), sets out all material facts relating to the business items of the accompanying Notice

**ITEM NO: 3 - Appointment of Mr. Manoj Chhawchharia as an Independent Director (Non-Executive) the Company**

Mr. Manoj Chhawchharia (DIN: 00214867) was appointed as Non-Executive Independent Additional Director by the board of the board directors of the Company upon the recommendation of Nomination & Remuneration Committee w-e-f 7<sup>th</sup> April, 2021. Pursuant to the provision of Section 161 of the Companies Act, 2013 Mr. Manoj Chhawchharia will hold office up to date of ensuing AGM. The Company has received from Mr. Manoj Chhawchharia (i) consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules 2014, (ii) Intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect that he is not disqualified under sub section (2) of Section 164 of the Companies Act, 2013 and (iii) a declaration to the effect that she meets the criteria of independence as provided in sub section 149 of the Companies Act, 2013. The Company has received notice in writing under the provisions of Section 160 of Companies Act, 2013, from a member along with requisite deposit proposing the candidature of Mr. Manoj Chhawchharia for the office of director. The resolution seeks the approval of members for the appointment of Mr. Manoj Chhawchharia as an Independent Director of the Company Annual General Meeting to be held during the financial year 2026, pursuant to section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made there under. He is not liable to retire by rotation.

Copy of the draft letter of appointment of the Independent Director setting out the terms and conditions of appointment would be available for inspection by the members at the Registered Office of the Company during normal business hours on any working day, except Saturday upto the Annual General Meeting.

Mr. Manoj Chhawchharia does not hold any shares in the Company either in his individual capacity or beneficially for others and is not related to any Director of the Company.

The Directors recommend the approval of the ordinary resolution, None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr. Manoj Chhawchharia is concerned or interested, financial or otherwise, in the resolution set out at item No.5

**ITEM NO: 4 - Appointment of Mr. Gopal Mor as an Independent Director (Non-Executive) the Company**

Mr. Gopal Mor (DIN: 00555282) was appointed as Non-Executive Independent Additional Director by the board of the board directors of the Company upon the recommendation of Nomination & Remuneration Committee, w-e-f 7<sup>th</sup> April, 2021. Pursuant to the provisions of Section 161 of the Companies Act, 2013 Mr. Gopal Mor will hold office up to the date of ensuing AGM. The Company has received from Mr. Gopal Mor (i) consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR 8 in terms Companies (Appointment & Qualification of Directors) Rules 2014, to the effect that she is not disqualified under sub section (2) of Section 164 of the Companies Act, 2013 and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub section 149 of the Companies Act, 2013. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with requisite deposit proposing the candidature of Mr. Gopal Mor for the office of director. The resolution seeks the approval of members for the appointment of Mr. Gopal Mor as an Independent Director of the Company Annual General Meeting to be held during the financial year 2025, pursuant to section 149 and other applicable of the Companies Act, 2013 and the Rules made there under. He is not liable to retire by rotation.

Copy of the draft letter of appointment of the Independent Director setting out the terms and conditions of appointment would be available for inspection by the members at the Registered Office of the Company during normal business hours on any working day, except Saturday up to the Annual General Meeting.

Mr. Gopal Mor does not hold any shares in the Company either in his individual capacity or beneficially for others and is not related to any Director of the Company.

Mr. Gopal Mor does not hold any shares in the Company either in his individual capacity or beneficially for others and is not related to any Director of the Company.

The Directors recommend the approval of the ordinary resolution. None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr. Gopal Mor is concerned or interest, financial or otherwise, in the resolution set out at item No. 5

**ITEM NO: 5 - Appointment of Mrs. Sangita Jain as an Independent Director (Non-Executive) the Company**

Mrs. Sangita Jain (DIN: 08363050) was appointed as Non-Executive Independent Additional Director by the board of the board directors of the Company upon the recommendation of Nomination & Remuneration Committee, w-e-f 7<sup>th</sup> April, 2021. Pursuant to the provisions of Section 161 of the Companies Act, 2013 Mrs. Sangita Jain will hold office up to date of ensuing AGM. The Company has received from Mrs. Sangita Jain (i) consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules 2014 (ii) Intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect that she is not disqualified under sub section (2) of 164 of the Companies Act, 2013 and (iii) a declaration to the effect that she meets the criteria of independence as provided in sub section 149 of the Companies Act, 2013. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with requisite deposit proposing the candidature of Mrs. Sangita Jain for the office of director.



**ANNEXURE TO NOTICE: (cont)**

The resolution seeks the approval of members for the appointment of Mrs. Sangita Jain as an Independent Director of the Company Annual General Meeting to be held during the financial year 2026, pursuant to section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made there under. She is not liable to retire by rotation.

Copy of the draft letter of appointment of the Independent Director setting out the terms and conditions of appointment would be available for inspection by the members at the Registered Office of the Company during normal business hours on any working day, except Saturday up to the Annual General Meeting.

Mrs. Sangita Jain does not hold any shares in the Company either in his individual capacity or beneficially for others and is not related to any Director of the Company.

The Directors recommend the approval of the ordinary resolution. None of the Director and Key Managerial Personnel of the Company and their relatives except Mrs. Sangita Jain is concerned or interested, financial or otherwise, in the resolution set out at item No. 6

Details of Directors proposed to be appointed / re- appointed at the Annual General Meeting:

Pursuant to Regulation 36(3) of Securities & Exchange Board of the India (Listing Obligation and Disclosure Requirements) Regulation, 2015 the details of the Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting are provided as under:

| <b>Name of Director</b>  | <b>SUNAY KRISHNA KHAITAN</b>                            | <b>MANOJ CHHAWCHHARIA</b>   | <b>GOPAL MOR</b>  | <b>SANGITA JAIN</b>  |
|--|---|---|---|--|
| Date of Birth (Age in years)   | 09/12/1991 (29)   | 15/06/1959 (62)   | 11/07/1966 (53)   | 23/12/1971 (49)  |
| Date of Appointment  | 12/11/2016  | 07/04/2021  | 07/04/2021  | 07/04/2021   |
| Expertise in specific functional area (Experience in year)   | 5 years in Marketing of Fans and Electrical appliances. | He is a businessman Since 1977. In Manufacturing and Trading of Engineering Goods. He also in accounts, finance and business Management | He is a businessman Since 1989. In mineral and software development sector He also enriching knowledge in accounts, finance and business Management | Experience in Administration and Management. Presently she is home maker.  |
| Qualification  | BSC (Economics & Finance)                               | B.Com (Honours)   | B.Com   | BSC  |
| Shareholding in the Company (either personally or on beneficial basis)                               | 292079  | NIL   | NIL   | NIL  |
| List of other Public Limited Companies in which Directorship held                                    | Khaitan Lefin Limited                                   | NIL   | NIL   | Naturewealth Development Corporation Limited   |
| Chairman/Member of the Committees of the Board across all public Companies in which he is a Director | NIL   | NIL   | NIL   | NIL  |
| Chairman/Member of the Committees of the Board of the Company (as on date of Notice)                 | Shareholder Relationship Committee (Member)             | Risk and Audit Committee (Member)<br>Nomination and Remuneration Committee (Member)<br>Shareholder Relationship Committee (Member)      | Risk and Audit Committee (Member)<br>Nomination and Remuneration Committee (Member)<br>Shareholder Relationship Committee (Member)                  | Risk and Audit Committee (Member)<br>Nomination and Remuneration Committee (Member)<br>Shareholder Relationship Committee (Member) |

**ANNEXURE TO NOTICE:** (cont)

|   |  |   |   |   |
|---|--|---|---|---|
| Disclosure of relationships between Directors inter-se and other Key Managerial Personnel | NIL  | NIL   | NIL   | NIL   |
| Terms and conditions of appointment/re-appointment  | Reappointment pursuant to retire by rotation   | -Being proposed to be appointed as Independent directors for a period of 5 years<br>- Being Independent director, entitled to sitting fees only | -Being proposed to be appointed as Independent directors for a period of 5 years<br>- Being Independent director, entitled to sitting fees only | -Being proposed to be appointed as Independent directors for a period of 5 years<br>- Being Independent director, entitled to sitting fees only |
| Remuneration sought to be paid / last drawn   | Details as per Annexure V of Director's Report | Details as per Annexure V of Director's Report  | Details as per Annexure V of Director's Report  | Details as per Annexure V of Director's Report  |
| Number of Board Meetings attended during the year   | 4  | NIL*  | NIL*  | NIL*  |

\*As appointed after 31.03.2021





**DIRECTORS' REPORT**

**TO THE MEMBERS  
KHAITAN (INDIA) LIMITED**

**SUMMARY OF FINANCIAL HIGHLIGHTS**

Your Directors present their 84<sup>th</sup> Annual Report together with the Audited Accounts for the year ended 31<sup>st</sup> March, 2021.

|   | <b>Rs. In Lacs</b> |                    |
|---|--------------------|--------------------|
| <b>FINANCIAL RESULTS</b>  | <b>2020 - 2021</b> | <b>2019 - 2020</b> |
| Sales & Operating Income  | <b>4526.61</b>     | 5664.91            |
| Profit/(Loss) before Interest Depreciation<br>Amortization and Taxation | <b>224.83</b>      | -92.07             |
| Interest / Finance Cost   | <b>-295.41</b>     | -217.55            |
| Profit/(Loss) before Depreciation and Taxation                          | <b>-70.58</b>      | -309.62            |
| Depreciation  | <b>-179.85</b>     | -180.92            |
| Profit/(Loss) before Taxation   | <b>-250.43</b>     | -490.54            |
| Taxation  | <b>-326.44</b>     | 0                  |
| Profit/(Loss) for the year from continuing operations                   | <b>-576.87</b>     | -490.54            |
| Profit/(Loss) from discontinued operations                              | <b>0</b>           | 0                  |
| Profit for the year   | <b>-576.87</b>     | -490.54            |
| Other Comprehensive Income/(Loss)                                       | <b>206.32</b>      | -634.69            |
| Total Comprehensive Income/(Loss)                                       | <b>-370.55</b>     | -1125.23           |
| <b>STATEMENT OF RETAINED EARNINGS</b>                                   |                    |                    |
| At the beginning of the year  | <b>1901.15</b>     | 2391.69            |
| Add: Profit for the Year  | <b>-576.86</b>     | -490.54            |
| At the end of year  | <b>1324.29</b>     | 1901.15            |

**COVID-19 IMPACT**

The year started amidst a strict nationwide lockdown in India with tough restrictions on economic activity and mobility. The Company, and indeed the entire electronic Marketing sector in India, saw a collapse in sales activity following the lockdown. At that time, there was an unprecedented uncertainty about the eventual impact of the Covid-19 pandemic.

The Company is actively monitoring the impact of the Covid-19 pandemic on its financial condition, liquidity, operations, suppliers, industry, and workforce. It has used the principles of prudence in applying judgments, estimates and assumptions based on the current estimates. In assessing the recoverability of assets such as goodwill, inventories, financial and other assets, based on current indicators of future economic conditions, the Company expects to recover the carrying amounts of its assets. The extent to which Covid-19 impacts the operations will depend on future developments which remain uncertain.

The second wave in Covid-19 has just given way to the start of Third wave that is expected to be more deadly. High number of cases are coming per day across India. A complete lockdown was enforced in West Bengal since 16<sup>th</sup> May, 2021. Before that also the impact of Covid-19 pandemic was vast. Business has been dull since first lockdown in 2020. While fear, economic uncertainty and disruptions continue to impact the already fragile business environment and our operations, the full impact of this cannot be assessed at this point of time.

**INDIAN ACCOUNTING STANDARDS**

The Financial Statements are prepared in accordance with the Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis. The ministry of corporate affairs (MCA), vide its notification in the official gazette dated February 16, 2015 notified the Indian Accounting Standards (Ind AS) applicable to certain classes of companies, Ind AS is applicable from 1<sup>st</sup> April, 2017

**SHARE CAPITAL**

There was no change in the share capital as on 31<sup>st</sup> March, 2021 of the Company

**DIVIDEND AND TRANSFER TO RESERVE**

The Company had incurred losses and Board considered it prudent (with a view to conserve the resources for the company's growth and expansion) not to recommend payment of any dividend on the Equity shares for the financial year under review. Further, Board of the company has decided not to transfer any sum to reserve.

**ECONOMIC CLIMATE AND OUR PERFORMANCE**

The Covid-19 pandemic has now resulted into a global crisis and caused fear and slow down in the Indian Economy. It has forced the Government to enforce lock-downs of all economic activities. The World Bank has recently slashed India's GDP forecast to 8.3



**DIRECTORS' REPORT** (cont)

per cent for FY 22, the fiscal year starting April 2021, as against its earlier estimate of 10.1 per cent. India's recovery is being hampered by the largest outbreak of any country since the beginning of the pandemic. The newer version of the Corona Pandemic is expected in near future and due to the same more contraction of the economy can be forecasted. The company is also expected to be greatly affected due to effect and after effect of economic slowdown and corona pandemic.

Marketing division of the company markets electrical products like fan, cooler, pumps etc. We report that the marketing division has contributed significantly to turnover of the company. We believe that the marketing division would perform better in the time to come and shall contribute significantly in profitability also. Due to Covid – 19 reasons there has been a substantial fall in Revenue and the company is expecting that in 1st half of the year 2020-21 the revenue shall be affected. This effect may continue beyond first 6 months also.

During the year 2020-2021 also, company could not start operation of the sugar mill (seasonal) mainly due to paucity of fund to finance the working capital requirement and other direct and operation expenses

**CREDIT RATING**

No credit rating during the financial year under review was received by the company

**SUSTAINABLE DEVELOPMENT AND ENVIROMENT**

We consider sustainable development and environment protection as integral part out management culture. There is renewed thrust of environment protection in current year wherein we have put special effort on plant protection on our agricultural land.

**CASH FLOW ANALYSIS**

In conformity of the provision of Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, the cash flow statement for the year ended 31.03.2021 is included in the financial accounts.

**SIGNIFICANT EVENTS AFTER BALACE SHEET DATE**

There has been no significant event after Balance Sheet Date.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT**

Reference is made to financial statements for loans to bodies corporate and for guarantees provided by the company. As regards details of Investments in bodes corporate, the same are given in the financial statements.

**CERTIFICATION FROM AUDITORS IN RELATION TO CORPORATE GOVERNANCE**

The Report on Corporate Governance as stipulated in the Listing Regulations forms part of Annual Report. The requisite certificate from M/s. K.C. Bhattacharjee & Paul, Chartered Accountants, confirming compliance with the conditions of Corporate Governance as stipulated under the Listing Regulations is annexed hereto Annexure to this Report.

**CORPORATE GOVERNANCE**

As per SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 annexed to this is Auditors' Certification on Corporate Governance forming part of the Annual Report.

**DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12)**

During the year under review, there were no frauds reported by the auditors to the Audit Committee or the Board under section 143(12) of the Companies Act, 2013. Further, no fraud has been reported during the audit conducted by the Statutory Auditors, Secretarial Auditors and Cost Auditors of the Company.

**MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Discussion and Analysis Report for the under review as stipulate under SEBI (Listing and Disclosure Requirements) Regulations, 2015 is attached.

**DEPOSITS**

The Company has not accepted any deposit from public falling within the ambit of section 73 of the Companies Act, 2013 and the Company's (Acceptance of Deposit) Rules, 2014

**PARTICULARS OF LOAN AND GUARNTEE AND INVESTMENT**

Details of Loans, Guarantees and Investments covered under the provisions of section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements and hence not repeated in directors report.

**CORPRATE SOCIAL RESPONSIBILITY (CSR)**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable to the Company.

**WHISTLE BLOWER POLICY**

The Company has a Whistle blower policy which is hosted on its website [www.khaitansugar.in](http://www.khaitansugar.in) in compliance with the provisions are not applicable to the Company.

**EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of Annual Return in Form MGT-9 is given in **Annexure – 1**

**DIRECTORS**

There are 3 Directors on the Board out of which 2 are independent Director and 1 is Whole Time Director.



**DIRECTORS' REPORT (cont)**

**(I) CHANGE IN DIRECTORSHIP**

**(a) Resignation**

Mrs. Sujata Sarkar (DIN: 08173535) an independent Director of the Company has resigned from the Board of the company with effect from 30.03.2021. The Board of Directors place on record their appreciation for her contribution in development of the company.

**(b) Appointment**

Mr. Manoj Chhawchharia (DIN: 00214867) was appointed as Additional, Non Executive, Independent director with effect from 07.04.2021. He is a businessman since 1977. He is B.Com (Hons) He has vast experience in Manufacturing and Trading of Engineering Goods. He also has experience in accounts, finance and business management. His appointment as independent Director is to be confirmed by the Share Holders in the forthcoming Annual General Meeting.

Mr. Gopal Mor (DIN: 00555282) was appointed as Additional, Non Executive, Independent director with effect from 07.04.2021. He is B.Com, also has Honorary Doctorate in Social Work from Global Peace University and is a businessman since 1989 He past experience minerals and software development sector, currently involved in logistic park development, also knowledge in accounts, finance and business administration. His appointment as independent Director is to be confirmed by the Share Holders in the forthcoming Annual General Meeting.

Mrs. Sangita Jain (DIN: 08363050) was appointed as Additional, Non Executive Independent director with effect from 07.04.2021 She is BSC and past experience in Administration and Management Presently she is home maker. Her appointment as Independent Director is to be confirmed by the Share Holders in the forthcoming Annual General Meeting.

**(ii) RETIREMENT BY ROTAION**

In accordance with the provision of section 152 of the Companies Act, 2013 Mr. Sunay Krishna Khaitan (DIN:07585070) retires by rotation and being eligible offers himself for reappointment.

**(iii) BOARD AND COMMITTEES EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 the Board has out annual performance evaluation of its own performance, the directors individually as well as working of its Audit, Nomination & Remuneration and Shareholders Relationship Committee. The method of evaluation has been explained in Corporate Governance Report.

**(iv) BOARD MEETING**

The details of meeting of Board and its various committees are given in Corporate Governance Report forming part of report.

**(v) DISQUALIFICATION OF DIRECTORS**

None of the Directors are disqualified under section 164(2) of the Companies Act, 2013

**(vi) INDEPENDENT DIRECTOR DECLARATION**

All the Independent Directors have given their declaration confirming that the meet the criteria of Independence in terms of section 149(6) of the Companies Act, 2013

**(vii) COMMISSION**

Executive Director and Whole time Director were not in receipt of any commission form the company.

Executive Director and Whole time Director were not in receipt of any commission from subsidiary (there is no subsidiary)

**KEY MANAGEMENT PERSONNEL**

**(i) Appointment**

There has been no appointment of KMP during the year 2020 -2021

**(ii) Resignation**

There has been no resignation of KMP during the year 2020 – 2021

**ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO**

The information on Conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Account) Rule 2014 is annexed as **Annexure - II**

**INFORMATION OF EMPLOYEES**

Provision of Section 197 of the Companies Act, 2013 read with Rules 5 (2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable as no employee or director of the Company was receipt of such remuneration as prescribed under the said rules.

The Company believes that its employees are a vital resource in the current business environment. The Company is enjoying good and congenial industrial relations at all the Division of the Company. The prescribed information of the of the employees required under section 134(3)(q) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 is attaché herewith as **Annexure – III**

**DIRECTORS' REPORT** (cont)

**ESTABLISHMENT OF VIGIL MECHANISM POLICY**

To ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adopting high standards of professionalism, honesty, integrity, the company has adopted a vigil mechanism policy. This policy is explained in Corporate Governance and also posted on Company's website [www.khaitansugar.in](http://www.khaitansugar.in)

**DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY**

The Company has adopted risk management policy which covers assessment of various risks impacting the business of the company. The policy covers framework to identify, evaluate and mitigate business risk. The Risk Management policy has been uploaded on the website of the Company [www.khaitansugar.in](http://www.khaitansugar.in)

**REMUNERATION POLICY**

The Board has on the recommendations of Nomination & Remuneration Committee framed a policy of selection / appointment of Directors, Senior Management Personal and their remuneration policy is state in Corporate Governance Report.

**DIRECTORS'S RESPONSIBILITY STATEMENT**

Directors responsibility statement pursuant to section 134(3) (c) of the Companies Act, 2013 is attached as **Annexure – IV**.

**RELATE PARTY TRANSACTIONS**

All Transaction entered into with related parties as defined the Companies Act, 2013 and Regulation 23 to the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, during the financial year were in the ordinary course of business and on arm's length basis. All related party transactions are placed before the audit Committee and also the Board for approval. Particulars of contracts or arrangement with relate parties referred to in sub section (i) of Section 188 have been given in the prescribed form AOC -2 as **Annexure – V**

The policy on Relate Party Transaction as approved by the Board is uploaded on the Company's website [www.khaitansugar.in](http://www.khaitansugar.in)

**AUDITORS**

**STATUOTY AUDITORS**

M/s. K.C.Bhattacharjee & Paul, Chartered Accountants, (Reg. No. 303026E) have been appointed as the Statutory Auditors of the Company at the Annual General Meeting held on 30<sup>th</sup> September, 2020 for a period of 5 years subject to ratification of appointment by the members at every Annual General Meeting. Accordingly members are requested to ratify the appointment of M/s. K.C.Bhattacharjee & Paul, Chartered Accountants, (Reg. No. 303026E)

The Board has duly examined the Statutory Auditor's Report to Financial Statement. The reply of the management in regard to qualification in the auditor's report id as follows:

- i. Regarding the non-operation of sugar mill of the company and management has not yet decided to discontinue the operation of the mill. The accounting has been done on going concern basis, Fixed Assets of Sugar Mill division especially the plant and machinery has not been used for active service for more than 2years due to non-operation of the sugar mill. Considering the age of the assets and non-usage of machineries for a considerable time, the technical evaluation of the assets needs to be done for ascertainment of impairment provision. Since the technical evaluation is pending, the possible effect of the value of impairment of the assets on the financial statements is not currently ascertainable. Had this technical evaluation carried out, these may be incidental to any variation in the value of assets and consequently change in the amount of accumulated losses.
- ii. In terms of requirements of Ind AS109, Financial Instruments, the company has not opted for Expected Credit Loss (ECL) model for estimating the provisions against Trade Receivables. Had the said model of estimation of receivable delinquencies been applied the balance of provisioning against trade receivables might undergone a change. The possible effect of the non-application of the ECL model on the financial statements is un-ascertained.
- iii. The biological assets amounting to Rs. 2,57,00,854/- includes Bearer and Non Bearer plants and trees. As per Ind AS-16, Property, Plant & Equipment, bearer plant is a part of Fixed Assets and depreciation to be charged on the basis of useful life of the bearer plants. The company has not segregated the portfolio of biological assets into bearer and non-bearer plants and consequent accounting adjustment thereof and continues to recognize the same under current assets, which is in disagreement with the requirements of the above referred Ind AS Accounting standard. Pending completion of said exercise, the consequent impact to the above matter on the financial statements could not be ascertained.

**FEES PAID TO AUDITORS**

Total fees paid by the Company, to the auditors during the year 2019 -2020 and 2020 -2021 is given below :-

| Auditors' Remuneration | As at March 31, 2021<br>(Amount in Rs.) | As at March 31, 2020<br>(Amount in Rs.) |
|------------------------|---|---|
| - As Auditors          | 200000.00                               | 200000.00                               |
| -For Tax Audit         | 50000.00                                | 50000.00                                |
| -For Other Services    | 150000.00                               | 150000.00                               |

**SECRETARIAL AUDITORS**

Pursuant to the provision of Section 204 of the Companies Act, 2013 and The Companies, (Appointment and Remuneration of Managerial Personnel) Rule, 2014 the Company had appointed Ms. Nisha Munka (ACS No. 49058 CP No. 18201), Company Secretary in Practice, to undertake the Secretarial Audit of the Company for the FY 2020-21. The Secretarial Audit Report is annexed herewith as **Annexure - VI**



**DIRECTORS' REPORT (cont)**

The Qualifications therein are self explanatory and management's response is also covered therein.

**CERTIFICATION FROM COMPANY SECRETARY IN PRACTICE**

A certificate has been received from M/s. Nisha Munka, Practicing Company Secretaries, that none of the Directors on the Board of the Company have been received from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority. The Certificate for the year 2020-2021 are attached as Annexure – VII to this Report.

**INTERNAL AUDITORS**

Your Company's in house internal audit department carries out internal audit across all location of the county. Their objective is to assess the existence, adequacy and operation of financial and operating controls set up by the Company and to ensure compliance with the Companies Act, 2013, SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015 (SEBI Listing Regulations, 2015 and corporate policies, Internal Auditors Reports are reviewed by the Audit Committee. The Company has thought to have in house internal audit department to conduct internal audit in future.

**COST AUDITORS**

As sugar mill could not start operation during year, cost audit was not conducted.

**SUBSIDIARY COMPANY**

The Company doesn't have any subsidiary.

**ASSOCIATE COMPANIES**

As on 31<sup>st</sup> March, 2021 M/s. Khaitan Lefins Limited is the sole associate of the Company. As their Audited accounts were not available, therefore Consolidated Accounts could not be prepared.

**MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY**

There are no material changes and commitment affection financial position of the company which has occurred between the end of financial year of the company i.e. 31<sup>st</sup> March 2021 and till the date of report.

**DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE**

The Company has in place a policy in line with the requirements of The Sexual Harassment or Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, trainees) are covered under this Policy. During the year under review, no complaints were received.

**INTERNAL FINANCIAL CONTROLS WITH REEFERENCE TO FINANCIAL STATEMENT**

The Company has adequate financial control procedures commensurate with its size and of business, the company has identified and documented all key internal financial controls which impact the financial statements, as a part of its Standard Operating Procedure (SOP). The SOPs are designed for critical processes across all branches wherein financial transactions are undertaken.

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATOURS OR COURTS**

There are no significant material orders passed by the regulators/courts which would impact the going concern status of the company and its future operations.

**GENERAL**

- | The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.
- | During the year, no revision was made in the previous financial statement of the Company.
- | Certain statements in the Boards' Report describing the Company's objectives, projections, estimates, expectations or predictions may be forward-looking statements within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include labour and material availability, and prices, cyclical demand and pricing in the Company's principal markets, changes in government regulations, tax regimes, economic development within India and other incidental factors.

**ACKNOWLEDGEMENTS**

The Company has been well supported from all the quarters and therefore your directors wish to place on record their sincere appreciation for the support and co-operation from Employees, Supplies, Government of West Bengal, cane growers and the shareholders.

For and on behalf of the Board

**Sunay Krishna Khaitan**  
Executive Director  
(DIN: 07585070)

Place : Kolkata  
Date : The 13th August, 2021

**FORM NO MGT-9 ANNEXURE - I**

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31.03.2021

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rule 214

**i. REGISTRATION AND OTHER DETAILS:**

|       |   |   |
|-------|---|---|
| (i)   | CIN   | L10000WB1936PLC008775   |
| (ii)  | Registration Date   | 7th Day of October, 1936  |
| (iii) | Name of Company   | KHAITAN (INDIA) LIMITED   |
| (iv)  | Category/Sub Category of the Company                                      | Category: Company Limited by Shares<br>Sub Category: Indian Non Government Company  |
| (v)   | Address of the Registered Office and contact details                      | 46-C J L Nehru Road, Kolkata-700071   |
| (vi)  | Whether listed company Yes/No   | Yes   |
| (vii) | Name, Address and Contact details of Registrar and Transfer Agent, if any | M/s Maheshwari Datamatics (P) Ltd<br>23, R.N. Mukherjee Road, 5th Floor, Kolkata-700001<br>Phone Nos 033-2243 5029/5809, 2248-2248<br>Fax 033-22484787<br>Email: mdpldc@yahoo.com |

**ii) PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

| Sl. No. | Name and Description of main products/service | NIC Code of the Products/Service | % of total turnover of the Company |
|---------|---|----------------------------------|------------------------------------|
| 1       | Trading in Electric Products (Fan)            | 2750                             | 99.33                              |
| 2       | Agriculture                                   | 011, 0114 and 012                | 0.67                               |

**iii) PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:-**

| Sl. No. | Name and Address of the Company | CIN/GLN               | Holding/Subsidiary/ Associates | % of Share held | Applicable Section |
|---------|---------------------------------|-----------------------|--------------------------------|-----------------|--------------------|
| 1       | M/s. Khaitan Lefins Limited     | U65910WB1984PLC037480 | Associate                      | 23.8223         | 2 (6) (a)          |

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

**i) Category-wise Share Holding**

| Category of Shareholders                                | No of Shares held at the beginning of the year<br>[As on 01/Apr/2020] |             |                |                   | No of Shares held at the end of the year<br>[As on 31/Mar/2021] |          |                |                   | % change during the Year |
|---|---|-------------|----------------|-------------------|---|----------|----------------|-------------------|--------------------------|
|   | Demat   | Physical    | Total          | % of Total Shares | Demat   | Physical | Total          | % of Total Shares |                          |
| <b>A. Promoters</b>                                     |   |             |                |                   |   |          |                |                   |                          |
| <b>(1) Indian</b>                                       |   |             |                |                   |   |          |                |                   |                          |
| a) Individual/ HUF                                      | 774126  | 0           | 774126         | 16.2974           | 774126  | 0        | 774126         | 16.2974           | 0.0000                   |
| b) Central Govt   |   |             |                |                   |   |          |                |                   |                          |
| c) State Govt(s)  |   |             |                |                   |   |          |                |                   |                          |
| d) Bodies Corp.   | 2085754   | 1750        | 2087504        | 43.9475           | 2087504   | 0        | 2087504        | 43.9475           | 0.0000                   |
| e) Banks/Fi   |   |             |                |                   |   |          |                |                   |                          |
| f) Any other  |   |             |                |                   |   |          |                |                   |                          |
| <b>Sub-total (A)(1)</b>                                 | <b>2859880</b>  | <b>1750</b> | <b>2861630</b> | <b>60.2449</b>    | <b>2861630</b>  | <b>0</b> | <b>2861630</b> | <b>60.2449</b>    | <b>0.0000</b>            |
| <b>(2) Foreign</b>                                      |   |             |                |                   |   |          |                |                   |                          |
| a) NRIs - Individuals                                   |   |             |                |                   |   |          |                |                   |                          |
| b) Other - Individuals                                  |   |             |                |                   |   |          |                |                   |                          |
| c) Bodies Corp.   |   |             |                |                   |   |          |                |                   |                          |
| d) Banks/FI   |   |             |                |                   |   |          |                |                   |                          |
| e) Any other  |   |             |                |                   |   |          |                |                   |                          |
| <b>Sub-total (A)(2)</b>                                 | <b>0</b>  | <b>0</b>    | <b>0</b>       | <b>0.0000</b>     | <b>0</b>  | <b>0</b> | <b>0</b>       | <b>0.0000</b>     | <b>0.0000</b>            |
| <b>Total shareholding of Promoter (A)=(A)(1)+(A)(2)</b> | <b>2859880</b>  | <b>1750</b> | <b>2861630</b> | <b>60.2449</b>    | <b>2861630</b>  | <b>0</b> | <b>2861630</b> | <b>60.2449</b>    | <b>0.0000</b>            |



FORM NO MGT-9 ANNEXURE - I (cont)

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31.03.2021

| Category of Shareholders  | No of Shares held at the beginning of the year<br>[As on 01/Apr/2020] |               |                |                   | No of Shares held at the end of the year<br>[As on 31/Mar/2021] |               |                |                   | % change during the Year |
|---|---|---------------|----------------|-------------------|---|---------------|----------------|-------------------|--------------------------|
|   | Demat   | Physical      | Total          | % of Total Shares | Demat   | Physical      | Total          | % of Total Shares |                          |
| <b>B. Public Shareholding</b>   |   |               |                |                   |   |               |                |                   |                          |
| <b>1. Institutions</b>  |   |               |                |                   |   |               |                |                   |                          |
| a) Mutual Funds   |   |               |                |                   |   |               |                |                   |                          |
| b) Banks/Fl   | 0   | 1234          | 1234           | 0.0260            | 0   | 1234          | 1234           | 0.0260            | 0.0000                   |
| c) Central Govt   | 0   | 0             | 0              | 0.0000            | 700   | 0             | 700            | 0.0147            | 0.0147                   |
| d) State Govt(s)  |   |               |                |                   |   |               |                |                   |                          |
| e) Venture Capital Funds  |   |               |                |                   |   |               |                |                   |                          |
| f) Insurance Companies  |   |               |                |                   |   |               |                |                   |                          |
| g) FIs  |   |               |                |                   |   |               |                |                   |                          |
| h) Foreign Venture Capital Funds  |   |               |                |                   |   |               |                |                   |                          |
| i) Others (specify)   |   |               |                |                   |   |               |                |                   |                          |
| Alternate Investment Funds  |   |               |                |                   |   |               |                |                   |                          |
| Foreign Portfolio Investors   |   |               |                |                   |   |               |                |                   |                          |
| Provident Funds / Pension Funds   |   |               |                |                   |   |               |                |                   |                          |
| Qualified Foreign Investor  |   |               |                |                   |   |               |                |                   |                          |
| <b>Sub-total(B)(1):-</b>  | <b>0</b>  | <b>1234</b>   | <b>1234</b>    | <b>0.0260</b>     | <b>700</b>  | <b>1234</b>   | <b>1934</b>    | <b>0.0407</b>     | <b>0.0147</b>            |
| <b>2. Non-Institutions</b>  |   |               |                |                   |   |               |                |                   |                          |
| a) Bodies Corp.   |   |               |                |                   |   |               |                |                   |                          |
| i) Indian   | 361017  | 15650         | 376667         | 7.9298            | 354252  | 15650         | 369902         | 7.7874            | -0.1424                  |
| ii) Overseas  |   |               |                |                   |   |               |                |                   |                          |
| b) Individuals  |   |               |                |                   |   |               |                |                   |                          |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh          | 625182  | 400154        | 1025336        | 21.5860           | 641931  | 399664        | 1041595        | 21.9283           | 0.3423                   |
| ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh | 461980  | 10400         | 472380         | 9.9448            | 451850  | 10400         | 462250         | 9.7316            | -0.2132                  |
| c) Others (Specify)   |   |               |                |                   |   |               |                |                   |                          |
| Non Resident Indians  | 12142   | 200           | 12342          | 0.2598            | 11535   | 0             | 11535          | 0.2428            | -0.0170                  |
| Qualified Foreign Investor  |   |               |                |                   |   |               |                |                   |                          |
| Custodian of Enemy Property   |   |               |                |                   |   |               |                |                   |                          |
| Foreign Nationals   |   |               |                |                   |   |               |                |                   |                          |
| Clearing Members  | 411   | 0             | 411            | 0.0087            | 1154  | 0             | 1154           | 0.0243            | 0.0156                   |
| Trusts  |   |               |                |                   |   |               |                |                   |                          |
| Foreign Bodies-D R  |   |               |                |                   |   |               |                |                   |                          |
| Foreign Portfolio Investors   |   |               |                |                   |   |               |                |                   |                          |
| NBFCs registered with RBI   |   |               |                |                   |   |               |                |                   |                          |
| Employee Trusts   |   |               |                |                   |   |               |                |                   |                          |
| Domestic Corporate Unclaimed  |   |               |                |                   |   |               |                |                   |                          |
| Shares Account Investor   |   |               |                |                   |   |               |                |                   |                          |
| Education and Protection Fund Authority   |   |               |                |                   |   |               |                |                   |                          |
| <b>Sub-total(B)(2):-</b>  | <b>1460732</b>  | <b>426404</b> | <b>1887136</b> | <b>39.7291</b>    | <b>1460722</b>  | <b>425714</b> | <b>1886436</b> | <b>39.7144</b>    | <b>-0.0147</b>           |
| <b>Total Public Shareholding (B)= (B)(1)+ (B)(2)</b>                              | <b>1460732</b>  | <b>427638</b> | <b>1888370</b> | <b>39.7551</b>    | <b>1461422</b>  | <b>426948</b> | <b>1888370</b> | <b>39.7551</b>    | <b>0.0000</b>            |
| <b>C. Shares held by Custodian for GDRs &amp; ADRs</b>                            |   |               |                |                   |   |               |                |                   |                          |
| <b>Grand Total (A+B+C)</b>  | <b>4320612</b>  | <b>429388</b> | <b>4750000</b> | <b>100.0000</b>   | <b>4323052</b>  | <b>426948</b> | <b>4750000</b> | <b>100.0000</b>   | <b>0.0000</b>            |



FORM NO MGT-9 ANNEXURE - I (cont)

ii) Shareholding of Promoters

| Sl No | Shareholder's Name                      | Shareholding at the beginning of the year [As on 01/Apr/2020] |                                  |  | Shareholding at the end of the year [As on 31/Mar/2021] |                                  |  | % change in share holding during the Year | PAN        |
|-------|---|---|----------------------------------|--|---|----------------------------------|--|---|------------|
|       |   | No. of Shares   | % of total Shares of the Company | % of Shares Pledged / encumbered to total shares | No. of Shares   | % of total Shares of the Company | % of Shares Pledged / encumbered to total shares |   |            |
| 1     | KHAITAN LEFIN LIMITED                   | 1131561   | 23.8223                          | 0.0000   | 1131561   | 23.8223                          | 0.0000   | 0.0000                                    | AABCK1371L |
| 2     | KHAITAN HOTELS PVT. LTD.                | 555745  | 11.6999                          | 99.8659  | 555745  | 11.6999                          | 99.8659  | 0.0000                                    | AABCK5493M |
| 3     | THE ORIENTAL MERCANTILE CO LTD          | 400198  | 8.4252                           | 0.0000   | 400198  | 8.4252                           | 0.0000   | 0.0000                                    | AAACT9623P |
| 4     | SUNAY KRISHNA KHAITAN                   | 292079  | 6.1490                           | 99.2882  | 292079  | 6.1490                           | 99.2882  | 0.0000                                    | BTMPK5794F |
| 5     | ISHANI KHAITAN                          | 126197  | 2.6568                           | 0.0000   | 126197  | 2.6568                           | 0.0000   | 0.0000                                    | AMIPK2994F |
| 6     | VAGEESHA KHAITAN                        | 113000  | 2.3789                           | 0.0000   | 113000  | 2.3789                           | 0.0000   | 0.0000                                    | AJFPK2055H |
| 7     | SHREE KRISHNA SUNIL KRISHNA KHAITAN HUF | 97500   | 2.0526                           | 97.4359  | 97500   | 2.0526                           | 97.4359  | 0.0000                                    | AAFHS5971K |
| 8     | VIDITA KHAITAN                          | 62100   | 1.3074                           | 0.0000   | 62100   | 1.3074                           | 0.0000   | 0.0000                                    | AFZPK3387A |
| 9     | DURGADUTT CHIRANJILAL HUF               | 52500   | 1.1053                           | 0.0000   | 52500   | 1.1053                           | 0.0000   | 0.0000                                    | AABHD7121E |
| 10    | SARITA DABRIWAL                         | 20000   | 0.4211                           | 0.0000   | 20000   | 0.4211                           | 0.0000   | 0.0000                                    | AGTPD2962K |
| 11    | CHIRANJILAL SHREEKRISHNA KHAITAN HUF    | 10750   | 0.2263                           | 0.0000   | 10750   | 0.2263                           | 0.0000   | 0.0000                                    | AABHC0170L |
|       | <b>TOTAL</b>                            | <b>2861630</b>  | <b>60.2448</b>                   | <b>32.8484</b>                                   | <b>2861630</b>  | <b>60.2448</b>                   | <b>32.8484</b>                                   | <b>0.0000</b>                             |            |

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

| Sl No | Name  | Shareholding at the beginning [01/Apr/20]/end of the year [31/Mar/21] |                                  | Cumulative Shareholding during the year [01/Apr/20 to 31/Mar/21] |                                  | PAN        |
|-------|---|---|----------------------------------|--|----------------------------------|------------|
|       |   | No. of shares   | % of total shares of the company | No. of shares  | % of total shares of the company |            |
| 1     | THE ORIENTAL MERCANTILE CO LTD<br>01/04/2020<br>31/03/2021          | 400198<br>400198  | 8.4252<br>8.4252                 | 400198   | 8.4252                           | AAACT9623P |
| 2     | KHAITAN LEFIN LIMITED<br>01/04/2020<br>31/03/2021                   | 1131561<br>1131561  | 23.8223<br>23.8223               | 1131561  | 23.8223                          | AABCK1371L |
| 3     | KHAITAN HOTELS PVT. LTD.<br>01/04/2020<br>31/03/2021                | 555745<br>555745  | 11.6999<br>11.6999               | 555745   | 11.6999                          | AABCK5493M |
| 4     | CHIRANJILAL SHREEKRISHNA KHAITAN HUF<br>01/04/2020<br>31/03/2021    | 10750<br>10750  | 0.2263<br>0.2263                 | 10750  | 0.2263                           | AABHC0170L |
| 5     | DURGADUTT CHIRANJILAL HUF<br>01/04/2020<br>31/03/2021               | 52500<br>52500  | 1.1053<br>1.1053                 | 52500  | 1.1053                           | AABHD7121E |
| 6     | SHREE KRISHNA SUNIL KRISHNA KHAITAN HUF<br>01/04/2020<br>31/03/2021 | 97500<br>97500  | 2.0526<br>2.0526                 | 97500  | 2.0526                           | AAFHS5971K |
| 7     | VIDITA KHAITAN<br>01/04/2020<br>31/03/2021                          | 62100<br>62100  | 1.3074<br>1.3074                 | 62100  | 1.3074                           | AFZPK3387A |
| 8     | SARITA DABRIWAL<br>01/04/2020<br>31/03/2021                         | 20000<br>20000  | 0.4211<br>0.4211                 | 20000  | 0.4211                           | AGTPD2962K |



**FORM NO MGT-9 ANNEXURE - I (cont)**

| Sl No | Name  | Shareholding at the beginning [01/Apr/20]/end of the year [31/Mar/21] |                                  | Cumulative Shareholding during the year [01/Apr/20 to 31/Mar/21] |                                  | PAN        |
|-------|---|---|----------------------------------|--|----------------------------------|------------|
|       |   | No. of shares   | % of total shares of the company | No. of shares  | % of total shares of the company |            |
| 9     | VAGEESHA KHAITAN<br>01/04/2020<br>31/03/2021      | 113000<br>113000  | 2.3789<br>2.3789                 | 113000   | 2.3789                           | AJFPK2055H |
| 10    | ISHANI KHAITAN<br>01/04/2020<br>31/03/2021        | 126197<br>126197  | 2.6568<br>2.6568                 | 126197   | 2.6568                           | AMIPK2994F |
| 11    | SUNAY KRISHNA KHAITAN<br>01/04/2020<br>31/03/2021 | 292079<br>292079  | 6.1490<br>6.1490                 | 292079   | 6.1490                           | BTMPK5794F |

**iv) Shareholding Pattern of top ten Shareholders**

(Other than Directors, Promoters and Holders of GDRs and ADRs):

| Sl No | Name   | Shareholding at the beginning [01/Apr/20]/end of the year [31/Mar/21] |                                  | Cumulative Shareholding during the year [01/Apr/20 to 31/Mar/21] |                                  | PAN        |
|-------|--|---|----------------------------------|--|----------------------------------|------------|
|       |  | No. of shares   | % of total shares of the company | No. of shares  | % of total shares of the company |            |
| 1     | VIDYA TRADECON PVT. LTD.<br>01-04-20<br>31-03-21                                   | 81426<br>81426  | 1.7142<br>1.7142                 | 81426  | 1.7142                           | AAACV8375N |
| 2     | MANDPAM COMMERCIAL LIMITED<br>01-04-20<br>31-03-21                                 | 42550<br>42550  | 0.8958<br>0.8958                 | 42550  | 0.8958                           | AACCM0741K |
| 3     | XTENDED BUSINESS REPORTING LIMITED<br>01-04-20<br>31-03-21                         | 56300<br>56300  | 1.1853<br>1.1853                 | 56300  | 1.1853                           | AADCA3920B |
| 4     | SIDHANT CREDIT CAPITAL LIMITED *<br>01-04-20<br>30/09/2020 - Transfer<br>31-03-21  | 0<br>82130<br>82130   | 0.0000<br>1.7291<br>1.7291       | 82130<br>82130   | 1.7291<br>1.7291                 | AADCS6539G |
| 5     | ANDREW GRACIAS<br>01-04-20<br>31-03-21   | 43266<br>43266  | 0.9109<br>0.9109                 | 43266  | 0.9109                           | AADPG7521P |
| 6     | NITESH JAIN<br>01-04-20<br>31-03-21  | 19996<br>19996  | 0.4210<br>0.4210                 | 19996  | 0.4210                           | AAFHN9745N |
| 7     | SHRAWAN KUMAR RAVI TODI HUF<br>01-04-20<br>31-03-21                                | 24946<br>24946  | 0.5252<br>0.5252                 | 24946  | 0.5252                           | AAFHS7049C |
| 8     | ARISTRO CAPITAL MARKETS LIMITED #<br>01-04-20<br>30/09/2020 - Transfer<br>31-03-21 | 82130<br>-82130<br>0  | 1.7291<br>1.7291<br>0.0000       | 0<br>0   | 0.0000<br>0.0000                 | AAHCA7588F |
| 9     | RICHARD JOHN MASILMANI<br>01-04-20<br>31-03-21                                     | 23003<br>23003  | 0.4843<br>0.4843                 | 23003  | 0.4843                           | AAIPM3594P |
| 10    | SEETHA KUMARI<br>01-04-20<br>31-03-21  | 46429<br>46429  | 0.9775<br>0.9775                 | 46429  | 0.9775                           | APFPS2411B |
| 11    | FRANCIS JOSEPH PEREIRA<br>01-04-20<br>31-03-21                                     | 25650<br>25650  | 0.5400<br>0.5400                 | 25650  | 0.5400                           | APLPP2863G |

\* Not in the list of Top 10 shareholders as on 01/04/2020 The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31/03/2021.

# Ceased to be in the list of Top 10 shareholders as on 31/03/2021. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01/04/2020.

**FORM NO MGT-9 ANNEXURE - I (cont)**

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

| SI No | Name  | Shareholding at the beginning [01/Apr/20]/end of the year [31/Mar/21] |                                  | Cumulative Shareholding during the year [01/Apr/20 to 31/Mar/21] |                                  | PAN        |
|-------|---|---|----------------------------------|--|----------------------------------|------------|
|       |   | No. of shares   | % of total shares of the company | No. of shares  | % of total shares of the company |            |
| 1     | SUNAY KRISHNA KHAITAN<br>01/04/2020<br>31.03.2021 | 292079<br>292078  | 6.1490<br>6.1490                 | 292079   | 6.1490                           | BTMPK5794F |

**vi) Indebtedness**

**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

| Particulars   | Secured Loans excluding deposits | Unsecured Loans  | Deposits           | Total Indebtedness  |
|---|----------------------------------|------------------|--------------------|---------------------|
| Indebtedness at the beginning of the financial year |                                  |                  |                    |                     |
| 1) Principal Amount                                 | 15674805                         | 148,900,145      | 0                  | 16,45,74,950        |
| 2) Interest due but not paid                        | 0                                | 0                | 0                  | 0                   |
| 3) Interest accrued but not due                     | 0                                | 0                | 0                  | 0                   |
| <b>Total (1+2+3)</b>                                | <b>15674805</b>                  | <b>0</b>         | <b>148,900,145</b> | <b>16,45,74,950</b> |
| Change in Indebtedness during the financial year    |                                  |                  |                    |                     |
| a) Addition   | 0                                | 11983149         | 0                  | 11983149            |
| b) Reduction  | 3559204                          | 22405491         | 0                  | 25964695            |
| c) Net Change                                       | -3559204                         | -10422342        | 0                  | -13981546           |
| Indebtedness at the end of the financial year       |                                  |                  |                    |                     |
| 1) Principal Amount                                 | 12115601                         | 138477803        | 0                  | 150593404           |
| 2) Interest due but not paid                        | 0                                | 0                | 0                  | 0                   |
| 3) Interest accrued but not due                     | 0                                | 0                | 0                  | 0                   |
| <b>Total (1+2+3)</b>                                | <b>12115601</b>                  | <b>138477803</b> | <b>0</b>           | <b>150593404</b>    |

**vii) Remuneration of Directors and Key Managerial Personnel**

**A.Remuneration to Managing Director, Whole Time Directors and /or Manager**

| SI No | Particulars of Remuneration  | Name of Whole time Director Mr. Sunay Krishna Khaitan | Name of Chief Financial Officer (CFO) Mr. Swapan Kumar Das | Name of Company Secretary Mr. Pradip Halder | Total Amount Rs. |
|-------|--|---|--|---|------------------|
| 1     | Gross Salary   |   |  |   |                  |
|       | a) Salary as per Provision contained in Section 17(1) of Income Tax Act 1961 | 1114535   | 925874   | 326217                                      | 2366626          |
|       | b) Value of Perquisites u/s 17(2) Income Tax Act 1961                        | -   | -  | -   | -                |
|       | c) Profits in lieu of salary u/s 17(3) Income Tax Act 1961                   | -   | -  | -   | -                |
| 2     | Stock Option   | -   | -  | -   | -                |
| 3     | Sweat Equity   | -   | -  | -   | -                |
| 4     | Commission   | -   | -  | -   | -                |
| 5     | Others (Please specify)  | -   | -  | -   | -                |
|       | <b>Total</b>   | <b>1114535</b>  | <b>925874</b>  | <b>326217</b>                               | <b>2366626</b>   |
|       | Ceiling as per the Act   |   |  |   | 6000000          |



**FORM NO MGT-9 ANNEXURE - I (cont)**

**B Remuneration to Other Directors**

| Sl. No | Particulars of Remuneration  | Name of Directors |               |                   |
|--------|--|-------------------|---------------|-------------------|
|        |  | Sandip Chatterjee | Sujata Sarkar | Sujata Chatterjee |
| 1      | Independent Directors fee for attending Board , Committee Meeting        | 60000             | 60000         | 40000             |
|        | Total (1)  | 60000             | 60000         | 40000             |
| 2      | Other Non-Executive Directors fee for attending Board, Committee Meeting | 0                 | 0             | 0                 |
|        | Total (2)  | 0                 | 0             | 0                 |
|        | Total (B)=(1+2)  | 60000             | 60000         | 40000             |
|        | Total Managerial Remuneration  | 60000             | 60000         | 40000             |
|        | Overall Ceiling as per Act   |                   |               | 6000000           |

**viii Penalties/Punishment / Compounding of Offence**

| Type        | Section of the Companies Act | Brief Description | Details of Penalty/ Punsishment / Compounding fee imposed | Authority RD//NCLT Court | Appeals made if any (give details) |
|-------------|------------------------------|-------------------|---|--------------------------|------------------------------------|
| A.Company   |                              |                   |   |                          |                                    |
| Penalty     | NIL                          | NIL               | NIL   | NIL                      | NIL                                |
| Punishment  | NIL                          | NIL               | NIL   | NIL                      | NIL                                |
| Compounding | NIL                          | NIL               | NIL   | NIL                      | NIL                                |
| B Directros |                              |                   |   |                          |                                    |
| Penalty     | NIL                          | NIL               | NIL   | NIL                      | NIL                                |
| Punishment  | NIL                          | NIL               | NIL   | NIL                      | NIL                                |
| Compounding | NIL                          | NIL               | NIL   | NIL                      | NIL                                |
| C Directors |                              |                   |   |                          |                                    |
| Penalty     | NIL                          | NIL               | NIL   | NIL                      | NIL                                |
| Punishment  | NIL                          | NIL               | NIL   | NIL                      | NIL                                |
| Compounding | NIL                          | NIL               | NIL   | NIL                      | NIL                                |

**ANNEXURE – II**

**DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

[Pursuant to Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014

|  | For the year ending<br>31.03.2021 | For the year ending<br>31.03.2020 |
|--|-----------------------------------|-----------------------------------|
| <b>A CONSERVATION OF ENERGY *</b>                    |                                   |                                   |
| <b>POWER &amp; FUEL CONSUMPTION</b>                  |                                   |                                   |
| 1. ELECTRICITY                                       |                                   |                                   |
| a) PURCHASED UNITS (IN LACS)                         | N.A.                              | N.A.                              |
| TOTAL AMOUNT RS.(IN LACS)                            | N.A.                              | N.A.                              |
| EFFECTIVE RATE PER UNIT (RS)                         | N.A.                              | N.A.                              |
| <b>b) OWN GENERATION</b>                             |                                   |                                   |
| I) THROUGH DIESEL GENERATOR UNITS (IN LACS)          | N.A.                              | N.A.                              |
| UNIT PER LITRE OF DIESEL OIL                         | N.A.                              | N.A.                              |
| COST / UNIT (RS)                                     | N.A.                              | N.A.                              |
| II) THROUGH STEAM TURBINE/ GENERATOR UNITS (IN LACS) | N.A.                              | N.A.                              |

**FORM NO MGT-9 ANNEXURE - II (cont)**

|    |   |      |      |
|----|---|------|------|
| 2. | <b>COAL</b><br>QUANTITY TONNES<br>TOTAL COST<br>AVERAGE RATE  | N.A. | N.A. |
| 3. | <b>FURNACE OIL</b><br>QUANTITY (KILO LITRE)<br>TOTAL COST<br>AVERAGE RATE                                     | N.A. | N.A. |
| 4. | <b>OTHERS/ INTERNAL GENERATION</b><br>QUANTITY OF PADDY HUSK (MT)<br>TOTAL VALUE (RS/ LACS)<br>RATE UNIT (RS) | N.A. | N.A. |
|    | CONSUMPTION PER UNIT OF PRODUCTION  | N.A. | N.A. |
|    | PRODUCT - SUGAR (QTLS)  | N.A. | N.A. |
|    | ELECTRICITY (UNITS / QTLS. OF SUGAR)  | N.A. | N.A. |
|    | FURNACE OIL   | N.A. | N.A. |
|    | COAL  | N.A. | N.A. |
|    | OTHERS  | N.A. | N.A. |

\* As the sugar mill has not been into operation during the financial years 2018-2019 and 2019-2020 the said information is not provided.

**B TECHNICAL ABSORPTION**

**I. Research & development (R&D)**

- a) Specific areas where R&D carried out by the Company  
Development of better varieties of sugarcane and higher productivity per unit of land and in the plant side or improving quality of sugar
- b) Benefits derived as result of the above R&D  
Improvement in cane yields and in quantity of sugar
- c) Future plan of action  
Development of cane in Company's reserved Area and Captive Farms.
- d) Expenditure on R&D : NIL

**II. Technology absorption, adaptation and Innovation:**

The Company is trying to adopt the latest technology for improving productivity /quality and reducing the consumption of raw materials and energy. No technology has been imported.

**C FOREIGN EXCHANGE EARNINGS AND OUTGO**

FOB Value of Exports : Rs. 103280  
Expenditure in foreign currency : Rs. 0.00

For and on behalf of the Board



**Sunay Krishna Khaitan**  
(DIN: 07585070)

Place: Kolkata  
Date: The 13th August, 2021



**ANNEXURE- III**

**Particulars of Employees as required U/S 134 of the Companies Act, 2013 and forming part of Directors' Report for the year ended 31.03.2021**

**A. Top ten employees in terms of remuneration drawn during the year.**

| Sl. No | Name                  | Qualification   | Designation                               | Age (years) | Remuneration (Rs.) | Experience (years) | Date of Joining | Last Employment                               |
|--------|-----------------------|---|---|-------------|--------------------|--------------------|-----------------|---|
| 1      | B SANJAY KUMAR        | B.Com   | Dy.Gen Manager - Sales                    | 43          | 1639155            | 22                 | 23/12/2019      | Surya Roshni Limited                          |
| 2      | PANKAJ TANEJA         | Graduate  | Dy.Gen Manager                            | 41          | 1545601            | 18                 | 5/1/2017        | Khaitan Electricals Ltd                       |
| 3      | GIBU KURIAN MATHEW    | Graduate  | State Head                                | 51          | 1492332            | 25                 | 8/23/2019       | Surya Roshni Ltd                              |
| 4      | D SRIDHAR             | B. Sc. Computer Science / MBA   | State Head - Fan                          | 45          | 1383345            | 26                 | 16/11/2019      | Crompton Greaves Consumer Electricals Limited |
| 5      | CHITTA RANJAN SAHOO   | Electrical Engineer / PGDBM in Marketing Management                                     | General Manager (Technical & Procurement) | 58          | 1372984            | 31                 | 04/10/2019      | Havells India Ltd                             |
| 6      | JOYDIP GHOSH          | PGDM-MKT & BA   | Asst. General Manager                     | 52          | 1339263            | 31                 | 10/1/2017       | Khaitan Electricals Ltd                       |
| 7      | BIJAY KR. JHA         | Graduate  | Branch Manager                            | 48          | 1069848            | 18                 | 10/1/2017       | Khaitan Electricals Ltd                       |
| 8      | SUNAY KRISHNA KHAITAN | BSC (Economics & Finance), Purdue University, Indiana USA, Green belt in Lean Six Sigma | Executive Director                        | 30          | 1114535            | 5                  | 5/1/2017        | Khaitan Electricals Ltd                       |
| 9      | S SRIKANTH RAGHAV RAO | Graduate  | Business Manager                          | 45          | 1126008            | 21                 | 7/2/2018        | Sun Blaze Appliances Ltd                      |
| 10     | SUMIT PASARI          | Graduate  | Manager-Accounts                          | 41          | 988932             | 18                 | 5/1/2017        | Khaitan Electricals Ltd                       |

**A. Employed throughout the financial year and were in receipt of remuneration not less than Rupees One Crore and Two lacs per annum.**

**NONE**

**B. Employed for the part of the financial year and were in receipt of remuneration not less than Rupees eight lacs fifty thousand per month**

**NONE**

Note:

- Remuneration includes actual payment and /or taxable values of perquisites and the company's contribution to provident and other funds but excludes gratuity.
- Other terms and conditions: As per rules of the company.

**Other Details Pertaining to remuneration**

- The percentage increase in remuneration of each Director and Company Secretary during the financial year 2020-21, ratio of the remuneration of each employee of the financial year 2019-20 and the comparison of remuneration of each key Management Personnel (KMP) against the performance of the company are as under:-



FORM NO MGT-9 ANNEXURE - III (cont)

| Sl. No | "Name of Director/KMP"    | Director                                 | "Remuneration of Director/KMP for FY 2020-21 (Rs. In lacs)" | % Increase / (Decrease) in remuneration in FY 2020-21 | Ratio of remuneration of Each Director/to median remuneration of employee |
|--------|---------------------------|--|---|---|---|
| 1      | Mr. Sunay Krishna Khaitan | Executive Director                       | 11.15   | (0.48)  | (0.48)  |
| 2      | Mr. Swapan Kumar Das      | CFO                                      | 9.26  | (5.29)  | 6.88  |
| 3      | Mr. Pradip Halder         | Company Secretary and Compliance Officer | 3.26  | (0.28)  | 2.42  |

- (i) The Median remuneration of the employees of the company during the financial year was Rs. 1.35 lacs p.a.
- (ii) In te 1he financial year there was an increase of 0.06 % in the median remuneration of employees.
- (iii) There were 35 permanent employees on the payroll of the company as on 31.03.2021
- (iv) It is affirmed the remuneration paid is as per remuneration policy of the company for Director, Key Management Personnel.
- (v) The compensation of the KMP is as per the compensation philosophy of the Company. The remuneration is benchmarked against market and also based on the performance of the Company and the individual. There has been no change in remuneration of KMPs during the year.





**ANNEXURE –IV**

**DIRECTORS' RESPONSIBILITY STATEMENT**

**Pursuant to Section 134(5) of the Companies Act, 2013, Directors of your Company hereby state and confirm that:**

- a) in the preparation of the annual Financial Statements for the year ended 31st March, 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for the same period;
- c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down proper internal financial controls (IFC) in the company that are adequate and were operating effectively.
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively.

**Sunay Krishna Khaitan**

Executive Director

**FORM No, AOC-2 ANNEXURE-V**

[Pursuant to clause (h) of sub-section 134 of the act and rule 8(2) of the Companies (Accounts) Rules, 2014 Disclosure of particulars of contract/arrangement/entered into by the company with related parties referred to in sub-section 188 of the Companies Act, 2013 including arms length transaction under third proviso thereto

Details of material contracts or arrangement or transaction at Arm's Length Basis:

| Name(s) of the Related Party & Nature of Relationship | Nature of contracts/ arrangements/ transactions | Duration of contracts/ arrangements / transactions | Salient terms of contracts/ arrangements/ transactions                   | Salient terms of contracts/arrangements/ transaction including if any | Date of Approval of the Board, if any  | Amount paid as Advance, if any |
|---|---|--|--|---|--|--------------------------------|
| Mr. Sunay Krishna Khaitan                             | Remuneration                                    | 01.04.20 to 31.03.21                               | Service Rendered in Capacity of Director                                 | Rs. 11,14,535/-   | Not Required as all the transactions were on Arm's Length basis of ordinary business | NIL                            |
| Mr. Swapan Kumar Das                                  | Remuneration                                    | 01.04.20 to 31.03.21                               | Service Rendered in Capacity of CFO                                      | Rs.9,25,874/-   |  |                                |
| Mrs. Pradip Kumar Halder                              | Remuneration                                    | 01.04.20 to 31.03.21                               | Service Rendered in Capacity of Company Secretary and Compliance Officer | Rs. 3,26,217/-  |  |                                |
| Ms. Vageesha Khaitan                                  | Remuneration                                    | 01.04.20 to 31.03.21                               | Service Rendered   | Rs.7,91,730/-   |  |                                |
| Mr. Sandip Chattopadhyay                              | Sitting Fees                                    | 01.04.20 to 31.03.21                               | Service Rendered in Capacity of Director                                 | Rs.60,000/-   |  |                                |
| Mrs. Sujata Sarkar                                    | Sitting Fees                                    | 01.04.20 to 31.03.21                               | Service Rendered in Capacity of Director                                 | Rs.60,000/-   |  |                                |
| Mrs. Sujata Chatterjee                                | Sitting Fees                                    | 01.04.20 to 31.03.21                               | Service Rendered in Capacity of Director                                 | Rs.40,000   |  |                                |
| M/s Khaitan Lefin Ltd.                                | Rent Paid                                       | 31.03.21   | Rental Property  | Rs.6,00,000/-   |  |                                |

**FORM NO MGT-9 ANNEXURE - V (cont)**

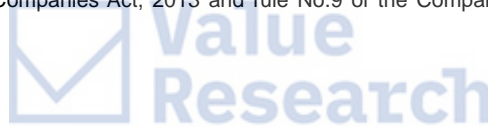
| Name(s) of the Related Party & Nature of Relationship | Nature of contracts/ arrangements/ transactions | Duration of contracts/ arrangements / transactions | Salient terms of contracts/ arrangements/ transactions | Salient terms of contracts/arrangements/ transaction including if any | Date of Approval of the Board, if any  | Amount paid as Advance, if any |
|---|---|--|--|---|--|--------------------------------|
| M/s Khaitan Lefin Ltd.                                | Rent Paid                                       | 01.04.20 to 31.03.21                               | Rental Property  | Rs.6,00,000/-   | Not Required as all the transactions were on Arm's Length basis of ordinary business | NIL                            |
| M/s Khaitan Hotel Pvt. Ltd.                           | Interest Paid                                   | 01.04.20 to 31.03.21                               | Loan for Working Capital need                          | Rs. 6,83,149/-  |  |                                |
| Mr. Sunay Krishna Khaitan                             | Loan Taken                                      | 01.04.20 to 31.03.21                               | Loan for Working Capital need                          | Rs. 1,07,95,000/-   |  |                                |
| Mr. Sunay Krishna Khaitan                             | Loan Repaid                                     | 01.04.20 to 31.03.21                               | Loan for Working Capital need                          | Rs. 49,75,000/-   |  |                                |
| M/s Khaitan Hotel Pvt. Ltd.                           | Loan Repaid                                     | 01.04.20 to 31.03.21                               | Loan for Working Capital need                          | Rs.99,506/-   |  |                                |
| M/s Khaitan Lefin Limited                             | Loan Repaid                                     | 01.04.20 to 31.03.21                               | Loan for Working Capital need                          | Rs. 5,00,000/-  |  |                                |
| M/s Khaitan Lefin Limited                             | Loan Repaid                                     | 01.04.20 to 31.03.21                               | Loan for Working Capital need                          | Rs. 15,48,013/-   |  |                                |

**MR-3 ANNEXUE – VI**

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

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

To,  
**The Members,**  
**Khaitan (India) Ltd**  
**46C, J. L. Nehru Road**  
**Kolkata - 700071**



I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Khaitan (India) Ltd (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon. Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and external Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015;
  - b) SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - c) SEBI (Prohibition of Insider Trading) Regulations, 2015;
  - d) SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable to the Company during the Audit Period);
  - e) SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company during the Audit Period);



**FORM NO MGT-9 ANNEXURE - VI (cont)**

- f) SEBI (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);
- g) SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
- h) SEBI (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period);
- i) SEBI (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the Audit Period);

(vi) OTHER APPLICABLE ACTS.

- The environment (Protection) Act, 1986
- The Water (Prevention and Control of Pollution) Act, 1974
- The Air (Prevention and Control of Pollution) Act, 1981
- The Industrial Employment (Standing Orders) Act, 1946

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

The Company could not produce any document relating to the environment (Protection) Act, 1986, the Water (prevention and Control of Pollution) Act, 1974 and The Air (prevention and Control of Pollution) Act, 1981.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above, save and except the following observations:

1. There have been some instances where the Forms were filed with some delay, thereby paying the additional fees.
2. It has been observed that, the Company has defaulted in the payment of statutory dues, within the prescribed time. We have been informed by the management that they are in process of payment of outstanding statutory dues.
3. Mrs. Sujata Sarkar (DIN: 08173535) Director, resigned from the Board with effect from 30.03.2021.
4. As on date the trading in equity shares of Khaitan (India) Limited in NSE and BSE is showing status as Temporary Suspended. As informed by the company the reason of temporary suspension is delay in payment of Annual Listing Fees with NSE. However, Management has informed that as on date all Annual Listing fees dues has been paid and the company is following up with NSE for removal of suspension.

I further report that,

The board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda are sent as per the provisions of the Act, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Date: 27th, July, 2021  
Place: Kolkata

Nisha Munka  
Practicing Company Secretary  
ACS No.: 49058 COP No.: 18201

Note: this report is to be read with my letter of even date which is annexed as 'annexure A' and forms an integral part of this report.

**ANNEXURE 'A'**

To,  
THE MEMBERS  
**KHAITAN (INDIA) LIMITED**  
46C, J.L. NEHRU ROAD  
KOLKATA – 700071

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

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as are appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. the verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Date: 27<sup>th</sup> July, 2021  
Place: Kolkata

Nisha Munka  
Practicing Company Secretary  
ACSNo.:49058 CP No.: 18201



**ANNEXURE –VII**

For the year 2020-2021

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

[In terms of Para C(10)(i) of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)]

To  
The Members,  
Khaitan (India) Limited

Based on our verification of the disclosures/declarations received from the directors and other records maintained by Khaitan (India) Ltd. CIN: L10000WB1936PLC008775, having its Registered office at 46C, J L Nehru Road, Kolkata- 700 071, West Bengal ("the Company") and also the information provided by the Company for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Schedule V Para C sub-clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and based on the verification of the data available on MCA's portal(www.mca.gov.in) including Directors Identification Number (DIN) status at the portal, we hereby certify that:

During the Financial Year ended on March 31, 2021, in our opinion, none of the directors of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such Statutory Authority.

Date: 27<sup>th</sup> July, 2021  
Place: Kolkata

Nisha Munka  
Practicing Company Secretary  
ACS No.: 49058 COP No.: 18201

**MANAGEMENT DISCUSSION AND ANALYSIS****Overall Economy**

The International Monetary Fund (IMF) has sharply scaled down India's economic growth projection by 300 basis points to 9.5 per cent for the current financial year from 12.5 per cent estimated earlier in April. IMF said the downward revision is owing to "lack of access to vaccines" and possibility of renewed waves of coronavirus.

India's economy showed down to 3.1 per cent in Q4 on the back of the corona virus pandemic on a prolonged slowdown. The year 2019-20 GDP growth stood at 4.2 per cent during the year under review. The government has also revised down the GDP growth in Q1, Q2, and Q3 to 5.2 per cent 4.4 per cent and 4.1 per cent respectively. The India economy continued to be sluggish, seeking government catalysis to perform better.

The World Bank and rating agencies had initially revised India's growth for FY2021 with the lowest figures India has seen in three decades since India's economic liberalization in the 1990s. However, after the announcement of the economic package in mid-May, India's GDP estimates were downgraded even more to negative figures, signalling a deep recession. (The ratings of over 30 countries have been downgraded during this period.) On 26 May, CRISIL announced that this will perhaps be India's worst recession since independence. State Bank of India research estimates a contraction of over 40% in the GDP in Q1. The contraction will not be uniform, rather it will differ according to various parameters such as state and sector. On 1 September 2020, the Ministry of Statistics released the GDP figures for Q1 (April to June) FY21, which showed a contraction of 24% as compared to the same period the year before.

**Indian Sugar Industry Structure**

Sugar production rose by 13% to 30.56 million tonnes in the first eight months of the current marketing year ending September, mainly due to higher output in Maharashtra, according to trade data. "Sugar mills across the country have produced 305.68 lakh tonnes of sugar between October 1, 2020 and May 31, 2021," the Indian Sugar Mills Association (ISMA) said in a statement. Sugar production stood at 270.05 lakh tonnes in the year-ago period.

The sugar mills need to buy cane from farmers at state advised price (SAP) but have to sell their produce at either marginal cost above production or in loss. Thus, higher price purchase of sugarcane but low price sale of sugar in open market creates stress on sugar mills and they are unable to make payments to farmers. This leads to accumulation of arrears. Though government decontrolled sugar industry partially in 2013 and allowed them to sell their produce in open, market, the sugar industry faces a bizarre problem that price of its raw material (cane) is fixed by state and central governments as State Advise Price (SAP) and Fair and Remunerative Price (FRP) respectively. The government supported cane prices are attractive to farmers, but loss due to any fall in the prices of sugar in open market has to be borne by the sugar industry. Sugar Industry is also going to be effected by prolonged Corona pandemic and the production is also expected to decline in near future.

**Fan Industry**

The electric fan industry as well-established in the country and has grown significantly over the years. Large number of players in both, organized and unorganized market, has helped the fan industry to come a long way. However, much of the growth has been through organized players now as consumers move towards branded and more technologically efficient fans. A concerted move has been seen towards widening distribution reach and improving rural penetration by the organized players. Also threat from



**MANAGEMENT DISCUSSION AND ANALYSIS cont)**

Chinese fans lowered. According to “India Electric Fan Market Outlook, 2022,” the revenues for organized electric fan market are growing with a CAGR of more than 10% from the last five years. Higher disposable incomes, increased availability of continuous power and a faster shift to the organized sector has propelled the electric fan market in India. The electric fan industry is divided into product types like ceiling fans, table fans, pedestal fans, wall fans and others. Others include fans like industrial, exhaust, multi-utility, tower, bladeless, etc. in India, ceiling fans dominate the market heavily both in organized and unorganized sector. According to region, south India caters to the largest revenue share, followed by west and north. Eastern region is expected to grow fast in the coming few years.

Fan Industry is also expected to be effected by prolonged Corona pandemic and the production and sale is also expected to decline in near future.

**Review and Analysis of Our Performance:**

**Marketing Division**

This is the forth full year of operation of the marketing division. This division markets Fans, cooler and Pumps and gets royalty. Fans contribute the highest business in the segment. The company has pan India network of distributors and dealers to market the products. The division achieved turnover of Rs. 4496.27 lacs in FY2020-21 as against Rs. 5630.09 lacs in FY2019-20. The reduction in sale is mainly due to scarcity of working capital and effect of Corona pandemic related restrictions on sales. The Company is in the process of expanding the footprint of this division pan India and expects to do better in time to come. The Royalty income was Rs. 619.23 lacs as compared to Rs. 496.66 lacs last year.

**Sugar Division**

During the year and immediately preceding year, company could not start operation of the sugar mill (seasonal) mainly due to paucity of fund to finance the working capital requirement and other direct and operational expenses.

| DETAILS                      | 2020-2021 | 2019-2020 |
|------------------------------|-----------|-----------|
| Start of Crushing Season     | -         | -         |
| Close of Crushing Season     | -         | -         |
| Cane Crushed (in lacs Qtls.) | -         | -         |
| Recovery (%)                 | -         | -         |
| Sugar Production (in Qtls.)  | -         | -         |

**Agriculture Division**

The agricultural was also not stable and contributed Rs. 30.34 lacs to revenue as compared to Rs. 34.81 lacs in FY 2019-20

**Profitability**

The PBIDT for 2020-21 was – Rs.224.83 lac as against Rs.92.07 lac (loss) in FY 2019-20.

**Outlook**

The Outlook for Marketing Division is positive and we expect good demand in electrical products specially fans. However Sugar division would continue to be pain area. Focus would be on reducing costs by increasing crushing. Agricultural division is expected be stable due to better monsoon.

**Opportunity and Threats**

The demand for electrical products like fans and cooler is fairly stable. The company had been focusing on economy segment in fans sees a good opportunity in decorative fans. The company is in the processing of marketing decorative fans which would improve profit margins also.

The Support price to farmers to buy sugar cane which is ever increasing due to government policy without any consideration to depressed sugar process is big threat to the sugar industry.

**Human Resource and Industrial Relation**

Industrial relation had been harmonious and company gives due credence to betterment of its workforce.

**Internal Control and their adequacy**

The Company has adequate internal control system which provides reasonable assurance with regard to safeguarding company's assets. The company has appointed in-house internal auditor who reviews the internal control on regular basis. Report of Internal Auditors is reviewed by the senior management at regular intervals.

For and on Behalf of the Board



**Sunay Krishna Khaitan**  
Executive Director  
(DIN: 07585070)

Place: Kolkata  
Date: The 13th August, 2021



**REPORT ON CORPORATE GOVERNANCE**

**Philosophy on corporate Governance**

The company believes that Corporate Governance is as set of process customs, polices, regulation and laws for ensuing transparency, professionalism and accountability in its dealing with is customers, employees, shareholders, and with every individual who comes in contact with the company. The detailed report on corporate governance as per SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 is as under:

**Board of Directors**

The company has 3 (Three) Directors of which 3 (Three) 66% are non executive and independent Directors and one whole time Director. The composition of the Board is conformity with SEBI (Listing Obligation and Disclosure Requirements) regulation 2015 entered with the Stock Exchange.

The Board believes that Regulation 17(1) (c) of amended SEBI (LODR) Regulations 2015 on the company in not applicable on the company as it is not falling under top 2000 companies in India and the provision of Regulation 17 (1) (c) of SEBI LODR. However the company has appointed 3 more directors on 07.04.2021 to make the composition of directors as 6 and as on now the company has 6 directors.

During the year under review Four Board Meeting were held on 30<sup>th</sup> June, 2020 (Adjourned to 14<sup>th</sup> July, 2020 and again Adjourned to 31<sup>st</sup> July, 2020), 29<sup>th</sup> August, 2020, 11<sup>th</sup> November,2020 and 08<sup>th</sup> February, 2021. The maximum time gap between any two consecutives meeting did not exceed 120 days. The composition of Board, attendance at the last Annual General Meeting, number of other directorships and committee memberships are below:

| Name of Directors                             | DIN      | Category | Attendance at Meeting | Attendance at AGM | Number of Committee member | Membership in Other Boards* | Membership in Other Committee |
|---|----------|----------|-----------------------|-------------------|----------------------------|-----------------------------|-------------------------------|
| Mr. Sunay Krishna Khaitan                     | 07585070 | WTD      | 4/4                   | Yes               | 3                          | 2                           | 0 (as on date)                |
| Mr. Sandip Chatterjee                         | 06875010 | ID&NED   | 4/4                   | Yes               | 3                          | 2                           | 3                             |
| Mrs. Sujata Sarkar                            | 08173535 | ID&NED   | 4/4                   | Yes               | 3                          | 0                           | 3                             |
| Mrs. Sujata Chatterjee                        | 00245656 | ID&NED   | 3/4                   | Yes               | 3                          | 2                           | 3                             |
| Mr. Manoj Chhawchharia (joined on 07.04.2021) | 00214867 | ID&NED   | 0/0                   | N.A.              | 3                          | 1                           | 3                             |
| Mr. Gopal Mor (joined on 07.04.2021)          | 00555282 | ID&NED   | 0/0                   | N.A.              | 3                          | 1                           | 3                             |
| Mrs. Sangita Jain (joined on 07.04.2021)      | 08363080 | ID&NED   | 0/0                   | N.A.              | 3                          | 1                           | 3                             |

\*Excluding Directorship in private limited companies, foreign companies and section 8 companies act.

Mrs. Sujata Sarkar resigned from the Board w.e.f. 30.03.2021

Mr. Manoj Chhawchharia was appointed as Additional Independent Non Executive Director with effect from 07.04.2021

Mr. Gopal Mor was appointed as Additional Independent Non Executive Director with effect from 07.04.2021

Mrs. Sangita Jain was appointed as Additional Independent Non Executive Director with effect from 07.04.2021

Mr . Manoj Chhawchharia's Mr. Gopal Mor's and Mrs. Sangita Jain's appointment is subject to approval at the ensuing Annual General Meeting.

Mr.Manoj Chhawchharia's Mr. Gopal Mor's and Mrs. Sangita Jain's didn't attend any AGM during the FY 2020-21.

**Category Details:**

C& NED – Chairman & Non Executive Director, ID&NED – Independent & Non Executive Director, WTD – Whole Time Director and ED – Executive Director.

None of the present Directors are Relatives of each other as defined in section 2(77) of Companies Act, 2013 and Rule 4 of the Companies (Specification of definitions details) Rules, 2014

During the year information as mentioned in applicable clause of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 has been placed before the Board for its consideration.

**Details of Shares held by Directors:**

| Name of Directors         | No. of Shares Held |
|---------------------------|--------------------|
| Mr. Sunay Krishna Khaitan | 292079             |
| Mr. Sandip Chatterjee     | NIL                |
| Mrs. Sujata Sarkar        | NIL                |
| Mrs. Sujata Chatterjee    | NIL                |

**REPORT ON CORPORATE GOVERNANCE (cont)**

**Details of Remuneration and Sitting Fee of Directors:**

The details of remuneration of the Directors during the period under review are as mentioned in Form MGT - 9

**Familiarization Programmed:**

The company has formulated a policy to familiarize the directors with the company, their roles, rights, responsibilities in the company nature of the industry which has been disclose in the website of the company [www.khaitansugar.in](http://www.khaitansugar.in)

**Board committees:**

The Company had Three Committees i.e. Audit Committee, Nomination & Remuneration Committees and Stockholders Relationship Committee. Details on role and composition of these committees including the number of meeting held during the financial year and the related attendance are mentioned below:-

**Audit Committee:**

The committee discharge such duties and functions generally described in SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 with the stock exchanges. The major task performed by the audit committee may be grouped as under:-

1. Oversight of the Company's financial reporting process and the disclosure of the financial information to ensure that the financial statement is correct, sufficient and credible and ensuing timely submission to statutory auditors.
2. Reviewing the management discussion & analysis of financial and operation performance.
3. Reviewing with the Management, the quarterly financial statements and annual financial statements and auditor's report thereon before submission to the board for approval.
4. Review the adequacy and effectiveness of the company's system and internal control.
5. Evaluation of internal financial controls and risk management systems.
6. Tore view the functioning of the Whistle Blower mechanism.

**Audit & other duties:**

1. Discussion with statutory auditors before the audit commences, about the nature scope of audit as well as post-audit discussion to ascertain any area of concern.
2. Discussion with internal auditors of any significant findings and follow up there on.
3. Review and recommend to the Board the appointment/ reappointment of the Statutory Auditors considering their independence and effectiveness and there replacement and removal.
4. To recommend to the Board the remuneration of the statutory Auditors and internal auditors.
5. To grant approval for related party transactions which are in the ordinary course of business and on an arms length pricing basis and to review and approve such transaction subject to the approval of the Board.

**Present Composition of the Audit Committee**

|                           |          |                                     |                                      |
|---------------------------|----------|-------------------------------------|--------------------------------------|
| Mr. Sandip Chatterjee     | Chairman | Independent, Non Executive Director |                                      |
| Mr. Manoj Chhawchharia    | Member   | Independent, Non Executive Director | Appointed to committee on 07.04.2021 |
| Mr. Gopal Mor             | Member   | Independent, Non Executive Director | Appointed to committee on 07.04.2021 |
| Mrs. Sujata Chatterjee    | Member   | Independent, Non Executive Director |                                      |
| Mrs. Sangita Jain         | Member   | Independent, Non Executive Director | Appointed to committee on 07.04.2021 |
| Mr. Sunay Krishna Khaitan | Member   | Whole Time Director                 |                                      |

During the year under review the committee comprised of two independent directors & one whole time Director. All of whom are financially literate and have relevant finance and/or audit exposure. The Chairman of the Audit Committee also attended the last Annual General Meeting of the Company during the period under review. Four Audit Committee meetings were held on 30<sup>th</sup> June, 2020 (Adjourned to 31<sup>st</sup> July, 2020), 29<sup>th</sup> August, 2020, 11<sup>th</sup> November, 2020 and 08<sup>th</sup> February, 2021. The composition of the Audit Committee and attendance at its meetings is as follows:-

| Members                   | Designation | Category                            | No. of Committee Meeting attended during 2020 -2021 |
|---------------------------|-------------|-------------------------------------|---|
| Mr. Sandip Chatterjee     | Chairman    | Independent, Non Executive Director | 4/4   |
| Mrs . Sujata Sarkar       | Member      | Independent, Non Executive Director | 4/4   |
| Mrs. Sujata Chatterjee    | Member      | Independent, Non Executive Director | 3/4   |
| Mr. Sunay Krishna Khaitan | Member      | Whole Time Director                 | 4/4   |



**REPORT ON CORPORATE GOVERNANCE (cont)**

Mrs. Sujata Sarkar resigned from the Committee w.e.f. 30.03.2021

Mr. Manoj Chhawchharia was appointed as member of Committee with effect from 07.04.2021

Mr. Gopal Mor was appointed as member of Committee with effect from 07.04.2021

Mrs. Sangita Jain was appointed as member of Committee with effect from 07.04.2021

**Nomination & Remuneration Committee**

The terms of reference of the committee are follows:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees
2. Formulation of criteria for evaluation of Independent Directors and the Board.
3. Devising a policy on Board diversity.
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

The remuneration policy as adopted by the company envisages payment of remuneration according to qualification, experience and performance at different levels of the organization. The workers at the factory as well as those rendering clerical, Administrative and professional services are paid as per the Agreement with the Union, Remuneration is paid to a whole time director at present.

**Present Composition of the Nomination & Remuneration Committee**

|                        |          |                                     |                                      |
|------------------------|----------|-------------------------------------|--------------------------------------|
| Mr. Sandip Chatterjee  | Chairman | Independent, Non Executive Director |                                      |
| Mr. Manoj Chhawchharia | Member   | Independent, Non Executive Director | Appointed to committee on 07.04.2021 |
| Mr. Gopal Mor          | Member   | Independent, Non Executive Director | Appointed to committee on 07.04.2021 |
| Mrs. Sujata Chatterjee | Member   | Independent, Non Executive Director |                                      |
| Mrs. Sangita Jain      | Member   | Independent, Non Executive Director | Appointed to committee on 07.04.2021 |

During the year under review the committee comprise of three independent directors & one whole time director. All of whom are financially literate and have relevant finance and/ or audit exposure. During the period under review The Committee Meeting were held on August. 29<sup>th</sup>, 2020 of the details of attendance at meeting of the Nomination & Remuneration Committee is as follows:

| Members                   | Designation | Category                            | No. of Committee Meeting attended during 2020 -2021 |
|---------------------------|-------------|-------------------------------------|---|
| Mr. Sandip Chatterjee     | Chairman    | Independent, Non Executive Director | 1   |
| Mrs. Sujata Sarkar        | Member      | Independent, Non Executive Director | 1   |
| Mrs. Sujata Chatterjee    | Member      | Independent, Non Executive Director | 1   |
| Mr. Sunay Krishna Khaitan | Member      | Whole Time Director                 | 1   |

Mrs. Sujata Sarkar resigned from the Committee w.e.f. 30.03.2021

Mr. Manoj Chhawchharia was appointed as member of Committee with effect from 07.04.2021

Mr. Gopal Mor was appointed as member of Committee with effect from 07.04.2021

Mrs. Sangita Jain was appointed as member of Committee with effect from 07.04.2021

**Shareholders Relationship Committee**

The Committee performs following:

- | Transfer/Transmission of shares.
- | Issue of Duplicate Share Certificates.
- | Review of share dematerialization and rematerialiasation.
- | Monitoring the expeditious Redressal of Investor Grievance.
- | Monitoring the performance of company's Registrar & Transfer Agent.
- | All other matters related of the shares.

**REPORT ON CORPORATE GOVERNANCE (cont)**

**Present Composition of the Shareholders Relationship Committee**

|                           |          |                                     |                                      |
|---------------------------|----------|-------------------------------------|--------------------------------------|
| Mr. Sandip Chatterjee     | Chairman | Independent, Non Executive Director |                                      |
| Mr. Manoj Chhawchharia    | Member   | Independent, Non Executive Director | Appointed to committee on 07.04.2021 |
| Mr. Gopal Mor             | Member   | Independent, Non Executive Director | Appointed to committee on 07.04.2021 |
| Mrs. Sujata Chatterjee    | Member   | Independent, Non Executive Director |                                      |
| Mrs. Sangita Jain         | Member   | Independent, Non Executive Director | Appointed to committee on 07.04.2021 |
| Mr. Sunay Krishna Khaitan | Member   | Whole Time Director                 |                                      |

During the year committee met 3 times i.e. 31<sup>st</sup> July, 2020, 11<sup>th</sup> November, 2020 and 25<sup>th</sup> February, 2021. The composition of the Committee and attendance at its meeting is as follows:

| Members                   | Designation | Category                            | No. of Committee Meeting attended during 2020 -2021 |
|---------------------------|-------------|-------------------------------------|---|
| Mr. Sandip Chatterjee     | Chairman    | Independent, Non Executive Director | 3   |
| Mrs. Sujata Sarkar        | Member      | Independent, Non Executive Director | 3   |
| Mr. Sunay Krishna Khaitan | Member      | Whole Time Director                 | 3   |

Mrs. Sujata Sarkar resigned from the Committee w.e.f. 30.03.2021

Mr. Manoj Chhawchharia was appointed as member of Committee with effect from 07.04.2021

Mr. Gopal Mor was appointed as member of Committee with effect from 07.04.2021

Mrs. Sangita Jain was appointed as member of Committee with effect from 07.04.2021

Mr. Pradip Halder Company Secretary was the Compliance Officer during year under review. He performed the function of monitoring the complaints received vis-a-vis Share transfer and other related processes and reported them to the Board. He also carried out his responsibility as liaison officer with the investors and regulatory authorities, such as SEBI, Stock Exchange, Registrar of Companies in respect of implementing laws, rule and regulations and directives of such authorities concerning investor service and complaints.

During the Financial Year 2020-21, the company didn't receive any complaint from the shareholders.

**Independent Directors' Meeting**

During the year under review, the Independent Directors met on February 19, 2021 inter alia to discuss:

1. Review of performance of Non- Independent Director and Board as whole.
2. Review of performance of the Chairperson of the Company, taking into account the view of Executive Director and non executive director.
3. Assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board of effectively and reasonably perform their duties.

**Formation of Policy for selection and appointment of Directors including Independent Director KMP/Senior Management Personnel**

The nomination and Remuneration Committee discussed and there after decided upon the policy for selection and appointment of directors and their remuneration. The highlights of the policy are as follows:

- i) Person of eminence, eminence, standing and knowledge with sufficient achievements in business, professions and /or public service. Their financial and business literacy/skill.
- ii) Relative Industry experience
- iii) To build team and carry the team members along for achieving the goals/ objectives and corporate mission.

**Remuneration Policy**

To ensure that the level and components of remunerations is reasonable and sufficient to attract, retain and motivate Directors KMP and other employees of the quality to run the company successfully.

To ensure that relationship of remuneration to performance is clear and meets appropriate performance benchmark. Improved performance should be rewarded.

Remuneration packages should strike a balance between fixed and incentive pay, where ever applicable.

To ensure that the remuneration structure is simple and cost the company (CTC) is not shown inflated and effective take home pay is not low.



**REPORT ON CORPORATE GOVERNANCE** (cont)

**Corporate Social Responsibility**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

**Related Party Transaction**

All transaction entered into with Related Parties as defined in SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 during the financial year under reviewed were in the ordinary course of business and do not attract the provisions of section 188 of the Companies Act 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standard (AS-18) has been made in the notes to Financial Statements.

The Board has approved a policy for related party transactions which has been reported on the company's website.

**Prevention of Insider Trading**

The company has always ensured fair code of conduct for prevention of Insider Trading with a view to regulated trading securities by the Directors and designated employees of the company.

**Compliance with Accounting Standards**

In the preparation to the Financial Statement, the Company has followed the Accounting Standards (IND AS) notified pursuant to Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013 read with General Circular 8/224, 2014 dated April 04, 2014, issued by the Ministry of Corporate Affairs. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statement.

**General Body Meeting**

Details of last three Annual General Meetings and the Special resolution passed thereat are as follows:

| YEAR      | LOCATION  | DATE       | TIME       | Whether Special Resolution Passed |
|-----------|---|------------|------------|-----------------------------------|
| 2019-2020 | Through Video Conference at Registered Office                       | 30/09/2020 | 11.30 A.M  | No                                |
| 2018-2019 | Bharatiya Bhasha Parishad 36-A, Shakespeare Sarani Kolkata – 700017 | 27/09/2019 | 11.00 A.M. | No                                |
| 2017-2018 | Bharatiya Bhasha Parishad 36-A, Shakespeare Sarani Kolkata – 700017 | 28/09/2018 | 11.00 A.M. | No                                |

**CEO/CFO Certification**

The Executive Director and Chief Financial Officer have issued certificate pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 certifying that the financial statement do not contain any materially untrue statement and these statement represent a true and fair view of the company's affairs. The said certificate is annexed herewith.

**Code of conduct for Board members and Senior Management**

A code of conduct as applicable to the Directors and the members of the senior management was approved by the board and the same is being duly abided by all of them. Declaration t this effect was obtained from the Executive Director and is annexed herewith.

**Compliance Certificate**

Compliance Certificate for corporate Governance from auditors of the company is annexed herewith.

**Means of Communications**

The quarterly/half yearly/ annual un-audited/ audited financial results of the company are posted to the stock exchanges immediately after they are approved by the Board of Directors and are published in the one English and one Bengali Newspaper.

**Management discussion & Analysis**

The Management Discussion and Analysis Report (MD & AR) is part of this report is provided separately.



**REPORT ON CORPORATE GOVERNANCE (cont)**

**General Shareholder's Information**

|    |  |   |
|----|--|---|
| a) | Date, time and Venue of Next Annual General Meeting                          | 30th September, 2021 at 11.30 A.M.<br>Through Video Conferencing ("VC") / other Audio Visual Means ("OAVM")<br>Registered Office: 46C J.L.Nehru Road, Kolkata -700071   |
| b) | Date of Book Closing   | 24th September, 2021 to 30 <sup>th</sup> September, 2021 (both days inclusive)  |
| c) | Dividend payment date for the FY 2020-2021                                   | Dividend has not been recommended   |
| d) | Information regarding Stock Exchanges where the share of the Company Listed. | The National Stock Exchange of India Limited<br>Exchange Plaza, Bandra East Mumbai – 400051<br>Calcutta Stock Exchange Limited<br>7, Lyons Range, Kolkata – 700001<br>Bombay Stock Exchange Limited<br>Floor 25, F.J. Towers, Dalal Street, Mumbai - 400001 |
| e) | Payment of Listing Fees  |   |

The Company had applied for de-listing with the Calcutta Stock Exchange Ltd. which is pending. The shares of the Company are traded in permitted category at Bombay Stock Exchange Limited

**ISIN No. for the Company's Ordinary Shares in Demat Form is INE731C01018**

**f) Financial Calendar 2021 - 2022**

|   |                          |
|---|--------------------------|
| Results for the quarter ending                            |                          |
| First Quarterly Results                                   | Before August 14, 2021   |
| Second Quarterly Results                                  | Before November 14, 2021 |
| Third Quarterly Results                                   | Before February 14, 2022 |
| Audited Yearly Results for the year ending March 31, 2021 | Before May 30, 2022      |

**g) Market Price (2020 -2021)**

| NSE             | APR     | MAY     | JUN      | JUL      | AUG      | SEP      | OCT      | NOV      | DEC      | JAN      | FEB      | MAR      |
|-----------------|---------|---------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| HIGH            | -       | -       | -        | -        | -        | -        | -        | -        | -        | -        | -        | 19.55    |
| LOW             | -       | -       | -        | -        | -        | -        | -        | -        | -        | -        | -        | 16.85    |
| (NIFTY 50) HIGH | 9889.05 | 9533.50 | 10176.20 | 11341.40 | 11794.25 | 11618.10 | 12025.45 | 12968.85 | 14024.85 | 14753.55 | 15431.75 | 15336.30 |
| LOW             | 8055.80 | 8806.75 | 9544.35  | 10299.60 | 10882.25 | 10790.20 | 11347.05 | 11557.40 | 12962.80 | 13596.75 | 13661.75 | 14264.40 |

As the Company's shares are listed on National Stock Exchange, the prices at NSE given only. Shares of the Company were not traded from April, 2020 to February, 2021 due to suspension in trading of equity shares.

**h) Distribution of Shareholding as on 31<sup>st</sup> March, 2021**

| <b>(a) According to Category of Holding</b> |              |        |         |        |
|---|--------------|--------|---------|--------|
| Category                                    | Shareholders |        | Shares  |        |
|   | Nos.         | %      | Nos.    | %      |
| Promoters Group                             | 11           | 0.31   | 2861630 | 60.24  |
| Bank, Financial Institution                 | 2            | 0.06   | 1234    | 0.03   |
| Private Corporate                           | 48           | 1.36   | 369902  | 7.79   |
| NRI   | 16           | 0.45   | 11535   | 0.24   |
| Indian Public                               | 3452         | 97.60  | 1503845 | 31.66  |
| Other/ Clearing Members                     | 7            | 0.20   | 1154    | 0.02   |
| Custodian of Enemy Property                 | 1            | 0.03   | 700     | 0.01   |
| Grand Total                                 | 3527         | 100.00 | 4750000 | 100.00 |



**REPORT ON CORPORATE GOVERNANCE (cont)**

**(b) Pattern of Shareholdings as on 31<sup>st</sup> March, 2021**

| Share Holding Pattern |     |       | Shareholders |        | Shares  |        |
|-----------------------|-----|-------|--------------|--------|---------|--------|
|                       |     |       | Nos.         | %      | Nos.    | %      |
| Upto                  |     | 500   | 3154         | 89.17  | 485791  | 10.23  |
| 501                   | To  | 1000  | 184          | 5.20   | 152703  | 3.21   |
| 1001                  | To  | 2000  | 89           | 2.52   | 127556  | 2.69   |
| 2001                  | To  | 3000  | 21           | 0.59   | 55249   | 1.16   |
| 3001                  | To  | 4000  | 13           | 0.37   | 46989   | 0.99   |
| 4001                  | To  | 5000  | 8            | 0.23   | 36107   | 0.76   |
| 5001                  | To  | 10000 | 25           | 0.70   | 203631  | 4.29   |
| 10001                 | and | above | 43           | 1.22   | 3641974 | 76.67  |
| Grand Total           |     |       | 3537         | 100.00 | 4750000 | 100.00 |

**i) Registrar and Share Transfer Agent (for physical as well as for D'mat Segment)**

M/s. Maheshwari Datamatics (p) Ltd, R. N. Mukherjee Road, 5<sup>th</sup> Floor, Kolkata – 700001  
Phone: 033-2243 5029/5809, 2248-2248, Fax:033-2248-4787, Email: [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com)

**j) Share Transfer System:**

Share Transfers are registered and returned within 30days of lodgment thereon, if the documents are clear in all respects.

Transfers of shares are done through depositories with no involvement of the Company, Regarding transfer of shares in physical form, the transfer documents can be lodged with M/s. Maheshwari Datamatics (P) Ltd. 23 R.N. Mukherjee Road, 5<sup>th</sup> Floor, Kolkata – 700001

**k) Dematerialization of Shares and liquidity:**

The Company's shares are compulsorily traded in dematerialized form and are available for trading under both Depository Systems. NSDL and CDSL as on 31.03.2021 a total of 4323052, Equity Shares of the Company were held in demat mode and is highly liquid.

**l) Outstanding GDR's/ADR's/Warrants or any convertible instruments, conversion data and impact on equity- NIL**

**m) Plant Location:** Khaitan Nagar, Plassey, Dist: Nadia, west Bengal.

**Disclosures**

- (i) The company has always ensured fair code of conduct and maintained transparency. There are no transactions of the Company of material nature with promoters, directors, subsidiaries or relatives etc. which would have potential complaints with the interest of the Company large.
- (ii) In accordance with requirement of Companies Act as well listing agreement a vigil mechanism has been adopted by the board of directors and accordingly a Whistle Blower Policy has been formulated with a view to provide a mechanism for employees of the company to approach Internal Auditor of Chairman of the Audit Committee of the Company to report any grievance. The same has been uploaded on company's website
- (iii) The Company has complied with various rules and regulation prescribed by the Stock Exchanges, Securities and Board of India or other statutory authority relation to the capital markets during the last 3years. No strictures have been imposed by them on the Company.
- (iv) The Board has obtained certificate/ disclose from key management personnel confirming the do not have any material financial and commercial interest in transaction with the Company at large.
- (v) The Company is complying with few of the non mandatory requirement and shall endeavor to company balance non mandatory requirements.
- (vi) The Company has no subsidiary hence no policy on dealing is require to be disclosed.
- (vii) Commodity price risks and commodity hedging activities. Is not applicable to the company.
- (viii) The company is in compliance of requirement of corporate governance report of sub-pares (2) to (10)
- (ix) The company the discretionary requirements as specified in Part E of Schedule II have been adopted.

For and behalf of the Board

Sunay Krishna Khaitan  
Executive Director  
(Din: 07585070)

Kolkata  
Date : The 30th June, 2021

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**Declaration Regarding Code of Conduct**

**The Board of Directors  
Khaitan (India) Limited**

This is to confirm that the company has received affirmation of compliance with "The Code of Conduct for Directors and Senior Executive" from all the Directors and Senior Executives of the Company to whom the same is applicable for the year ended 31.03.2021

Kolkata  
Date : The 30th June, 2021

Sunay Krishna Khaitan  
Executive Director  
(Din: 07585070)

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**CFO/Executive Director Certificate**

**The Board of Directors  
Khaitan (India) limited**

**We hereby certify that:**

- a) We have reviewed the financial statements and cash flow statement for the year ended 31<sup>st</sup> March, 2021 and best of our knowledge and belief:
  - i) these statements do not contain any materially untrue statement or omit any material fact of contain statements that might be misleading;
  - ii) these statements present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations;
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31<sup>st</sup> March, 2021 are fraudulent, illegal or violate of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the auditors and the Audit Committee and steps we have been taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the audit committee
  - i) Significant changes in internal control during the said financial year.
  - ii) Significant changes in accounting policies during the said financial year and that same have been disclosed in the notes to the financial statements and
  - iii) Instances of significant fraud of which we have become aware and the involvement therein, If any of the management or an employee having a significant role in company's internal control system.

Thanking You,

Kolkata  
Date: The 30th June, 2021

Swapan Kumar Das  
Chief Financial Officer  
(PAN: AGYPD0287C)

Sunay Krishna Khaitan  
Whole Time Director  
(DIN: 07585070)



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

**To,  
The Members of  
KHAITAN (INDIA) LTD.**

The Corporate Governance Report prepared by Khaitan (India) Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) of sub - regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended March 31, 2021 as required by the Company for annual submission to the Stock exchange.

**Management's Responsibility**

The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

**Auditor's Responsibility**

Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion, whether the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.

We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

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

The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedure includes but not limited to verification of secretarial records and financial information of the company and obtained necessary representation and declarations from directors including independent directors of the company.

The procedure also includes examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any of the financial information of the financial statements of the company taken as a whole.

**Opinion**

Based on the procedures performed by us and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2021.

**Other matters and Restriction on Use**

This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company. It is neither an audit nor in an expression of opinion on the standalone Ind AS financial statement of the company.

This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For K.C.Bhattacharjee & Paul  
Chartered Accountants  
FRN: 303026E

Anjan Ghosh  
(Partner)  
Membership No.: 066509  
UDIN: 21066509AAAACN9295

Place: Kolkata  
Date: 30th June 2021

**Independent Auditor's Report**

To  
The Members of  
**Khaitan (India) Limited**

**Report on the Audit of the Financial Statements**

**Qualified Opinion**

We have audited the accompanying Indian Accounting standard (Ind AS) financial statement of Khaitan (India) Limited (the "Company") which comprise the Balance Sheet as at 31 March, 2021, and the Statement of Profit and Loss, (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (Financial Statement).

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 subject to qualification as mention in the basis for qualified opinion paragraph, in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rule 2015 (as amended) under section 133 of the Act., of the state of affairs of the Company as at 31 March 2021, and loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

**Basis for Qualified Opinion**

- a) Reference is invited to Note No – 46, to the financial statements regarding the non-operation of sugar mill of the company and management has not yet decided to discontinue the operation of the mill. The accounting has been done on going concern basis.

Also with reference to Note No- 47, Fixed Assets of the Sugar Mill division especially the plant and machinery has not been used for active service for more than 2 years due to non-operation of the sugar mill. Considering the age of the assets and non-usage of machineries for a considerable time, the technical evaluation of the assets needs to be done for ascertainment of impairment provision. Since the technical evaluation is pending, the possible effect of the value of impairment of the assets on the financial statements is not currently ascertainable. Had this technical evaluation carried out, these may be incidental to any variation in the value of assets and consequently change in the amount of accumulated losses.

- b) Reference is invited to Note No – 11.1, In terms of the requirements of Ind AS 109, Financial Instruments, the company has not opted for Expected Credit Loss (ECL) model for estimating the provisions against Trade Receivables. Had the said model of estimation of receivable delinquencies been applied the balances of provisioning against trade receivables might undergone a change. The possible effect of the non-application of the ECL model on the financial statements is not currently ascertainable.
- c) Reference is invited to Note no 10.1, The biological assets amounting to Rs. 2,57,00,854/- includes Bearer and Non Bearer plants and trees. As per Ind AS-16, Property, Plant & Equipment, bearer plant is a part of Fixed Assets and depreciation to be charged based on useful life of the bearer plants. The company has not segregated the portfolio of biological assets into bearer and non-bearer plants and consequent accounting adjustment thereof and continues to recognize the same under current assets, which is in disagreement with the requirements of the above referred Ind AS Accounting standard. Pending completion of the said exercise, the consequent impact of the above matter on the financial statements could not be ascertained.

We conducted our audit in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Results" section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of Matter**

Without modifying our opinion attention is drawn to following matters:

- a) Reference is invited to Note No – 5.1, Provision for impairment in value of the said unquoted investment has not been made. Since in the opinion of the management it is not permanent in nature and realisable value of the assets of said company should be higher than the book value. In absence of the audited financial statement of the said company and indicative details of realisable value of the assets of the company. We have not examined the same.
- b) Reference is invited to Note No - 48 to the financial statements detailing therein initiation of proceedings under Insolvency Bankruptcy Code 2016 against the company by certain operational and financial creditors. The matter is still not yet admitted / decided by the concerned court of law. The account has been prepared on going concern basis.
- c) Reference is invited to Note No.-50 to financial statements, Balances of Trade receivables, Trade Payables, Loans and advances, Claims recoverable, are subject to reconciliation and confirmation.



**Independent Auditor's Report (cont)**

Our opinion is not modified in respect of this matter.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the financial year ended 31 March, 2021. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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

| Key Audit Matters   | Auditor response to key audit matters  |
|---|--|
| <p><b>Revenue Recognition</b></p> <p>Revenue is measured at the fair value of consideration received/receivable from its customers and in determining the transaction price for the sale of products, the Company considers the effects of various factors such as volume based discounts, rebates and other promotion incentives schemes provided to the customers.</p> <p>At year end, amounts for volume based discounts, rebates and other promotion incentives schemes that have been incurred and not yet provided to the customers are estimated and accrued. We have considered this as a key audit matter on account of significant judgement and estimate involved in calculation of provision for such trade schemes as at the Balance Sheet date.</p> | <p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <ul style="list-style-type: none"> <li>1 Assessed the Company's accounting policy for revenue recognition including the policy for recording trade schemes in accordance with Ind AS 115.</li> <li>1 Obtained understanding of the revenue process, the assumptions used by the management in calculation of accrual of trade schemes and design and implementation of controls.</li> <li>1 Evaluated management's methodology and assumptions used in the calculations of such accruals for trade schemes.</li> <li>1 Tested on sample basis management's calculation of the provisions for such schemes at year end with approved schemes and underlying sales data, including testing of completeness and arithmetical accuracy of the data used.</li> <li>1 Tested, on sample basis, credit notes issued to customer/ payments for incentives as per the approved schemes.</li> <li>1 Performed analytical procedures to identify any unusual trends and items.</li> </ul> <p>Hence the revenue from such service charges so collected are not recognized in the books of accounts of Khaitan (India) Ltd.</p> |
| <p><b>Property, Plant &amp; Equipment:</b></p> <p>Estimates of useful lives and residual value of Property, Plant and Equipment is a significant area requiring Management judgment of estimates and application of accounting policies that have significant effect on the amounts recognized in the Standalone Ind AS Financial Statements.</p>   | <p>We examined whether the Corporation has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.</p> <p>The physical verification of Property, Plant and Equipment has been carried out by the Management in accordance with the phased program of verification of all assets and necessary accounting entries based on such physical verification has been appropriately posted which were reviewed by us.</p> <p>We have ascertained that all the major property, plant and Equipment, have been properly maintained and the useful life of the assets are determined and depreciation has been changed as per schedule II of the company's Act 2013.</p>  |



**Independent Auditor's Report (cont)**

**Information other than the Financial Statements and Auditors' Report thereon**

The Company's management and Board of Directors are responsible for preparation of the other information. The other information comprises the information included in the Directors' report, Management Discussion & Analysis etc, but does not include the financial statements and our auditors' report thereon. Such other Information's are expected to be made available to us after the date of this auditor's report. 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 identified as above when it becomes available 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.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

That 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:

- I 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.
- I 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.
- I Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- I 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.
- I Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



**Independent Auditor's Report (cont)**

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

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.

**Other Matters:**

Referring to the note no 45 and as per explanation and information given to us, the company has not make the consolidated financial statement for the year ended 31 March 2021 due to the losses incurred by the associate company in the immediately preceding few financial years and the net assets of the company eroded during last few financial years.

**Report on Other Legal and Regulatory Requirements**

i) As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

ii) As required by section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V to the Act. In respect of one director (Sunay Krishna Khaitan), aggregate remuneration of Rs. 11,14,535/- paid / provided during the year, is subject to the approval of the Members at the forthcoming Annual General Meeting.
- 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:
  1. Reference to the Note no 35, the Company has disclosed the impact of pending litigations on its financial position in its financial statements in accordance with the generally accepted accounting practice in the financial statements.
  2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company. However there are no such instances during this year.

**For K. C. Bhattacharjee & Paul**  
Chartered Accountants  
FRN: 303026E

**Anjan Ghosh**  
(Partner)

Place: Kolkata  
Date: 30 June 2021

Membership No.: 066509  
UDIN: 21066509AAAACN9295

**ANNEXURE “A” TO THE INDEPENDENT AUDITOR'S REPORT**

The Annexure referred to in paragraph (i) under the heading “Report on Other Legal and Regulatory requirements” of our Independent Auditors' Report of even date to the members of the Company on the standalone Ind AS financial statements for the year ended 31st March, 2021, we report that:

|      |  |
|------|--|
| i.   | <b>In respect of the Company's fixed assets:</b>   |
| a.   | The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.   |
| b.   | As per information and explanations given to us, the fixed assets of the Company have been physically verified by the management in a phased manner 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 nature of its assets. Pursuant to the program of verification the Building, Plant & Machineries etc. have been physically verified by the management during the year and the discrepancies noticed between book records and physical inventory have been duly adjusted in the books of account.   |
| c.   | <p>According to the information and explanations given to us, the records examined by us and based on the examination of the records of the Company, the lands measuring 8053.54 acres approximately are held by the company originally in the name of Ramnagar Cane &amp; Sugar Company limited as per the order no. 4572-L dated 12th March 1964 of Land Reform Branch, Land and Revenue Department, Government of west Bengal and thereafter the name of the company was changed to Khaitan Agro complex Limited as per the certificate of incorporation issued by the registrar of the companies on 1st October 1994. Further M/s Khaitan (India) Limited was amalgamated with Khaitan Agro Complex limited with effect from 1st January 1994 as per the order of Honorable Calcutta High court dated 17th October 1994 and as per the order of the court the name of the company was retained as Khaitan India Limited. The registrar of the Companies, West Bengal issued the Fresh Certificate of Incorporation on 14th November, 1994 and changed the name of the company from Khaitan Agro Complex Limited to Khaitan (India) Limited. Subsequently the Government of West Bengal in its Calcutta Gazette published on 17th April, 1995, vide its Notification no. 186-Ci/C dated 24th march, 1995 issued by the commerce and Industries Department, Group C made the amendments and substitute the Word and brackets from Khaitan Agro Complex Limited (Sugar Division) to Khaitan (India) Limited.</p> <p>Further, as per the letter issued by the Government of West Bengal, Memo No.- 158/BL &amp; LRO/Bel-II/18 dated – 19.04.2018, the “retainer” mill is a “lessee” directly under the State for such land with the terms and conditions specified in rules made under section 4B of the WBLR Act, 1955.</p> <p>However, based on legal advice, the management is of the opinion that pending completion of necessary legal formalities and resolution of the demands as made by the Government of West Bengal, the Company continued to consider the said parcel of land freehold in character.</p> |
| ii.  | The inventories (excluding stocks with third parties, if any) have been physically verified during the year by the management at reasonable intervals. No material discrepancies were noticed on such physical verification of stocks by the management as compared to book records.   |
| iii. | According to the information and explanations given to us, the Company has not granted loan, secured, unsecured to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore clause (iii) (a), (b) and (c) of paragraph 3 of the said order are not applicable to the company.   |
| iv.  | In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.   |
| v.   | The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable   |
| vi.  | We were unable to review the books of account maintained by the Company in respect of the products where the maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013 and the rules framed thereunder due to the operation of Sugar Mills was under suspension for more than 24 months and we are not able to express our opinion that whether the prescribed books of accounts and cost records have been made and maintained or not.   |



**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT (cont)**

| vii.                      | According to the information and explanations given to us, in respect of statutory dues:  |                     |                                    |  |                                    |                                |                           |  |           |                               |  |           |                  |          |                               |                    |            |     |           |                               |                   |           |     |             |                               |                    |           |     |           |                               |                    |
|---------------------------|---|---------------------|------------------------------------|--|------------------------------------|--------------------------------|---------------------------|--|-----------|-------------------------------|--|-----------|------------------|----------|-------------------------------|--------------------|------------|-----|-----------|-------------------------------|-------------------|-----------|-----|-------------|-------------------------------|--------------------|-----------|-----|-----------|-------------------------------|--------------------|
| (a)                       | <p>The Company has generally been irregular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, duty of excise, Customs Duty Goods and Service Tax, Cess and other material statutory dues to the extent applicable with appropriate authorities.</p> <p>According to the records, the following statutory dues were outstanding as at 31<sup>st</sup> March, 2021 for a period of more than more six months from the day they became payable are given below:</p> <table border="1"> <thead> <tr> <th>Nature of Statute</th> <th>Nature of Dues</th> <th>Amount (Rs.)</th> <th>Period to which the Amount Relates</th> <th>Due Dates</th> </tr> </thead> <tbody> <tr> <td>Provident Fund</td> <td>EPF</td> <td>7,22,563</td> <td>From 01.03.2019 to 30.09.2020</td> <td>15th of Next Month</td> </tr> <tr> <td>State Tax</td> <td>PROFESSIONAL TAX</td> <td>6,45,601</td> <td>From 01.05.2017 to 30.09.2020</td> <td>21st of Next Month</td> </tr> <tr> <td>Income Tax</td> <td>TDS</td> <td>20,86,519</td> <td>From 01.10.2019 to 30.09.2020</td> <td>7th of Next Month</td> </tr> <tr> <td>Sales Tax</td> <td>GST</td> <td>2,94,00,033</td> <td>From 01.09.2017 to 30.09.2020</td> <td>21st of Next Month</td> </tr> <tr> <td>Sales Tax</td> <td>VAT</td> <td>37,21,987</td> <td>From 01.04.2016 to 30.06.2017</td> <td>21st of Next Month</td> </tr> </tbody> </table> | Nature of Statute   | Nature of Dues                     | Amount (Rs.)                                       | Period to which the Amount Relates | Due Dates                      | Provident Fund            | EPF  | 7,22,563  | From 01.03.2019 to 30.09.2020 | 15th of Next Month                                 | State Tax | PROFESSIONAL TAX | 6,45,601 | From 01.05.2017 to 30.09.2020 | 21st of Next Month | Income Tax | TDS | 20,86,519 | From 01.10.2019 to 30.09.2020 | 7th of Next Month | Sales Tax | GST | 2,94,00,033 | From 01.09.2017 to 30.09.2020 | 21st of Next Month | Sales Tax | VAT | 37,21,987 | From 01.04.2016 to 30.06.2017 | 21st of Next Month |
| Nature of Statute         | Nature of Dues  | Amount (Rs.)        | Period to which the Amount Relates | Due Dates  |                                    |                                |                           |  |           |                               |  |           |                  |          |                               |                    |            |     |           |                               |                   |           |     |             |                               |                    |           |     |           |                               |                    |
| Provident Fund            | EPF   | 7,22,563            | From 01.03.2019 to 30.09.2020      | 15th of Next Month                                 |                                    |                                |                           |  |           |                               |  |           |                  |          |                               |                    |            |     |           |                               |                   |           |     |             |                               |                    |           |     |           |                               |                    |
| State Tax                 | PROFESSIONAL TAX  | 6,45,601            | From 01.05.2017 to 30.09.2020      | 21st of Next Month                                 |                                    |                                |                           |  |           |                               |  |           |                  |          |                               |                    |            |     |           |                               |                   |           |     |             |                               |                    |           |     |           |                               |                    |
| Income Tax                | TDS   | 20,86,519           | From 01.10.2019 to 30.09.2020      | 7th of Next Month                                  |                                    |                                |                           |  |           |                               |  |           |                  |          |                               |                    |            |     |           |                               |                   |           |     |             |                               |                    |           |     |           |                               |                    |
| Sales Tax                 | GST   | 2,94,00,033         | From 01.09.2017 to 30.09.2020      | 21st of Next Month                                 |                                    |                                |                           |  |           |                               |  |           |                  |          |                               |                    |            |     |           |                               |                   |           |     |             |                               |                    |           |     |           |                               |                    |
| Sales Tax                 | VAT   | 37,21,987           | From 01.04.2016 to 30.06.2017      | 21st of Next Month                                 |                                    |                                |                           |  |           |                               |  |           |                  |          |                               |                    |            |     |           |                               |                   |           |     |             |                               |                    |           |     |           |                               |                    |
| (b)                       | <p>According to the records of the Company and the information and explanations given to us, following are the details of disputed dues of Sales Tax as on 31st March, 2021:</p> <table border="1"> <thead> <tr> <th>Name of the statute</th> <th>Nature of dues</th> <th>Demand Raised</th> <th>Period to which is relating</th> <th>Forum where dispute is pending</th> </tr> </thead> <tbody> <tr> <td>Maharashtra Sales Tax Act</td> <td>Tax &amp; Penalty on higher turnover on reassessment</td> <td>94,87,225</td> <td>-</td> <td>Joint Commissioner &amp; Sales Tax (Appellate) Mumbai.</td> </tr> </tbody> </table>  | Name of the statute | Nature of dues                     | Demand Raised                                      | Period to which is relating        | Forum where dispute is pending | Maharashtra Sales Tax Act | Tax & Penalty on higher turnover on reassessment | 94,87,225 | -                             | Joint Commissioner & Sales Tax (Appellate) Mumbai. |           |                  |          |                               |                    |            |     |           |                               |                   |           |     |             |                               |                    |           |     |           |                               |                    |
| Name of the statute       | Nature of dues  | Demand Raised       | Period to which is relating        | Forum where dispute is pending                     |                                    |                                |                           |  |           |                               |  |           |                  |          |                               |                    |            |     |           |                               |                   |           |     |             |                               |                    |           |     |           |                               |                    |
| Maharashtra Sales Tax Act | Tax & Penalty on higher turnover on reassessment  | 94,87,225           | -                                  | Joint Commissioner & Sales Tax (Appellate) Mumbai. |                                    |                                |                           |  |           |                               |  |           |                  |          |                               |                    |            |     |           |                               |                   |           |     |             |                               |                    |           |     |           |                               |                    |
| viii.                     | Based on our audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of loans to any financial institution, bank, Government or dues to debenture holders.   |                     |                                    |  |                                    |                                |                           |  |           |                               |  |           |                  |          |                               |                    |            |     |           |                               |                   |           |     |             |                               |                    |           |     |           |                               |                    |
| ix.                       | Based on our audit procedures and according to the information given by the management, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) or taken any term loan during the year.  |                     |                                    |  |                                    |                                |                           |  |           |                               |  |           |                  |          |                               |                    |            |     |           |                               |                   |           |     |             |                               |                    |           |     |           |                               |                    |
| x.                        | During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us and representation obtained from the management, no instances of fraud by the Company or any fraud on the company by its officers or employees have been noticed or reported during the year.   |                     |                                    |  |                                    |                                |                           |  |           |                               |  |           |                  |          |                               |                    |            |     |           |                               |                   |           |     |             |                               |                    |           |     |           |                               |                    |
| xi.                       | In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.   |                     |                                    |  |                                    |                                |                           |  |           |                               |  |           |                  |          |                               |                    |            |     |           |                               |                   |           |     |             |                               |                    |           |     |           |                               |                    |
| xii.                      | In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company.   |                     |                                    |  |                                    |                                |                           |  |           |                               |  |           |                  |          |                               |                    |            |     |           |                               |                   |           |     |             |                               |                    |           |     |           |                               |                    |

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT (cont)**

|       |  |  |
|-------|--|--|
| xiii. |  | According to the information & explanation given to us and based on our examination of the records, all transactions entered into by the Company with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 wherever applicable and details have been disclosed in the Standalone Ind AS Financial Statements as required by the applicable Indian Accounting Standards. |
| xiv.  |  | According to the information and explanation given by the management, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.  |
| xv.   |  | According to the information and explanations given to us and based on our examination, the Company has not entered during the year into any non-cash transactions with directors or persons connected with them.  |
| xvi.  |  | The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.   |

**For K. C. Bhattacharjee & Paul**  
Chartered Accountants  
FRN: 303026E

Place: Kolkata  
Date: 30 June 2021



**Anjan Ghosh**  
(Partner)  
Membership No.: 066509  
UDIN: 21066509AAAACN9295



**ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT**

[Referred to in paragraph (iii)(f) under 'Report on other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date on the Ind AS financial statements of Khaitan (India) Limited.]

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

We have audited the internal financial controls over financial reporting of Khaitan (India) Limited (“the Company”) as of 31 March 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date

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

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

**Auditors' Responsibility**

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

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

**Meaning of Internal Financial Controls over Financial Reporting**

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

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

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

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

**For K. C. Bhattacharjee & Paul**  
Chartered Accountants  
FRN: 303026E

**Anjan Ghosh**  
(Partner)  
Membership No.: 066509  
UDIN: 21066509AAAACN9295

Place: Kolkata  
Date: 30 June 2021



Balance Sheet as at March 31, 2021

| Particulars  | Notes         | As at Mar 31, 2021<br>Amount in Rs. | As at Mar 31, 2020<br>Amount in Rs. |
|--|---------------|-------------------------------------|-------------------------------------|
| <b>ASSETS</b>  |               |                                     |                                     |
| <b>1. Non-current assets</b>   |               |                                     |                                     |
| (a) Property, plant and equipment  | 3             | 48,49,25,198                        | 50,22,75,408                        |
| (b) Investment property  | 4             | 50,65,000                           | 50,65,000                           |
| (c) Financial Assets   |               |                                     |                                     |
| (i) Investments  | 5             | 2,88,73,063                         | 2,88,73,063                         |
| (ii) Loans   | 6             | 22,03,683                           | 90,88,728                           |
| (d) Deferred Tax Assets (net)  | 7             | -                                   | 3,26,43,751                         |
| (e) Other Non-Current Assets   | 8             | 1,98,65,238                         | 1,32,83,295                         |
|  |               | <b>54,09,32,182</b>                 | <b>59,12,29,245</b>                 |
| <b>2. Current assets</b>   |               |                                     |                                     |
| (a) Inventories  | 9             | 5,33,26,221                         | 5,47,77,385                         |
| (b) Biological Assets  | 10            | 2,57,00,854                         | 2,57,00,854                         |
| (c) Financial Assets   |               |                                     |                                     |
| (i) Trade receivables  | 11            | 10,33,05,464                        | 11,83,90,521                        |
| (ii) Cash and Cash equivalents   | 12            | 12,17,425                           | 10,29,090                           |
| (iii) Loans  | 13            | 5,71,60,749                         | 4,09,57,828                         |
| (e) Other current assets   | 14            | 27,27,781                           | 22,26,548                           |
|  |               | <b>24,34,38,494</b>                 | <b>24,30,82,226</b>                 |
| <b>Total Assets</b>  |               | <b>78,43,70,676</b>                 | <b>83,43,11,471</b>                 |
| <b>EQUITY AND LIABILITIES</b>  |               |                                     |                                     |
| <b>EQUITY</b>  |               |                                     |                                     |
| <b>1. Shareholders' Funds</b>  |               |                                     |                                     |
| (a) Share Capital  | 15            | 4,75,00,000                         | 4,75,00,000                         |
| (b) Other Equity   | 16            | 15,38,90,667                        | 19,09,45,657                        |
| <b>Total Equity</b>  |               | <b>20,13,90,667</b>                 | <b>23,84,45,657</b>                 |
| <b>2. LIABILITIES</b>  |               |                                     |                                     |
| <b>Non-current Liabilities</b>   |               |                                     |                                     |
| (a) Financial Liabilities  |               |                                     |                                     |
| (i) Borrowings   | 17            | 13,84,77,803                        | 14,87,38,145                        |
| (b) Other Non-Current Liabilities  | 18            | 74,19,067                           | 74,99,069                           |
| (c) Provisions   | 19            | 40,02,417                           | 2,70,41,322                         |
|  |               | <b>14,98,99,287</b>                 | <b>18,32,78,536</b>                 |
| <b>3. Current Liabilities</b>  |               |                                     |                                     |
| (a) Financial Liabilities  |               |                                     |                                     |
| (i) Borrowings   | 20            | 3,94,51,609                         | 4,89,55,673                         |
| (ii) Trade Payables  | 21            | 20,55,98,402                        | 23,06,38,212                        |
| (iii) Other financial liabilities  | 22            | 6,97,33,771                         | 4,95,88,490                         |
| (b) Other Current Liabilities  | 23            | 11,19,84,700                        | 8,28,04,047                         |
| (c) Provisions   | 24            | 63,12,240                           | 6,00,856                            |
|  |               | <b>43,30,80,722</b>                 | <b>41,25,87,278</b>                 |
| <b>Total Liabilities</b>   |               | <b>58,29,80,009</b>                 | <b>59,58,65,814</b>                 |
| <b>Total equity and liabilities</b>  |               | <b>78,43,70,676</b>                 | <b>83,43,11,471</b>                 |
| Summary of Significant Accounting Policies<br>Notes on Financial Statements<br>The notes referred to above form an integral part of the financial statements | 1 & 2<br>3-52 |                                     |                                     |

As per our Report attached of even date

For and on Behalf of the Board of Directors

For **K.C. Bhattacharjee & Paul**  
Chartered Accountants  
Firm Regn. No. 303026E

**Sunay K. Khaitan**  
Director  
DIN:07585070

**Sandip Chatterjee**  
Director  
DIN: 06875010

**Sujata Chatterjee**  
Director  
DIN:00245656

**Anjan Ghosh**  
(Partner)  
Membership No. 066509  
UDIN: 21066509AAAACN9295

**Swapan Kumar Das**  
Chief Financial Officer  
PAN:- AGYPD0287C

**Pradip Halder**  
Company Secretary  
PAN: -AIRPH7882C

Kolkata  
30th day of June, 2021



**Statement of Profit and Loss for the year ended March 31, 2021**

| Particulars  | Notes  | As at Mar 31, 2021<br>Amount in Rs. | As at Mar 31, 2020<br>Amount in Rs. |
|--|--------|-------------------------------------|-------------------------------------|
| <b>I. Income</b>   |        |                                     |                                     |
| Revenue from Operations  | 25     | 45,26,60,992                        | 56,64,90,738                        |
| Other Income   | 26     | 38,55,604                           | 43,62,830                           |
| <b>Total Revenue</b>   |        | <b>45,65,16,596</b>                 | <b>57,08,53,568</b>                 |
| <b>II. Expenses</b>  |        |                                     |                                     |
| Cost of material consumed  | 27     | -                                   | -                                   |
| Purchase of trading goods  |        | 33,39,21,367                        | 44,32,31,688                        |
| Changes in inventories of finished goods, work-in-progress and stock-in-trade            | 28     | 7,51,430                            | 57,93,833                           |
| Employee benefits expense  | 29     | 5,56,56,123                         | 6,59,16,870                         |
| Finance costs  | 30     | 2,95,41,087                         | 2,17,55,329                         |
| Depreciation and amortization expense  | 3      | 1,79,85,195                         | 1,80,91,620                         |
| Other expenses   | 31     | 4,37,04,381                         | 6,51,18,009                         |
| <b>Total Expenses</b>  |        | <b>48,15,59,583</b>                 | <b>61,99,07,349</b>                 |
| <b>III. Profit before tax</b>  |        | <b>(2,50,42,987)</b>                | <b>(4,90,53,781)</b>                |
| <b>IV. Tax expenses</b>  | 33     |                                     |                                     |
| Current tax  |        | -                                   | -                                   |
| Tax adjustment for earlier years   |        | -                                   | -                                   |
| Deferred tax Written off   |        | 3,26,43,751                         | -                                   |
| <b>Total tax expenses</b>  |        | <b>3,26,43,751</b>                  | <b>-</b>                            |
| <b>V. Profit for the year</b>  |        | <b>(5,76,86,738)</b>                | <b>(4,90,53,781)</b>                |
| <b>VI. Other Comprehensive Income</b>  |        |                                     |                                     |
| <b>A (i)</b> Items that will not be reclassified to profit or loss                       | 32     | <b>2,06,31,748</b>                  | <b>(6,34,69,141)</b>                |
| <b>(ii)</b> Income tax relating to items that will not be reclassified to profit or loss |        |                                     |                                     |
| <b>B (i)</b> Items that will be reclassified to profit or loss                           |        |                                     |                                     |
| <b>(ii)</b> Income tax relating to items that will be reclassified to profit or loss     |        |                                     |                                     |
| <b>Other Comprehensive Income for the year</b>   |        | <b>2,06,31,748</b>                  | <b>(6,34,69,141)</b>                |
| <b>VII. Total Comprehensive Income for the year (V + VI)</b>                             |        | <b>(3,70,54,990)</b>                | <b>(11,25,22,922)</b>               |
| <b>VI. Basic and diluted Earnings per equity share of face value of Rs. 10/- each</b>    | 34     | <b>(12)</b>                         | <b>(10.33)</b>                      |
| Summary of Significant Accounting Policies   | 1 & 2  |                                     |                                     |
| Notes on Financial Statements  | 3 - 52 |                                     |                                     |
| The notes referred to above form an integral part of the financial statements            |        |                                     |                                     |

As per our Report attached of even date

For and on Behalf of the Board of Directors

**For K.C. Bhattacharjee & Paul**  
Chartered Accountants  
Firm Regn. No. 303026E

**Sunay K. Khaitan**  
Director  
DIN:07585070

**Sandip Chatterjee**  
Director  
DIN: 06875010

**Sujata Chatterjee**  
Director  
DIN:00245656

**Anjan Ghosh**  
(Partner)  
Membership No. 066509  
UDIN: 21066509AAAACN9295

**Swapan Kumar Das**  
Chief Financial Officer  
PAN:- AGYPD0287C

**Pradip Halder**  
Company Secretary  
PAN: -AIRPH7882C

Kolkata  
30th day of June, 2021

**Cash Flow Statement for the year ended March 31, 2021**

| Particulars   | As at Mar 31,2021<br>Amount in Rs. | As at Mar 31,2020<br>Amount in Rs. |
|---|------------------------------------|------------------------------------|
| <b>A. Cash Flow from Operating Activities</b>   |                                    |                                    |
| Profit / (Loss) before tax for the period   | (2,50,42,987)                      | (4,90,53,781)                      |
| Adjustments for :   |                                    |                                    |
| Depreciation and Amortization Expense   | 1,79,85,195                        | 1,80,91,620                        |
| Investment Written off  | -                                  | 41,599                             |
| Finance Costs   | 2,95,41,087                        | 2,17,55,329                        |
| Interest Income   | (2,44,966)                         | (3,23,371)                         |
| Rent received   | (29,66,454)                        | (30,83,084)                        |
| (Gain)/Loss on sale of Property, Plant and Equipment  | (20,648)                           | (18,233)                           |
| <b>Operating Profit/ (Loss) before changes in operating assets and liabilities</b>  | <b>1,92,51,227</b>                 | <b>(1,25,89,921)</b>               |
| <b>Adjustments for changes in operating assets and liabilities:</b>   |                                    |                                    |
| (Increase) in trade and other receivables   | 3,13,27,756                        | 11,07,47,172                       |
| (Increase) / Decrease in Inventories and biological assets  | 14,51,164                          | 1,25,11,999                        |
| Increase/(Decrease) in trade and other payables   | 2,75,10,349                        | (7,77,47,670)                      |
| <b>Cash from / (used in) Operations</b>   | <b>7,95,40,496</b>                 | <b>3,29,21,580</b>                 |
| Direct Taxes (paid)/ refund   | (3,26,43,751)                      | -                                  |
| <b>Net Cash from / (used in) Operating Activities</b>   | <b>4,68,96,745</b>                 | <b>3,29,21,580</b>                 |
| <b>B. Cash Flow from Investing Activities</b>   |                                    |                                    |
| (Purchase)/ Sale of property, plant and equipment   | (6,63,823)                         | (3,06,728)                         |
| Sale of property, plant and equipment   | 49,486                             | 47,500                             |
| Interest Income   | 2,44,966                           | 3,23,371                           |
| Rent income   | 29,66,454                          | 30,83,084                          |
| <b>Net Cash from / (used in) Investing Activities</b>   | <b>25,97,083</b>                   | <b>31,47,227</b>                   |
| <b>C. Cash Flow from Financing Activities</b>   |                                    |                                    |
| Repayment of non-current borrowings   | (1,02,60,342)                      | (98,01,974)                        |
| Repayment of current borrowings (net)   | (95,04,064)                        | (57,23,214)                        |
| Finance Costs   | (2,95,41,087)                      | (2,17,55,329)                      |
| <b>Net Cash from / (used in) Financing Activities</b>   | <b>(4,93,05,493)</b>               | <b>(3,72,80,517)</b>               |
| <b>Net increase / (decrease) in cash and cash equivalent (A + B + C)</b>  | <b>1,88,335</b>                    | <b>(12,11,710)</b>                 |
| <b>D. Cash and cash equivalents</b>   |                                    |                                    |
| Net increase / (decrease) in cash and cash equivalent   | 1,88,335                           | (12,11,710)                        |
| Cash and cash equivalents at the beginning of the year  | 10,29,090                          | 22,40,800                          |
| <b>Cash and cash equivalents at the end of the year</b>   | <b>12,17,425</b>                   | <b>10,29,090</b>                   |
| <b>Cash and cash equivalents consist of cash on hand and balance with banks and deposits with banks.</b>  |                                    |                                    |
| In Current Accounts   | 11,74,667                          | 10,14,145                          |
| Cash on Hand  | 42,758                             | 14,945                             |
| <b>Cash and cash equivalents as at 31st March, 2021</b>   | <b>12,17,425</b>                   | <b>10,29,090</b>                   |
| (i) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard on 'Statement of Cash Flows (Ind AS-7)' issued by The Institute of Chartered Accountants of India. |                                    |                                    |

As per our Report attached of even date

For and on Behalf of the Board of Directors

For **K.C. Bhattacharjee & Paul**  
Chartered Accountants  
Firm Regn. No. 303026E

**Sunay K. Khaitan**  
Director  
DIN:07585070

**Sandip Chatterjee**  
Director  
DIN: 06875010

**Sujata Chatterjee**  
Director  
DIN:00245656

**Anjan Ghosh**  
(Partner)  
Membership No. 066509  
UDIN: 21066509AAAACN9295

**Swapan Kumar Das**  
Chief Financial Officer  
PAN:- AGYPD0287C

**Pradip Halder**  
Company Secretary  
PAN: -AIRPH7882C

Kolkata  
30th day of June, 2021



**Summary of Significant Accounting Policies**

**1. Corporate Information**

Khaitan (India) Limited ('KIL' or 'the Company') having domicile presence in the State of West Bengal, India, has been incorporated under the Companies Act in the year 1936. The Company is manufacturer of Sugar and also cultivates sugarcane in its captive farms for utilizing the same for manufacturing sugar in its factory. The Company has also commenced trading activities of Electrical Goods. The Company is the owner of 'Khaitan' brand and getting royalty from its users.

**2. Statement of Compliance and Recent Pronouncements**

**2.1 Statement of Compliance**

The Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 ("the Act") with effect from April 1, 2017 and therefore Ind AS issued, notified and made effective till the financial statements are authorized have been considered for the purpose of preparation of these financial statements.

**2.2 Recent Pronouncements**

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) (Amendment) Rules, 2019 on 30th March, 2019:

- notifying INDAS 116, 'Leases' and
- amending INDAS 12 'Income Taxes' and INDAS 19 'Employee Benefits'.

The same are applicable for financial statements pertaining to annual periods beginning on or after 1st April, 2019. The Company expects that there will be no material impact on the financial statements resulting from the implementation of these standards.

**2.3. Significant Accounting Policies**

**A. Basis of Preparation**

The Financial Statements have been prepared under the historical cost convention on the accrual basis, except for certain financial instruments that are measured in terms of relevant IND AS at fair values/amortized costs at the end of each reporting period.

Historical cost convention is generally based on the fair value of the consideration given in exchange for goods and services.

As the operating cycle cannot be identified in normal course, the same has been assumed to have duration of 12 months.

All Assets and Liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in INDAS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

The Standalone Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest rupee except otherwise stated.

**Fair value measurement**

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 under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:

- a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- b) Level 2: inputs other than quoted prices included within level 1 that are observable either directly or indirectly for the asset or liability.
- c) Level 3: inputs for the asset or liability which are not based on observable market data.

**B. Property, Plant and Equipment**

Property, plant and equipment (PPE) are stated at cost of acquisition or deemed cost on the date of transition less accumulated depreciation and impairment losses, if any. Cost of an asset comprises of cost of acquisition or construction and includes, where applicable, inward freight, duties and taxes, installation expenses, professional fees, borrowing costs, initial estimates of the cost of dismantling, cost of replacing parts of the property, plant and equipments and other costs directly attributable to the bringing the asset to the location and condition necessary for it to be capable of operating in the intended manner and purposes. Capital Spare parts which are integral part of the plant and equipment are capitalised.

When significant parts of plant and equipment are required to be replaced at intervals, the same are capitalised and old component is derecognised.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

Depreciation on PPE commences when the assets are ready for their intended use.

**Summary of Significant Accounting Policies (cont)**

Depreciation on all Property, Plant and Equipments is provided as per Schedule II of Companies Act, 2013 under Straight Line Method over estimated useful lives for each category of assets as under:

| Asset                  | Useful lives (estimated by the management) (as on 31.3.2015) |
|------------------------|--|
| Factory building       | 30   |
| Other buildings        | 60   |
| Plants and machinery   | 15   |
| Office equipment       | 5  |
| Furniture and fixtures | 10   |
| Vehicles               | 8  |

- The residual value of assets has been considered as five percent of the original cost of the assets as per Schedule II of the Act.
- Depreciation is provided on pro-rata basis on additions and deletions of Property, Plant and Equipments during the year.
- In case of impairment, if any, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.
- Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date.

**C. Intangible Assets**

Intangible assets are stated at cost comprising of purchase price inclusive of duties and taxes, where applicable, less accumulated amount of amortization and impairment losses. Such assets, are amortized over the useful life using straight line method and assessed for impairment whenever there is an indication of the same.

The Company currently have intangible asset by way of Ferry Right.

**D. Derecognition of Tangible and Intangible Assets**

An item of PPE is de-recognized upon disposal or when no future economic benefits are expected to arise from its use or disposal. Gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

**E. Investment properties**

Investment Property is property (comprising land or building or both) held to earn rental income or for capital appreciation or both, but not for sale in ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognized in the statement of profit and loss.

The depreciable investment property i.e., buildings, are depreciated on a straight line method at a rate determined based on the useful life as provided under Schedule II of the Act.

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from the use and no future economic benefit is expected from their disposal. The net difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of derecognition.

**F. Impairment of Tangible and Intangible Assets**

Tangible and Intangible assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of assets is determined. An impairment loss is recognized in the statement of profit and loss, whenever the carrying amount of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The recoverable amount is the higher of assets fair value less cost of disposal and its value in use. In assessing value in use, the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rate.

Impairment losses recognized earlier may no longer exist or may have come down. Based on such assessment at each reporting period the impairment loss is reversed and recognized in the Statement of Profit and Loss. In such cases the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

**G. Financial Assets and Liabilities**

Financial assets and financial liabilities (financial instruments) are recognized when Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss.

The financial assets and financial liabilities are classified as current if they are expected to be realised or settled within operating cycle of the company or otherwise these are classified as non-current.



**Summary of Significant Accounting Policies (cont)**

The classification of financial instruments whether to be measured at Amortized Cost, at Fair Value Through Profit and Loss (FVTPL) or at Fair Value Through Other Comprehensive Income (FVTOCI) depends on the objective and contractual terms to which they relate. Classifications of financial instruments are determined on initial recognition.

**(i) Cash and cash equivalents**

All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

**(ii) Financial Assets and Financial Liabilities measured at amortized cost**

Financial Assets held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost.

The above Financial Assets and Financial Liabilities subsequent to initial recognition are measured at amortized cost using Effective Interest Rate (EIR) method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortized cost of financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

**(iii) Financial Asset at Fair Value through Other Comprehensive Income (FVTOCI)**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, they are measured at fair value and changes therein are recognized directly in other comprehensive income.

**(iv)** For the purpose of para (ii) and (iii) above, principal is the fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

**(v) Financial Assets or Liabilities at Fair value through profit or loss**

Financial Instruments which do not meet the criteria of amortized cost or fair value through other comprehensive income are classified as Fair Value through Profit or loss. These are recognized at fair value and changes therein are recognized in the statement of profit and loss.

**Impairment of financial assets**

A financial asset is assessed for impairment at each reporting date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

The company measures the loss allowance for a financial assets at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the company has not opted to measures the loss allowance at an amount equal to lifetime expected credit losses.

**De-recognition of financial instruments**

The Company de-recognizes a financial asset or a group of financial assets 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 party.

On de-recognition of a financial asset (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable are recognized in statement of profit and loss.

On de-recognition of assets measured at FVTOCI the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

Financial liabilities are derecognized if the Company's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in Statement of Profit and Loss.

**H. Inventories**

(i) Inventories are valued at lower of the cost or estimated net realizable value. Cost of inventories is ascertained on 'Average Cost Method' basis. Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

(ii) Cost in respect of raw materials and stores and spares includes expenses incidental to procurement of the same.



**Summary of Significant Accounting Policies (cont)**

Cost in respect of finished goods and those under progress represents prime cost, and includes appropriate portion of overheads and excise duty.

**I. Biological assets**

Biological assets comprise Standing crops of sugarcane. Biological assets are measured at fair value less estimated costs to sell. Changes in fair value are recognized in the Statement of Profit and Loss.

The fair value of these assets excludes the land upon which the crops are planted or the items of PPE utilized in the upkeep of planted areas. The biological process starts with preparation of land for planting, seedlings and ends with the harvesting of crops.

For biological assets, where little biological transformation has taken place since the initial cost was incurred (for example seedlings planted immediately before the balance sheet date), such biological assets are measured at cost i.e. the total expenses incurred on such plantation up to the balance sheet date.

When harvested, cane is transferred to inventory at fair value less costs to sell.

**J. Foreign Currency Transactions**

**Presentation Currency:**

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

**Transactions and Balances:**

Transactions in foreign currencies are translated into the functional currency at the exchange rates prevailing on the date of the transactions. Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction. Foreign exchange gain/loss to the extent considered as an adjustment to Interest Cost are considered as part of borrowing cost. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transactions during the year are recognized as income or expense in the profit and loss account.

**K. Equity Share Capital**

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as Securities Premium.

Costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effects.

**L. Provisions, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognized for future operating losses. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Contingent liabilities is not recognized and are disclosed by way of notes to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made.

Contingent Assets are disclosed in the financial statements by way of notes to accounts when an inflow of economic benefits is probable.

**M. Employee Benefits**

**Short term Employee benefits** are accrued in the year services are rendered by the employees.

**Provident & Family Pension Fund:** In accordance with the provisions of the Employee Provident Funds and Miscellaneous

Provisions Act, 1952, eligible employees of the company are entitled to receive benefits with respect to provident fund, a defined contribution plan, in which both the company and employee contribute monthly to Provident Fund Scheme by the Central Government/Trust at a determined rate. The company contributes to the Employees' Pension Scheme, 1995 for certain categories of employees. The Company's contribution is charged off to the Statement of Profit and Loss.

**Gratuity:** Post Employment and Retirement benefits in the form of Gratuity are considered as defined benefit obligations and is provided for on the basis of third party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Every Employee who has completed five years or more of service is entitled to Gratuity on terms not less favorable than the provisions of The Payment of Gratuity Act, 1972.

The liability or asset recognized in the balance sheet in respect of defined benefit gratuity 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 defined benefit obligation is calculated annually by actuaries using the projected unit credit method.



**Summary of Significant Accounting Policies (cont)**

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

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

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

**Leave encashment benefits:** The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period on government bonds using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

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

**N. Revenue**

**Sale of Goods**

Revenue is recognized at the fair value of consideration received or receivable when the significant risk, rewards and ownership of goods have been transferred and the amount thereof can be measured reliably. This represents the net invoice value of goods supplied to third parties after deducting trade discounts, returns, volume rebates and outgoing sales tax and is inclusive of packing charges and excise duty there against.

**Interest, Dividend and Claims**

Dividend income is recognized when the right to receive payment is established. Interest has been accounted using effective interest rate method. Insurance claims/other claims are accounted as and when admitted / settled.

**O. Borrowing Cost**

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognized in the Statement of Profit and Loss using the effective interest method except to the extent attributable to qualifying Property Plant and Equipment (PPE) which are capitalized to the cost of the related assets. A qualifying PPE is an asset, that necessarily takes a substantial period of time to get ready for its intended use or sale.

**P. Taxes on Income**

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognized in the income statement except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current income tax is provided on the taxable income and recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Taxable Income differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

**Q. Earnings Per Share**

Basic earnings per share are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

**R. Non-current assets held for sale**

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell.

**Summary of Significant Accounting Policies (cont)**

Assets and liabilities classified as held for sale are presented separately in the balance sheet. However there are no such assets described as held for sale in current Financial year

The Company classifies non-current assets as held for sale if their carrying amount will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

**S. Cash dividend and non-cash distribution to equity holders**

The Company recognizes a liability to make cash distributions to equity holders of the Company when the distribution is authorized and the distribution is no longer at the discretion of the Company. Distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

**T. Critical estimates and judgements**

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the Company's accounting policies.

This Note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

- i) Estimated useful lives of property, plant and equipment and intangible assets – Note 3
- ii) Estimation of defined benefit obligation and leave encashment - Note 19
- iii) Estimation of fair values of contingent liabilities - Note 35
- iv) Impairment of trade receivables - Note 11
- v) Estimation of fair value of investment property – Note 4

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.



Notes to financial statements as at and for the year ended March 31, 2021

3. Property, Plant and Equipment and Intangible Assets-All Division

| Particulars                           | Gross Carrying Value / Deemed Cost |                       |                       | Accumulated Depreciation / Amortisation |                         |                     | Net Block             |                       |
|---------------------------------------|------------------------------------|-----------------------|-----------------------|---|-------------------------|---------------------|-----------------------|-----------------------|
|                                       | As at 1st April 2020               | Disposal/ Adjustments | As at 31st March 2021 | As at 1st April 2020                    | Deductions/ Adjustments | Charge for the year | As at 31st March 2021 | As at 31st March 2020 |
| <b>Property, Plant and Equipment:</b> |                                    |                       |                       |   |                         |                     |                       |                       |
| a) Freehold Land *                    | 42,45,47,492                       | -                     | 42,45,47,492          | -                                       | -                       | -                   | 42,45,47,492          | 42,45,47,492          |
| b) Building                           | -                                  | -                     | -                     | -                                       | -                       | -                   | -                     | -                     |
| Factory                               | 3,01,321                           | -                     | 3,01,321              | 3,01,297                                | -                       | -                   | 24                    | 24                    |
| Others                                | 2,39,88,638                        | -                     | 2,39,88,638           | 42,25,307                               | -                       | 10,81,606           | 1,87,01,725           | 1,97,63,331           |
| c) Plant & Machinery                  | 12,90,01,360                       | 16,750                | 12,90,18,110          | 7,27,01,299                             | -                       | 1,65,02,603         | 8,92,03,902           | 5,63,00,061           |
| d) Office Equipment                   | 2,29,158                           | 77,498                | 3,06,656              | 99,041                                  | -                       | 53,261              | 1,52,302              | 1,30,117              |
| e) Furniture & Fixtures               | 3,10,804                           | 3,51,094              | 6,61,898              | 2,92,713                                | -                       | 35,469              | 3,28,182              | 18,091                |
| f) Vehicles                           | 12,54,117                          | -                     | 12,54,117             | 2,95,025                                | -                       | 1,12,705            | 4,07,730              | 8,46,387              |
| g) Computers                          | 9,31,978                           | 2,18,481              | 10,78,002             | 3,75,876                                | 43,619                  | 2,19,551            | 5,51,808              | 5,56,102              |
| h) Ferry Rights                       | 1,098                              | -                     | 1,098                 | -                                       | -                       | -                   | 1,098                 | 1,098                 |
| <b>Total</b>                          | <b>58,05,65,966</b>                | <b>72,457</b>         | <b>58,11,57,332</b>   | <b>7,82,90,558</b>                      | <b>43,619</b>           | <b>1,79,85,195</b>  | <b>48,49,25,198</b>   | <b>50,22,75,408</b>   |

| Particulars                           | Gross Carrying Value / Deemed Cost |                       |                       | Accumulated Depreciation / Amortisation |                         |                     | Net Block             |                       |
|---------------------------------------|------------------------------------|-----------------------|-----------------------|---|-------------------------|---------------------|-----------------------|-----------------------|
|                                       | As at 1st April 2019               | Disposal/ Adjustments | As at 31st March 2020 | As at 1st April 2019                    | Deductions/ Adjustments | Charge for the year | As at 31st March 2020 | As at 31st March 2019 |
| <b>Property, Plant and Equipment:</b> |                                    |                       |                       |   |                         |                     |                       |                       |
| a) Freehold Land                      | 42,45,47,492                       | -                     | 42,45,47,492          | -                                       | -                       | -                   | 42,45,47,492          | 42,70,98,492          |
| b) Building                           | -                                  | -                     | -                     | -                                       | -                       | -                   | -                     | -                     |
| Factory                               | 3,01,321                           | -                     | 3,01,321              | 3,01,297                                | -                       | -                   | 24                    | 24                    |
| Others                                | 2,39,88,638                        | -                     | 2,39,88,638           | 31,63,857                               | -                       | 10,61,450           | 42,25,307             | 1,97,63,331           |
| c) Plant & Machinery                  | 12,90,01,360                       | -                     | 12,90,01,360          | 5,61,18,732                             | -                       | 1,65,82,567         | 7,27,01,299           | 5,63,00,061           |
| d) Office Equipment                   | 99,174                             | 1,29,984              | 2,29,158              | 47,758                                  | -                       | 51,283              | 99,041                | 1,30,117              |
| e) Furniture & Fixtures               | 3,10,804                           | -                     | 3,10,804              | 2,88,324                                | -                       | 4,389               | 2,92,713              | 18,091                |
| f) Vehicles                           | 12,54,117                          | -                     | 12,54,117             | 1,72,909                                | -                       | 1,22,116            | 2,95,025              | 9,59,092              |
| g) Computers                          | 8,02,448                           | 1,76,744              | 9,31,978              | 1,24,008                                | 17,947                  | 2,69,815            | 3,75,876              | 6,78,440              |
| h) Ferry Rights                       | 1,098                              | -                     | 1,098                 | -                                       | -                       | -                   | 1,098                 | 1,098                 |
| <b>Total</b>                          | <b>58,03,06,452</b>                | <b>3,06,728</b>       | <b>58,05,65,966</b>   | <b>6,02,16,885</b>                      | <b>17,947</b>           | <b>1,80,91,620</b>  | <b>7,82,90,558</b>    | <b>50,22,75,408</b>   |

1) According to the information and explanations given to us, the records examined by us and based on the examination of the records of the Company, the lands measuring 8053.54 acres approximately are held by the company originally in the name of Ramnagar Cane & Sugar Company limited as per the order no. 4572-L dated 12th March 1964 of Land Reform Branch, Land and Revenue Department, Government of West Bengal and thereafter the name of the company was changed to Khatian Agro complex Limited as per the certificate of incorporation issued by the registrar of the companies on 1st October 1994. Further M/s Khatian (India) Limited was amalgamated with Khatian Agro Complex limited with effect from 1st January 1994 as per the order of Honorable Calcutta High court dated 17th October 1994 and as per the order of the court the name of the company was retained as Khatian India Limited. The registrar of the Companies, West Bengal issued the Fresh Certificate of Incorporation on 14th November, 1994 and changed the name of the company from Khatian Agro Complex Limited to Khatian (India) Limited. Subsequently the Government of West Bengal in its Calcutta Gazette published on 17th April, 1995, vide its Notification no. 186-C/C dated 24th March, 1995 issued by the Government of West Bengal, Memo No. - 158/Be-II/18 dated - 19.04.2018, the "retainer" mill and brackets from Khatian Agro Complex Limited (Sugar Division) to Khatian (India) Limited. Further, as per the letter issued by the Government of West Bengal, Memo No. - 158/Be-II/18 dated - 19.04.2018, the "retainer" mill is a "lessee" directly under the State with the terms and conditions specified in rules made under section 4B of the WBLR, Act, 1955. However, based on legal advice, the management is of the opinion that pending completion of necessary legal formalities and resolution of the demands as made by the Government of West Bengal, the Company continued to consider the said parcel of land freehold in character.

2) Land, retained by the Company as per State Government Order No.4572 - 1 reference dated 12th March, 1964. However as per the letter issued by the Government of West Bengal, Memo No. - 158/Be-II/18 dated - 19.04.2018, the "retainer" mill is a "lessee" directly under the State for such land with the terms and conditions specified in rules made under section 4B of the WBLR Act, 1955.

Notes to financial statements as at and for the year ended March 31, 2021 (cont)

| Particulars |   | As at March 31,2021 | As at March 31,2020 |
|-------------|---|---------------------|---------------------|
| <b>4.</b>   | <b>Investment Property</b>  |                     |                     |
|             | <b>Gross carrying amount</b>  |                     |                     |
|             | Opening gross carrying amount / Deemed cost   | 50,65,000           | 50,65,000           |
|             | Additions / other adjustments   | -                   | -                   |
|             | <b>Closing gross carrying amount / Deemed cost</b>  | <b>50,65,000</b>    | <b>50,65,000</b>    |
|             | Accumulated depreciation  |                     |                     |
|             | Opening accumulated depreciation  | -                   | -                   |
|             | Depreciation charged during the year  | -                   | -                   |
|             | Closing accumulated depreciation  | -                   | -                   |
|             | <b>Net carrying amount</b>  | <b>50,65,000</b>    | <b>50,65,000</b>    |
|             | 4.1 The Companies Investment Properties consists of Land measuring 4 acres at Nadia Leased to third Parties |                     |                     |
|             | 4.2 The amount recognised in Statement of Profit and Loss in relation to investment properties:             |                     |                     |
|             | - Lease rent of Land  | 80,002              | 80,002              |
|             |   | <b>80,002</b>       | <b>80,002</b>       |

| Particulars |  | No. of Shares | Face Value per Share Rs. | As at March 31,2021 | As at March 31,2020 |
|-------------|--|---------------|--------------------------|---------------------|---------------------|
| <b>5.</b>   | <b>Investments</b>   |               |                          |                     |                     |
|             | <b>(i) Quoted Equity Instruments</b>                                     |               |                          |                     |                     |
|             | <b>Non- Current</b>  |               |                          |                     |                     |
|             | Investments at fair value through Other Comprehensive Income             |               |                          |                     |                     |
|             | <b>Other Body Corporate - Fully paid-up Equity Shares</b>                |               |                          |                     |                     |
|             | Khaitan Electricals Limited  | 17,20,752     | 10                       | 1                   | 1                   |
|             | <b>(ii) Unquoted Equity Instruments</b>                                  |               |                          |                     |                     |
|             | <b>Associates and Other Body Corporate - Fully paid-up Equity Shares</b> |               |                          |                     |                     |
|             | Naturewealth Development Corpn Ltd *                                     | 19,300        | 10                       | 1                   | 1                   |
|             | The Oriental Mercantile Company Ltd *                                    | 44,980        | 10                       | 15,62,591           | 15,62,591           |
|             | Khaitan Lefin Limited *  | 14,04,000     | 10                       | 1,56,96,720         | 1,56,96,720         |
|             | Khaitan Hotels Private Limited *   | 47,500        | 10                       | 1,16,13,750         | 1,16,13,750         |
|             | <b>Total (i+ii)</b>  |               |                          | <b>2,88,73,063</b>  | <b>2,88,73,063</b>  |
|             | <b>Aggregate amount of investments :</b>                                 |               |                          |                     |                     |
|             | Quoted Investments and Market value there of                             |               |                          | 56,61,274           | 56,61,274           |
|             | Unquoted Investments   |               |                          | 8,83,90,441         | 8,83,90,441         |
|             | Imparement in value of investments                                       |               |                          | 6,51,78,652         | 6,51,78,652         |
|             |  |               |                          | <b>2,88,73,063</b>  | <b>2,88,73,063</b>  |

\* Stated at fair value as provided by the management

5.1 14,04,000 Nos. unquoted equity shares of Khaitan Lefin Limited, an associate company valued at cost. Provision for imparement in value of investment for fall in breakup value of shares is not considered. Since in the opnion of the management the fall in the value of investment is not of permanent nature, management expects the value of such investment may considerabley increase, once the value of Assets of the said company is realised which is significantly higher value than its book value.

5.2 The Oriental Mercantile Co. Limited, Khaitan Lefin Limited and Khaitan Hotels Pvt. Ltd. are the holders of 400198 nos. 1131561 nos. and 555745 nos of Equity Shares of Rs.10 each respectively.



Notes to financial statements as at and for the year ended March 31, 2021 (cont)

| Particulars |   | Notes | As at Mar 31,2021<br>Amount in Rs. | As at Mar 31,2020<br>Amount in Rs. |
|-------------|---|-------|------------------------------------|------------------------------------|
| 6           | <b>Loans - Non-Current<br/>Unsecured, considered good</b>   |       | -                                  | -                                  |
|             | Other loans ,advances and deposit   |       |                                    |                                    |
|             | Security Deposit  |       | 3,65,604                           | 22,61,577                          |
|             | In deposit accounts / margin money  |       | -                                  | 49,75,394                          |
|             | Deposits  |       | 18,38,079                          | 18,51,757                          |
|             | <b>Total</b>  |       | <b>22,03,683</b>                   | <b>90,88,728</b>                   |
| 7           | <b>Deferred Tax Assets (net)</b>  |       |                                    |                                    |
|             | <b>a) Deferred Tax Assets</b>   |       |                                    |                                    |
|             | Brought forward losses  | 7.1   | 2,15,87,925                        | 2,15,87,925                        |
|             | Expenses allowable against taxable income in future years   |       | -                                  | -                                  |
|             | Timing difference in depreciable assets   |       | 1,10,55,826                        | 1,10,55,826                        |
|             |   |       | <b>3,26,43,751</b>                 | <b>3,26,43,751</b>                 |
|             | Balance Written off   |       | 3,26,43,751                        | -                                  |
|             | <b>Net Deferred Tax Asset / (Liability)</b>   |       | -                                  | 3,26,43,751                        |
| 7.1         | Deferred tax on entire brought forward losses have been written off due to lack of reasonable certainty of reversal in future period. |       |                                    |                                    |
| 8           | <b>Other Non-Current Assets<br/>(Unsecured, considered good)</b>  |       |                                    |                                    |
|             | Balances with Statutory Authorities   |       |                                    |                                    |
|             | Income tax / TDS  |       | 1,98,65,238                        | 1,32,83,295                        |
|             | <b>Total</b>  |       | <b>1,98,65,238</b>                 | <b>1,32,83,295</b>                 |
| 9           | <b>Inventories (Valued at lower of Cost or net realisable Value)</b>  |       |                                    |                                    |
|             | Finished Goods  |       |                                    |                                    |
|             | Closing Stock of Sugar  |       | -                                  | -                                  |
|             | Closing Stock of Trading Goods  |       | 4,69,56,617                        | 4,77,00,048                        |
|             | Stores & Spares   |       |                                    |                                    |
|             | - Stores, Spares, Process Chemicals & Fuels   |       | 63,69,604                          | 70,77,337                          |
|             | - Loose tools   |       | -                                  | -                                  |
|             | <b>Total</b>  |       | <b>5,33,26,221</b>                 | <b>5,47,77,385</b>                 |
| 10          | <b>Biological assets</b>  |       |                                    |                                    |
|             | Bearer & Non-Bearer Plants  |       | 2,57,00,854                        | 2,57,00,854                        |
|             | <b>Total</b>  |       | <b>2,57,00,854</b>                 | <b>2,57,00,854</b>                 |

Note:: Management is under the process of segregation of the biological assets comprising of plants and trees into Bearer and Non Bearer ones. Pending the completion of the said exercise, the biological assets has been recognised and disclosed under current assets.

|    |                                       |      |                     |                     |
|----|---------------------------------------|------|---------------------|---------------------|
| 11 | <b>Trade receivables</b>              |      |                     |                     |
|    | Unsecured (unless otherwise stated)   |      |                     |                     |
|    | - Considered Good                     |      | 10,33,05,464        | 11,83,90,521        |
|    | - Significant increase in Credit Risk | 11.1 | -                   | -                   |
|    | -Credit Impaired                      |      | -                   | -                   |
|    | Less : Provision for credit impaired  |      | -                   | -                   |
|    | <b>Total</b>                          |      | <b>10,33,05,464</b> | <b>11,83,90,521</b> |



Notes to financial statements as at and for the year ended March 31, 2021 (cont)

| Particulars |   | Notes | As at Mar 31,2021<br>Amount in Rs. | As at Mar 31,2020<br>Amount in Rs. |
|-------------|---|-------|------------------------------------|------------------------------------|
| 11.1        | The Management has opted not to apply the Expected Credit Loss (ECL) Model for the provision of Trade Receivables for the Year ended 31st March, 2021   |       |                                    |                                    |
| 11.2        | Considering the past credit history, business volume and expected cash flows from its debtors for the contractual cash flows, Company is carrying sufficient provision, which in opinion of the management is reasonable and adequate to cover any expected credit imparement on the receivables balances. The said balances will be adjusted/recovered in due course of time and does not necessitate any further provisioning balances. |       |                                    |                                    |
| <b>12.</b>  | <b>Cash and Cash Equivalents (As certified by the management)</b>   |       |                                    |                                    |
|             | Cash on Hand  |       | 42,758                             | 14,945                             |
|             | <b>Balances with Banks</b>  |       |                                    |                                    |
|             | In Current Accounts   |       | 11,74,667                          | 10,14,145                          |
|             | <b>Total</b>  |       | <b>12,17,425</b>                   | <b>10,29,090</b>                   |
| <b>13.</b>  | <b>Loans - Current</b>  |       |                                    |                                    |
|             | (Unsecured, considered good)  |       |                                    |                                    |
|             | Advances to suppliers and others  |       | 5,02,18,167                        | 3,43,03,195                        |
|             | Advances against expenses   |       | 49,05,180                          | 5,237,798                          |
|             | Advances to employees   |       | 20,37,402                          | 1,416,835                          |
|             | <b>Total</b>  |       | <b>5,71,60,749</b>                 | <b>40,957,828</b>                  |
| <b>14.</b>  | <b>Other Current Assets</b>   |       |                                    |                                    |
|             | (Unsecured, considered good)  |       |                                    |                                    |
|             | Balances with Statutory Authorities   |       |                                    |                                    |
|             | Sales tax / GST deposit / Advance   |       | 9,82,268                           | 963,986                            |
|             | Prepaid Expenses  |       | 1,53,092                           | 203,139                            |
|             | Others  |       | 15,92,421                          | 10,59,423                          |
|             | <b>Total</b>  |       | <b>27,27,781</b>                   | <b>22,26,548</b>                   |
| <b>15.</b>  | <b>Share Capital</b>  |       |                                    |                                    |
|             | a) Authorised:  |       |                                    |                                    |
|             | 24,750,000 Equity Shares of Rs. 10/- each   |       | 24,75,00,000                       | 24,75,00,000                       |
|             | <b>Preference Shares :</b>  |       |                                    |                                    |
|             | 4000, 6% (Tax Free) Cumulative Preference Shares of Rs. 100/- each amounting to Rs. 4,00,000/- have been authorised but the same is not Issued.   |       | 4,00,000                           | 4,00,000                           |
|             | 21000 Preference Share of Rs. 100/- each amounting to Rs. 21,00,000/- have been authorised but the same is not Issued.  |       | 21,00,000                          | 21,00,000                          |
|             |   |       | <b>25,00,00,000</b>                | <b>25,00,00,000</b>                |
|             | b) <b>Issued, Subscribed and fully paid-up Shares:</b>  |       |                                    |                                    |
|             | 4,750,000 Equity Shares of Rs. 10/- each fully paid up  |       | 4,75,00,000                        | 47,50,000                          |
|             |   |       | <b>4,75,00,000</b>                 | <b>47,50,000</b>                   |
|             | c) <b>Reconciliation of the shares outstanding is set out below:</b>  |       |                                    |                                    |
|             | Equity Shares   |       |                                    |                                    |
|             | At the beginning of the period  |       | 47,50,000                          | 47,50,000                          |
|             | Issued during the Year  |       | -                                  | -                                  |
|             | Brought Back during the Year  |       | -                                  | -                                  |
|             | Outstanding at the end of the period  |       | <b>47,50,000</b>                   | <b>47,50,000</b>                   |



Notes to financial statements as at and for the year ended March 31, 2021 (cont)

| Particulars   |                                      | Notes                                   | As at Mar 31,2021<br>Amount in Rs. | As at Mar 31,2020<br>Amount in Rs.      |                       |
|---|--------------------------------------|---|------------------------------------|---|-----------------------|
| <p>d) <b>Terms/rights attached to each class of shares</b><br/> <b>Equity Shares:</b><br/>                     The Company has only one class of equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.<br/>                     In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.</p> |                                      |   |                                    |   |                       |
| <p>e) <b>Details of shareholders holding more than 5% shares along with number of shares held:</b></p>  |                                      |   |                                    |   |                       |
| Name of Shareholders  |                                      | As at<br>March 31,2021<br>No. of shares | %<br>holding                       | As at<br>March 31,2020<br>No. of shares | %<br>holding          |
| Sunay Krishna Khaitan   |                                      | 2,92,079                                | 6.15%                              | 2,92,079                                | 6.15%                 |
| Khaitan Lefin Limited   |                                      | 11,31,561                               | 23.82%                             | 11,31,561                               | 23.82%                |
| Khaitan Hotels Pvt. Ltd.  |                                      | 5,55,745                                | 11.70%                             | 5,55,745                                | 11.70%                |
| The Oriental Mercantile Company Limited   |                                      | 4,00,198                                | 8.43%                              | 4,00,198                                | 8.43%                 |
| 16.   | <b>OTHER EQUITY</b>                  |   |                                    |   |                       |
|   | <b>A. General Reserve</b>            |   |                                    | <b>15,06,56,224</b>                     | <b>15,06,56,224</b>   |
|   | <b>C. Retained Earnings</b>          |   |                                    | <b>13,24,29,234</b>                     | <b>19,01,15,972</b>   |
|   | <b>D. Other Comprehensive Income</b> |   |                                    | <b>(12,91,94,791)</b>                   | <b>(14,98,26,539)</b> |
|   | <b>Total</b>                         |   |                                    | <b>15,38,90,667</b>                     | <b>19,09,45,657</b>   |
| <p><b>Refer Statement of Changes in Equity for movement in balances of Reserves.</b><br/>                     Other Comprehensive Income (OCI) Comprises of the balance in equity primarily relating to remeasurement gains/(losses) on defined benefit obligations and gains and losses on fair valuation of Investment. This will not be reclassified to Statement of Profit and Loss.</p>  |                                      |   |                                    |   |                       |

Notes to financial statements as at and for the year ended March 31, 2021 (cont)

16 Statements of Changes in equity for the year ended 31st March, 2021

(a) Equity Share Capital

| Particulars   | Number of Shares | Amount (in Rs.) |
|---|------------------|-----------------|
| Equity Shares of Rs. 10/- each issued, subscribed and fully paid up |                  |                 |
| As at 31st March 2020   | 47,50,000        | 4,75,00,000     |
| As at 31st March 2021   | 47,50,000        | 4,75,00,000     |
| Note: There is no change in the equity share capital                |                  |                 |

Amount in Rs.

(b) Other Equity

| Particulars                             | Reserves and Surplus |                     | Other Comprehensive Income | Total               |
|---|----------------------|---------------------|----------------------------|---------------------|
|   | General Reserve      | Retained Earnings   |                            |                     |
| <b>Balance at 1st April 2019</b>        | <b>15,06,56,224</b>  | <b>23,91,69,753</b> | <b>(8,63,57,398)</b>       | <b>30,34,68,579</b> |
| Transfer/Adjustment during the year     | -                    | -                   | -                          | -                   |
| Profit / (Loss) for the year            | -                    | (4,90,53,781)       | -                          | (4,90,53,781)       |
| Other Comprehensive Income for the year | -                    | -                   | (6,34,69,141)              | (6,34,69,141)       |
| Total Comprehensive Income for the year | -                    | (4,90,53,781)       | (6,34,69,141)              | (11,25,22,922)      |
| <b>Balance at 31st March 2020</b>       | <b>15,06,56,224</b>  | <b>19,01,15,972</b> | <b>(14,98,26,539)</b>      | <b>19,09,45,657</b> |
| Transfer/Adjustment during the year     | -                    | -                   | -                          | -                   |
| Profit / (Loss) for the year            | -                    | (5,76,86,738)       | -                          | (5,76,86,738)       |
| Other Comprehensive Income for the year | -                    | -                   | 2,06,31,748                | 2,06,31,748         |
| Total Comprehensive Income for the year | -                    | (5,76,86,738)       | 2,06,31,748                | (3,70,54,990)       |
| <b>Balance at 31st March 2021</b>       | <b>15,06,56,224</b>  | <b>13,24,29,234</b> | <b>(12,91,94,791)</b>      | <b>15,38,90,667</b> |

The notes referred to above form an integral part of the financial statements

For and on Behalf of the Board of Directors

For **K.C. Bhattacharjee & Paul**  
Chartered Accountants  
Firm Regn. No. 303026E

**Sunay K. Khaitan**  
Director  
DIN:07585070

**Sandip Chatterjee**  
Director  
DIN: 06875010

**Sujata Chatterjee**  
Director  
DIN:00245656

**Anjan Ghosh**  
(Partner)  
Membership No. 066509  
UDIN: 21066509AAAACN9295

**Swapan Kumar Das**  
Chief Financial Officer  
PAN:- AGYPD0287C

**Pradip Halder**  
Company Secretary  
PAN: -AIRPH7882C

Kolkata  
30th day of June, 2021



Notes to financial statements as at and for the year ended March 31, 2021 (cont)

|   |  |                              |  |  |
|---|--|------------------------------|--|--|
| 17.   | <b>Borrowings -Non Current</b><br>Others:<br>Unsecured<br>Advance from Others  | 17.1                         | 13,84,77,803   | 14,87,38,145                             |
|   | <b>Total</b>   |                              | <b>13,84,77,803</b>  | <b>14,87,38,145</b>                      |
| 17.1  | Advance from others are unsecured, it includes interest free advance from Directors and 3 bodies Corporates and interest bearing advance @9% and 15% from two bodies Corporates. The Loan is repayable on demand.  |                              |  |  |
| 18.   | <b>Other Non-Current Liabilities</b><br>Pre-received lease rent  |                              | 74,19,067  | 74,99,069                                |
|   | <b>Total</b>   |                              | <b>74,19,067</b>   | <b>74,99,069</b>                         |
| The Company has leased out its land at Ramnagar 4 Acres for 99 years and have received full lease rent in advance and rent for the same is adjusted during the year Rs. 80002/- (P.Y. 80002/-). |  |                              |  |  |
| 19.   | <b>Provisions</b><br>Provision for Employee Benefit - Gratuity (Refer Note No. 38)<br>Provision for Employee Benefit - Leave encashment  |                              | 14,00,852<br>26,01,565   | 2,16,85,297<br>53,56,025                 |
|   | <b>Total</b>   |                              | <b>40,02,417</b>   | <b>2,70,41,322</b>                       |
|   | <b>Particulars</b>   | <b>Notes</b>                 | As at March 31,2021<br>Amount in Rs.                           | As at March 31,2020<br>Amount in Rs.     |
| 20.   | <b>Borrowings</b><br><b>At Amortised cost</b><br><b>Secured</b><br>Rupee denominated Cash Credit<br>- From Banks<br>Other loan against pledge of FDR<br>Funded Interest Term Loan<br>Short term loan<br>- From Non Banking Financial Institute   | 20.1<br><br><br><br><br>20.2 | <b>2,72,43,772</b><br>-<br><b>92,236</b><br><b>1,21,15,601</b> | 2,46,27,257<br>35,53,611<br>-            |
|   |  |                              | <b>3,94,51,609</b>   | <b>4,89,55,673</b>                       |
| 20.1  | Secured by Hypothecation of stocks, book debts, standing crops, stores & spares and all other current assets and mortgage of agricultural land measuring about 2067.21 Acres and entire fixed assets of sugar division of the company, present & future and personal guarantee of a Director.<br>Rate of Interest of CC A/c. 14.10% to 14.35%  |                              |  |  |
| 20.2  | Loan to the tune of Rs. 250,00,000/- has been obtained from the NBFC at interest rate of Rs. 18% pa at monthly advance basis for 2 year period for general corporate purposes.<br>The default amount Rs. 150,00,000 has been renewed by NBFC vide Letter dated 20th Nov-2020 for a period of one Year w.ef. 1st July 2020<br>The Loan is secured by i) Mortgage of 7 nos. of Flats owned by the Company and Other bodies Corporates ii) Pledge of 940000 equity shares of the Company held by the Directors and the body Corporates. Iii) Personal guarantee of one director iv) Corporate Guarantees.v) irrevocable and specific Power of attorney executed by the owner of the property. |                              |  |  |
|   | <b>Particulars</b>   |                              | <b>As at Mar 31,2021<br/>Amount in Rs.</b>                     | As at Mar 31,2020<br>Amount in Rs.       |
| 21.   | <b>Trade Payables</b><br>Dues to Micro, Small and Medium Enterprises<br>Due to others *<br><b>Total</b>  |                              | 7,01,87,697<br>13,54,10,705<br><b>20,55,98,402</b>             | -<br>23,06,38,212<br><b>23,06,38,212</b> |
|   | The disclosure in respect of the amounts payable to Micro, Small and Medium Enterprises as at 31st March 2021 has been made in the financial statements based on information received and available with the company. Accordingly disclosure has been made below:  |                              |  |  |

Notes to financial statements as at and for the year ended March 31, 2021 (cont)

| Particulars |   | As at March 31,2021<br>Amount in Rs. | As at March 31,2020<br>Amount in Rs. |
|-------------|---|--------------------------------------|--------------------------------------|
|             | Principal and interest amount remaining unpaid  |                                      |                                      |
|             | -Principal  | 7,01,87,697                          | -                                    |
|             | - Interest  |                                      |                                      |
|             | The amount of interest paid by the company in terms of Section 16 of the MSMED Act, 2006 alongwith the amount of the payment made to the supplier beyond the appointed date during the year   | -                                    | -                                    |
|             | The amount of the payments made to micro and small suppliers beyond the appointed day during each accounting year   | -                                    | -                                    |
|             | The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act.2006   | -                                    | -                                    |
|             | The amount of interest accrued and remaining unpaid at the end of each accounting year  | -                                    | -                                    |
|             | The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act,2006. | -                                    | -                                    |
| <b>22.</b>  | <b>Other Financial liabilities</b>  |                                      |                                      |
|             | Other Payables:   |                                      |                                      |
|             | - Trade / Security deposits received  | 3,96,72,665                          | 2,12,49,351                          |
|             | - Dues of employees   | 3,00,61,106                          | 2,83,39,139                          |
|             | <b>Total</b>  | <b>6,97,33,771</b>                   | <b>4,95,88,490</b>                   |
| <b>23.</b>  | <b>Other Current Liabilities</b>  |                                      |                                      |
|             | Statutory Dues  | 4,90,22,316                          | 3,79,76,987                          |
|             | Liability for expenses  | 2,16,63,911                          | 1,3,7,89,847                         |
|             | Advance from customers  | 4,1,2,98,473                         | 3,10,37,213                          |
|             | <b>Total</b>  | <b>11,19,84,700</b>                  | <b>8,28,04,047</b>                   |
| <b>24.</b>  | <b>Provisions</b>   |                                      |                                      |
|             | Provision for Employee Benefit - Gratuity   | 48,06,059                            | -                                    |
|             | Provision for Employee Benefit - Leave  | 7,89,324                             | -                                    |
|             | Provision for bonus   | 7,16,857                             | 6,00,856                             |
|             | <b>Total</b>  | <b>63,12,240</b>                     | <b>6,00,856</b>                      |
| <b>25</b>   | <b>Revenue from Operations</b>  |                                      |                                      |
|             | Sale of products (including Agriculture Products)   | 30,33,557                            | 34,81,311                            |
|             | Sale of trading goods   | 37,52,90,637                         | 50,47,28,392                         |
|             | <b>Other Operating Revenue</b>  |                                      |                                      |
|             | Services (Income from Royalty)  | 6,19,23,151                          | 4,96,65,545                          |
|             | Services (Marketing & Service for Network Development)  | 1,24,13,647                          | 86,15,490                            |
|             | <b>Total</b>  | <b>45,26,60,992</b>                  | <b>56,64,90,738</b>                  |
|             | <b>25.1 Particulars of Sale of Products</b>   |                                      |                                      |
|             | Manufactured goods  |                                      |                                      |
|             | Sugar   | -                                    | -                                    |
|             | Other crop sale   | 30,33,557                            | 34,81,311                            |
|             |   | <b>30,33,557</b>                     | <b>34,81,311</b>                     |



Notes to financial statements as at and for the year ended March 31, 2021 (cont)

| Particulars |  | As at March 31,2021<br>Amount in Rs. | As at March 31,2020<br>Amount in Rs. |
|-------------|--|--------------------------------------|--------------------------------------|
| <b>26</b>   | <b>Other Income</b>  |                                      |                                      |
|             | Interest Income  | 2,44,966                             | 3,23,371                             |
|             | Profit on sale of Fixed Assets (Net)   | 20,648                               | 18,233                               |
|             | Exchange Fluctuation   |                                      | 32,282                               |
|             | Others:  | -                                    |                                      |
|             | - Rental income  | 29,66,454                            | 30,83,084                            |
|             | - Lease rent (Agri)  | 80,002                               | 80,002                               |
|             | - Others   | 5,43,534                             | 8,25,858                             |
|             | <b>Total</b>   | <b>38,55,604</b>                     | <b>43,62,830</b>                     |
| <b>27</b>   | <b>Cost of material consumed</b>   |                                      |                                      |
|             | Raw & Process Materials Consumed   | -                                    | -                                    |
|             | Power & Fuel   | -                                    | -                                    |
|             | Stores, Spares, Chemicals & Packing Materials Consumed                               | -                                    | -                                    |
|             | <b>Cost of Raw Material Consumed</b>   | <b>-</b>                             | <b>-</b>                             |
| <b>28</b>   | <b>Changes in inventories of finished goods, work-in-progress and stock-in-trade</b> |                                      |                                      |
|             | Closing Stock:   |                                      |                                      |
|             | - Standing Trees   | 2,57,00,854                          | 2,57,00,854                          |
|             | - Finished goods   | -                                    | -                                    |
|             | - Trading goods  | 4,69,56,617                          | 4,77,00,048                          |
|             | Less: Opening Stock:   |                                      |                                      |
|             | - Standing Trees   | 2,57,00,854                          | 2,57,00,854                          |
|             | - Finished goods   | -                                    | 28,98,069                            |
|             | - Trading goods  | 4,77,08,047                          | 5,05,95,812                          |
|             |  | (7,51,430)                           | (5,7,93,833)                         |
|             | <b>(Increase) / Decrease</b>   | <b>7,51,430</b>                      | <b>57,93,833</b>                     |
| <b>29</b>   | <b>Employee benefits expense</b>   |                                      |                                      |
|             | Salaries, Wages and Bonus  | 5,06,43,558                          | 5,96,85,116                          |
|             | Contribution to Provident and other funds  | 9,67,182                             | 5,96,511                             |
|             | Gratuity   | 2,5,33,906                           | 40,98,140                            |
|             | Staff Welfare Expenses   | 15,11,477                            | 15,37,103                            |
|             | <b>Total</b>   | <b>5,56,56,123</b>                   | <b>6,59,16,870</b>                   |
| <b>30</b>   | <b>Finance costs</b>   |                                      |                                      |
|             | Interest Expenses  | 2,91,60,821                          | 2,11,31,323                          |
|             | Other Borrowing Cost   | 3,80,266                             | 6,24,006                             |
|             | <b>Total</b>   | <b>2,95,41,087</b>                   | <b>2,17,55,329</b>                   |
| <b>31</b>   | <b>Other expenses</b>  |                                      |                                      |
|             | Processing charges   | 28,33,501                            | 18,41,202                            |
|             | Repairs to Plant & Machinery   | 12,05,303                            | 16,43,222                            |
|             | Repairs to Others  | 12,40,501                            | 5,83,054                             |
|             | Rent   | 30,17,500                            | 40,78,444                            |
|             | Rates & Taxes  | 17,14,151                            | 3,14,650                             |
|             | Testing , Drawing & Development Charges  | 1,30,390                             | 3,58,907                             |
|             | Books & Periodicals  | 2,033                                | 6,424                                |
|             | Insurance  | 1,93,407                             | 2,35,288                             |
|             | Advertisement, Publicity & Sales Promotion   | 8,92,069                             | 26,30,240                            |
|             | Travelling & other incidental expenses   | 43,44,454                            | 75,06,342                            |
|             | Retainership Fees  | 16,94,024                            | 7,18,688                             |
|             | Office maintenance   | 7,55,148                             | 15,01,465                            |
|             | Vehicle running and maintenance  | 6,62,967                             | 6,21,429                             |



Notes to financial statements as at and for the year ended March 31, 2021 (cont)

| Particulars |  | As at March 31,2021<br>Amount in Rs. | As at March 31,2020<br>Amount in Rs. |
|-------------|--|--------------------------------------|--------------------------------------|
|             | Electricity Expenses   | 9,87,873                             | 25,13,123                            |
|             | Printing & Stationery  | 1,31,370                             | 1,85,774                             |
|             | Communication expenses   | 23,43,062                            | 18,16,640                            |
|             | General Charges  | 13,37,652                            | 18,20,845                            |
|             | Staff Recruitment & Training   | 42,024                               | 3,69,716                             |
|             | Membership subscription  | 25,167                               | 1,67,839                             |
|             | Conference & Meeting Expenses  | 5,25,660                             | 7,73,022                             |
|             | Auditors' Remuneration   |                                      |                                      |
|             | - As Auditors  | 2,00,000                             | 2,00,000                             |
|             | - For Tax Audit  | 50,000                               | 50,000                               |
|             | - For Other Services   | 1,50,000                             | 1,50,000                             |
|             | Legal, professional and consultancy charges  | 61,26,643                            | 48,19,877                            |
|             | Freight and Forwarding   | 18,16,711                            | 20,76,920                            |
|             | After sales services   | 74,69,315                            | 88,15,207                            |
|             | Sales promotion expenses   | 4,16,621                             | 1,13,963                             |
|             | Director's sitting fees  | 1,60,000                             | 1,20,000                             |
|             | Filing fees  | 17,48,288                            | 79,489                               |
|             | Sundry Balance Written off   | -                                    | 41,599                               |
|             | Software Development Expenses  | 4,50,000                             | 4,00,000                             |
|             | Exchange Fluctuation   | 3,517                                | -                                    |
|             | Packing charges  | 4,63,118                             | 3,702                                |
|             | Commission and brokerage   | 5,71,912                             | 11,15,935                            |
|             | Provision for Sundry Balances  | -                                    | 58,70,850                            |
|             | Provision for doubtful debt  | -                                    | 1,15,74,153                          |
|             |  | 4,37,04,381                          | 6,51,18,009                          |
| 32          | <b>Other Comprehensive Income</b>  |                                      |                                      |
|             | (A) Items that will not be reclassified to profit or loss  | 2,06,31,748                          | (6,34,69,141)                        |
|             | Remeasurements of the defined benefit plans  |                                      |                                      |
|             |  | 2,06,31,748                          | (6,34,69,141)                        |
| 33          | <b>Reconciliation of estimated tax expense at Indian statutory Income tax rate to income tax expense reported in statement of comprehensive income</b> |                                      |                                      |
|             | Income before Income taxes (PBT)   | (2,50,42,987)                        | (4,90,53,781)                        |
|             | Indian Statutory Income Tax Rate   | 27.82%                               | 27.82%                               |
|             | Estimated income tax expense   | (69,66,959)                          | (1,36,46,762)                        |
|             | <b>Tax effect of adjustments to reconcile expected Income Tax expense to reported Income Tax expense</b>   |                                      |                                      |
|             | Income exempt  | -                                    | -                                    |
|             | Tax payable at different rate  | -                                    | -                                    |
|             | Effect of tax allowance  | (69,66,959)                          | (1,36,46,762)                        |
|             | Deferred tax / MAT credit entitlement  | -                                    | -                                    |
|             | Other  | -                                    | -                                    |
|             |  | (6,9,66,959)                         | (1,36,46,762)                        |
|             | Income tax expense in the Statement of Profit and Loss   | -                                    | -                                    |



**Notes to financial statements as at and for the year ended March 31, 2021 (cont)**

| Particulars |  | For the year ended<br>March 31,2021 | For the year ended<br>March 31,2020 |
|-------------|--|-------------------------------------|-------------------------------------|
| <b>34</b>   | <b>Earnings / (loss) per equity share</b>  |                                     |                                     |
|             | <b>(I) Basic</b>   |                                     |                                     |
|             | a. Profit after tax  | <b>(2,50,42,987)</b>                | (4,90,53,781)                       |
|             | b. (i) Number of Equity Shares at the beginning of the year                          | <b>47,50,000</b>                    | 47,50,000                           |
|             | (ii) Number of Equity Shares at the end of the year                                  | <b>4,7,50,000</b>                   | 47,50,000                           |
|             | (iii) Weighted average number of Equity Shares outstanding during the year           | <b>4,7,50,000</b>                   | 47,50,000                           |
|             | (iv) Face Value of each Equity Share (Rs.)   | <b>10</b>                           | 10                                  |
|             | c. Basic Earning per Share [a / (b(iii))] (Rs.)                                      | <b>(5.27)</b>                       | (10.33)                             |
|             | <b>(II) Diluted</b>  |                                     |                                     |
|             | a. Dilutive potential Equity Shares  |                                     |                                     |
|             | b. Weighted Average number of Equity Shares for computing Dilutive earning per Share | <b>47,50,000</b>                    | 47,50,000                           |
|             | c. Diluted Earning / (Loss) per Share [same as (I)© above] (Rs.)                     | <b>(5.27)</b>                       | (10.33)                             |
| <b>35</b>   | <b>Contingent liabilities and Commitments</b>  |                                     |                                     |
|             | <b>A. Contingent liabilities</b>   |                                     |                                     |
|             | <b>(a) Claims against the Company not acknowledged as debts :</b>                    |                                     |                                     |
|             | Provident Fund litigations   | <b>35,78,925</b>                    | 35,78,925                           |
|             | <b>(b) Other money for which the Company is contingently liable</b>                  |                                     |                                     |
|             | (i) Estimated liabilities for sales tax relation to earlier years                    | <b>94,87,225</b>                    | 94,87,225                           |
|             | (ii) Service Tax   | <b>-</b>                            | 1,08,96,794                         |

|           |   |                  |           |
|-----------|---|------------------|-----------|
| <b>36</b> | <b>Leave and License</b>  |                  |           |
|           | a. The Company has leave and license agreement for 4 Acres at Nadia District. The tenure of Lease is for 99 Years . There is no obligation for renewal of these lease agreements and are renewable by mutual consent. |                  |           |
|           | 1 Gross Carrying Amount   | <b>50,65,000</b> | 50,65,000 |
|           | 2 Accumulated Depreciation  | <b>-</b>         | -         |
|           | 3 Depreciation recognised in Statement of Profit and Loss for the year ended.   | <b>-</b>         | -         |
|           | b. Income earned from operating Leases recognised in statements of profit and loss during April-20 to Mar-21  |                  |           |
|           | Income from Leases of investment property   | <b>80,002</b>    | 80,002    |
|           | <b>Total</b>  | <b>80,002</b>    | 80,002    |

The above relates to Land Leased

**i) Maturity Analysis of Lease payments receivable**

The maturity analysis of Lease payment receivable under operating leases from the year endin 31st March 2021 is as follows :

| "As at<br>31st Mar- 2021"     | Within<br>1 year | 1-2 Years | 2-3 years | 3-4 years | 4-5 years | >5 Years  | Total     |
|-------------------------------|------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| Undiscounted<br>Lease Payment | 80,002           | 80,002    | 80,002    | 80,002    | 80,002    | 70,19,057 | 74,19,067 |

|           |  |
|-----------|--|
| <b>37</b> | <b>Segment information</b>   |
|           | The board of directors of the Company has appointed Mr. Swapan Kumar Das as Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators. |
|           | The Company deals with various customers, and there was only One customer to whom sales of 10% or more of the Company's Revenue were made amounting to Rs. 4,80.56 Lakhs.  |

Notes to financial statements as at and for the year ended March 31, 2021 (cont)

37.1 Segment Report

| REPORTING OF BUSINESS SEGMENT INFORMATION |  |                      |                        |                      |                      |                      |
|---|--|----------------------|------------------------|----------------------|----------------------|----------------------|
| Rs. In Lakh                               |  |                      |                        |                      |                      |                      |
| Sl. No.                                   | PARTICULARS  | Quarter ended        |                        |                      | Year Ended           | Previous Year ended  |
|   |  | 31.03.2021 (Audited) | 31.12.2020 (Unaudited) | 31.03.2020 (Audited) | 31.03.2021 (Audited) | 31.03.2020 (Audited) |
| I   | <b>Segment Revenue</b>                                       |                      |                        |                      |                      |                      |
|   | (a) Electrical Goods   | 1,331.96             | 1,226.77               | 979.30               | 4,496.27             | 5,630.09             |
|   | (b) Sugar  | -                    | -                      | -                    | -                    | -                    |
|   | (c) Agriculture  | 9.44                 | 6.98                   | 2.36                 | 30.34                | 34.81                |
|   | <b>Total</b>   | <b>1,341.40</b>      | <b>1,233.75</b>        | <b>981.66</b>        | <b>4,526.61</b>      | <b>5,664.90</b>      |
|   | Less: Inter Segement Revenue                                 | -                    | -                      | -                    | -                    | -                    |
|   | <b>Revenue from Operations</b>                               | <b>1,341.40</b>      | <b>1,233.75</b>        | <b>981.66</b>        | <b>4,526.61</b>      | <b>5,664.90</b>      |
| II  | <b>Segment Results(Profit before Finance Cost and Taxes)</b> |                      |                        |                      |                      |                      |
|   | (a) Electrical Goods   | (4.28)               | 8.07                   | (250.44)             | 269.83               | 48.92                |
|   | (b) Sugar  | (45.53)              | (54.04)                | (76.15)              | (216.13)             | (271.89)             |
|   | (c) Agriculture  | (4.31)               | (5.02)                 | (56.88)              | (8.72)               | (50.01)              |
|   | <b>Total</b>   | <b>(54.12)</b>       | <b>(50.99)</b>         | <b>(383.47)</b>      | <b>44.98</b>         | <b>(272.98)</b>      |
|   | Less:  |                      |                        |                      |                      |                      |
|   | (a) Finance Cost   | 100.44               | 50.37                  | 42.30                | 295.41               | 217.55               |
|   | (b) Other Unallocable (Income)                               | -                    | -                      | -                    | -                    | -                    |
| <b>Profit Before Tax</b>                  | <b>(154.56)</b>  | <b>(101.36)</b>      | <b>(425.77)</b>        | <b>(250.43)</b>      | <b>(490.53)</b>      |                      |
| III                                       | <b>Segment Assets</b>  |                      |                        |                      |                      |                      |
|   | (a) Electrical Goods   | 2,777.41             | 2,663.84               | 3,047.72             | 2,777.41             | 3,047.72             |
|   | (b) Sugar  | 607.44               | 636.39                 | 826.21               | 607.44               | 826.21               |
|   | (c) Agriculture  | 4,458.86             | 4,463.45               | 4,469.19             | 4,458.86             | 4,469.19             |
|   | <b>Total Segment Assets</b>                                  | <b>7,843.71</b>      | <b>7,763.68</b>        | <b>8,343.12</b>      | <b>7,843.71</b>      | <b>8,343.12</b>      |
| IV  | <b>Segment Liabilites</b>                                    |                      |                        |                      |                      |                      |
|   | (a) Electrical Goods   | 4,791.68             | 4,453.41               | 4,925.93             | 4,791.68             | 4,925.93             |
|   | (b) Sugar  | (1,988.00)           | (2,004.72)             | (1,995.01)           | (1,988.00)           | (1,995.01)           |
|   | (c) Agriculture  | 3,026.12             | 3,026.41               | 3,027.74             | 3,026.12             | 3,027.74             |
|   | (d) Unallocated  |                      |                        |                      |                      |                      |
| <b>Total Segment Liabilities</b>          | <b>5,829.80</b>  | <b>5,475.10</b>      | <b>5,958.66</b>        | <b>5,829.80</b>      | <b>5,958.66</b>      |                      |
| V   | <b>Segment Capital (III - IV)</b>                            |                      |                        |                      |                      |                      |
|   | (a) Electrical Goods   | (2,014.27)           | (1,789.57)             | (1,878.21)           | (2,014.27)           | (1,878.21)           |
|   | (b) Sugar  | 2,595.44             | 2,641.11               | 2,821.22             | 2,595.44             | 2,821.22             |
|   | (c) Agriculture  | 1,432.74             | 1,437.04               | 1,441.45             | 1,432.74             | 1,441.45             |
|   | (d) Unallocated  |                      |                        |                      |                      |                      |
| <b>Total Segment Liabilities</b>          | <b>2,013.91</b>  | <b>2,288.58</b>      | <b>2,384.46</b>        | <b>2,013.91</b>      | <b>2,384.46</b>      |                      |



Notes to financial statements as at and for the year ended March 31, 2021 (cont)

38 Employee benefit obligations / expenses

(I) Post Employment Defined Contribution Plan

The Company contributes to the Provident Fund (PF) having Code No. WBPRB0016205000 and Account No. 11107807864 maintained by the Regional Provident Fund Commissioner. Under the PF scheme contributions are made by both the Company and its eligible employees to the Fund, based on the current salaries. An amount of Rs. 9,67,182/- (31 March 2020 : Rs 64,12,709) has been charged to the Statement of Profit and Loss towards Company's contribution to the aforesaid PF scheme. Apart from making monthly contribution to the scheme, the Company has no other obligation.

(II) Post Employment Defined Benefit Plan-Gratuity (Funded)

The Company provides for Gratuity, a defined benefit retirement plan covering eligible employees. As per the scheme, the Gratuity Trust Funds managed by the Life Insurance Corporation of India (LIC) make payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's eligible salary for specified number of days, as per provisions of Gratuity Act depending upon the tenure of service subject to a maximum limit of Rs.2,000,000. Vesting occurs upon completion of five years of service. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation as set out in Note 42 (II) and (IV), based on which, the Company makes contributions to the Gratuity Fund.

The following Table sets forth the particulars in respect of the aforesaid Gratuity fund of the Company.

| <b>(III) Balance Sheet amounts - Post employment Defined benefit plan - Gratuity (Funded)</b> |                                    |                                  |                      |
|---|------------------------------------|----------------------------------|----------------------|
|   | <b>Present value of obligation</b> | <b>Fair value of plan assets</b> | <b>Net amount</b>    |
| 1 April 2019  | 2,31,35,694                        | 32,45,886                        | 1,98,89,808          |
| Current service cost  | 25,66,625                          | -                                | 25,66,625            |
| Interest cost / income  | 17,81,448                          | 2,49,933                         | 15,31,515            |
| Investment income   | -                                  | -                                | -                    |
| <b>Total amount recognised in profit or loss</b>  | <b>43,48,073</b>                   | <b>2,49,933</b>                  | <b>40,98,140</b>     |
| Remeasurement (gains) / losses  |                                    |                                  |                      |
| - Change in Demographic assumptions   | -                                  | -                                | -                    |
| - Change in Financial assumptions   | 7,91,280                           | -                                | 7,91,280             |
| - Experience Variance (i.e Actual Experience vs assumptions)                                  | (33,43,864)                        | -                                | (33,43,864)          |
| - Return on plan asset, excluding amount recognised in net interest expense                   | -                                  | (2,49,933)                       | 2,49,933             |
| Total amount recognised in Other Comprehensive Income   | (25,52,584)                        | (2,49,933)                       | (23,02,651)          |
| Contribution by employer  |                                    |                                  |                      |
| Benefits paid   |                                    |                                  |                      |
| <b>31 March 2020</b>  | <b>2,49,31,183</b>                 | <b>32,45,886</b>                 | <b>2,16,85,297</b>   |
| <b>1 April 2020</b>   | <b>2,49,31,183</b>                 | <b>32,45,886</b>                 | <b>2,16,85,297</b>   |
| Current service cost  | 10,15,935                          | -                                | 10,15,935            |
| Interest cost / income  | 17,45,183                          | 2,27,212                         | 15,17,971            |
| Investment income   | -                                  | -                                | -                    |
| <b>Total amount recognised in profit or loss</b>  | <b>27,61,118</b>                   | <b>2,27,212</b>                  | <b>25,33,906</b>     |
| Remeasurement (gains) / losses  |                                    |                                  |                      |
| - Change in Demographic assumptions   | -                                  | -                                | -                    |
| - Change in Financial assumptions   | 66,360                             | -                                | 66,360               |
| - Experience Variance (i.e Actual Experience vs assumptions)                                  | (1,77,20,655)                      | -                                | (1,77,20,655)        |
| - Return on plan asset, excluding amount recognised in net interest expense                   | -                                  | (2,27,212)                       | 2,27,212             |
| <b>Total amount recognised in Other Comprehensive Income</b>                                  | <b>(1,76,54,295)</b>               | <b>(2,27,212)</b>                | <b>(1,74,27,083)</b> |
| Contribution by employer  |                                    |                                  |                      |
| Benefits paid   | 5,85,209                           | -                                | 5,85,209             |
| <b>31 March 2021</b>  | <b>94,52,797</b>                   | <b>32,45,886</b>                 | <b>62,06,911</b>     |

Notes to financial statements as at and for the year ended March 31, 2021 (cont)

| <b>(IV) The net amount disclosed above relates to the aforesaid Gratuity Plan (Funded) is as follows:</b>       |                                |                                |
|---|--------------------------------|--------------------------------|
|   | <b>As at<br/>March 31,2021</b> | <b>As at<br/>March 31,2020</b> |
| <b>Reconciliation of the Present Value of the Defined Benefit Obligation and the Fair Value of Plan Assets:</b> |                                |                                |
| Present Value of funded obligation at the end of the year   | <b>94,52,797</b>               | 2,49,31,183                    |
| Fair Value of Plan Assets at the end of the year  | <b>32,45,886</b>               | 32,45,886                      |
| <b>Net Asset /( Liability) recognised in the Balance Sheet</b>  | <b>62,06,911</b>               | <b>2,16,85,297</b>             |
| <b>Principal Actuarial Assumption Used:</b>   |                                |                                |
| Discount Rates  | <b>7.00%</b>                   | 7.50%                          |
| Expected Salary increase rates  | <b>5.00%</b>                   | 5.00%                          |
| Attrition rate  | <b>2.00%</b>                   | 2.00%                          |
| Mortality   | IALM(06-08) Ultimate           | IALM(06-08) Ultimate           |

The Company ensures that the investment positions are managed within an Asset - Liability Matching (ALM) framework that has been developed to achieve investment that are in line with the obligation under the Gratuity scheme. Within this framework the Company's ALM objective is to match asset with gratuity obligation. The Company actively monitor how the duration and the expected yield of instruments are matching the expected cash outflow arising from the gratuity obligations. The Company has not changed the process used to manage its risk from previous period. The Company does not use derivatives to manage its risk. The gratuity scheme is funded with LIC which has good track record of managing fund.

**Maturity Profile of Defined Benefit Obligation**

Weighted average duration (based on discounted cashflow) is 11 Years  
The expected maturity analysis of undiscounted gratuity benefit is as follows:

|  | <b>1 Year</b> | <b>2 to 5 Year</b> | <b>6 to 10 Year</b> | <b>&gt; 10 Year</b> | <b>Total</b> |
|--|---------------|--------------------|---------------------|---------------------|--------------|
| <b>As at 31 March 2021</b><br>Defined benefit obligation | 48,06,059     | 28,68,215          | 20,01,063           | -                   | 96,75,337    |
| <b>As at 31 March 2020</b><br>Defined benefit obligation | 1,25,05,059   | 59,76,971          | 97,55,409           | 11,82,48,198        | 14,64,85,637 |
| <b>As at 31 March 2019</b><br>Defined benefit obligation | 99,74,439     | 1,70,66,715        | 64,12,009           | 97,69,437           | 4,32,22,600  |
| <b>As at 31 March 2018</b><br>Defined benefit obligation | 42,77,685     | 55,88,933          | 32,75,596           | 28,74,566           | 1,60,16,780  |
| <b>As at 31 March 2017</b><br>Defined benefit obligation | 26,14,553     | 35,19,375          | 12,64,851           | 5,64,442            | 79,63,221    |

**(V) Sensitivity Analysis**

The following table present a sensitivity analysis to one of the relevant actuarial assumption, holding other assumptions constant, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumptions that were reasonably possible at the reporting date.

|                            | <b>As at March 31, 2021</b> |                 | <b>As at March 31, 2020</b> |                 |
|----------------------------|-----------------------------|-----------------|-----------------------------|-----------------|
|                            | <b>Decrease</b>             | <b>Increase</b> | <b>Decrease</b>             | <b>Increase</b> |
| Discount Rate (-/+1%)      | 98,47,086                   | 90,93,984       | 2,61,24,301                 | 2,38,63,144     |
| Salary Growth Rate (-/+1%) | 91,30,183                   | 98,07,461       | 2,39,54,878                 | 2,60,21,897     |
| Attrition Rate (-/+50%)    | 94,47,919                   | 94,54,890       | 2,48,49,933                 | 2,49,99,345     |
| Mortality Rate (-/+10%)    |                             |                 |                             |                 |

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.



Notes to financial statements as at and for the year ended March 31, 2021 (cont)

| <b>(Va) Balance Sheet amounts - Post employment Defined benefit plan - Leave (Funded)</b> |                                    |                                  |                    |
|---|------------------------------------|----------------------------------|--------------------|
|   | <b>Present value of obligation</b> | <b>Fair value of plan assets</b> | <b>Net amount</b>  |
| <b>1 April 2019</b>   | 37,10,015                          | 8,39,446                         | <b>28,70,569</b>   |
| Current service cost  | 13,73,238                          | -                                | 13,73,238          |
| Interest cost / income  | 2,85,671                           | 64,637                           | 2,21,034           |
| Investment income   | -                                  | -                                | -                  |
| <b>Total amount recognised in profit or loss</b>  | <b>16,58,909</b>                   | <b>64,637</b>                    | <b>15,94,272</b>   |
| Remeasurement (gains) / losses  |                                    |                                  |                    |
| - Change in Demographic assumptions   | -                                  | -                                | -                  |
| - Change in Financial assumptions   | 3,30,789                           | -                                | 7,91,280           |
| - Experience Variance (i.e Actual Experience vs assumptions)                              | 4,95,758                           | -                                | (33,43,864)        |
| - Return on plan asset, excluding amount recognised in net interest expense               | -                                  | (64,637)                         | 2,49,933           |
| <b>Total amount recognised in Other Comprehensive Income</b>                              | <b>8,26,547</b>                    | <b>(64,637)</b>                  | <b>(23,02,651)</b> |
| Contribution by employer  |                                    |                                  |                    |
| Benefits paid   |                                    |                                  |                    |
| <b>31 March 2020</b>  | <b>61,95,471</b>                   | <b>8,39,446</b>                  | <b>21,62,190</b>   |

|   |                    |                 |                    |
|---|--------------------|-----------------|--------------------|
| <b>1 April 2020</b>   | <b>61,95,471</b>   | <b>8,39,446</b> | <b>21,62,190</b>   |
| Current service cost  | 8,82,469           | -               | 8,82,469           |
| Interest cost / income  | 4,33,683           | 58,761          | 3,74,922           |
| Investment income   | -                  | -               | -                  |
| <b>Total amount recognised in profit or loss</b>                            | <b>13,16,152</b>   | <b>58,761</b>   | <b>12,57,391</b>   |
| Remeasurement (gains) / losses  |                    |                 |                    |
| - Change in Demographic assumptions   | -                  | -               | -                  |
| - Change in Financial assumptions   | 32,228             |                 | 32,228             |
| - Experience Variance (i.e Actual Experience vs assumptions)                | (32,95,654)        |                 | (32,95,654)        |
| - Return on plan asset, excluding amount recognised in net interest expense | -                  | (58,761)        | 58,761             |
| <b>Total amount recognised in Other Comprehensive Income</b>                | <b>(32,63,426)</b> | <b>(58,761)</b> | <b>(32,04,665)</b> |
| Contribution by employer  |                    |                 |                    |
| Benefits paid   | 17,862             |                 | 17,862             |
| <b>31 March 2021</b>  | <b>42,30,335</b>   | <b>8,39,446</b> | <b>33,90,889</b>   |

| <b>(Vb) The net amount disclosed above relates to the aforesaid Gratuity Plan (Funded) is as follows:</b> |                            |                     |
|---|----------------------------|---------------------|
|   | <b>As at March 31,2021</b> | As at March 31,2020 |
| Reconciliation of the Present Value of the Defined Benefit Obligation and the Fair Value of Plan Assets:  |                            |                     |
| Present Value of funded obligation at the end of the year   | <b>42,30,335</b>           | 61,95,471           |
| Fair Value of Plan Assets at the end of the year  | <b>8,39,446</b>            | 8,39,446            |
| Net Asset /( Liability) recognised in the Balance Sheet   | <b>33,90,889</b>           | 53,56,025           |

| <b>Principal Actuarial Assumption Used:</b> |                      |                      |
|---|----------------------|----------------------|
| Discount Rates                              | 7.00%                | 7.50%                |
| Expected Salary increase rates              | 5.00%                | 5.00%                |
| Attrition rate                              | 2.00%                | 2.00%                |
| Mortality                                   | IALM(06-08) Ultimate | IALM(06-08) Ultimate |



**Notes to financial statements as at and for the year ended March 31, 2021 (cont)**

The Company ensures that the investment positions are managed within an Asset - Liability Matching (ALM) framework that has been developed to achieve investment that are in line with the obligation under the Gratuity scheme. Within this framework the Company's ALM objective is to match asset with gratuity obligation. The Company actively monitor how the duration and the expected yield of instruments are matching the expected cash outflow arising from the gratuity obligations. The Company has not changed the process used to manage its risk from previous period. The Company does not use derivatives to manage its risk. The gratuity scheme is funded with LIC which has good track record of managing fund.

**Maturity Profile of Defined Benefit Obligation**

Weighted average duration (based on discounted cashflow) is 11 Years

The expected maturity analysis of undiscounted gratuity benefit is as follows:

|  | 1 Year   | 2 to 5 Year | 6 to 10 Year | > 10 Year   | Total       |
|--|----------|-------------|--------------|-------------|-------------|
| <b>As at 31 March 2021</b><br>Defined benefit obligation | 7,89,324 | 15,00,808   | 20,33,632    | -           | 43,23,764   |
| <b>As at 31 March 2020</b><br>Defined benefit obligation | 7,72,727 | 4,09,069    | 20,71,232    | 1,21,00,622 | 1,53,53,650 |
| <b>As at 31 March 2019</b><br>Defined benefit obligation | 2,88,922 | 12,20,390   | 19,18,296    | 45,49,018   | 79,76,626   |

**(Vc) Sensitivity Analysis**

The following table present a sensitivity analysis to one of the relevant actuarial assumption, holding other assumptions constant, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumptions that were reasonably possible at the reporting date.

|                            | As at March 31, 2021 |           | As at March 31, 2020 |           |
|----------------------------|----------------------|-----------|----------------------|-----------|
|                            | Decrease             | Increase  | Decrease             | Increase  |
| Discount Rate (-/+1%)      | 45,87,585            | 39,18,679 | 67,33,503            | 57,25,563 |
| Salary Growth Rate (-/+1%) | 39,03,375            | 46,01,039 | 56,94,520            | 67,62,020 |
| Attrition Rate (-/+50%)    | 41,77,055            | 42,78,206 | 61,11,451            | 62,71,274 |
| Mortality Rate (-/+10%)    |                      |           |                      |           |

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

**(VI) Risk Exposure:**

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary overtime. Thus, the Company is exposed to various risks in providing the above gratuity benefit, the most significant of which are as follows:"

**(VII) Interest Rate risk:**

The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements)."

**(VIII) Liquidity Risk:** This is the risk that the company is not able to meet the short term gratuity pay-outs. This may arise due to non availability of enough cash/cash equivalents to meet the liabilities.

**Salary Escalation Risk:** The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

**(IX) Demographic Risk:** The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

**(X) Regulatory Risk:** Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act , 1972(as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of Rs. 20,00,000). An upward revision of maximum gratuity limit will result in gratuity plan obligation.



Notes to financial statements as at and for the year ended March 31, 2021 (cont)

|    |   |                     |                               |                               |
|----|---|---------------------|-------------------------------|-------------------------------|
| 39 | Financial Instruments disclosure  |                     |                               |                               |
|    | <b>(A) CATEGORIES OF FINANCIAL INSTRUMENTS</b>  |                     |                               |                               |
|    | <b>Particulars</b>  | <b>Ref Note No.</b> | <b>As at 31st March, 2021</b> | <b>As at 31st March, 2020</b> |
|    | <b>Financial Assets</b>   |                     |                               |                               |
|    | <b>Measured at Amortised Cost</b>   |                     |                               |                               |
|    | Trade receivables   | 11                  | 10,33,05,464                  | 11,83,90,521                  |
|    | Cash and Cash Equivalents   | 12                  | 12,17,425                     | 10,29,090                     |
|    | Bank balances other than cash and cash equivalents  |                     | -                             | -                             |
|    | Non-Current and Current Loans   | 6 & 13              | 5,71,60,749                   | 5,00,46,556                   |
|    | <b>Total financial assets measured at amortised cost</b>                                  |                     | <b>16,16,83,638</b>           | <b>16,94,66,167</b>           |
|    | <b>Measured at Fair Value through Other Comprehensive Income</b>                          |                     |                               |                               |
|    | <b>Current Investments</b>  |                     | -                             | -                             |
|    | Non Current Investments   | 5                   | 2,88,73,063                   | 2,88,73,063                   |
|    | <b>Total Financial Assets measured at Fair Value through Other Comprehensive Income</b>   |                     | <b>2,88,73,063</b>            | <b>2,88,73,063</b>            |
|    | <b>Financial Liabilities</b>  |                     |                               |                               |
|    | <b>Measured at Amortised Cost</b>   |                     |                               |                               |
|    | Non Current borrowings  | 17                  | 13,84,77,803                  | 14,87,38,145                  |
|    | Current borrowings  | 20                  | 3,94,51,609                   | 4,89,55,673                   |
|    | Trade Payables  | 21                  | 20,55,98,402                  | 23,06,38,212                  |
|    | Other financial liabilities   | 22                  | 6,97,33,771                   | 9,44,15,550                   |
|    | <b>Total financial liabilities measured at amortised cost</b>                             |                     | <b>45,32,61,585</b>           | <b>52,27,47,580</b>           |
|    | <b>Measured at Fair Value through Profit or Loss</b>                                      |                     | -                             | -                             |
|    | <b>Total financial liabilities measured at Fair Value through Profit or Loss</b>          |                     | -                             | -                             |
|    | <b>(B) Fair Values</b>  |                     |                               |                               |
|    | <b>Class wise fair value of the Company's financial instruments:</b>                      |                     |                               |                               |
|    | Non Current Investments, other than investment in subsidiary and joint venture (quoted)   |                     | 1                             | 1                             |
|    | Non Current Investments, other than investment in subsidiary and joint venture (unquoted) |                     | 2,88,73,063                   | 2,88,73,063                   |

**(C) Fair value hierarchy**

The following table provides the fair value measurement hierarchy of the Company's financial assets and liabilities. The different levels have been defined below:

- Level 1: quoted prices (unadjusted) 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 (i.e., as prices) or indirectly (i.e., derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

| Particulars   | Date of valuation | Fair value measurement using              |   |   |
|---|-------------------|---|---|---|
|   |                   | Quoted prices in active markets (Level 1) | Significant observable inputs (Level 2) | Significant observable inputs (Level 3) |
| <b>Quantitative disclosures of fair value measurement hierarchy for assets as at 31st March 2021:</b> |                   |   |   |   |
| <b>A. Financial assets:</b>   |                   |   |   |   |
| <b>Assets measured at fair value:</b>   |                   |   |   |   |
| Non Current Investments, other than investment in subsidiary and joint venture (quoted)               | 31st March 2021   | 1   | -                                       | -                                       |
| Non Current Investments, other than investment in subsidiary and joint venture (unquoted)             | 31st March 2021   | -   | -                                       | 2,88,73,063                             |

Notes to financial statements as at and for the year ended March 31, 2021 (cont)

| Particulars   | Date of valuation | Fair value measurement using              |   |   |
|---|-------------------|---|---|---|
|   |                   | Quoted prices in active markets (Level 1) | Significant observable inputs (Level 2) | Significant observable inputs (Level 3) |
| <b>Quantitative disclosures of fair value measurement hierarchy for assets as at 31st March 2020:</b> |                   |   |   |   |
| <b>A. Financial assets:</b>   |                   |   |   |   |
| <b>Assets measured at fair value:</b>   |                   |   |   |   |
| Non Current Investments, other than investment in subsidiary and joint venture (quoted)               | 31st March 2020   | 1   | -                                       | -                                       |
| Non Current Investments, other than investment in subsidiary and joint venture (unquoted)             | 31st March 2020   | -   | -                                       | 2,88,73,063                             |

**Fair Value Technique**

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between participants at the measurement date. The following methods and assumptions were used to estimate the fair values:

- (a) The fair value of cash and cash equivalents, trade receivables, trade payables, current financial liabilities and borrowings approximate their carrying amount largely due to the short-term nature of these instruments. The board considers that the carrying amounts of financial assets and financial liabilities recognised at cost/amortised costs in the financial statements approximates their fair values.
- (b) Investments in quoted equity shares are measured using quoted market prices at the reporting date multiplied by the quantity held.
- (c) Fair Value for valuation of unquoted equity instruments is arrived based on management estimate.

**40 Financial Risk Management objectives and policies**

The Company's principal financial liabilities comprise borrowings in domestic currency, capital creditors and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, cash and cash equivalents, investments at cost/fair value and deposits, that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

**A Market risk**

Market risk means that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The goal of market risk management is optimization of profit and controlling the exposure to market risk within acceptable limits. Market risk comprises two types of risk: 'Foreign currency risk', 'Interest rate risk', and 'Price risk on traded goods'.

**Price Risk on Traded Goods**

The company is impacted by the price volatility of goods in which the Company trades. To minimize the risk related to price of traded goods, the Company obtain order for sales from buyers prior to purchase of goods with immediate despatch to buyer.

**B Credit risks**

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

The Company implements a credit risk management policy under which the Company only transacts business with counterparties that have a certain level of credit worthiness based on internal assessment of the parties, financial condition, historical experience, and other factors. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Company has established a credit policy under which each new customer is analyzed individually for creditworthiness.

The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component that are expected to occur. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets. Debt securities are analyzed individually, and an expected loss shall be directly deducted from debt securities.

**(i) Credit risk exposure**

The carrying amount of interest-bearing financial instruments as of 31 March 2017, 31 March 2016 and 1 April 2015 are as follows:

The carrying amount of financial assets represents the Companies's maximum exposure to credit risk. The maximum exposure to credit risk as of 31 March 2021, 31 March 2020 are as follows:

| Particulars  | As at 31st March, 2021 | As at 31st March, 2020 |
|--|------------------------|------------------------|
| Trade receivables (net)                            | 10,33,05,464           | 11,83,90,521           |
| Cash and Cash Equivalents                          | 12,17,425              | 10,29,090              |
| Bank balances other than cash and cash equivalents | -                      | -                      |
| Non-Current and Current Loans                      | 5,71,60,749            | 5,00,46,556            |



Notes to financial statements as at and for the year ended March 31, 2021 (cont)

(ii) Impairment losses on financial assets

Refer the table below for reconciliation of loss allowance in respect of Trade

| Particulars                                   | Year ended<br>31st March, 2021 | Year ended<br>31st March, 2020 |
|---|--------------------------------|--------------------------------|
| Loss allowance at the beginning of the year   | 1,38,38,409                    | 22,64,256                      |
| Add: Loss Allowance provided during the year  | -                              | 1,15,74,153                    |
| Less: Loss Allowance reversed during the year | -                              | -                              |
| Loss allowance at the end of the year         | 1,38,38,409                    | 1,38,38,409                    |

The aging of trade accounts and notes receivable as of 31 March 2021 are as follows:

| Particulars                 | As at<br>31st March, 2021 | As at<br>31st March, 2020 |
|-----------------------------|---------------------------|---------------------------|
| Within Credit Period        | -                         | -                         |
| 1 to 90 days past due       | 1,39,80,973               | 3,63,31,127               |
| 91 to 180 days past due     | 2,19,14,336               | 1,01,06,535               |
| More than 180 days past due | 6,74,10,155               | 7,19,52,858               |

No significant changes in estimation techniques or assumptions were made during the reporting period.

**C Liquidity Risk**

The Company's objective is to at all times maintain optimum level of liquidity to meet its cash and collateral requirement at all times. The need of the funds of the company are being met by internal accrual and borrowings. The short and medium term requirements are met through the committed lines of credit.

The table provides undiscounted cash flow towards non-derivative financial liability and net settled derivative financial liabilities into relevant maturities based on the remaining period at balance sheet date to contractual maturity date.

| Particulars                  | 0 - 180 days        | 181 - 365 days | Payable in more<br>than 1 year | Total               |
|------------------------------|---------------------|----------------|--------------------------------|---------------------|
| <b>As at 31st March 2021</b> |                     |                |                                |                     |
| Non Current borrowings       | -                   | -              | 14,87,38,145                   | 14,87,38,145        |
| Current borrowings           | 3,94,51,609         | -              | -                              | 3,94,51,609         |
| Trade Payables               | 20,55,98,402        | -              | -                              | 20,55,98,402        |
| Other financial liabilities  | 6,97,33,771         | -              | -                              | 6,97,33,771         |
|                              | <b>31,47,83,782</b> | <b>-</b>       | <b>14,87,38,145</b>            | <b>46,35,21,927</b> |
| <b>As at 31st March 2020</b> |                     |                |                                |                     |
| Non Current borrowings       | -                   | -              | 13,84,77,803                   | 13,84,77,803        |
| Current borrowings           | 3,94,51,609         | -              | -                              | 3,94,51,609         |
| Trade Payables               | 19,19,09,596        | -              | -                              | 19,19,09,596        |
| Other financial liabilities  | 6,97,33,771         | -              | -                              | 6,97,33,771         |
|                              | <b>31,47,83,782</b> | <b>-</b>       | <b>13,84,77,803</b>            | <b>43,95,72,779</b> |

**41 CAPITAL MANAGEMENT**

**A. Risk management**

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

The Board of Directors has the primary responsibility to maintain a strong capital base and reduce the cost of capital through prudent management of deployed funds and leveraging opportunities in domestic and international financial markets so as to maintain investor, creditor and market confidence and to sustain future development of the business.

For the purpose of company's capital management, capital includes issued capital and all other equity reserves. The company manages its capital structure in light of changes in the economic and regulatory environment and the requirements of the financial covenants.

The Company manages its capital on the basis of net debt to equity ratio which is net debt divided by total equity. Net debt are long-term and short-term debts as reduced by cash and cash equivalents. The Company is not subject to any externally imposed capital requirements.

The following table summerises the capital of the Company:

Notes to financial statements as at and for the year ended March 31, 2021 (cont)

| Particulars                              | As at<br>31st March, 2021 | As at<br>31st March, 2020 |
|--|---------------------------|---------------------------|
| Total borrowings                         | 17,79,29,412              | 19,76,93,818              |
| Less: Cash and cash equivalents          | (12,17,425)               | (10,29,090)               |
| <b>Net Debt</b>                          | <b>17,67,11,987</b>       | <b>19,66,64,728</b>       |
| <b>Equity</b>                            | <b>20,13,90,667</b>       | <b>23,84,45,657</b>       |
| <b>Total Capital (Equity + Net Debt)</b> | <b>37,81,02,654</b>       | <b>43,51,10,385</b>       |
| <b>Net Debt to Equity ratio</b>          | <b>88%</b>                | <b>82%</b>                |

42 Related Party Disclosure pursuant to Ind AS 24

(a) Related Parties

| Key Managerial Personnel | Name of the Related Parties | Name of Associates          |
|--------------------------|-----------------------------|-----------------------------|
|                          | Mr.Sunay Krishna Khaitan    | M/s Khaitan Hotel Pvt. Ltd. |
|                          | Ms. Vageesha Khaitan        | M/s Khaitan Lefin Limited   |
|                          | Mr. Sandip Chatterjee       |                             |
|                          | Mrs. Sujata Sarkar          |                             |
|                          | Mrs. Sujata Chatterjee      |                             |
|                          | Mr. Swapan Kumar Das        |                             |
|                          | Mr. Pradip Halder           |                             |

(b) Details of Transactions with Related Parties

| Nature of Transactions | Name of related parties     | Designation       | 31 March 2021 | 31 March 2020 |
|------------------------|-----------------------------|-------------------|---------------|---------------|
| Remuneration           | Mr.Sunay Krishna Khaitan    | Ex. Director      | 11,14,535     | 11,62,992     |
|                        | Ms. Vageesha Khaitan        |                   | 7,91,730      | 7,94,652      |
|                        | Mr. Swapan Kumar Das        | CFO               | 9,25,874      | 14,54,914     |
|                        | Mr. Pradip Halder           | Company Secretary | 3,26,217      | 3,56,000      |
| Sitting Fees           | Mr. Sandip Chatterjee       |                   | 60,000        | 60,000        |
|                        | Mrs. Sujata Chatterjee      |                   | 40,000        | -             |
|                        | Mrs. Sujata Sarkar          |                   | 60,000        | 60,000        |
| Loan taken             | Mr.Sunay Krishna Khaitan    |                   | 1,07,95,000   | 1,53,55,000   |
|                        | M/s Khaitan Hotel Pvt. Ltd. |                   | 1,13,00,000   | -             |
|                        | M/s Khaitan Lefin Limited   |                   | 15,48,013     | 71,00,000     |
| Loan paid              | Mr.Sunay Krishna Khaitan    |                   | 49,75,000     | 20,00,000     |
|                        | M/s Khaitan Hotel Pvt. Ltd. |                   | 99,506        | -             |
|                        | M/s Khaitan Lefin Limited   |                   | 5,00,000      | 1,23,85,000   |
| Interest Paid          | M/s Khaitan Hotel Pvt. Ltd. |                   | 6,83,149      | 6,06,985      |
| Rent Payable           | M/s.Khaitan Lefin Limited   |                   | -             | 11,13,542     |
| Rent Paid              | M/s.Khaitan Lefin Limited   |                   | 6,00,000      | 11,56,800     |



Notes to financial statements as at and for the year ended March 31, 2021 (cont)

(c) Details of balances with Related Parties

Payables

| Particulars                 | As at 31st<br>March, 2021 | As at 31st<br>March, 2020 |
|-----------------------------|---------------------------|---------------------------|
|                             | Amount                    | Amount                    |
| Mr.Sunay Krishna Khaitan    | 3,55,75,000               | 2,97,55,000               |
| Ms. Vageesha Khaitan        | 14,63,837                 | 11,38,435                 |
| Mr. Swapan Kumar Das        | 1,90,624                  | 1,56,217                  |
| Mr. Sandip Chatterjee       | 15,000                    | 45,000                    |
| Mrs. Sujata Sarkar          | 15,000                    | 32,500                    |
| Mrs. Sujata Chatterjee      | 15,000                    | -                         |
| Mr. Pradip Halder           | 29,725                    | 29,725                    |
| M/s Khaitan Hotel Pvt. Ltd. | 1,99,84,271               | 81,00,628                 |
| M/s Khaitan Lefin Limited   | 1,13,36,987               | 1,23,85,000               |
| <b>Total</b>                | <b>6,86,25,444</b>        | <b>5,16,42,505</b>        |

(c) Details of compensation paid to KMP

|                               | Mr.Sunay Krishna<br>Khaitan         | Ms. Vageesha<br>Khaitan             | Mr. Swapan<br>Kumar Das             | Mr. Pradip<br>Halder                |
|-------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
|                               | For the year ended<br>March 31,2021 | For the year ended<br>March 31,2021 | For the year ended<br>March 31,2021 | For the year ended<br>March 31,2021 |
| Short-Term Employee Benefits  | 6,705                               | 6,705                               | 3,742                               | 6,367                               |
| Post-Employment Benefits      | 27,474                              | 14,651                              | 12,648                              | 8,135                               |
| Long-Term Employee Benefits   | -                                   | -                                   | -                                   | -                                   |
| Termination Benefits          | -                                   | -                                   | -                                   | -                                   |
| Employee Share Based Payments | -                                   | -                                   | -                                   | -                                   |
| <b>Total Compensation</b>     | <b>34,179</b>                       | <b>21,356</b>                       | <b>16,390</b>                       | <b>14,502</b>                       |

- 43 No Borrowing cost have been capitalised during the year.
- 44 Dues from officers Rs. 15,00,700/- (P.Y. 14,16,835/-)
- 45 Earning in Foreign Exchange : FOB Value of Export - Rs. 1,03,280/- ( P.Y. - NIL)
- 46 The Company has an investment in 1404000 equity shares of Rs. 10 each of Khaitan Lefin Limited which is more than 20% of the paid up share capital of the said company therefore the Company is required to prepare a consolidated accounts as per indian accounting standards. however the Company has not prepare the Consolidated accounts as the accounts of the said Company for the current financial year was not readealy available.
- 47 Operational activity of the sugar division of the company is under suspension for more than 12 months as the division was incurring heavy losses because of various reasons like high cost of production and un-remunerative selling prices. The management is expecting that situation should improve in foreseeable future as it has taken various remedial measures. There is no plan to discontinue the activities related to sugar division. Hence, the same has been considered as part of continuing business operations.
- 48 Although in the opinion of the management, Fixed Assets of the Sugar Division of the company has an aggregate realizable value higher than the book value and therefore do not envisage any indication of the impairment at this stage. However, as an abundant precaution, management will initiate measures to make independent valuation of the assets. Necessary impairment losses, if any will be recognized after the completion of such exercise
- 49 Certain financial and operational creditors of the company have initiated Insolvency and Bankruptcy proceedings against the Company under IBC Code 2016. However, in all of the cases, the petition of the concerned creditors has not been admitted yet by the competent court of law. Management is taking necessary steps to resolve the issue of such creditors. Therefore, it does not envisage any concerns as regards to going concern status of the company at this stage.
- 50 The spread of Covid-19 from March 2020 is having an unprecedented impact on people and economy. The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of trade receivables, tangible assets, Investments and other items of current assets. In developing the assumptions relating to the possible future uncertainties in the 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. The Company based on current estimates expects to recover the current value of the Assets, unless otherwise stated.
- 51 The balance of debtors, Creditors, Loan, advance, Claims and deposits are subject to confirmation/ reconciliation. Adjustments, if any, arising therefrom are not likely to be material on settlement and are accounted as and when ascertain.



**Notes to financial statements as at and for the year ended March 31, 2021 (cont)**

**52 Previous year figures:**

The figures of previous year have been regrouped / reclassified wherever necessary to make them comparable with those of the current period.

The notes referred to above form an integral part of the financial statements

**For K.C. Bhattacharjee & Paul**  
**Chartered Accountants**  
Firm Regn. No. 303026E

**For and on Behalf of the Board of Directors**

**Anjan Ghosh**  
**(Partner)**  
Membership No. 066509  
UDIN: 21066509AAAACN9295

**Sunay K. Khaitan**  
**Director**  
DIN:07585070

**Sandip Chatterjee**  
**Director**  
DIN:06875010

**Sujata Chatterjee**  
**Director**  
DIN:00245656

**Swapan Kumar Das**  
**Chief Financial Officer**  
PAN:- AGYPD0287C

**Pradip Halder**  
**Company Secretary**  
PAN: -AIRPH7882C

Kolkata  
30th day of June, 2021





Date: 13<sup>th</sup>, August 2021

Dear Shareholder.

**Sub: - Registration of email address**

In terms of Rule 18(3) of the Companies (Management and Administration) Rules, 2014, we request the shareholders of Khaitan (India) Limited who have till date not registered their e-mail id(s) with the Company to register their e-mail id(s) in order to receive the Notices of future Annual General Meeting and Annual Report of the Company in electronic form.

We, therefore, request you to fill up the registration form below and send it to Company's Share Registrar & Transfer Agent at M/s. Maheshwari Datamatics (P) Ltd. 23, R.N. Mukherjee Road, 5th Floor, Kolkata - 700001 for registration your email address Shareholders who hold shares in Demat form are requested approach concerned Depository Participant for updating/modifying the e-mail id(s) as the case may be.

For KHAITAN (INDIA) LTD.

Pradip Halder  
Company Secretary and Compliance Officer

**EMAIL REGISTRATION FOR**

To,

The Company (for Members holding shares in physical mode)/  
The Depository Participants (for Members holding shares in Demat mode)  
Sub: Registration of email address (Khaitan (India) Ltd.)

I/We would like to receive Notices, Annual Reports and other communication/documents from the company in electronic mode. We request you register my/our email address for receiving communication/documents electronically as per following details:

|                            |  |
|----------------------------|--|
| Name of the Shareholder(s) |  |
| Folio No./DP ID/ Client ID |  |
| Email Address              |  |
| Mobile No.                 |  |

Date:

Place:

Signature of the Shareholder(s) \*

\* Please tick as applicable.

\*\*Please ensure that the form is signed by the registered shareholder himself, along with joint shareholder, if any

BOOK - POST



**The name is enough**

[www.khaitansugar.in](http://www.khaitansugar.in)

If undelivered please return to :  
Khaitan (India) Limited. 46C, J.L.Nehru Road, Kolkata - 700 071 (India)