



Annual Report **2021-22**

Corporate Information

Board of Directors

Mrs. Nandini Nopany, Chairperson
 Mrs Urvi Mittal, Managing Director
 Mr. Arun Kumar Newar
 Mr. Chhedi Lal Agarwal
 Mr. Dhiraj Ramakant Banka
 Mr. Brij Mohan Agarwal

Committees of Directors

Audit Committee

Mr. Arun Kumar Newar - Chairman
 Mr. Chhedi Lal Agarwal
 Mr. Dhiraj Ramakant Banka
 Mr. Brij Mohan Agarwal

Stakeholders' Relationship Committee

Mr. Arun Kumar Newar - Chairman
 Mr. Chhedi Lal Agarwal
 Mr. Brij Mohan Agarwal

Nomination and Remuneration Committee

Mr. Dhiraj Ramakant Banka - Chairman
 Mr. Chhedi Lal Agarwal
 Mr. Arun Kumar Newar

Executives

Mrs. Urvi Mittal - Managing Director
 Mr. Vikash Goyal - Chief Financial Officer
 Ms. Vijaya Agarwala - Company Secretary

Auditors

M/s Agrawal, Subodh & Co.
 Chartered Accountants
 3, Victory House, 1 Ganesh Chandra Avenue
 Kolkata - 700 001

Registrar and Share Transfer Agent

Link Intime India Pvt. Ltd.
 (Unit: Ganges Securities Limited)
 Room Nos.: 502 & 503, 5th floor
 Vaishno Chamber, 6 Brabourne Road
 Kolkata – 700 001
 Tel Nos: 033- 4004 9728 / 033- 4073 1698
 Fax No.: 033-4073 1698
 Email: kolkata@linkintime.co.in

Registered Office

P. O. Hargaon District – Sitapur, (U. P.)
 Pin Code – 261 121
 Tel. No.: (05862) 256220, Fax No.: (05862) 256225
 E-mail: gangessecurities@birlasugar.org
 Website: www.birla-sugar.com
 CIN – L74120UP2015PLC069869

Corporate & Head Office

Birla Building
 9/1, R. N. Mukherjee Road, 5th Floor
 Kolkata - 700 001
 Tel. No.: (033) 2243 0497/8, Fax No.: (033) 2248 6369
 E-mail: secretarial@birla-sugar.com
 Website: www.birla-sugar.com

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Directors' Report

Dear Members,

Your Directors present herewith, the Eighth Annual Report on the business & operations of the Company together with the Audited Financial Statements for the year ended March 31, 2022.

1. Financial Results

A summary of the standalone and consolidated financial performance of the Company for the financial year ended March 31, 2022, as compared to the previous year is summarised below:

(₹ in lakhs)

Particulars	Standalone		Consolidated	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from Operations	790.77	493.68	3427.75	3481.05
Profit before Finance Costs, Tax, Depreciation and Amortization	708.76	478.65	813.92	1248.30
Less: Depreciation & Amortization Expenses	6.89	2.36	74.10	69.54
Less: Finance Costs	15.66	7.33	20.01	8.34
Profit/(Loss) Before Tax	731.31	468.96	908.03	1170.42
Less: Provision for Tax	-	(1.61)	(25.96)	(1.62)
Profit/(Loss) After Tax	690.38	470.57	799.49	979.42

2. Financial Performance and State of affairs of the Company

During the Financial Year 2021-22, the standalone Gross Revenue from Operations was ₹ 790.77 lakhs (Previous Year: ₹ 493.68 lakhs). The Profit stood at ₹ 690.38 lakhs (Previous Year: ₹ 470.57 lakhs) registering a satisfactory growth.

The Consolidated Gross Revenue from operations for FY 2022 was ₹ 3427.75 lakhs (Previous Year: ₹ 3481.05 lakhs). The Consolidated profit stood at ₹ 799.49 lakhs (Previous Year: ₹ 979.42 Lakhs).

The Board of Directors has recommended payment of dividend on unlisted 8.5% Non-Convertible Cumulative Redeemable Preference Shares ('NCCRPS') of the Company upto the date of redemption.

There is no change in the nature of business of the Company.

During the year, the Allahabad Bench of the National Company Law Tribunal ('NCLT'), vide its Order dated 3 September, 2021, approved the Scheme of Amalgamation under Sections 230-232 of the Companies Act, 2013 between Ganges Securities Limited ('GSL') and Uttar Pradesh Trading Company Limited ('UP Trading') and their respective shareholders and creditors ('the Scheme'). Pursuant to the Scheme, UP Trading has merged into GSL with effect from October 01, 2021.

Save as above, there were no significant or material orders passed by any regulator, court or tribunal impacting the Company's operation in future.

There are no other material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year i.e. March 31, 2022 and the date of this report.

Details on the state of affairs of the Company are covered in the Management Discussion and Analysis Report attached to this Report and marked as 'Annexure A'.

3. Share Capital

There has been no change in the paid up Share Capital of the Company. The paid up Equity Share Capital as on March 31, 2022 stood at Rs. 1000.37 lakhs.

4. Subsidiary, Associate and Joint Venture

As on March 31, 2022, the Company has one subsidiary viz. Cinnatollah Tea Limited. The Company has formulated a policy for determining material subsidiaries in line with the requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). The said Policy is being disclosed on the Company's website at the web-link <http://www.birla-sugar.com/Assets/Ganges/Ganges-Securities-Policy-on-Determination-of-Materiality.pdf>.

The Consolidated Financial Statements of the Company are prepared in accordance with relevant Indian Accounting Standards issued by the Institute of Chartered Accountants of India and forms an integral part of this Report.

Pursuant to Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of Subsidiaries/ Associate Companies/Joint Ventures is given in Form AOC-1 which forms part of this Report and marked as **'Annexure - 'B'**.

During the year, Uttar Pradesh Trading Company Limited, a wholly owned subsidiary of the Company has merged into the Company with effect from October 01, 2021.

Except the above, no other body corporate has become or ceased to be a subsidiary, joint venture or associate company during the year.

5. Directors

The Board of Directors comprises of 5 (five) Non-Executive Directors having experience in varied fields and a Managing Director. Out of five Non-Executive Directors, three are Independent Directors. Mrs. Nandini Nopany is the Non-Executive Chairperson of the Company.

In accordance with the provisions of Section 152 of the Act and the Company's Articles of Association, Mrs. Nandini Nopany [DIN: 00051362], retires by rotation at the forthcoming Annual General Meeting and being eligible offers herself for re-appointment. Further, Mrs Nandini Nopany attained the age of 75 years on May 10, 2022 and pursuant to Regulation 17(1A) of Listing Regulations, the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, recommends to the shareholders of the Company, the re- appointment of Mrs Nandini Nopany, as a Director of the Company, liable to retire by rotation.

Mr Santosh Kumar Poddar has relinquished the office of Director of the Company with effect from February 10, 2022.

Further, the Board of Directors on recommendation of the Nomination and Remuneration Committee has appointed Mr. Brij Mohan Agarwal as a Non-Executive Director with effect from February 10, 2022.

The shareholders of the Company have vide resolution passed through Postal Ballot on March 13, 2022 have re-appointed Messrs Dhiraj Ramakant Banka (DIN: 07642329) and Arun Kumar Newar (DIN: 07778968) as Independent Directors of the Company for a second term to hold office for a term of 5 (five) consecutive years from March 14, 2022 and March 30, 2022 respectively.

The Company has received necessary declarations from all the Independent Directors ('IDs') of the Company confirming that they meet the criteria of independence as laid down under Section 149(6) & (7) of the Companies Act, 2013 and Regulation 25 of the Listing Regulations. Declarations have also been received by all the appointed Independent Directors of the Company with regard to registration on the databank of IDs maintained by the Indian Institute of Corporate Affairs, Manesar (Haryana) in accordance with the provisions of Section 150 of the Companies Act, 2013. The Board of Directors is of the opinion that the Independent Directors are persons of integrity with high level of ethical standards, they possess requisite expertise and experience for appointment as Independent Director of the Company.

In accordance with Regulation 17(1A) of the Listing Regulations, consent of the shareholders was accorded by way of Special Resolution for continuation of directorship of Mrs Nandini Nopany and Mr Arun Kumar Newar beyond the age of 75 (seventy-five) years, as they would attain the said prescribed age limit during the during the midst of their term.

In pursuance of the provisions of the Companies Act, 2013 and according to Regulation of 25(3) of the Listing Regulations, Performance Evaluation Criteria has been laid down for effective evaluation of performance of the Board of Directors, the Committees thereof and individual Directors including the Chairperson of the Company. After detailed discussion at Board level as well as taking input from each Director, the Nomination and Remuneration Committee finalized the proformas / questionnaires containing various parameters to evaluate the performance of Board and its committee(s), Individual Directors and Chairperson of the Company. The performance evaluation parameters are based on their roles and responsibilities, contribution to the Company's goals, decision making process, flow of information and various other aspects. The evaluation of performance of the Board as a whole, Committees of the Board, Individual Directors and Chairperson of the Company was carried out for the Financial Year 2021-22.

Further, the Independent Directors at their separate meeting reviewed the performance and role of non-independent directors and the Board as a whole and Chairman of the Company. Further, the IDs at their meeting have also assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that was necessary for the Board to effectively and reasonably perform their duties.

Other information on the Director(s) including required particulars of Directors retiring by rotation is provided in the Notice convening the Annual General Meeting.

6. Key Managerial Personnel

The following directors / executives of your Company are whole-time Key Managerial Personnel (KMPs) as on 31st March, 2022 in accordance with the provisions of Section 203 of the Companies Act, 2013:

- Mrs Urvi Mittal- Managing Director
- Mr. Vikash Goyal- Chief Financial Officer;
- Ms. Vijaya Agarwala- Company Secretary

All Directors, Key Managerial Personnel and Senior Management of the Company have confirmed compliance with the Code of Conduct applicable to Directors & employees of the Company and a declaration to the said effect by the Managing Director is made part of Corporate Governance

Report which forms part of this report. The Code is available on the Company's website at the web link- http://birla-sugar.com/Assets/Ganges/Ganges-Securities-Code-of_Conduct.pdf All Directors have confirmed compliance with the provisions of Section 164 of the Companies Act, 2013.

7. Familiarisation Programme

Periodic presentations are made at the Board Meetings with respect to business performance and updates on business strategy of the Company. The details of the familiarisation programme (other than through meeting of Board and its Committees) imparted to Independent Directors is uploaded on the website of the Company and available at the weblink- http://www.birla-sugar.com/Assets/Ganges/Familiarisation_Programme_for_Independent_Director_-_Ganges_Securities_Limited.pdf

The details of the training and familiarization program are provided in the Corporate Governance report. Further, at the time of appointment of an Independent Director, the Company issues a formal letter of appointment outlining his/ her role, duties and responsibilities. The format of such letter of appointment is available at the website of the Company at <http://www.birla-sugar.com/Assets/Ganges/Terms-and-conditions-of-appointment-of-Independent-Directors2.pdf>

8. Policy on Directors' appointment and remuneration

The policy of the Company is to have an appropriate mix of executive, non-executive and independent directors to maintain the independence of the Board and separate its functions of governance and management.

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management of the Company. The Policy, inter-alia, includes the appointment criterion & qualification requirements, process for appointment & removal, retirement policy and remuneration structure & components, etc. of the Directors, KMP and other senior management personnel of the Company. As per the Remuneration Policy, a person proposed to be appointed as Director, KMP or other senior management personnel should be a person of integrity with high level of ethical standards.

We affirm that the remuneration paid to the directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company and that there has been no change in this policy during the year under review and a copy of the said Policy is available at the website of the Company at the weblink http://www.birla-sugar.com/Assets/Ganges/Remuneration-Policy_Ganges.pdf.

9. Meetings of the Board

A calendar of Meeting is prepared and circulated in advance to the Directors. The Board evaluates all the decisions on a collective consensus basis amongst the Directors. The intervening gap between Meetings was within the period prescribed under the Companies Act, 2013. During the financial year ended March 31, 2022, 8 (eight) Meetings of the Board of Directors of the Company were held. The details of the Board Meetings held during the financial year 2021-22 have been furnished in the Corporate Governance Report forming part of this Annual Report.

The Company has complied with the applicable Secretarial Standards prescribed under Section 118(10) of the Companies Act, 2013.

10. Committees of the Board

As on March 31, 2022, there are three Board constituted Committees viz: as Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee. The details of the terms of reference, number and dates of meetings held, attendance of the Directors and remuneration paid to them are separately provided in the Corporate Governance Report, which forms an integral part of this Report.

11. Loans, Guarantee and Investments

During the year under review, the Company has not given any corporate guarantees covered under the provisions of Section 186 of the Companies Act, 2013.

Details on particulars relating to investments/loans under Section 186 of the Companies Act 2013 are provided in notes to the financial statements.

12. Related Party Contracts / Arrangements

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant Related Party Transactions entered into by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013, in Form AOC-2 is not applicable. The details of related party transactions are set out in the notes to the financial statements.

The Company has developed a Related Party Transactions Policy for purpose of identification and monitoring of such transactions and accordingly all Related Party Transactions are placed before the Audit Committee as also the Board for approval. The said Policy is available on the Company's website at the weblink <http://www.birla-sugar.com/Assets/Ganges/Ganges-Securities-Related-Party-Transaction-Policy.pdf>

The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and its Related Parties.

13. Public Deposits

The Company has not accepted any deposits from the public and as such there are no outstanding deposits within the meaning of the provisions of Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016 and the provisions of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules 2014. There was no public deposit outstanding as at the beginning and end of the financial year 2021-22.

14. Risk Management and Internal Financial Controls

Business Risk Evaluation and Management is an ongoing process within the organization. The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks.

The Company has a robust risk management framework to identify, monitor and minimize risks as also identify business opportunities. The Company has in place adequate internal financial controls with reference to the financial statements. During the year, such controls were reviewed and no reportable material weakness was observed.

The Audit Committee reviews the adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies and systems. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

15. Whistle Blower / Vigil Mechanism

The Company has established a vigil mechanism and adopted whistle blower policy, pursuant to which whistle blowers can report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct policy.

The mechanism provides adequate safeguards against victimisation of persons who use this mechanism. The said Policy can be accessed on the Company's website at the weblink <http://www.birla-sugar.com/Assets/Ganges/Ganges-Securities-Whistle-Blower-Policy.pdf>

During the year, there was no instance of fraud, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of Act and Rules framed thereunder.

16. Corporate Governance & Annual Return

Your Directors strive to maintain highest standards of Corporate Governance. The Corporate Governance Report for the Financial Year 2021- 22 is attached as '**Annexure C**' to this Report. The declaration of the Managing Director confirming compliance with the 'Code of Conduct' of the Company Report and Auditor's Certificate confirming compliance with the conditions of Corporate Governance are enclosed as '**Annexure D**' and '**Annexure E**' to this Report respectively.

In accordance with the Companies Act, 2013, the Annual Return in the prescribed format is available at <http://www.birla-sugar.com/Our-Companies/About-Us-GANGES-SECURITIES-LIMITED>

17. Auditors, Audit Qualifications and Board's Explanations

a. Statutory Auditors

M/s. Agrawal, Subodh & Co., Chartered Accountants, having Firm Registration No. 319260E, were re-appointed as Statutory Auditors at the 6th Annual General Meeting (AGM) of the Company, to hold office for another term of 5 (five) years from the conclusion of 6th AGM till the conclusion of the 11th AGM. The said Auditors have relinquished the office of Statutory Auditors from the conclusion of this AGM.

The Board of Directors of the Company ('the Board'), on the recommendation of the Audit Committee ('the Committee'), has recommended for the approval of the Members, the appointment of Messrs. J K V S & CO, Chartered Accountants ('JKVS'), as the Auditors of the Company for a period of five years from the conclusion of this AGM till the conclusion of the 13th AGM. The Committee considered various parameters like capability to serve a diverse and complex business landscape as that of the Company, audit experience in the Company's operating segments, market standing of the firm, clientele served, technical knowledge etc., and found JKVS to be best suited to handle the scale and diversity associated with the audit of the financial statements of the Company.

JKVS was established as a sole proprietorship concern in the year 1987. Recently, the name of the firm has been changed from erstwhile Jitendra K Agarwal & Associates to J K V S & Co. It has its registered office at 5A, Nandlal Jew Road, Kolkata - 700026 apart from branch offices in various cities in India. The Audit Firm has a valid Peer Review certificate. It is primarily engaged in providing audit and assurance services to its clients. JKVS have given their consent to act as the Auditors of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act.

The Report given by the Auditors on the financial statement of the Company forms part of this Report. The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

b. Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed Messrs Vinod Kothari & Co., Practising Company Secretaries to conduct Secretarial Audit of the Company for the financial year 2021-22.

The Secretarial Audit Report is annexed herewith as 'Annexure F1' and self-explanatory and does not call for any further comments.

In addition to the above, pursuant to Regulation 24A of the Listing Regulations, the Secretarial Audit Report of the material unlisted subsidiary of the Company viz., Cinnatollah Tea Limited forms part of this Report and are marked as 'Annexure -F2'.

c. Internal Auditor

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014, your Company has, on the recommendation of the Audit Committee re-appointed Messrs M Parasrampuriah & Co., Chartered Accountants to conduct Internal Audit of the Company for the financial year 2021-22.

18. Corporate Social Responsibility (CSR) Policy

The provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility are not applicable to the Company.

19. Investor Education and Protection Fund

The provisions pertaining to Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, are not applicable to your Company.

20. Energy Conservation, Technology absorption and Foreign Exchange Earnings & Outgo

The provisions of Section 134(3)(m) of the Companies Act, 2013 do not apply to your Company as it does not have any activity requiring conservation of energy or technology absorption. There was no foreign exchange inflow or outflow during the year under review.

21. Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013

The Company is committed to provide and promote a safe, healthy and congenial atmosphere irrespective of gender, caste, creed or social class of the employees. During the year under review, no complaint / case was filed pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

22. Particulars of Employees

During the year under review, there was no employee in the Company who was in receipt of remuneration as required to be disclosed under Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

23. Directors' Responsibility Statement

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

- a. that in the preparation of the annual financial statements for the year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies as mentioned in the Notes to the Financial Statements have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the profit of the Company for the year ended on that date;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual financial statements have been prepared on a going concern basis;

- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

24. CEO/CFO Certification

Mrs Urvi Mittal, Managing Director and Mr. Vikash Goyal, Chief Financial Officer have submitted certificates to the Board as contemplated under Regulation 17(8) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

25. Acknowledgement

Your Directors take this opportunity of recording their appreciation of the shareholders, financial institutions and bankers, for extending their support to the Company. The Board of Directors also convey its sincere appreciation of the commitment and dedication of the employees at all levels.

Place: Kolkata
Dated: May 12, 2022

For and on behalf of the Board
Nandini Nopany
Chairperson
DIN: 00051362

Annexure A

Management Discussion & Analysis

Economic Overview

While the global economy has rebounded quite well since the start of the Covid-19 pandemic, global economic prospects have worsened significantly since International Monetary Fund's last World Economic Outlook forecast in January 2022. The Covid-19 pandemic, the war in Ukraine and rising global inflation may severely set back the global recovery, slowing growth considerably.

Economic recoveries are diverging across countries and sectors, reflecting variation in pandemic-induced disruptions and the extent of policy support. India started seeing economic revival in Q3FY21 and FY22 is certainly a turnaround year. Countries have adapted to Covid and consequently economies have opened up. This is due to higher inoculation of populations with vaccines.

According to IMF's World Economic Outlook (Apr'22), the world economy is projected to grow by 3.6% each in 2022 and 2023 from a growth of 6.1% in 2021 and normalize in the range of 3.3%-3.4% over the medium term. India is the third largest economy on PPP basis as per World Bank and is projected to fare better than peers with an impressive estimated growth of 8.2% in 2022 and 6.9% in 2023.

GDP growth momentum is expected to gain traction with higher Government spending in infrastructure sector and expected revival in aggregate demand. India has always been a preferred economy within emerging markets when it comes to long-term investments by foreign investors. Indian economy will benefit from structural positives like i.e. transition to higher urbanization, higher discretionary spending, government push on transparency through digitization and government push for reforms in various sectors are expected to continue to drive GDP growth in medium to long term.

Industry Structure and Developments

There is positive prospect for rural demand in 2022 with the forecast of a normal monsoon and urban demand is expected to be sustained with pick-up in contact-intensive services and expected strengthening of private investment activity, which has positive implication for the domestic economy.

India is the second largest producer of tea globally, after China. India also accounts for nearly a fifth of the global consumption while almost 80% of its total output is consumed domestically. By type, Black Tea makes for the largest produce. In terms of processing, the market is mainly divided into CTC and Orthodox, with the former accounting for 90% of the production, and the latter 8.6%.

As per Tea Board reports, in the calendar period January to December 2021, Tea exports fell to 195.50 mkg in the 2021 calendar year from 209.72 mkg in 2020. The tea industry had sought a special financial package from the Centre for retaining the viability of plantation activity, which is now under threat.

Severe floods in Assam have given a major blow to the tea estates in the southern part of the state. As the road communication between the effected part and Brahmaputra Valley has been disrupted, tea estates have not been able to dispatch teas which is causing serious financial bottlenecks to the industry.

With the industry facing financial difficulties, it falls to the government to aid tea companies in acting swiftly and promptly to ensure that workers are able to live a safe and healthy life with dignity during this difficult period.

Currently there is a need to ensure flow of funds to the industry through the primary markets and hence certain rules need to be tweaked to make this easier. In response to current turmoil, RBI and the Government of India have come up with plethora of reforms such as reductions of repo rate, regulatory relaxation by extending moratorium and several measures to boost liquidity in the system howsoever the pandemic has impacted the basic premises of the corporate sector. Payments deferrals, subdued loan growth, rising cases of bad loans and sluggish business conditions have impaired the growth and the health of the economic activity. The recovery in 2021 was anticipated to be only partial as the level of economic activities projected to remain below the level it was projected for 2021, before the virus hit. Assuming the pandemic fades in the second half of 2021 and that policy actions taken around the world are effective in preventing widespread firm bankruptcies, extended job losses, and system-wide financial strains, global growth in 2022 was projected to rebound.

Opportunities and Threats

Your Company is an Investment Company that seeks opportunities in the capital market. The unpredictability in the stock indices in the financial year under report represents both an opportunity and challenge for the Company. There are external risks as well, such as a more profound slowdown of the global economy than anticipated. The impact of the pandemic on the corporate sector and investor confidence altogether will delay the pace of development for countries whose markets are at an earlier stage of development.

In the international market, Orthodox tea supplies from India directly compete with the low grown Orthodox tea in Sri Lanka, which accounts for 65% of the total production. Important common markets are CIS (mainly Russia), Iran and the UAE. With production in Sri Lanka likely to be impacted, Indian Orthodox players have bagged the opportunity to increase exports in the current year.

The exorbitant hike in the price of Natural Gas has resulted increase in the Cost of Production (CoP) of Made Tea by not less than Rs.6 to Rs.8 per kg. Gas is used as fuel in the withering and drying of Tea leaves during processing. Tea planters pleaded to the Union Government to bring natural gas under the ambit of GST.

While FY2021 proved to be one of the best years in recent times for the bulk tea industry, sustainability of the same appears unlikely in FY22, according to a joint report titled "Tea Industry at the crossroads" released by ASSOCHAM East and ICRA. As labour wage has been increased effective end-February 2021, production returning to largely normal levels has led to pressure on prices. Consequently, the industry is likely to face another challenging year in FY22. Hence, for the long term sustainability of the industry, tea prices must consistently remain materially higher than the cost of production.

Further, Russia's invasion of Ukraine in February 2022 has fundamentally changed the geopolitical landscape, resulting in economic consequences. Inflation has reached at a higher level across geographies. Indian equities emerged as the best-performing market among not only its regional peers in Asia in 2021, but it also beat the developed market even though the market has witnessed some correction in the last month. The year 2021 was a dream run with stock prices touching record highs and initial public offerings witnessing highest mop up ever.

Going forward, favourable demographic dividend, formalisation of the economy, growing financial inclusion, greater disposable income and investable surplus, increasing financial savings, higher investor awareness, investor friendly regulations, wide range of transparent and investor-friendly products, ease of investing, tax incentives, expanding distribution coverage and digitalization are expected to be key drivers for the growth of the investment industry.

The management intends to optimize the deployment of fund and capital across the core business of the Company and its subsidiary that will enable the Company to create ongoing incremental value and sustainable business growth

Performance

The Company operates in single segment which is to invest, deal etc. in securities. The businesses of the Company are carried out by its wholly-owned subsidiary Cinnatolliah Tea Limited is engaged in the Tea Business. Uttar Pradesh Trading Company Limited, a wholly owned subsidiary and a Non-Banking Financial Company registered with RBI and primarily engaged in investment activities has merged into the Company with effect from October 01, 2021 pursuant to the Order of the Hon'ble National Company Law Tribunal, Allahabad Bench

Apart from its operations in investment in securities, the Company also continues to be engaged in business of Tea Manufacturing and processing through its subsidiary company i.e Cinnatolliah Tea Limited. There has been no change during the year under review in the nature of business pursued by the Company.

We also believe that the post pandemic world will see a greater emphasis on food safety, healthy intake and larger sustainability focus. With these values at the core of our business structure, we would be well positioned to serve the trend.

The performance has resulted in a profit after tax of Rs 690.38 lakhs. During the year under review, the Company's income from investments in the form of dividend and income in the form of Rent was aggregating to Rs 790.77 lakhs. Neither any revenue has been earned in foreign exchange nor was there any outgo of foreign exchange during the year in the Company.

The Disclosure as stipulated under Regulation 34(3) read with Schedule V Clause B of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are as follows:

- a) The Debtors Turnover Ratio, Inventory Turnover Ratio are Interest Coverage Ratio as on 31st March, 2022 are Nil, Nil and 48.14 respectively.
- b) The Current Ratio as on 31st March, 2022 is 114.89 as compared to 17.65 in the previous financial year.
- c) The Net Profit Margin for the current financial year is 74.32% compared to 87.28% in the previous financial year. In addition to above, there was change in return on Net Worth to the tune of 1.14% as compared to 7.25% in the immediately previous financial year.

Outlook

Given the global slowdown in the wake of volatility induced by prolonged geo-political tensions, higher commodity prices, pace of monetary policy normalisation in advanced economies and resurfacing of COVID infections in some major countries, the growth outlook is subdued for the near term.

The economic growth momentum of the country is largely dependent on ongoing global events that pose downside risk to growth.

India is currently the third-largest middle-class market, after China and the United States and is expected to be the largest in another decade. There are many macro indicators painting positive picture for economic recovery in 2022 and these include prospects of a new investment cycle, continued momentum of investment in new-age companies and successful listings and an earnings growth outlook for FY 2022 and 2023.

The Indian tea market is expected to exhibit a CAGR of 4.5% in the period between 2022 and 2027. India is among the largest producers and consumers of tea globally. The increasing consumer preference for premium and packaged tea brands is accelerating market growth. Growing consumer awareness regarding the health and medicinal benefits of organic and Green Tea variants are also contributing to market growth. Over the recent years, the out-of-home market for tea has been expanding as various tea lounges have mushroomed across the globe. Proliferating online retail channels are anticipated to drive market growth, with 5.9% CAGR over the forecast period. The popularity of online apps, coupled with the availability of discounts, and easy product delivery has benefited the market's supply chain. This factor is expected to bode well for the growth of the segment over the forecast period.

The demand for tea in the Middle East and Africa (MEA) is expected to proliferate. Countries such as Turkey and Iran are some of the leading consumers globally. Good liquoring CTC teas will continue to rule the market. South Indian Orthodox is set to remain bullish for well-made teas.

Risks and Concerns

Your Company follows a risk management process for identification, categorization and prioritization of various risks like operational, financial, legal and other business risks. The Chief Financial Officer aided by the Internal Auditor reviews the effectiveness of the process at regular intervals and reports the same to the Audit Committee and the Board.

As per Risk Management framework and procedures, management treat various category of risks and take appropriate actions for its mitigation. Company has the process of communication, consultation, monitoring and periodical review of the risks and effectiveness of the mitigation plan. The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The Company is mainly exposed to market risks in the form of reduction in value of its investment and fall in return due to dip in the investee company's performance. Delay in repayment by the borrower companies can affect liquidity and redeployment scope. The Company is also exposed to fluctuation of economy and industry cycle.

The Audit Committee periodically reviews the efficacy of Internal Financial Control Systems and risk mitigation process.

Internal Control Systems and their adequacy

The Company's internal audit is conducted as per the Annual Audit Plan approved by the Audit Committee.

It lays emphasis to check on process controls, measures undertaken by the Company to monitor risk and to check for leakages or frauds.

Further, Statutory Auditors verified the systems and processes and confirmed that the Internal Financial Controls system over financial reporting are adequate and such controls are operating effectively.

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Audit Committee periodically reviews the efficacy of Internal Financial Control Systems and risk mitigation process. Your Board believes that appropriate procedures, controls and monitoring assessment procedures are in place and considered adequate.

The Company has an adequate system of internal control implemented by the management towards achieving efficiency in operations, optimum utilization of resources and effective monitoring thereof and compliance with applicable laws. The Internal Auditors were suggested with audit plan based on the risk profile of business activities of the organization, which were approved by the Audit Committee. The adequacy of the internal control system is reviewed by the Audit Committee of the Board of Directors. The efficacy of the internal checks and control systems are verified by the Internal Auditors as well as the Statutory Auditors. The Audit Committee reviews the internal audit plan, adequacy and effectiveness of the internal control system, significant audit observations and monitors the sustainability of remedial measures.

Your Board believes that appropriate procedures, controls and monitoring assessment procedures are in place and considered adequate.

Human Resources

In keeping with our employee-first approach, we have steadily instituted measures to assure ourselves of the well-being of all our employees. The Company is into a continuous process of providing a safe work environment for our employees and stakeholders. Steps have been taken to inculcate a performance-oriented culture by focusing and laying more emphasis on the performance management system. It has been Company's endeavour to attract talent from the most reputed institutions to meet the requirements of various functions. The Company will strengthen its operative staffs as and when need arises.

While the nation is fighting hard against Covid and the health risks, the economic packages and the measures in pipeline to revive the economy and the most affected sectors are hopes that we thrive on to crawl out of this major crisis that we are all in.

Cautionary Statement

Statements in this Management Discussion and Analysis describing the Company's outlook, objectives, projections, estimates and expectations may be 'forward looking statement' within the meaning of applicable laws or regulations. Actual results may differ from those expressed or implied. Important factors that could make a difference to the Company's operations include changes in Government regulations and tax-regime, economic developments within India and abroad, financial markets, etc. The Company assumes no responsibility in respect of forward-looking statements that may be revised or modified in future on the basis of subsequent developments, information or events. The financial statements are prepared under historical cost convention, on accrual basis of accounting, and in accordance with the provisions of the Companies Act, 2013 (the Act) and comply with the Accounting Standards notified under Section 133 of the Act read with the Indian Accounting Standards Rules, 2015. The management has used estimates and judgments relating to the financial statements on a prudent and reasonable basis, in order that the financial statements reflect in a true and fair manner, the state of affairs and profit/loss for the year. This report should be read in conjunction with the financial statements included herein and the notes thereto.

Annexure B

Form AOC-1

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

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

Part "A" – Subsidiaries

Rs. in lakhs

Sl. No.	1
Name of the subsidiary	Cinnatollah Tea Limited
Reporting period for the subsidiary concerned	March 31, 2022
Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Indian Rupee
Share capital	2,617.54
Reserves & surplus	1,809.28
Total assets	4,981.78
Total Liabilities	554.96
Investments	1,027.50
Turnover	2,622.47
Profit before taxation	307.61
Provision for taxation	67.61
Profit after taxation	240.00
Proposed Dividend	130.88
% of shareholding	100

Part "B": Associates and Joint Ventures

The Company has no associates or joint ventures

Urvi Mittal

Managing Director

DIN: 02780842

Vikash Goyal

Chief Financial Officer

Brij Mohan Agarwal

Director

DIN: 03101758

Vijaya Agarwala

Company Secretary

Place: Kolkata

Date: May 12, 2022

Annexure C

Report on Corporate Governance

1. Company's Philosophy on Corporate Governance

Ganges Securities Limited (GSL), a part of K K Birla Group of Companies, firmly believes that Corporate Governance helps to serve corporate purposes by providing a framework within which stakeholders can pursue the objective of the organization most effectively and efficiently. Corporate Governance in fact denotes acceptance by the management of the inalienable rights of the shareholders as true owners of the organization and of their own role as trustees on behalf of the shareholders.

Corporate Governance is not a destination but a journey for constantly improving sustainable value creation along with legal compliance, which GSL firmly believes in. Every effort is made to follow best practices in all the functional areas and in discharging the Company's responsibilities towards all stakeholders and the community at large. The corporate governance structure in the Company ensures that its Board of Directors is well informed and well equipped to fulfill its overall responsibility by way of providing strategic direction to the senior management, employees, etc. which is the backbone of the ability to meet the aspirations of all stakeholders.

GSL is also in compliance with the mandatory requirements of the guidelines on Corporate Governance stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations'). In addition to complying with the statutory requirements, effective governance systems and practices towards improving transparency, disclosures, internal controls and promotion of ethics at work place have been institutionalized.

2. Board of Directors

- i) During the year, the Company had in all 6 Directors with considerable professional experience in divergent areas connected with corporate functioning. Of the 6 directors, 3 (50%) are Independent Directors. The composition of the Board is in conformity with the Listing Regulations. The Board is headed by the Non-Executive Chairperson Mrs. Nandini Nopany. The composition of Board of Directors is balanced in terms of specialisation in one or more areas. The Board Diversity Policy of the Company is displayed on its website at <http://www.birla-sugar.com/Assets/Ganges/BOARD-DIVERSITY-POLICY.pdf>
- ii) Mr Santosh Kumar Poddar has relinquished his office as Director of the Company with effect from February 10, 2022.
- iii) Mr Brij Mohan Agarwal has been appointed as Director of the Company with effect from February 10, 2022.
- iv) Mrs Nandini Nopany (DIN: 00051362), Director is retiring by rotation at the forthcoming AGM scheduled to be held on Monday, July 18, 2022 and being eligible offers herself for re-appointment. The brief resume and other requisite details of the Director proposed to be appointed/re-appointed forms part of the notice of ensuing AGM.
- v) Mr Dhiraj Ramakant Banka and Mr Arun Kumar Newar, have been reappointed as Independent Directors of the Company with effect from March 14, 2022 and March 30, 2022 respectively through approval of shareholders vide Postal Ballot;
- vi) The shareholders of the Company have approved the continuation of directorship of Mrs Nandini Nopany and Mr Arun Kumar Newar pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 Companies Act, 2013 through a Special Resolution passed by Postal Ballot;
- vii) The Independent Directors take part in the proceedings of the Board and Committee meetings which enables qualitative decision-making. They receive sitting fees for attending the meetings and do not have any other material pecuniary relationship or transaction with the Company, its promoters, its directors, management, subsidiaries or associates;
- viii) The Company has received declaration from each of the Independent Directors of the Company confirming that he/ she meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013, rules framed thereunder and the Listing Regulations. It is confirmed that in the opinion of the Board of Directors, the Independent Directors of the Company fulfill the conditions specified in the Listing Regulations and are independent of the management of the Company.
- ix) As per the disclosure received by the Company from the Directors, none of them is member in more than ten committees, nor Chairman of more than five committees across all companies in which they are Directors, in compliance with Regulation 26 of the Listing Regulations as well as none has been debarred or disqualified from being appointed or continuing as director by SEBI/MCA or any other statutory authority. The Directors intimate the Company about the committee positions they occupy in other companies and also notify changes from time to time.
- x) Independent Directors do not serve in more than 7 listed companies.
- xi) No Director is related to any other Director on the Board in terms of the definition of 'relative' given under the Companies Act, 2013.
- xii) The Board looks at strategic planning and policy formulation. The Board meets at least once in every quarter to review the Company's operations and the maximum time gap between any two meetings is not more than 120 (One Hundred Twenty) days.

- xiii) The Managing Director is responsible for corporate strategy, planning, external contacts and board matters.
- xiv) The Independent Directors (IDs) met on November 12, 2021 without the presence of the Chairperson, Managing Director, the Non- Executive Non-Independent Directors and the Management Team. The meeting was attended by all the Independent Directors and enabled them to discuss various matters pertaining to the Company's affairs and thereafter put forth their combined views to the Board. The IDs reviewed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.
- xv) The Board has identified the following key skills/expertise/competencies fundamental for the effective functioning of the Company which are currently available with the Board along with the specific area of expertise of individual Board member:

Skill	Description	Director					
		Nandini Nopany	Urvi Mittal	Chhedi Lal Agarwal	Arun Kumar Newar	Dhiraj Ramakant Banka	Brij Mohan Agarwal
Business	Understanding of Company's business dynamics across various geographical markets, industry verticals and regulatory	✓	✓	✓	✓	✓	✓
Strategy and Planning	Ability to think strategically, identify and critically assess strategic opportunities and threats and develop effective strategies in the context of strategic objectives of the Company's policies and priorities	✓	✓	✓	✓	✓	✓
Governance	Experience in developing governance practices, serving the best interest of all stakeholders, protecting shareholder interest, maintaining board and management accountability and driving corporate ethics and values.	✓	✓	✓	✓	✓	✓

Familiarisation Programme

In terms of Regulation 25(7) of the Listing Regulations, the Company is required to conduct Familiarisation Programme for Independent Directors (IDs) to familiarise them about the Company including nature of industry in which the Company operates, business model of the Company, roles, rights and responsibilities of IDs and any other relevant information. One such specific familiarisation programme was conducted. As a part of the programme, presentation was made to the Independent Directors giving a brief overview of roles, responsibilities and liabilities of Independent Directors under Corporate Governance norms with focus on constitution of various Committees under the Companies Act, 2013.

Significant statutory updates are circulated as a part of the agenda of the Board Meetings through which Directors are made aware of the significant new developments and highlights from various regulatory authorities viz. Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA), other statutory authority etc.

The Board has open channels of communication with executive management which allows free flow of communication among Directors in terms of raising query, seeking clarifications and other related information. Directors are also informed of the various developments in the Company.

The details of the familiarisation programme (other than through meeting of Board and its Committees) imparted to Independent Director are uploaded on the website of the Company and available at the weblink- http://www.birla-sugar.com/Assets/Ganges/Familiarisation_Programme_for_Independent_Director_-_Ganges_Securities_Limited.pdf

Performance Evaluation

The Company has in place a policy on Performance Evaluation wherein it had laid down criteria for Performance Evaluation of the Board (including Committees) and every Director (including Independent Directors and Chairperson) pursuant to provisions of Section 134, Section 149 read with Code of Independent Directors (Schedule IV) and Section 178 of the Companies Act, 2013 and Regulation 19(4) read with Part D of Schedule II of the Listing Regulations covering inter-alia the following parameters namely:

- i. For Board Evaluation - degree of fulfillment of key responsibilities, Board culture and dynamics.
- ii. Board Committee Evaluation - effectiveness of meetings, Committee dynamics.
- iii. Individual Director Evaluation (including IDs) - contribution at Board Meetings.

Further, the Chairperson was evaluated on key aspects of her role which includes inter-alia effective leadership to the Board and adequate guidance to the Managing Director.

During the year under review, the Board carried out annual evaluation of its own performance as well as evaluation of the working of various Board Committees viz., Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee. This exercise was carried out through a structured questionnaire prepared separately for Individual Board Member and Board Committees based on the criteria as per Performance Evaluation Policy and in context of the Guidance note dated January 05, 2017 issued by SEBI.

Based on these criteria, the performance of the Board, various Board Committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, and Individual Directors (including Independent Directors) was evaluated and found to be satisfactory.

During the year under review, the Independent Directors of the Company reviewed the performance of Non-Independent Directors, the Board as a whole and of the Chairperson of the Company, taking into account the views of Executive Director and Non-Executive Directors.

Further, the Independent Directors hold unanimous opinion that the Non-Independent Directors including the Chairperson bring to the Board, abundant knowledge in their respective field and are experts in their areas. Besides, they are insightful, convincing, astute, with a keen sense of observation, mature and have a deep knowledge of the Company.

The Board as a whole is an integrated, balanced and cohesive unit where diverse views are expressed and dialogued when required, with each Director bringing professional domain knowledge to the table. All Directors are participative, interactive and communicative.

The Chairperson has abundant knowledge, experience, skills and understanding of the Board's functioning, possesses a mind for detail, is meticulous to the core and conducts the Meetings with poise and maturity.

The Company's policy on Performance Evaluation is available on its website at <http://www.birla-sugar.com/Assets/Ganges/POLICY-ON-PERFORMANCE-EVALUATION.pdf>

Board meetings

The meetings of the Board of Directors are scheduled in advance. The Company Secretary prepares the agenda for the meetings in consultation with the Chairperson/Managing Director as the case may be and other concerned persons in the senior management. The detailed agenda and other relevant notes are circulated to the Directors well in advance. All material back up information is incorporated in the Agenda papers for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the Agenda, the same is placed on the table at the meeting with specific reference to this effect in the Agenda.

During the period under review eight Board Meetings were held on April 01, 2021, May 11, 2021, August 09, 2021, September 20, 2021, November 12, 2021, January 18, 2022, February 10, 2022 and March 28, 2022 respectively.

Details of Board meetings attended by Directors, attendance at the last Annual General Meeting, number of other Directorships / Committee membership (viz. only Audit Committee and Stakeholders Relationship Committee are considered as per Clause 26(2) of the Listing Regulations held by them during the year 2021-22 are tabulated below:

Name of the Director	Category of the Director	No. of Board meetings attended	Attendance at last AGM	No. of Directorships in other Public companies	No. of Chairmanship/ Membership of Board Committees in other Companies%		Names of the Listed Companies and Category of Directorship		No. of Equity Shares held
					Chairman	Member	Name of the Company	Category	
Mrs. Nandini Nopany (DIN – 00051362)	P/C/NED	8	Yes	6	-	-	Avadh Sugar & Energy Ltd.	NED	2,37,588*
Mr. Chhedi Lal Agarwal (DIN: 07778603)	I/NED	8	Yes	5	2	2	Palash Securities Limited	ID	NIL
Mr. Arun Kumar Newar (DIN- 07778968)	I/NED	8	Yes	2	2	4	Palash Securities Ltd.	ID	NIL
Mr. Dhiraj Ramakant Banka (DIN – 07642329)	I/NED	3	Yes	-	-	-	-	-	NIL
Mrs. Urvi Mittal (DIN-02780842)	P/ MD	7	No	2	-	-	-	-	11775
Mr. Santosh Kumar Poddar [#] (DIN – 0055786)	NED	7	Yes	9	1	7	-	-	476
Mr Brij Mohan Agarwal ^{\$} (DIN- 03101758)	NED	1	NA	8	-	7	SIL Investments Limited	NED	NIL

C – Chairperson; CO – Co-Chairperson

I – Independent

NED - Non-executive Director

MD – Managing Director

P – Promoter

% Membership includes Chairmanship

* includes 37,570 equity shares held as the trustee of Chandra Shekhar Charity Trust

upto February 10, 2022;

\$ appointed with effect from February 10, 2022.

Note: The number of directorships held by the Directors does not include Private Limited Companies, Foreign Companies and Companies incorporated under Section 8 of the Companies Act, 2013.

3. COMMITTEES OF THE BOARD

With a view to have a more focused attention on business and for better governance and accountability, the Board has constituted the following mandatory committees viz. Audit Committee, Stakeholders' Relationship Committee and Nomination and Remuneration Committee. The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time. The Minutes of the Committee Meetings are sent to all Directors individually and tabled at the Board Meetings.

Audit Committee

i) Overall purpose/objective

The Audit Committee has been constituted in line with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of the Listing Regulations (as amended from time to time) by the Board of Directors, initially at its meeting held on March 14, 2017.

The purpose of the Audit Committee is to assist the Board of Directors ("the Board") in reviewing the financial information which will be provided to the shareholders and others, reviewing the systems of internal controls established in the Company, appointing, retaining and reviewing the performance of independent accountants/internal auditors and overseeing the Company's accounting and financial reporting processes and the audit of the Company's financial statements.

ii) Terms of Reference

The Terms of Reference of this Committee includes oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible, recommending appointment, remuneration and terms of appointment of auditors, reviewing/ examining quarterly and annual financial statements and auditor's report thereon before submission to the Board for approval, evaluate Company's internal financial controls and risk management systems, reviewing performance of statutory and internal auditors and adequacy of internal control systems, reviewing the functioning of the Whistle Blower Mechanism and other matters specified for Audit Committee in Section 177 of the Companies Act, 2013, Companies (Meetings of Board and its Powers) Rules, 2014 and the Listing Regulations.

Mr. Arun Kumar Newar, Chairman of the Audit Committee attended the Annual General Meeting of the Company to provide clarifications and answer queries, if any.

The Company's system of internal controls covering financial and operational activities, compliances etc. are reviewed by the Internal Auditors and presentations are made to the Audit Committee on the findings of such reviews. Further, in compliance with Section 177(4)(vii) of the Companies Act, 2013 the Audit Committee maintains and evaluates the effectiveness of internal control systems of the Company pertaining to financial reporting, compliance with Accounting Standards, and looks after overall financial activities under applicable laws and regulations governing the Company.

iii) Composition and Meetings

All the Members of the Audit Committee are financially literate and have accounting or related financial management expertise. The Chief Financial Officer ('CFO') is a permanent invitee to the meetings of the Audit Committee and the Company Secretary acts as the Secretary to the Audit Committee. The Statutory Auditors as well as Internal Auditors of the Company are invited to attend the Audit Committee meetings. The Committee also invites senior executives, as it considers appropriate, to be present at the meetings of the Committee.

6 (Six) meetings of the Audit Committee were held during the year 2021-22 April 01, 2021, May 11, 2021, August 09, 2021, November 12, 2021, February 10, 2022, and March 28, 2022 respectively.

The constitution of the Audit Committee and attendance details during the year are given below:

Name of the Member	Status	Category	No of meetings attended
Mr Arun Kumar Newar	Chairman	Independent Director	6
Mr Dhiraj Ramakant Banka	Member	Independent Director	3
Mr Chhedi Lal Agarwal	Member	Independent Director	6
Mr Santosh Kumar Poddar (upto February 10, 2022)	Member	Non-Executive Director	5
Mr Brij Mohan Agarwal (with effect from February 10, 2022)	Member	Non-Executive Director	1

The Company Secretary acts as Secretary to the Committee.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee is constituted in line with the provisions of Regulation 20 of the Listing Regulations read with Section 178 of the Companies Act, 2013.

Terms of Reference:

The Stakeholders Relationship Committee oversees the redressal of complaints/grievances of investors such as transfer, credit of shares to demat accounts, non-receipt of dividend/annual reports, approval of physical shares above 1000 shares, taking note of shares transferred in course of a quarter, status of dematerialized shares as on the end of each quarter, stock of blank stationery of share certificates as on the end of each quarter, shareholding pattern of the Company as on the end of each quarter and detail of investors' grievances pending as on the end of each quarter among others. It also approves allotment of shares and matters incidental thereto including listing thereof. It also deals with matters relating to Company's Code of Conduct for Prohibition of Insider Trading framed in line with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and related matters. The Stakeholders Relationship Committee meets at regular intervals to take note of share transfer and other matters.

iv) Composition & Meetings:

The composition of the Stakeholders' Relationship Committee as on 31st March, 2022 is as follows:

- a) Mr Arun Kumar Newar - Chairman
- b) Mr Chhedi Lal Agarwal
- c) Mr Santosh Kumar Poddar (upto February 10, 2022)
- d) Mr Brij Mohan Agarwal (with effect from February 10, 2022)

During the period under review the Committee met four times on May 11, 2021, August 09, 2021, November 12, 2021 and February 10, 2022 respectively.

The constitution of the Stakeholders' Relationship Committee and attendance details during the year are given below:

Name of the Member	Status	Category	No of meetings attended
Mr Arun Kumar Newar	Chairman	Independent Director	4
Mr Chhedi Lal Aagrwal	Member	Independent Director	4
Mr Santosh Kumar Poddar (upto February 10, 2022)	Member	Non-Executive Director	4
Mr Brij Mohan Agarwal (with effect from February 10, 2022)	Member	Non-Executive Director	-

The Board of Directors have authorised the Secretary to approve transfers/ transmissions of shares in physical form upto 999 shares. The transfers/ transmissions approved by the Secretary are periodically placed before the Committee.

The Company has in place a comprehensive Investor Grievance Redressal system thereby the standards of shareholders' service & grievance redressal procedure and mechanism to be adhered to by the Registrar and Share Transfer Agents as well as by the Company. The shareholders can write to the Company at 'gangessecurities@birlasugar.org' on a day to day basis.

During the financial year ended March 31, 2022, the Company did not receive any complaints from the equity shareholders.

Further, pursuant to Regulation 13(3) read with Regulation 13(4) of the Listing Regulations, Statements of investor complaints as received from the Registrar & Share Transfer Agents, Link Intime India Private Limited, were filed with the Stock Exchanges on a quarterly basis and the said Statements were also placed before the Board of Directors for information and noting.

It has been a constant endeavour of the Company to send regular communications to the shareholders keeping them abreast of all the latest events, press releases and corporate announcements as and when the same are made by the Company from time to time.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Company was constituted in line with the provisions of Regulation 19 of the Listing Regulations read with Section 178 of the Companies Act, 2013.

The Committee evaluates the composition and organization of the Board and its Committees in light of requirements established by any regulatory body or any other applicable statutes, rules and regulations which the Committee deems relevant, makes recommendations to the Board of Directors in respect to the appointment, re-appointment and resignation of Independent, Executive and Non-Executive Directors of the Company, identifies the persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommends to the Board their appointment and removal and other matters specified for Nomination and Remuneration Committee in Section 178 of the Companies Act, 2013, Companies (Meetings of Board and its Powers) Rules, 2014 and under the Listing Regulations.

i) Terms of Reference:

The broad terms of reference of the Nomination & Remuneration Committee, inter-alia includes the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to 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.

ii) Composition and Meetings:

The Committee, comprises of the following Directors:

- a) Mr Dhiraj Ramakant Banka - Chairman
- b) Mr Chhedi Lal Agarwal
- c) Mr Arun Kumar Newar

During the period under review the Committee met thrice viz., April 01, 2021, May 11, 2021 and February 10, 2022.

The constitution of the Nomination and Remuneration Committee and attendance details during the year are given below:

Name of the Member	Status	Category	No of meetings attended
Mr Dhiraj Ramakant Banka	Chairman	Independent Director	2
Mr Chhedi Lal Agarwal	Member	Independent Director	3
Mr Arun Kumar Newar	Member	Independent Director	3

iii) Remuneration Policy:

The Board of Directors of the Company had at its meeting held on 30th March, 2017 adopted the Remuneration Policy as recommended by the Nomination and Remuneration Committee of the Company The Remuneration policy is available on Company's website at http://www.birla-sugar.com/Assets/Ganges/Remuneration-Policy_Ganges.pdf

iv) Remuneration of Directors

Detail of remuneration paid to the Directors for the financial year 2021-22:

Sl. No.	Name of the Director	Amount (₹)
1	Mrs. Nandini Nopany	40,000
2	Mr. Chhedi Lal Agarwal	72,500
3	Mr. Santosh Kumar Poddar	50,000
4	Mr. Arun Kumar Newar	72,500
5	Mr. Dhiraj Ramakant Banka	27,500
6	Mrs. Urvi Mittal*	67,50,000
7	Mr Brij Mohan Agarwal	7,500

There was no other pecuniary relationship or transaction with the non-executive directors.

* Mrs. Urvi Mittal's remuneration package includes salary, reimbursement of medical expenses, leave travel concession, car with driver and telephone etc.

4. Subsidiary Companies

As on 31st March, 2022 the Company has one subsidiary viz. Cinnatollah Tea Limited. The Board of Directors has formulated a Policy for determining material subsidiaries in its meeting, which was updated as per prevailing norms and such updated Policy has been disclosed on the company website at <http://birla-sugar.com/Assets/Ganges/Ganges-Securities-Policy-for-Determining-Material-Subsidiaries.pdf>

5. Related Party Transactions

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the Listing Regulations during the financial year were in the ordinary course of business and on an arms' length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. Again, 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 Standards (AS) has been made in the notes to the Financial Statements. The Board has approved a policy for related party transactions, which has been updated as per prevailing norms and such updated Policy has been disclosed on the company website at <http://www.birla-sugar.com/Assets/Ganges/Ganges-Securities-Related-Party-Transaction-Policy.pdf>

6. Vigil Mechanism / Whistle Blower Policy

In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the respected companies in India, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility and accordingly has formulated Whistle Blower Policy to deal with instances of fraud and mismanagement, if any and which has been amended from time to time with prevailing norms. The Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

7. Policy against Sexual Harassment of Women at Workplace

The Company is committed to provide and promote a safe, healthy and congenial atmosphere irrespective of gender, caste, creed or social class of the employees. The Company in its endeavour to provide a safe and healthy work environment for all its employees has developed a policy to ensure zero tolerance towards verbal, physical, psychological conduct of a sexual nature by any employee or stakeholder that directly or indirectly harasses, disrupts or interferes with another's work performance or creates an intimidating, offensive or hostile environment such that each employee can realize his / her maximum potential. As per the Policy, any employee may report his/ her complaint to the Committee formed for this purpose. The Company affirms that during the year under review adequate access was provided to any complainant who wished to register a complaint under the Policy.

During the financial year 2021-22, the Company has not received any complaint on sexual harassment from any of the women employees of the Company, neither there were any pending complaints which were to be disposed off nor there were any complaints pending as on the end of the FY 2021-22.

8. General Body Meetings

(i) The last three Annual General Meetings of the Company were held as under:

Financial Year	Date	Time	Location
2020-21	26.08.2021	11.00 a.m	Through Video Conferencing ("VC") / Other Audio Visual Means "OAVM" and deemed venue: Registered Office of the Company P.O. Hargaon, Dist. Sitapur Uttar Pradesh - 261 121
2019-20	23.09.2020	11.00 a.m	
2018-19	03.09.2019	10.00 a.m.	Registered Office: P.O. Hargaon, Dist. Sitapur Uttar Pradesh - 261 121

The last Annual General Meeting was held on August 26, 2021, was chaired by Mrs Nandini Nopany.

(ii) The following Special Resolution were passed at the previous three Annual General Meetings:

- Appointment of Mrs Urvi Mittal as the Managing Director of the Company.
- Re-appointment of Mr Santosh Kumar Poddar as the Managing Director of the Company.
- Redemption of preference shares of the Company pursuant to Section 55(3) of the Companies Act, 2013.

At the forthcoming Annual General Meeting, there are no special resolutions for which the Listing Regulations or the Act has recommended / mandated postal ballot.

9. Postal ballot

During the year under review, the Company had sought Shareholders' approval by way of special/ordinary resolutions through postal ballot as per details given below:

Resolution	Date of Postal Ballot Notice	Date of Announcement of Result	Total No of Valid votes	No. of Votes with Assent for the Resolution	No. of Votes with Dissent for the Resolution
Special Resolution for re-appointment of Mr. Dhiraj Ramakant Banka (DIN: 07642329) as an Independent Director	10.02.2022	13.03.2022	7155483	7052519 (98.56%)	102964 (1.44%)
Special Resolution for re-appointment of Mr. Arun Kumar Newar (DIN: 07778968) as an Independent Director and continuation of his directorship	10.02.2022	13.03.2022	7155473	7052484 (98.56%)	102989 (1.44%)
Ordinary Resolution for appointment of Mr. Brij Mohan Agarwal (DIN: 03102758) as a Non-Executive Director	10.02.2022	13.03.2022	7155423	7052459 (98.56%)	102964 (1.44%)
Special Resolution for continuation of Mrs Nandini Nopany (DIN: 00051362) as Non-Executive Director.	10.02.2022	13.03.2022	6887857	6784893 (98.51%)	102964 (1.49%)

The details of the postal ballots are available on the website, at <http://www.birla-sugar.com/Our-Companies/About-Us-GANGES-SECURITIES-LIMITED investors/shareholder-services/postal-ballot.html>.

Mr. Mohan Ram Goenka, Practising Company Secretary, was appointed as scrutinizer for conducting the postal ballot exercise for the aforesaid matters.

There is no immediate proposal for passing a resolution through postal ballot. In case a resolution is proposed to be passed through postal ballot, the procedure of postal ballot and other requisite details shall be provided in the postal ballot notice.

10. Means of Communication

- i) The unaudited quarterly / half yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within two months from the close of the financial year as per the requirements of the Listing Regulations with the Stock Exchanges. The aforesaid financial results are sent to BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE) where the Company's securities are listed, immediately after these are approved by the Board and also published in 'Business Standard', in English in Lucknow and 'Business Standard' in Hindi in Lucknow edition.
- ii) The quarterly results, shareholding pattern, corporate governance reports, intimation of Board meetings, etc. are filed with the stock exchanges through NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre.
- iii) The Annual Report of the Company, the quarterly/half yearly and annual financial results are simultaneously posted on the Company's website www.birla-sugar.com and can be downloaded.
- iv) Email id earmarked for redressing Investor queries is gangessec@birla-sugar.com.

11. General Shareholders' Information

i) 8th Annual General Meeting

- Day : Monday
 Date : July 18, 2022
 Time : 11:00 A.M
 Venue : 8th AGM will be held through video conferencing (VC) or Other Audio Visual Means (OAVM) and deemed venue shall be Registered Office of the Company at P.O.- Hargaon, District Sitapur, Uttar Pradesh – 261 121.

ii) Tentative Financial Calendar for the year 2022-23 Approval of Audited Annual Results (2022-23)

First Quarter Results	On or before 14th August, 2022
Second Quarter Results	On or before 14th November, 2022
Third Quarter Results	On or before 14th January, 2023
Audited Annual Results (2021-22)	On or before 30th May, 2023

iii) Book Closure

The Register of Members and Share Transfer Books of the Company will remain closed from the Tuesday, July 12, 2022 to Monday, July 18, 2022(both days inclusive).

iv) Dividend Payment Date

The Board of Directors has recommended payment of dividend on unlisted 8.5% Non-Convertible Cumulative Redeemable Preference Shares ('NCCRPS') of the Company.

v) Listing on Stock Exchanges and Stock Codes

The names of the Stock Exchanges at which the Equity Shares of the Company are listed and the respective stock codes are as under:

Name and Address of the Stock Exchanges	Stock Code/ Scrip Code	ISIN Number for NSDL/CDSL (Dematerialised Shares)
BSE Ltd. (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001	540647	INE335W01016
National Stock Exchange of India Ltd. (NSE) Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai 400051	GANGESSECU	

vi) Transfer of shares in Unclaimed Suspense Account

Pursuant to Regulation 39 of the Listing Regulations, the Company has issued three reminders for the unclaimed equity shares which were issued in physical form. The Company has transferred to the 'Unclaimed Suspense Account' the unclaimed equity shares which were issued in physical form from time to time. The details of such unclaimed shares are as under:

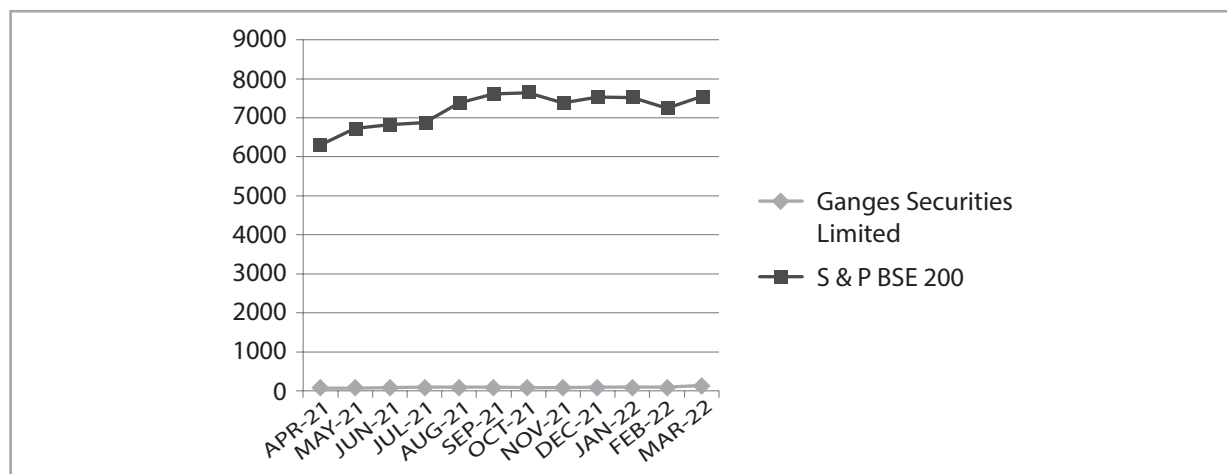
Particulars	No. of Shareholders	No. of Shares
Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense Account lying as on April 1, 2021	192	42171
Number of shareholders who approached Company for transfer of shares from Unclaimed Suspense Account during the financial year 2021-22	-	-
Number of shareholders to whom shares were transferred from Unclaimed Suspense Account during the financial year 2021-22	-	-
Aggregate Number of shareholders and outstanding shares in the Unclaimed Suspense Account lying as on March 31, 2022*	192	42171

*The voting rights on the shares outstanding in the Unclaimed Suspense Account shall remain frozen till the rightful owner of such shares claims the shares.

vii) Market Price data

The Equity Shares of the Company were listed and traded with effect from July 28, 2017. Monthly high/low of market price of the Company's Equity Shares traded on BSE Ltd. and National Stock Exchange of India Ltd. during the last financial year was as follows:

Month	BSE Ltd.		National Stock Exchange of India Ltd.	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April, 2021	67.50	56.00	64.00	51.30
May, 2021	83.00	61.25	82.10	62.70
June, 2021	96.00	63.30	95.90	68.00
July, 2021	102.70	79.00	101.95	78.35
August, 2021	97.45	73.65	98.00	73.35
September, 2021	105.00	85.60	95.00	84.60
October, 2021	98.70	81.40	96.00	81.30
November, 2021	92.05	80.05	94.10	87.25
December, 2021	97.75	75.30	99.90	77.20
January, 2022	97.50	80.15	97.00	83.45
February, 2022	119.30	88.10	119.15	88.10
March, 2022	142.25	99.65	143.50	93.35

viii) Performance of Company's Equity Shares in comparison to BSE and S&P BSE 200

ix) Registrar & Share Transfer Agent

The Company has appointed Link Intime India Pvt. Ltd. as its Registrar & Share Transfer Agent (RTA) for handling work related to share registry in terms of both physical and electronic modes. Accordingly, all correspondence, shares for transfer demat/remat requests and other communication in relation thereto should be mailed/hand delivered to the said RTA directly at the following address:

Link Intime India Pvt. Ltd.

Unit: Ganges Securities Limited

Vaishno Chambers, 6 Brabourne Road, Flat No. 502 & 503, 5th Floor, Kolkata-700 001 Tel: 91 033 4004972, Fax : 91 033-4073 / 1698

E-mail: kolkata@linkintime.co.in

x) Share Transfer System

The Board of Directors have authorised the Secretary to approve transfer/transmission of upto 999 shares. After the requests for transfer/transmission of above 1000 shares in physical form shall be approved by the Stakeholders' Relationship Committee and sent to the Registrar & Share Transfer Agent for completing the necessary procedural formalities and dispatch to the shareholders. During the financial year 289 Equity Shares were transmitted/ transferred.

xi) Distribution of Shareholding**a) Equity Share Capital History**

The Paid up Capital of the Company consists of 1,00,03,687 Equity shares of Rs. 10/- each fully paid up and allotted as under:

Date of Allotment	No. of share	Issue Price (Rs per share)
30.03.2017	10003687	10

b) The Distribution of Shareholding as on 31st March, 2022 was as follows:

No. of Equity Shares	No. of share holders	% of total shareholder	No. of shares held	% of total shares
1 - 500	4633	90.47	361556	3.61
501 - 1000	202	3.94	149411	1.49
1001 - 2000	106	2.07	161397	1.61
2001 - 3000	37	0.72	90591	0.91
3001 - 4000	24	0.47	87838	0.88
4001 - 5000	16	0.31	73416	0.73
5001 - 10000	34	0.66	225310	2.25
10001 and above	69	1.35	8854168	88.51
Total	5121	100.00	10003687	100.00

c) Detail of Shareholding pattern of the Company as on 31st March, 2022 was as follows:

Category	No. of Shares held	% of Shareholding
Promoters	66,06,035	66.04
Mutual Funds, Financial Institutions, Banks, Insurance Companies, etc.	12,998	0.13
Bodies Corporate	4,01,465	4.01
Indian Public	28,88,912	28.88
NRIs / OCBs / FII / Foreign Nationals/Clearing Members	52,106	0.52
Unclaimed Shares	42,171	0.42
Total	1,00,03,687	100.00

xii) Dematerialisation of Shares and Liquidity

The Equity Shares of the Company are in compulsorily dematerialised form at all the stock exchanges viz. BSE Ltd. and The National Stock Exchange of India Ltd. under depository systems at both the Depositories viz. National Securities Depository Limited and Central Depository Services (India) Limited. 99,37,711 Equity Shares viz. 99.34% of the Equity Share Capital of the Company have already been dematerialized.

xiii) Outstanding GDRs / ADRs/Warrants or Convertible Instrument

The Company has never issued GDRs/ADRs/Warrants or any other Convertible Instrument.

xiv) Commodities price risk or foreign exchange risk and hedging:

Not Applicable

xv) Address for Correspondence:

The Company Secretary	Link Intime India Pvt. Ltd.
Ganges Securities Limited	Unit : Ganges Securities Limited
9/1, R.N. Mukherjee Road, 5th Floor, Birla Building	Room Nos.: 502 & 503, 5th floor Vaishno Chamber, 6 Brabourne Road
Kolkata - 700 001, India	Kolkata - 700 001, India
Tel : 91 - 033 - 2243 0497/8	Tel : 033- 4004 9728 / 033- 4073 1698
Fax : 91 - 033 - 2248 6369	Fax : 033-4073 1698
e-mail: gangessec@birla-sugar.com	e-mail: kolkata@linkintime.co.in

xvi) Transfer of unpaid/unclaimed dividend amounts to Investor Education and Protection Fund

The Company is not required to credit any sum to the Investor Education and Protection Fund (IEPF) pursuant to Section 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

12. CEO and CFO Certification

The Managing Director and the Chief Financial Officer of the Company have certified that all the requirements of the Listing) Regulations inter-alia, dealing with the review of financial statements and cash flow statements for the year ended 31st March, 2022, transactions entered into by the Company during the said year, their financial reporting and evaluation of the effectiveness of the internal control system and making necessary disclosures to the auditors and the audit committee have been duly complied with.

13. Information about Directors seeking appointment/re-appointment

The details of Directors seeking appointment/ re-appointment is given in the Annexure to the Notice, under the head Particulars of Directors seeking appointment/re-appointment at the Annual General Meeting.

14. Prevention of Insider Trading

The Company has in place a Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of trading by insiders as envisaged under the SEBI (Prohibition of Insider Trading) Regulations, 2015 for its promoters, employees and directors including the Executive Chairman and Managing Director. The Company also has in place Code of Practice and Procedure for Fair Disclosure of Unpublished Price Sensitive Information. This Code is available on Company's website at <http://www.birla-sugar.com/Assets/Ganges/Ganges-Securities-CODE-FOR-FAIR-DISCLOSURE-OF-UNPUBLISHED-PRICE-SENSITIVE-INFORMATION.pdf>. The Code ensures the prevention of dealing in Company's shares / securities by persons having access to unpublished price sensitive information. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary is responsible for implementation of the Code. All Board Directors and the designated employees have confirmed compliance with the Code.

15. Code of Conduct & Ethics

The Company has also adopted a Code of Conduct and Ethics (Code) for the members of Board of Directors, Key Managerial Personnel and Senior Management Personnel of the Company to follow. The Code is posted on the website of the Company at http://birla-sugar.com/Assets/Ganges/Ganges-Securities-Code-of_Conduct.pdf. The essence of the Code is to conduct the business of the Company in an honest and ethical manner, in compliance with applicable laws and in a way that excludes considerations of personal advantage.

All Directors, Key Managerial Personnel and Senior Management Personnel have affirmed their compliance with the Code, and a declaration to this effect, signed by the Whole time Director is attached to this report and which forms an integral part of this report.

16. Legal Compliances

The Board reviews periodically compliance reports of all laws applicable to the Company, prepared by the Company Secretary which is duly supported by the legal compliance report of the internal auditors and heads of different departments. The Board also reviews periodically the steps taken by the Company to rectify instances of non-compliance if there be any.

17. Reconciliation of Share Capital Audit

As stipulated by SEBI, a qualified practising Company Secretary carries out an audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the Report thereon is submitted to the concerned Stock Exchanges. The audit confirms that the total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL and CDSL) and total number of shares in physical form.

18. Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI)

The Institute of Company Secretaries of India (ICSI), one of the premier professional bodies in India, has issued Secretarial Standards on Board Meetings and General Meetings and the same have become effective from July 01, 2015. Further, pursuant to Section 118(10) of the Companies Act, 2013, every company shall observe secretarial standards specified by ICSI with respect to Board and General Meetings. The Company confirms that it has duly adhered to the said Secretarial Standards.

19. Secretarial Audit

The Secretarial Auditor appointed by the Company undertook the Secretarial Audit of records and documents in accordance with Section 204 of the Companies Act, 2013 and the Rules made thereunder. The Secretarial Audit Report confirms that the Company has complied inter alia with all the applicable provisions of the Companies Act, 1956 (as applicable), Companies Act, 2013 and the Rules made thereunder, Depositories Act, 1996 and the Regulations and bye-laws framed thereunder, Listing Regulations, Secretarial Standards issued by The Institute of Company Secretaries of India (Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India), Securities Contracts (Regulation) Act, 1956 and all the Regulations and Guidelines of the Securities and Exchange Board of India (SEBI) as applicable to the Company, including the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, SEBI (Prohibition of Insider Trading) Regulations, 2015, the SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993. The Secretarial Audit Report for the financial year ended March 31, 2022 is provided in the Annual Report.

In addition to the Secretarial Audit Report, SEBI vide its Circular dated 8th February 2019 has mandated on annual basis a check by the company secretary in practice on compliance of SEBI Regulations and circulars/ guidelines issued thereunder and to submit a compliance report to the Company within 60 days of the end of the financial year, which was carried out the M/s Vinod Kothari & Co, Practising Company Secretary and their report was submitted to Stock Exchange in stipulated time.

20. Payment of Dividend etc. in electronic mode

Pursuant to Regulation 12 of SEBI (LODR) Regulations, 2015, listed entity shall use any of the electronic modes of payment facility approved by the Reserve Bank of India (RBI) in the manner specified in Schedule I of SEBI Listing Regulations, 2015, for making payments of dividend, interest, redemption or repayment amounts etc. However, where it is not possible to use electronic mode of payment, 'payable at-par' warrants or cheques may be issued. Further, where the amounts payable as dividend exceeds Rs.1,500 (Rupees One Thousand and Five Hundred), the 'payable at- par' warrants or cheques shall be sent by speed post.

The Company is using various RBI approved electronic mode of payment for making payments such as dividend, etc. to the investors, failing which the bank details available with the depository participants and the Company's Registrar and Share Transfer Agents (RTA) are printed on the physical payment instruments.

Payment of dividend and other benefits through electronic mode is beneficial to the Members since the risks associated with receiving payment through dividend warrants and other instruments such as loss in transit/misplacement/revalidation etc. can be easily mitigated.

Members who wish to avail of the electronic facility of remittance, may update their bank details with the depository participants for shares held in demat form and Members holding securities of the Company in physical form are requested to update their bank details with the Company or its RTA.

Members who wish to receive dividend in a bank account other than the one registered with the depository participants for shares held in demat form and with the Company's RTA for shares held in physical form, may notify their depository participants and the Company or its RTA, respectively, about any change in the bank account details.

21. Disclosures

- i) There are no materially significant related party transactions of the Company which have potential conflict with the interest of the Company at large. Transaction with Related Parties is disclosed in Note 29 of the Accounts in the Annual Report.
- ii) No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets for non-compliance by the Company during the last three years.
- iii) The Company has in place the Whistle Blower Policy and no personnel has been denied access to the Audit Committee.
- iv) The Company has complied with all the applicable mandatory requirements.

In the preparation of the financial statements, the Company has followed the Accounting Standards notified pursuant to Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provision of the Companies Act, 1956 read with General Circular 8/2014 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 Statements.

- v) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part. Details relating to fees paid to the Statutory Auditors are given in Note 15 and Note 23 to the Standalone and Consolidated Financial Statements respectively.
- vi) During the year the Company has not raised any funds through preferential allotment or qualified institutional placement as specified in Regulation 32(7A) of the Listing Regulations, as amended from time to time.

- vii) There were no instances where Board had not accepted any recommendations/ suggestions of any committee of Board which is mandatorily required during the financial year 2021-22.
- viii) None of the Directors of the Company has been debarred or disqualified from being appointed or continuing as a Director by SEBI / Ministry of Corporate Affairs / Statutory Authorities, which has also been confirmed by Messrs. A K Labh & Co., Practising Company Secretaries, a copy whereof is attached and marked as **Annexure "C1"**
- ix) Confirmation by the Board with respect to the Independent Directors is provided in the 'Report of the Board of Directors & Management Discussion and Analysis', forming part of the Report and Accounts.

22. Discretionary Requirement

- a) **Chairperson of the Board:** Chairperson is entitled to maintain a Chairperson's office at the Company's expense and also allowed reimbursement of expenses incurred in performance of her duties maintenance of Chairperson Office at the Company's expense.
- b) **Shareholder rights:** The quarterly, half-yearly and annual results of the Company are published in a leading English daily newspaper having a nationwide circulation and a Hindi daily newspaper (having circulation in Lucknow) and regularly hosted on Company's website.
The Annual Report of the Company for the financial year 2021-22 shall be emailed to the Members whose email addresses are available with the depositories or are obtained directly from the Members, as per Section 136 of the Companies Act, 2013 and Rule 11 of the Companies (Accounts) Rules, 2014.
The Company communicates with shareholders through e-mail, telephone and one on one meeting either in shareholder's meetings, Company visits etc.
- c) **Modified opinion(s) in audit report:** Company is following a regime of unmodified financial statements.
It is always the Company's endeavour to present unmodified financial statements. There is no audit modification in the Company's financial statements for the year ended on March 31, 2022.
- d) **Separate posts of Chairperson and CEO:** The Company has appointed separate persons to the post of Chairperson and Managing Director/CEO. The positions of Chairman and Managing Director are separate.
- e) **Reporting of Internal Auditor:** The Internal Auditor reports directly to the Audit Committee.
The Internal Auditor of the Company is invited to the Audit Committee Meeting as and when deemed necessary and reports the audit findings to the Audit Committee.

23. Web links to Company policies and programmes

The Company's policies and programmes as prescribed under the Listing Regulations are available at:

Sl. No.	Codes and policies	Web link
1.	Code for Fair Disclosure of Unpublished Price Sensitive Information	http://www.birla-sugar.com/Assets/Ganges/Ganges-Securities-CODE-FOR-FAIR-DISCLOSURE-OF-UNPUBLISHED-PRICE-SENSITIVE-INFORMATION.pdf
2.	Code of conduct	http://birla-sugar.com/Assets/Ganges/Ganges-Securities-Code-of_Conduct.pdf
3.	Policy for determining material subsidiaries	http://birla-sugar.com/Assets/Ganges/Ganges-Securities-Policy-for-Determining-Material-Subsidiaries.pdf
4.	Policy for determination of materiality	http://www.birla-sugar.com/Assets/Ganges/Ganges-Securities-Policy-on-Determination-of-Materiality.pdf
5.	Policy on preservation of documents including archival	http://www.birla-sugar.com/Assets/Ganges/Ganges-Securities-Policy-on-preservation-of-documents-including-archival.pdf
6.	Related Party Transactions Policy	http://www.birla-sugar.com/Assets/Ganges/Ganges-Securities-Related-Party-Transaction-Policy.pdf
7.	Whistle Blower Policy	http://www.birla-sugar.com/Assets/Ganges/Ganges-Securities-Whistle-Blower-Policy.pdf
8.	Familiarisation Programme	http://www.birla-sugar.com/Assets/Ganges/Familiarisation_Programme_for_Independent_Director_-_Ganges_Securities_Limited.pdf

24. Disclosure of compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46

Pursuant to Schedule V of the Listing Regulations, the Company hereby confirms that it has complied with the corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) of the Listing Regulation.

Annexure C1

Certificate of Non-Disqualification of Directors

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Ganges Securities Limited
P.O. - Hargaon, Dist. - Sitapur
Uttar Pradesh - 261121

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Ganges Securities Limited** having CIN L74120UP2015PLC069869 and having registered office at P.O. Hargaon, Dist. Sitapur, Uttar Pradesh 261121 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31* March, 2022 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 other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Nandini Nopany	00051362	02.08.2016
2.	Brij Mohan Agarwal	03101758	10.02.2022
3.	Urvi Mittal	02780842	23.03.2020
4.	Dhiraj Ramakant Banka	07642329	14.03.2017
5.	Chhedi Lal Agarwal	07778603	13.05.2019
6.	Arun Kumar Newar	07778968	30.03.2017

Ensuring the eligibility of the appointment continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This Certificate has been issued relying on the documents and information as mentioned herein above and as were made available to us or as came to our knowledge for verification without taking any cognizance of any legal dispute(s) or subjudice matters which may have effect otherwise, if ordered so, by any concerned authority(ies). This certificate is also neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Kolkata
Date : May 12, 2022

CS Atul Kumar Labh

Membership No. : FCS 4848
CP No. : 3238
PRCN : 1038/2020
UIN : S1999WB026800
UDIN: F004848D000309812

Annexure D

Certificate on Code of Conduct

To
The Members
Ganges Securities Limited
P.O. Hargaon, Dist - Sitapur
U.P – 261 121

Pursuant to Regulation 34 (3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I Urvi Mittal, Managing Director of **Ganges Securities Limited**, declare that all the Board Members and Senior Management Personnel of the Company have affirmed their compliance with the Company's Code of Conduct during the financial year 2021-22.

Place : Kolkata
Date : May 12, 2022

Urvi Mittal
Managing Director
DIN: 02780842

Annexure E

Independent Auditor's Report on Corporate Governance

To
The Members of
Ganges Securities Limited

We have examined the compliance of conditions of Corporate Governance by Ganges Securities Limited ("the Company") for the year ended on 31st March 2022 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C and D of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations").

Management's Responsibility

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

Auditor's Responsibility

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

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

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

Opinion

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and Para C and D of Schedule V of the Listing Regulations during the year ended 31st March 2022.

We state that such compliance 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.

For, **AGRAWAL SUBODH & CO**
Chartered Accountants
Firm Reg No: 319260E

Prosanta Mukherjee
Partner
Membership No. 053651
UDIN: 22053651AIWHVG8455

Place: Kolkata
Date: May 12, 2022

Annexure F1

Form No. MR-3
Secretarial Audit Report
For the Financial Year Ended on March 31, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule no. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
 The Members,
Ganges Securities Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Ganges Securities Limited** [hereinafter called '**the Company**'] for the financial year ended 31st March, 2022 ['**Audit Period**']. Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the secretarial audit, we hereby report that in our opinion, the Company has, during the Period under Review, has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place.

We have examined the books, papers, minute books, forms and returns filed and other records as maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:

1. The Companies Act, 2013 ("the Act") and the rules made thereunder including any re-enactment thereof;
2. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
3. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
4. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"), to the extent applicable:-
 - a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021: Not Applicable;
 - f. The Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 (in relation to obligations of Issuer Company)- Not Applicable;
 - g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993.

Laws specifically applicable to the industry to which the Company belongs, as identified and compliance whereof as confirmed by the management, that is to say: The Company is Core Investment Company as per the RBI Guidelines. However, the Company was not required to get registered with the RBI under the said Guidelines.

We have also examined compliance with the applicable clauses of the Secretarial Standards for Board Meetings (SS-1) and for General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

Management Responsibility:

Kindly refer to our letter of even date which is annexed as **Annexure 'I'** which is to be read along with and forms an integral part of this report.

We report that during the Period under Review, the Company has complied with the provisions of the Act, rules, regulations, guidelines, standards etc. mentioned above.

Recommendations as a matter of best practice:

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

We 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 and Committee meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions were unanimous and there was no instance of dissent in Board or Committee Meetings.

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

We further report that during the audit period, the Company has not undertaken any specific event/action that can have a major bearing on the company's compliance responsibility in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc., except as follows:

1. Scheme of amalgamation between Uttar Pradesh Trading Company Limited and Ganges Securities Limited

The National Company Law Tribunal, Allahabad Bench has, vide Order dated 3rd September 2021, approved the Scheme of Amalgamation of UP Trading Company Limited (wholly owned subsidiary) with Ganges Securities Limited.

Place: Kolkata
Date: 12th May 2022

For **M/s Vinod Kothari & Company**
Practising Company Secretaries

Barsha Dikshit
Partner
Membership No: ACS 48152
CP No.: 18060
UDIN: A048152D000308588

Annexure I

ANNEXURE TO SECRETARIAL AUDIT REPORT (UN-QUALIFIED)

To,
The Members of
Ganges Securities Limited

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit. The list of documents for the purpose, as seen by us, is listed in Annexure II;
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion;
3. Our Audit examination is restricted only upto legal compliances of the applicable laws to be done by the Company, we have not checked the practical aspects relating to the same.
4. Wherever our Audit has required our examination of books and records maintained by the Company, we have relied upon electronic versions of such books and records, as provided to us through online communication. We have conducted online verification & examination of records, as facilitated by the Company;
5. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company as well as correctness of the values and figures reported in various disclosures and returns as required to be submitted by the Company under the specified laws, though we have relied to a certain extent on the information furnished in such returns.
6. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulation and happening of events etc.
7. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis and sample basis.
8. Due to the inherent limitations of an audit including internal, financial, and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with audit practices.
9. The contents of this Report have to be read in conjunction with and not in isolation of the observations, if any, in the report(s) furnished/to be furnished by any other auditor(s)/agencies/authorities with respect to the Company.
10. 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.

Annexure II

List of Documents

1. Draft Minutes of the following meetings:
 - a. Board Meeting;
 - b. Audit Committee;
 - c. Nomination and Remuneration Committee;
 - d. Stakeholders Relationship Committee;
 - e. Separate Meeting of Independent Directors;
 - f. General Meetings;
2. Annual Report 2020-21;
3. Notice and Agenda for Board and Committee Meeting on sample basis.
4. Disclosures under Act, 2013 and Listing Regulations;
5. Memorandum and Articles of Association;
6. Policies framed under Act, 2013 and Listing Regulations;
7. Registers maintained under the Act;
8. Forms and returns filed with the ROC;
9. Disclosures under SEBI (Prohibition of Insider Trading) Regulations, 2015;
10. Disclosures under SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011.

Annexure F2

Form No. MR-3
Secretarial Audit Report
For the Financial Year Ended on March 31, 2022

[Secretarial Audit report in Form No. MR-3 as required under Companies Act, 2013 and rules made thereunder for the purpose of compliance with Regulation 24A of SEBI (LODR) Regulations, 2015]

To,
 The Members,
Cinnatollah Tea Ltd.
 9/1,R.N.Mukherjee Road, 5th Floor
 Kolkata-700001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Cinnatollah Tea Limited** [CIN: U15122UP2015PLC069633] (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company (as specified in **Annexure- A1**, hereinafter referred to as "Books and Papers") and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022, 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:

We have examined the Books and Papers maintained by the Company for the Audit Period according to the provisions of:

1. The Companies Act, 2013 ("the Act") and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder, to the extent applicable;
3. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder, to the extent applicable;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment and External Commercial Borrowings, to the extent applicable;
5. The Company being an unlisted public company the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") are not applicable:
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. SEBI (Prohibition of Insider Trading) Regulations, 2015
 - c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - d. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 and rules made thereunder;
 - e. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations");
 - f. The Securities and Exchange Board of India (Issue of Capital & Disclosure Requirement) Regulations, 2009;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - h. The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998;
 - i. The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014;
 - j. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
6. Laws specifically applicable to the industry to which the Company belongs, as identified by the management, that is to say:
 - a. Legal Metrology Act, 2009;
 - b. The Food Safety and Standards Act, 2006;
 - c. Tea Act, 1953;
 - d. Plantation Labour Act, 1951 and Rules made thereunder;
 - e. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
 - f. all other Labour, Employee and Trade Laws to the extent applicable to the Company.
7. We have also examined compliance with the applicable clauses of the Secretarial Standards 1 and 2 as issued by the Institute of Company Secretaries of India.

Management Responsibility:

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit;
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, We followed provide a reasonable basis for our opinion;
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company or examined any books, information or statements other than Books and Papers;
4. Where ever required, we have obtained the Management Representation about the compliance of laws, rules and regulation and happening of events etc;
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of 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.

During the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors.

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

Resolutions have been approved by majority, while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

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

We further report that during the audit period the company has not undertaken any event/actions having a major bearing on the Company's affairs in pursuance to the applicable referred laws, regulations, rules, guidelines etc.

For **Arun Kumar Maitra & Co.**
Practising Company Secretaries

Arun Kumar Maitra

Partner

ACS: 3010

C.P. No.: 14490

UDIN: A003010D000277229

Place: Kolkata

Date: May 6, 2022

Annexure A1

List of Documents

1. Corporate Matters
 - 1.1 Minutes books of the following Meetings were provided:
 - 1.1.1 Board Meeting
 - 1.1.2 General Meeting
 - 1.1.3 Audit Committee
 - 1.1.4 Nomination and Remuneration Committee
 - 1.2 Annual Report (2020-21);
 - 1.3 Annual Financial Results (2021-22);
 - 1.4 Agenda papers for Board Meeting along with Notice;
 - 1.5 Memorandum and Articles of Association;
 - 1.6 Disclosures under the Act, 2013 and Listing Regulations to the extent applicable;
 - 1.7 Policies framed under the Act, 2013;
 - 1.8 Forms and returns filed with the ROC;
 - 1.9 Registers maintained under Act, 2013;
 - 1.10 Disclosures under Act, 2013.

Independent Auditor's Report

To the Members of
Ganges Securities Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying Standalone Ind AS Financial Statements of GANGES SECURITIES LIMITED ("The Company") which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including other comprehensive income), the cash flow statement and the statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

Opinion

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

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current financial year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This section of auditor's report is intended to describe the matters communicated with those charged with governance that the auditor has determined, in the auditor's professional judgement, were of most significance in the audit of the financial statements and the auditor has determined that there are no matters to report.

Information other than the Financial Statements and Auditor's Report Thereon

The company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, for example, Board of Director's Report, Report on Corporate Governance, Management Discussion & Analysis Report, Business Responsibility Report, Shareholder information, etc., but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India,

including the applicable Indian Accounting Standards (IND AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules , 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Ind AS financial statements, including the disclosures, and whether the Standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, we report to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of accounts 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 and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of accounts.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed 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, 2022 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure A"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with the Rule 11 of the Companies (Audit and Auditors) rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company did not have any pending litigations which will impact on its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor education and Protection Fund by the Company.
- iv. a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- b) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
- v. The Company has neither declared nor paid dividend during the previous year. The Board of Directors of the Company have also not proposed dividend for the current year.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in **"Annexure B"**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For, **Agrawal Subodh & Co.**
Chartered Accountants
Firm's Registration No – 319260E

Prosanta Mukherjee
Partner
Membership No. – 053651
UDIN: 22053651AIWGMH8190

Place: Kolkata
Date: 12th May 2022

Annexure – A

to the Independent Auditors' Report on the Standalone Ind AS Financial Statements of Ganges Securities Limited as on 31st March 2022

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section our report of even date addressed to the members of Ganges Securities Limited on the Standalone Ind AS financial statements as on 31st March, 2022)

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 Ganges Securities Limited ("the Company") as of 31st March 2022 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For, **Agrawal Subodh & Co.**
Chartered Accountants
Firm's Registration No – 319260E

Prosanta Mukherjee
Partner
Membership No. – 053651
UDIN: 22053651AIWGMH8190

Place: Kolkata
Date: 12th May 2022

Annexure – B

to the Independent Auditors' Report on the Standalone Ind AS Financial Statements of Ganges Securities Limited as on 31st March 2022

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section our report of even date addressed to the members of Ganges Securities Limited on the Standalone Ind AS financial statements as on 31 March 2022)

- i. In respect of the Company's Property, Plant & equipment, and Intangible Assets:
- (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - (B) The company does not have intangible assets during the year hence, maintenance of records showing full disclosure not required.
 - According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has regular Programme of physical verification of its property, plant and equipment and periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets and no material discrepancies were noticed on such verification.
 - In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the Company is the lessee, and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are not held in the name of the Company. The details thereof as on 31.03.2022 are given below:

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative # of promoter * / director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the company
Investment Property	Freehold Land	2.47	The erstwhile company	No	1 April 2015	Mutation in the name of the Company is pending.
PPE	Freehold Land	15.00	The erstwhile company	No	1 April 2020	

- The company has not revalued any of its property, plant, and equipment (including Right to Use assets) or intangible assets or both during the year.

- e. According to the information and explanations given to us, no proceedings have been initiated during the year or are pending against the company as at 31 March 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. In respect of the Company's Inventory and Working capital
- a. The Company is a Core Investment Company (CIC) as per RBI guidelines and does not hold any physical inventory. Accordingly, paragraph 3(ii) (a) of the Order is not applicable to the Company.
- b. The company has not availed any working capital facilities at any point of time during the year from any banks or financial institutions. Accordingly, paragraph 3(ii)(b) of the Order is not applicable to the Company.
- iii. a. According to the information and explanation given to us and on the basis of our examination of the records of the company, the Company has not made investments, provided guarantee or security, or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships, or any other parties during the year. However, the company has provided loans aggregating to Rs.2,000 Lakhs during the year and the balance outstanding as on 31st March,2022 aggregates to Rs.3,700 lakhs, including Rs.2,700 Lakhs transferred to the Company from UPTCL pursuant to the scheme (refer to Note 2.2).
- b. According to the information and explanations given to us, the company investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees, provided during the year are, prima facie, not prejudicial to the Company's interest.
- c. According to the information and explanations given to us, in respect of loans and advances in the nature of loans, the loans are repayable on demand and payment of interest has been stipulated.
- d. According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- e. Loan or advance in the nature of loan granted has not fallen due during the year and not been renewed or extended or fresh loans not granted to settle the overdues of existing loans given to the same parties.
- f. According to information and explanations given to us and based on the audit procedures performed, the Company has granted loans or advance in the nature of loans which are repayable on demand. The aggregate amount of Loans outstanding as on 31st March 2022 is Rs. 3,700 which is 100% of total Loans outstanding. The company has not granted loans or advances in the nature of loans to Promoters, related party as defined in clause (76) of section 2 of the Companies Act,2013.
- 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 Companies Act, 2013 in respect of loans granted, investments made and guarantees, and securities provided, as applicable.
- v. According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules,2014 as (amended). Hence, paragraph 3(v) of the Order is not applicable to the Company.
- vi. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for business activities carried out by the company. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.
- vii. According to the information and explanations given to us in respect of statutory dues:
- a. In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess, and other material statutory dues applicable to it with the appropriate authorities during the year.
- There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess, and other statutory dues in arrears as at 31st March 2022 for a period of more than six months from the date they became payable.
- b. There are no statutory dues which are disputed; hence this clause is not applicable on the Company.
- viii. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, we confirm that we have not come across any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961)
- ix. a. The company has not taken loans or other borrowings from financial institutions, banks, government or from debenture holders. Hence reporting under paragraph 3(ix)(a) of the Order is not applicable.
- b. The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- c. According to the information and explanation given to us, the Company has not taken any term loan during the year and hence, reporting under clause (ix)(c) of the Order is not applicable.
- d. According to the information and explanation given to us, and the procedures performed by us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used during the year for long-term purposes by the Company.

- e. The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, joint venture, and associates.
- f. According to the information and explanation given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting on clause (ix)(f) of the Order is not applicable.
- x. a. The Company not raised any money by way of initial public offer or further public offer (including debt instrument) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- b. During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- xi. a. 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, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- b. No report under sub-section (12) of section 143 of the Companies Act has been filed by auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- c. According to the information and explanations given to us, there were no whistle blower complaints received during the year by the Company.
- xii. According to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- xiv. a. In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- b. We have considered, the internal audit reports issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3 (xv) of the Order is not applicable.
- xvi. a. & b. According to the information and explanation given to us, the company being a Core Investment Company (CIC) fulfilling the criteria of Unregistered CIC. Hence the company is exempted from registration under section 45-IA of the Reserve Bank of India Act, 1934. However, pursuant to the scheme, application made by the company for registration as Non-Banking Financial Company (NBFC) to Reserve Bank of India (RBI) is pending.
- c. The company is an exempted or unregistered Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and it continues to fulfill such criteria. However, pursuant to the scheme, application made by the company for registration as Non-Banking Financial Company (NBFC) to Reserve Bank of India (RBI) is pending.
- d. According to the information and explanations given to us, the group has 5 CICs which are part of the group.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. In our opinion section 135 of companies Act, 2013, is not applicable to the company. Hence, reporting under paragraph 3(xx) of the order not applicable to the company.

For, **Agrawal Subodh & Co.**
Chartered Accountants
Firm's Registration No – 319260E

Prosanta Mukherjee
Partner
Membership No. – 053651
UDIN: 22053651AIWGMH8190

Place: Kolkata
Date: 12th May 2022

Balance Sheet as at 31st March, 2022

(₹ in lakhs)

Particulars	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
1. Financial Assets			
(a) Cash and Cash Equivalents	4	707.72	527.95
(b) Loans	5	3,700.00	-
(c) Investments	6	57,008.72	6,090.05
(d) Other Financial Assets	7	46.43	1.14
Total Financial Assets		61,462.87	6,619.14
2. Non-financial Assets			
(a) Current Tax Assets (net)	8	109.86	41.99
(b) Investment Property	9	48.49	50.85
(c) Property, Plant and Equipment	10	59.49	-
(d) Other Non-financial Assets	11	35.43	33.45
Total Non-financial Assets		253.27	126.29
TOTAL ASSETS		61,716.14	6,745.43
LIABILITIES AND EQUITY			
LIABILITIES			
1. Financial Liabilities			
(a) Payables			
(i) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises	12	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	12	3.02	3.10
(b) Subordinated Liabilities	13	262.78	247.12
(c) Other Financial Liabilities	14	4.50	29.25
Total Financial Liabilities		270.30	279.47
2. Non-financial Liabilities			
(a) Provisions	15	11.20	-
(b) Other Non-financial Liabilities	16	3.01	0.10
(c) Deferred Tax Liabilities (net)	17	868.33	-
Total Non-financial Liabilities		882.54	0.10
Total Liabilities		1,152.84	279.57
EQUITY			
(a) Equity Share Capital	18	1,000.37	1,000.37
(b) Other Equity	19	59,562.93	5,465.49
Total Equity		60,563.30	6,465.86
TOTAL LIABILITIES AND EQUITY		61,716.14	6,745.43
Summary of significant accounting policies	3		
The accompanying notes are an integral part of the financial statements.			

As per our report of even date attached.

For **Agarwal Subodh & Co.**
Chartered Accountants
ICAI Firm's Registration No.: 319260E

Prosanta Mukherjee
Partner
Membership No.: 053651

Place: Kolkata
Date: 12 May 2022

For and on behalf of the Board of Directors

Brij Mohan Agarwal
Director
DIN: 03101758

Vijaya Agarwala
Company Secretary

Urvi Mittal
Managing Director
DIN: 02780842

Vikash Goyal
Chief Financial Officer

Statement of Profit and Loss for the year ended 31st March, 2022

(₹ in lakhs)

Particulars	Notes	Year ended 31 March 2022	Year ended 31 March 2021
I. Revenue from Operations			
(i) Interest Income	20	276.61	10.97
(ii) Dividend Income		514.16	482.71
Total Revenue from Operations		790.77	493.68
II. Other Income			
(i) Rental Income		138.19	25.03
(ii) Other Income	21	-	18.58
Total Other Income		138.19	43.61
III. Total Income (I + II)		928.96	537.29
IV. Expenses			
(i) Employee Benefits Expenses	22	68.35	-
(ii) Finance Costs	23	15.66	7.33
(iii) Fees and Commission Expenses	24	7.27	9.61
(iv) Depreciation Expense	25	6.89	2.36
(v) Other Expenses	26	99.48	49.03
Total Expenses		197.65	68.33
V. Profit before Tax (III - IV)		731.31	468.96
VI. Tax expense	27		
Current tax		40.93	-
Provision for tax related to earlier years		-	(1.61)
Deferred tax		-	-
Total tax expenses		40.93	(1.61)
VII. Profit for the year (V - VI)		690.38	470.57
VIII. Other comprehensive income			
Items that will not be reclassified to profit or loss			
(a) Equity investments through other comprehensive income - net change in fair value		28,672.69	879.15
(b) Income tax relating to items that will not be reclassified to profit or loss		(868.33)	-
Other comprehensive income for the year, net of income tax		27,804.36	879.15
IX. Total comprehensive income for the year (VII + VIII)		28,494.74	1,349.72
X. Earnings per equity share [Nominal value per equity share ₹ 10 (₹ 10)]"	28		
(a) Basic (₹)		6.90	4.70
(b) Diluted (₹)		6.90	4.70
Summary of significant accounting policies	3		
The accompanying notes are an integral part of the financial statements.			

As per our report of even date attached.

For **Agarwal Subodh & Co.**

Chartered Accountants

ICAI Firm's Registration No.: 319260E

Prosanta Mukherjee

Partner

Membership No.: 053651

Place: Kolkata

Date: 12 May 2022

For and on behalf of the Board of Directors

Brij Mohan Agarwal

Director

DIN: 03101758

Vijaya Agarwala

Company Secretary

Urvi Mittal

Managing Director

DIN: 02780842

Vikash Goyal

Chief Financial Officer

Statement of Changes in Equity for the year ended 31st March, 2022

A. Equity Share Capital

Particulars	Notes	As at 31st March, 2022		As at 31st March, 2021	
		No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Balance at the beginning of the year	18	1,00,03,687	1,000.37	1,00,03,687	1,000.37
Changes in Equity Share Capital due to prior period errors		-	-	-	-
Restated balance at the beginning of the year		1,00,03,687	1,000.37	1,00,03,687	1,000.37
Change in equity share capital during the year		-	-	-	-
Balance at the end of the year	18	1,00,03,687	1,000.37	1,00,03,687	1,000.37

B. Other Equity

(₹ in lakhs)

Particulars	Reserves and Surplus						Items of OCI	Total
	Capital Reserve	Capital Redemption Reserve	Share Premium	General Reserve	Reserve Fund	Retained Earnings	Equity instruments through OCI	
Balance as at 1 April 2020	4,111.33	-	-	-	-	(475.06)	479.50	4,115.77
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
Restated balance at the beginning of the year	4,111.33	-	-	-	-	(475.06)	479.50	4,115.77
Total comprehensive income for the year								
- Profit	-	-	-	-	-	470.57	-	470.57
- Net change in fair value of Equity investments	-	-	-	-	-	-	879.15	879.15
Total comprehensive income	-	-	-	-	-	470.57	879.15	1,349.72
Balance as at 31 March 2021	4,111.33	-	-	-	-	(4.49)	1,358.65	5,465.49
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
Restated balance at the beginning of the year	4,111.33	-	-	-	-	(4.49)	1,358.65	5,465.49
Add / (Less): Arisen / Transfer pursuant to the Scheme [Note 2.2]	(100.30)	30.00	107.50	279.76	1,092.19	3,632.07	20,561.48	25,602.70
Total comprehensive income for the year								
- Profit	-	-	-	-	-	690.38	-	690.38
- Net change in fair value of Equity investments	-	-	-	-	-	-	27,804.36	27,804.36
Total comprehensive income	-	-	-	-	-	690.38	27,804.36	28,494.74
Transfer to Capital Redemption Reserve from Retained Earnings	-	240.00	-	-	138.08	(378.08)	-	-
Balance as at 31 March 2022	4,011.03	270.00	107.50	279.76	1,230.27	3,939.88	49,724.49	59,562.93
Statement of Changes in Equity for the year ended 31 March 2022 (continued)								

The description of the purpose of each reserve within equity is as follows:

- Capital Reserve**
The difference between the net fair value of assets and liabilities acquired and shares issued pursuant to the scheme of arrangement in earlier year including amount recorded pursuant to the Scheme.
- Capital Redemption Reserve**
The Company has created Capital Redemption Reserve on redemption of preference shares in accordance with the provision of Section 69 of the Companies Act, 2013 including amount transferred pursuant to the Scheme.
- Securities Premium**
Securities Premium, transferred to the Company pursuant to the Scheme, is a sum equal to the aggregate amount of the premium received on issue of shares at premium by the transferor company, whether for cash or otherwise. The reserve may be applied in accordance with the provision of Section 52 of the Companies Act, 2013.
- General Reserve**
General Reserve, transferred to the Company pursuant to the Scheme, had been created on declaration of dividend in accordance with the Companies (Transfer of Profit to Reserve) Rules, 1975 read with the relevant provisions of the Companies Act, 1956 by the transferor company. After enactment of the Companies Act, 2013, it is not mandatory on declaration of dividend. It is a free reserve.
- Reserve Fund**
Reserve Fund, transferred to the Company pursuant to the Scheme, had been created in accordance with provisions of Section 45-IC of the Reserve Bank of India Act, 1934 by the transferor company.

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached.

For **Agarwal Subodh & Co.**
Chartered Accountants
ICAI Firm's Registration No.: 319260E

Prosanta Mukherjee
Partner
Membership No.: 053651
Place: Kolkata
Date: 12 May 2022

For and on behalf of the Board of Directors

Brij Mohan Agarwal
Director
DIN: 03101758

Vijaya Agarwala
Company Secretary

Urvi Mittal
Managing Director
DIN: 02780842

Vikash Goyal
Chief Financial Officer

Cash Flow Statement for the year ended 31st March, 2022

(₹ in lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
(A) CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax	731.31	468.96
Adjustments for:		
Unspent liabilities, Provisions no longer required and Unclaimed balances written back	-	(18.47)
Depreciation expense	6.89	2.36
Finance costs	15.66	7.33
	753.86	460.18
Working capital adjustments:		
Decrease in Receivables	-	9.00
(Increase) in Other Financial Assets	(25.00)	(0.92)
(Increase) in Other Non-financial Assets	(1.98)	(3.55)
(Decrease) in Payables	(0.25)	(4.83)
(Decrease) in Other Financial Liabilities	(24.75)	(1.11)
Increase / (Decrease) in Other Non-financial Liabilities	2.91	(0.39)
Cash Generation from Operations	704.79	458.38
Income tax paid (net of refund received)	(98.98)	(37.27)
Net Cash generated from Operating Activities before impact of the Scheme relating to earlier period	605.81	421.11
Impact of the Scheme relating to earlier period [Note 2.2]	442.42	-
Net Cash generated from Operating Activities	1,048.23	421.11
(B) CASH FLOW FROM INVESTING ACTIVITIES:		
Inter-corporate deposits given	(1,000.00)	-
Investment made	(69.64)	-
Net Cash used in Investing Activities before impact of the Scheme relating to earlier period	(1,069.64)	-
Impact of the Scheme relating to earlier period [Note 2.2]	(156.12)	-
Net Cash used in Investing Activities	(1,225.76)	-
(C) CASH FLOW FROM FINANCING ACTIVITIES:		
Interest paid on Income Tax	-	(0.21)
Net Cash used in Financing Activities before impact of the Scheme relating to earlier period	-	(0.21)
Impact of the Scheme relating to earlier period [Note 2.2]	(327.25)	-
Net Cash used in Financing Activities	(327.25)	(0.21)
Net Changes in Cash & Cash Equivalents (A + B + C)	(504.78)	420.90
Cash & Cash Equivalents at the beginning of the year	527.95	107.05
Cash & Cash Equivalents transferred pursuant to the Scheme [Note 2.2]	684.55	-
Cash & Cash Equivalents at the end of the year	707.72	527.95

Change in Liability arising from financing activities

(₹ in lakhs)

Particulars	As on 31 March 2021	Cash Flow	Fair Value Change	As on 31st March, 2022
Subordinated Liabilities [Note 13]	247.12	-	15.66	262.78

Particulars	As on 31 March 2020	Cash Flow	Fair Value Change	As on 31st March, 2021
Subordinated Liabilities [Note 13]	258.47	-	(11.35)	247.12

As per our report of even date attached.

For **Agarwal Subodh & Co.**
Chartered Accountants
ICAI Firm's Registration No.: 319260E

Prosanta Mukherjee
Partner
Membership No.: 053651
Place: Kolkata
Date: 12 May 2022

For and on behalf of the Board of Directors

Brij Mohan Agarwal
Director
DIN: 03101758

Vijaya Agarwala
Company Secretary

Urvi Mittal
Managing Director
DIN: 02780842

Vikash Goyal
Chief Financial Officer

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

1. Reporting entity

Ganges Securities Limited ('the Company') is a public company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The registered office of the Company is located at Post Office Hargaon, District Sitapur, Uttar Pradesh 261121. Its equity shares are listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE).

Consequent to the scheme of amalgamation ('the Scheme'), approved by the National Company Law Tribunal (NCLT) and the certified copy of the NCLT order received 3 September 2021 and filed with the Registrar of Companies, Kanpur in accordance with the Companies Act, 2013 on 1 October 2021, Uttar Pradesh Trading Company Limited ('the transferor company'), erstwhile wholly owned subsidiary of the Company, has been amalgamated with the Company from the appointed date i.e. 1 April 2020 to facilitate reduction in number of multiple entities in the group and for simplification of the group structure.

The main objective of the Company is to invest / deal in securities mainly of group companies and in immovable properties. The Company acts as a Core Investment Company (CIC) as per RBI guidelines. Pursuant to the Scheme, application made by the Company for registration as a non-banking financial company (NBFC) to Reserve Bank of India (RBI) is pending.

2. Basis of preparation

2.1 Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) notified under Section 133 of the Companies Act, 2013 ('Act') and other relevant provisions and presentation requirements of Division III of Schedule III of the Act, as applicable.

In accordance with the Scheme, all the Assets, Liabilities and Reserves of the transferor company have been carried at their existing carrying amounts (refer to Note 2.2 below).

The financial statements are authorised for issue by the Board of Directors of the Company at their meeting held on 12 May 2022.

Details of the Company's significant accounting policies are included in Note 3.

2.2 Scheme of Amalgamation

The amalgamation of the transferor company has been accounted for under the "Pooling of Interest Method" as described in Appendix C of Ind AS - 103 "Business Combination" notified under Section 133 of the Act or other applicable provisions of the Act and read with relevant rules issued thereunder.

The transferor company was primarily a non-banking financial company (NBFC) registered with the Reserve Bank of India (RBI) and was primarily engaged in investments of its funds in shares, debentures, bonds, etc. of the group companies and inter-corporate / other deposits to the group companies and nationalised banks etc.

As per the Scheme, appointed date approved by the National Company Law Tribunal is 1 April 2020 and effective date is 1 October 2021, being the date on which the certified copy of the order sanctioning the Scheme is filed with the Registrar of Companies, Kanpur in accordance with the Act.

The details of assets, liabilities and reserves as on 1 April 2020, transferred from the transferor company are as under:

(₹ in lakhs)

Particulars	Amount	Amount	Amount
ASSETS			
Financial Assets			
Cash and Cash Equivalents	684.55		
Receivables	14.28		
Loans	2,700.00		
Investments *	12,689.93		
Other Financial Assets	53.54		
Total Financial Assets		16,142.30	
Non-financial Assets			
Current Tax Assets (net)	0.04		
Property, Plant and Equipment	68.81		
Total Non-financial Assets		68.85	
Total Assets			16,211.15

Notes to Financial Statements for the year ended 31st March, 2022 (Contd.)

(₹ in lakhs)

Particulars	Amount	Amount	Amount
LIABILITIES			
Financial Liabilities			
Trade Payables	5.69		
Total Financial Liabilities		5.69	
Non-financial Liabilities			
Provisions	11.20		
Other Non-financial Liabilities	0.83		
Total Non-financial Liabilities		12.03	
Total Liabilities			17.72
RESERVES			
Capital Redemption Reserve		30.00	
Securities Premium		107.50	
General Reserve		279.76	
Reserve Fund		1,010.94	
Retained Earnings		3,634.34	
Equity Instruments through OCI		9,494.64	
Total Reserves			14,557.18

* includes investments in equity shares (unquoted), cost of which had been written off.

The entire paid-up equity shares of the transferor company, held by the Company, and the Investment of the Company in equity shares (fully paid-up) of the transferor company stand cancelled.

Since, the Company is not permitted to issue shares to itself under the provisions of the Act, no share of the Company has been issued or allotted with respect to equity shares held by the Company in the transferor company in consideration for the amalgamation.

The difference between the value of assets over the value of liabilities including reserves of the transferor company and value of investment of the Company in equity share capital of the transferor company has been recorded in Capital Reserve.

Since the Scheme received all the requisite approvals in the current year, total comprehensive income of the transferor company for the period from 1 April 2020 to 31 March 2021, detailed of which are below, recorded in Other Equity of the Company as under.

(₹ in lakhs)

Particulars	Amount	Amount	Amount
Revenue from Operations			
Interest Income	251.15		
Dividend Income	240.69		
Total Revenue from Operations		491.84	
Other Income		0.13	
Total Income			491.97
Expenses			
Employee Benefits Expenses		1.80	
Fees and Commission Expenses		0.81	
Depreciation Expense		4.79	
Other Expenses		20.16	
Total Expenses			27.56
Profit before Tax			464.41
Tax expense			58.18
Profit after Tax			406.23
Dividend paid on equity shares			(327.25)
Transfer to Reserve Fund			(81.25)
Recorded in Retained earnings			(2.27)
Recorded in Reserve Fund			81.25
Other comprehensive income (OCI)			
<i>Items that will not be reclassified to profit or loss</i>			
Equity investments through OCI - net change in fair value		11,066.84	
Income tax relating to items that will not be reclassified to profit or loss		-	
Recorded in Equity Instruments through OCI			11,066.84

Notes to Financial Statements for the year ended 31st March, 2022 (Contd.)

Further, net cash flows for the period 1 April 2020 to 31 March 2021 pertaining to the transferor company on account of operating, investment and financing activities aggregating ₹ 442.42 lakhs, ₹ (156.12) lakhs and ₹ (327.25) lakhs respectively have been included in the current year's statement of cash flows under the respective heads.

2.3 Functional and presentation currency

The financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency. All amount are rounded to the nearest lakhs, unless otherwise indicated.

2.4 Presentation of financial statements

The Company presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement within twelve months after the reporting date (current) and more than twelve months after the reporting date (non-current) is presented in Note 31.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Company and / or its counterparties.

2.5 Basis of measurement

The financial statements have been prepared on historical cost convention on the accrual basis, except certain financial assets and financial liabilities measured at fair value.

Fair value is the price that would be received on the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

2.6 Use of judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amount of assets, liabilities, income and expenses. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results may differ from these estimates.

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

The management makes various judgements, apart from those involving estimations, that can significantly affect the amounts it recognises in the financial statements. Judgements are applied in determining the followings:

Note 6 Determining the fair values of investments.

Information about estimation and assumption uncertainties that have a significant risk of resulting in a material adjustment in the financial statements for the every period ended is included in the following notes:

Note 9 Useful life and residual value of investment property;

Note 10 Useful life and residual value of property, plant and equipment;

Note 17 Recognition of deferred tax assets: availability of future taxable profit and income tax thereon against which carried forward business losses, unabsorbed depreciation and deductions allowed on payment / other basis can be used;

Note 33 Impairment of financial assets: key assumptions used in estimating recoverable cash flows.

2.7 Measurement of fair value

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

The Company has an established control framework with respect to the measurement of fair values. The management has overall responsibility for overseeing all significant fair value measurements and it regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Notes to Financial Statements for the year ended 31st March, 2022 (Contd.)

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included in level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

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

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair values is included in Note 2.6.

3 Significant accounting policies

3.1 Financial instruments

Recognition and initial measurement

Receivables issued are initially recognised when they are originated. All other financial assets and liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Classification and subsequent measurement

i) Financial assets

On initial recognition, a financial asset is classified and measured at:

- Amortised cost; or
- Fair value through other comprehensive income (FVOCI); or
- Fair value through profit or loss (FVTPL).

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

ii) Financial assets at amortised cost

A financial assets is measured at amortised cost if it meet both of the following conditions and is not designated as at FVTPL:

- The financial asset is held within a business model with the objective to hold financial 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 (SPPI) on the principal amount outstanding.

The details of these conditions are outlined below.

Business model assessment

The Company determines its business model at the level that best reflects how it manages the Company's of financial assets to achieve its business objective.

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed;
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected);
- The expected frequency, value and timing of sales are also important aspects of the Company's assessment.

Notes to Financial Statements for the year ended 31st March, 2022 (Contd.)

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The SPPI test

As a second step of its classification process the Company assesses the contractual terms of financial to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium / discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgment and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

iii) Financial assets at FVOCI

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI - equity investment). This election is made on an investment-by-investment basis.

Financial assets are measured at the FVOCI if both of the following conditions are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Financial assets included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI).

iv) Financial assets at FVTPL

All financial assets which do not meet the criteria for categorisation as at amortised cost or FVOCI as described above are classified as at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are SPPI.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are SPPI, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Notes to Financial Statements for the year ended 31st March, 2022 (Contd.)

v) **Financial assets: Subsequent measurement and gains and losses**

Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method (EIR). The amortised cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is recognised in Statement of Profit and Loss.
Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Statement of Profit and Loss.
Financial assets at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to Statement of Profit and Loss.

vi) **Financial liabilities: Classification, subsequent measurement and gains and losses**

Financial liabilities are classified as measured at amortised cost or FVTPL.

vii) **Financial liabilities at FVTPL**

A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss.

viii) **Financial liabilities at amortised cost**

Subordinated liabilities and other financial liabilities are subsequently measured at amortised cost using the effective interest (EIR) method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss.

Any gain or loss on derecognition is also recognised in Statement of Profit and Loss.

Interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximates fair value due to the short maturity of these instruments.

Derecognition

i) **Financial assets**

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

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

ii) **Financial liabilities**

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

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

Offsetting

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

Notes to Financial Statements for the year ended 31st March, 2022 (Contd.)

Impairment

i) Impairment of financial assets

At each reporting date, the Company assess whether financial assets, than those at FVTPL are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for 90 days or more; or
- it is probable that the borrower will enter bankruptcy or other financial reorganisation.

The Company recognises loss allowances using the expected credit losses (ECL) model for the financial assets which are fair valued through profit or loss.

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in Statement of Profit and Loss.

In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

For all other financial assets, expected credit losses are measured unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

(a) Measurement of expected credit losses

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

(b) Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

(c) Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

(ii) Impairment of non-financial assets

The Company's non-financial assets, other than biological assets, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are Companied together into cash-generating units (CGUs). Each CGU represents the smallest Company of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

Notes to Financial Statements for the year ended 31st March, 2022 (Contd.)

The Company's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated to reduce the carrying amounts of the other assets of the CGU (or Company of CGUs) on a pro rata basis.

In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.2 Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

3.3 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is calculated using the straight-line method to write down the cost of investment properties to their residual values over their estimated useful lives. Land recognised as investment properties is not depreciated.

The Company depreciates building components of investment property over 10 to 60 years from the date of original purchase.

The Company, based on technical assessment made by management's expert and management estimate, depreciates the building components over their estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Though the Company measures investment property using cost model, the fair value of investment property is disclosed in the notes. Fair values are determined based on technical assessment made by management's expert.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount (net) of the asset is recognised in profit or loss in the period of derecognition. In determining the amount of consideration from the derecognition of investment property, the Company considers the effects of variable consideration, existence of a significant financing component, non-cash consideration, and consideration payable to the buyer (if any).

Transfers are made to (or from) investment property only when there is a change in use.

3.4 Property, plant and equipment

Property plant and equipment is stated at cost excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment in value. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Depreciation is calculated using the straight-line method to write down the cost of property, plant and equipment to their residual values over their estimated useful lives. Land recognised as properties, plant and equipment is not depreciated.

The estimated useful lives are, as follows:

- Buildings	30 years
- Furniture and Fixtures	10 years

Notes to Financial Statements for the year ended 31st March, 2022 (Contd.)

The Company depreciates property, plant and equipment over the useful life prescribed in Schedule II to the Companies Act, 2013.

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

Property plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

3.5 Capital work-in-progress (CWIP)

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the reporting date. Directly attributable expenditure (including finance costs relating to borrowed funds / general borrowings for construction or acquisition of property, plant and equipment) incurred on project under implementation are treated as Pre-operative expenses pending allocation to the asset and are shown under CWIP.

3.6 Lease

As a lessee

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

(a) Right-of-use assets

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

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

(b) Lease Liabilities

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

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

Short-term lease and lease of low-value assets

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

As a lessor

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessor will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Company is the lessor.

Notes to Financial Statements for the year ended 31st March, 2022 (Contd.)

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

3.7 Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Expected future operating losses are not provided for.

3.8 Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is possible. Major contingent liabilities are disclosed in the financial statements unless the possibility of an outflow of economic resources is remote. Contingent assets are not recognised in the financial statements but disclosed, where an inflow of economic benefit is probable.

3.9 Recognition of interest income

The effective interest rate method

Under Ind AS 109 interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost, debt instrument measured at FVOCI and debt instruments designated at FVTPL. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges).

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk. The adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest income in the statement of profit and loss.

Interest income

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Company calculates interest income by applying the EIR to the net amortised cost of the financial asset. If the financial assets cures and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

For purchased or originated credit-impaired (POCI) financial assets, the Company calculates interest income by calculating the credit-adjusted EIR and applying that rate to the amortised cost of the asset. The credit-adjusted EIR is the interest rate that, at original recognition, discounts the estimated future cash flows (including credit losses) to the amortised cost of the POCI assets.

Interest income on all trading assets and financial assets mandatorily required to be measured at FVTPL is recognised using the contractual interest rate in net gain on fair value changes.

3.10 Recognition of income and expenses

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind ASs.

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Notes to Financial Statements for the year ended 31st March, 2022 (Contd.)

- Step 2:** Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
- Step 3:** Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
- Step 4:** Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.
- Step 5:** Recognise revenue when (or as) the Company satisfies a performance obligation.

Dividend income

Dividend income (including from investment at FVOCI) is recognised when the Company receives it. It is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably. This is generally when the shareholders approve the dividend.

Trading income

Trading income includes all gains and losses from changes in fair value and the related interest income or expense and dividends, for financial assets and financial liabilities held for trading.

Expenses

All expenses are accounted for on accrual basis.

3.11 Income tax

Income tax expense comprises of current tax and deferred tax. Current tax and deferred tax is recognised in the Statement of profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax

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

Current tax assets and current tax liabilities are off set only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised.

Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to off set current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax liabilities / assets on change in fair value of investments not part of the profit or loss are recognised through OCI.

Notes to Financial Statements for the year ended 31st March, 2022 (Contd.)

3.12 Goods and services tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services tax paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable;
- When receivables and payables are stated with the amount of tax included.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

3.13 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

3.14 Dividend on ordinary shares

The Company recognises a liability to make cash or non-cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss.

3.15 Determination of fair values

Fair values have been determined for measurement and disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

i) Financial assets

Financial assets are initially measured at fair value. If the financial asset is not subsequently accounted for at fair value through profit or loss, then the initial measurement includes directly attributable transaction costs. These are measured at amortised cost or at FVTPL or at FVOCI.

Investments in equity instruments are measured at FVOCI and combination of different methodologies i.e. discounted cash flow method, comparable companies method and net assets method with different weightage has been used for fair valuations of investment in unquoted securities.

ii) Trade and other receivables

The fair values of trade and other receivables are estimated at the present value of future cash flows, discounted at the market rate of interest at the measurement date. Short-term receivables with no stated interest rate are measured at the original invoice amount if the effect of discounting is immaterial. Fair value is determined at initial recognition and, for disclosure purposes, at each annual reporting date.

iii) Financial liabilities

Financial liabilities are measured at fair value, at initial recognition and for disclosure purposes, at each annual reporting date. Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the measurement date.

3.16 Recent accounting pronouncement

On 23 March 2022, the Ministry of Corporate Affairs ("MCA") through notifications, amended to the existing Ind AS. The same shall come into force from annual reporting period beginning on or after 1 April 2022. Key Amendments relating to the same whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Notes to Financial Statements for the year ended 31st March, 2022 (Contd.)

- **Ind AS 16 Property, Plant and Equipment** – For items produced during testing / trail phase, clarification added that revenue generated out of the same shall not be recognised in the profit or loss and considered as part of cost of PPE.
- **Ind AS 37 Provisions, Contingent Liabilities & Contingent Assets** – Guidance on what constitutes cost of fulfilling contracts (to determine whether the contract is onerous or not) is included.
- **Ind AS 41 Agriculture** – This aligns the fair value measurement therein with the requirements of Ind AS 113 Fair Value Measurement to use internally consistent cash flows and discount rates and enables preparers to determine whether to use pre-tax or post-tax cash flows and discount rates for the most appropriate fair value measurement.
- **Ind AS 101 – First time Adoption of Ind AS** – Measurement of Foreign Currency Translation Difference in case of subsidiary / associate / JV's date of transition to Ind AS is subsequent to that of Parent – FCTR in the books of subsidiary / associate / JV can be measured based Consolidated Financial Statements.
- **Ind AS 103 – Business Combination** – Reference to revised Conceptual Framework. For contingent liabilities / levies, clarification is added on how to apply the principles for recognition of contingent liabilities from Ind AS 37. Recognition of contingent assets is not allowed.
- **Ind AS 109 Financial Instruments** – The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in assessing whether to derecognise a financial liability.

The Company has evaluated the effect of the above on the financial statements and the impact is not material.

Notes to Financial Statements for the year ended 31st March, 2022 (Contd.)

4. Cash and cash equivalents

₹ in lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
Balances with banks		
- Current accounts	32.65	7.89
- Bank deposits having maturity of three months or less of original maturities	675.00	520.00
Cash on hand	0.07	0.06
	707.72	527.95

5. Loans

₹ in lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
<i>At amortised cost</i>		
Inter-corporate deposits (unsecured)	3,700.00	-
	3,700.00	-

6. Investments

₹ in lakhs

Particulars	No. of Shares held on		Face Value of Share (₹)	As at	As at
	31 March 2022	31 March 2021		31 March 2022	31 March 2021
Equity shares (fully paid) carried at FVOCI - (Quoted)					
- Sutlej Textile & Industries Ltd.	3,04,16,970	-	1.00	21,778.55	-
- Chambal Fertilisers & Chemicals Ltd.	19,66,795	7,04,160	10.00	8,301.84	1,612.88
- Avadh Sugar & Energy Ltd.	14,78,624	-	10.00	10,748.12	-
- SIL Investment Ltd.	20,19,339	-	10.00	6,702.19	-
- Palash Securities Ltd.	12,83,234	-	10.00	1,410.91	-
- New India Retailing & Investment Ltd.	2,85,573	2,02,500	10.00	85.67	60.75
				49,027.28	1,673.63
Equity shares (fully paid) carried at FVOCI - (Unquoted)					
- Manbhawani Investments Ltd.	73,500	-	10.00	3,099.36	-
- Manavta Holding Ltd.	73,500	-	10.00	1,460.48	-
- Shree Vihar Properties Ltd.	4,50,714	-	10.00	556.05	-
- Birla Building Ltd.	8,400	8,400	100.00	188.81	62.33
- Moon Corporation Ltd.	2,874	-	5.00	7.09	-
- India Educational & Research Institution Pvt. Ltd.	24,500	-	10.00	2.38	-
- Modern Diagen Services Ltd.	13,196	-	10.00	1.54	-
- Pavapuri Trading & Investment Co. Ltd.	1,900	-	10.00	0.11	-
- Haryana Oxygen Ltd.	5,000	-	10.00	-	-
- Taparia Ltd.	3,500	-	10.00	-	-
- Bihar State Financial Corporation Ltd.	60	60	100.00	-	-
				5,315.82	62.33

Notes to Financial Statements for the year ended 31st March, 2022 (Contd.)

6. Investments (Contd.)

₹ in lakhs

Particulars	No. of Shares held on		Face Value of Share (₹)	As at	As at
	31 March 2022	31 March 2021		31 March 2022	31 March 2021
Equity shares (partly paid) carried at FVOCI - (Unquoted)					
- Modern Diagen Services Ltd. (partly paid by ₹ 2 each)	13,06,404	-	10.00	48.08	-
				48.08	-
Equity shares of Subsidiaries carried at amortised cost - (Unquoted)					
- Cinnatollah Tea Ltd.	2,61,75,396	2,61,75,396	10.00	2,617.54	2,617.54
- Uttar Pradesh Trading Company Ltd. *	-	16,36,24,995	1.00	-	1,736.55
				2,617.54	4,354.09
Preference shares carried at FVOCI - (Unquoted)					
- Raj Kamal Prakashan Pvt. Ltd.	50	50	100.00	-	-
				-	-
				57,008.72	6,090.05
Investments outside India				-	-
Investments in India				57,008.72	6,090.05
				57,008.72	6,090.05

* stands cancelled pursuant to the Scheme [Note 2.2].

- The Company received dividends other than from subsidiaries of ₹ 383.28 lakhs (31 March 2021: ₹ 24.58 lakhs) from its investments in equity shares, carried at FVOCI, recorded as dividend income.
- The Company has designated its equity investments at FVOCI on the basis that these are not held for trading and held for strategic purposes.
- No strategic investment was disposed off during 2021-22 and there were no transfer of any cumulative gain or loss within equity relating to these investments.
- The cost of following unquoted investments in equity shares (fully paid up) had been written off in earlier years, though quantity thereof appears in the books:

Name of the Company	No. of shares	Face Value per share (in ₹)
APV Texmaco Ltd. (in liquidation)	20,400	10.00
Chandausi Rice Mills Ltd. (Strike off)	1,000	10.00
Lease Communications Ltd. (Strike off)	21,000	10.00
Maruti Ltd. (Strike off)	40,000	10.00

7. Other Financial Assets

₹ in lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
<i>At amortised cost</i>		
Security deposits	0.90	-
Interest accrued on -		
- inter-corporate deposits	43.83	-
- bank deposits	1.70	1.14
	46.43	1.14

Notes to Financial Statements for the year ended 31st March, 2022 (Contd.)

8. Current Tax Assets (net)

₹ in lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
Advance tax / Tax deducted at sources	272.28	41.99
Less: Provision for taxation	162.42	-
	109.86	41.99

9. Investment Property

₹ in lakhs

Particulars	Freehold Land	Buildings	Total
Reconciliation of carrying amount			
Cost or deemed cost (gross carrying amount)			
Balance at 1 April 2020	2.47	55.05	57.52
Additions during the year	-	-	-
Balance at 31 March 2021	2.47	55.05	57.52
Additions during the year	-	-	-
Balance at 31 March 2022	2.47	55.05	57.52
Accumulated depreciation			
Balance at 1 April 2020	-	4.31	4.31
Depreciation for the year	-	2.36	2.36
Balance at 31 March 2021	-	6.67	6.67
Depreciation for the year	-	2.36	2.36
Balance at 31 March 2022	-	9.03	9.03
Carrying amount (net)			
At 31 March 2021	2.47	48.38	50.85
At 31 March 2022	2.47	46.02	48.49

Fair value, determined on the basis of circle rate decided by the appropriate authority, is as under:

₹ in lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
Investment Property	338.99	323.59

Note: For the purpose of valuation of the aforesaid investment property, the Company has referred the circle rate decided by the appropriate authority and no independent report of valuation has been obtained from registered valuer.

The amounts recognised in profit or loss for:

₹ in lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
(i) Rental income from investment property	138.19	25.03
(ii) Expenses (including tax, repairs and maintenance etc.) other than depreciation in relation to investment property that generated rental income during the year; and	7.47	2.81
(iii) Expenses (including tax, repairs and maintenance etc.) other than depreciation in relation to investment property that did not generate rental income during the year	-	5.92

Notes to Financial Statements for the year ended 31st March, 2022 (Contd.)

10. Property, Plant and Equipment

₹ in lakhs

Particulars	Freehold Land	Buildings	Furniture and Fixtures	Total
Reconciliation of carrying amount				
Cost or deemed cost (gross carrying amount)				
Balance at 1 April 2020	-	-	-	-
Additions during the year	-	-	-	-
Balance at 31 March 2021	-	-	-	-
Transfer pursuant to the Scheme [Note 2.2]	15.00	43.06	18.02	76.08
Additions during the year	-	-	-	-
Balance at 31 March 2022	15.00	43.06	18.02	76.08
Accumulated depreciation				
Balance at 1 April 2020	-	-	-	-
Depreciation for the year	-	-	-	-
Balance at 31 March 2021	-	-	-	-
Transfer pursuant to the Scheme [Note 2.2]	-	3.13	8.93	12.06
Depreciation for the year	-	1.55	2.98	4.53
Balance at 31 March 2022	-	4.68	11.91	16.59
Carrying amount (net)				
At 31 March 2021	-	-	-	-
At 31 March 2022	15.00	38.38	6.11	59.49

11. Other Non-financial Assets

₹ in lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
<i>(Unsecured, considered good)</i>		
Capital Advances	29.25	29.25
Advances other than Capital Advances		
Other advances		
- Balance with government authorities	6.18	4.20
	35.43	33.45

Notes to Financial Statements for the year ended 31st March, 2022 (Contd.)

12. Payables

₹ in lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
Trade Payables *		
Total outstanding dues of micro enterprises and small enterprises; and	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	3.02	3.10
	3.02	3.10
The following details relating to Micro enterprises and small enterprises are as under:		
(i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the accounting year:		
Principal amount due to micro and small enterprises	-	-
Interest due on above	-	-
Total	-	-
(ii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act 2006) along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year.	-	-
(iii) 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 the MSMED Act, 2006.	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

* entire outstanding are unbilled.

13. Subordinated Liabilities

₹ in lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
2,40,000 8.5% Non-Convertible Cumulative Redeemable Preference Shares of ₹ 100 each at amortised cost	262.78	247.12
	262.78	247.12

Rights, preferences and restrictions attached to 8.5% Non-convertible Cumulative Redeemable Preference Shares (NCCRPS) of ₹ 100 each:

The NCCRPS of ₹ 100 each carries dividend @ 8.5% per annum. NCCRPS shall be redeemable at par on 11 October 2030 being ten years from the date of the original allotment i.e. 12 October 2020 with a sole right vested to the Board of Directors of the Company to redeem it earlier. The dividend is payable at the time of redemption of the NCCRPS. However, the Board reserves the right to pay dividend earlier subject to availability of the profit.

14. Other Financial Liabilities

₹ in lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
Payable to employees *	4.50	-
Liabilities for capital goods	-	29.25
	4.50	29.25

* belongs to a related party [Note 32]

Notes to Financial Statements for the year ended 31st March, 2022 (Contd.)

15. Provisions

₹ in lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
Contingent Provision against Standard Assets		
Balance at the beginning of the year	-	-
Transfer pursuant to the Scheme * [Note 2.2]	11.20	-
Balance at the end of the year	11.20	-

* denotes Provision towards Standard Assets at the rate notified by Reserve Bank of India.

16. Other Non-financial Liabilities

₹ in lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
Statutory dues	3.01	0.10
	3.01	0.10

17. The Company has recognised deferred tax asset on carried forward business losses, unabsorbed depreciation and net change in fair value of investments at FVOCI from admissible cost of the same as per the provisions of the Income Tax Act, 1961 to the extent of deferred tax liability as per the Company's Accounting Policies (refer Note 3.11).

The breakup of Deferred tax assets (DTA) and liabilities (DTL) are as under:

₹ in lakhs

Particulars	As at 31 March 2021	Transferred pursuant to the Scheme	Recognised in profit or loss	Recognised in OCI	As at 31 March 2022
DTL					
Investments - Quoted Equity Shares	53.65	(53.65)	-	-	-
Investments - Unquoted Equity Shares	13.64	376.79	-	667.46	1,057.89
	67.29	323.14	-	667.46	1,057.89
DTA					
Carried forward tax losses / unabsorbed depreciation	186.76	-	(165.13)	-	21.63
Investments - Quoted Equity Shares	-	3,078.62	-	(2,889.10)	189.52
Investments - Unquoted Preference Shares	0.03	-	-	0.01	0.04
Contingent Provision against Standard Assets	-	2.82	-	-	2.82
	186.79	3,081.44	(165.13)	(2,889.09)	214.01
Less : DTA not recognised	119.50	2,758.30	(165.13)	(2,688.22)	24.45
	67.29	323.14	-	(200.87)	189.56
Net DTL	-	-	-	868.33	868.33

₹ in lakhs

Particulars	As at 1 April 2020	Recognised in profit or loss	Recognised in OCI	As at 31 March 2021
DTA				
Carried forward tax losses / unabsorbed depreciation	282.48	(95.72)	-	186.76
Investments - Quoted Equity Shares	39.80	-	(39.80)	-
Investments - Unquoted Preference Shares	0.03	-	-	0.03
	322.31	(95.72)	(39.80)	186.79
Less : DTA not recognised	303.99	(84.11)	(100.38)	119.50
	18.32	(11.61)	60.58	67.29
DTL				
Investments - Quoted Equity Shares	-	-	53.65	53.65
Investments - Unquoted Equity Shares	6.71	-	6.93	13.64
Investment Property	11.61	(11.61)	-	-
	18.32	(11.61)	60.58	67.29
Net DTA	-	-	-	-

Notes to Financial Statements for the year ended 31st March, 2022 (Contd.)

18. Share Capital

₹ in lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
Authorised*:		
3,05,00,000 (31 March 2021: 1,35,00,000) equity shares of ₹ 10 each	3,050.00	1,350.00
4,50,000 (31 March 2021: 4,50,000) preference shares of ₹ 100 each	450.00	450.00
	3,500.00	1,800.00
Issued, subscribed and fully paid-up:		
1,00,03,687 (31 March 2021: 1,00,03,687) equity shares of ₹ 10 each	1,000.37	1,000.37
	1,000.37	1,000.37

* includes ₹ 1,700 lakhs transferred from the transferor company by virtue of the Scheme [Note 2.2].

2,40,000 8.5% NCCRPS of ₹100 each issued are classified as Subordinated Liabilities [Note 13].

(a) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year:

	As at 31 March 2022		As at 31 March 2021	
	No. of shares	₹ in lakhs	No. of shares	₹ in lakhs
At the beginning and end of the year	1,00,03,687	1,000.37	1,00,03,687	1,000.37

(b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares with par value of ₹ 10 per share. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets on winding up. The equity shareholders are entitled to receive dividend as declared by the Company from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company.

(c) Particulars of shareholder's holding more than 5% shares

	As at 31 March 2022		As at 31 March 2021	
	No. of shares	% of total shares in the class	No. of shares	% of total shares in the class
Equity shares of ₹ 10 each fully paid up held by				
SIL Investments Ltd.	13,38,430	13.38	13,38,430	13.38
New India Retailing & Investment Ltd.	8,38,367	8.38	8,38,367	8.38
Mr. Chandra Shekhar Nopany [As Trustee of Shekhar Family Trust]	6,49,163	6.49	refer note given below	
Navjeevan Medical Institute	6,21,466	6.21	6,21,466	6.21
Yashovardhan Investment & Trading Co. Ltd.	6,06,398	6.06	5,89,759	5.90
Hargaon Investment & Trading Co. Ltd.	5,69,252	5.69	5,69,252	5.69
8.5% NCCRPS of ₹ 100 each fully paid up held by				
Yashovardhan Investment & Trading Co. Ltd.	1,02,000	42.50	1,02,000	42.50
Shital Commercial Ltd.	40,800	17.00	40,800	17.00
Hargaon Investment & Trading Co. Ltd.	34,800	14.50	34,800	14.50
Deepshikha Trading Co. Pvt. Ltd.	26,400	11.00	26,400	11.00
Uttam Commercial Ltd.	20,400	8.50	20,400	8.50
SIL Investments Ltd.	15,600	6.50	15,600	6.50

Note: As at 31st March, 2021, shareholding of Mr. Chandra Shekhar Nopany as a Trustee of Shekhar Family Nopany in the Company's equity shares was not more than 5%.

Notes to Financial Statements for the year ended 31st March, 2022 (Contd.)

18. Share Capital (Contd.)

(d) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date

	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019	Year ended 31 March 2018
<i>Issued pursuant to the order of NCLT passed in earlier year:</i>					
Preference shares of ₹ 100 each allotted as fully paid-up	-	2,40,000	-	-	-

(e) Details of shares held by promoters:

Sr. No.	Promoter Name	No. of shares at the beginning of the year	Change during year	No. of shares at the end of the year	% of total shares	% Change during the year
Equity shares of ₹ 10 each fully paid up held by						
As on 31st March, 2022						
1	SIL Investments Ltd.	13,38,430	-	13,38,430	13.3794%	-
2	New India Retailing & Investment Ltd.	8,38,367	-	8,38,367	8.3806%	-
3	Mr. Chandra Shekhar Nopany [As Trustee of Shekhar Family Trust]	4,64,163	1,85,000	6,49,163	6.4892%	1.8493%
4	Yashovardhan Investment & Trading Co. Ltd.	5,89,759	16,639	6,06,398	6.0617%	0.1663%
5	Hargaon Investment & Trading Co. Ltd.	5,69,252	-	5,69,252	5.6904%	-
6	Ronson Traders Ltd.	3,52,995	1,00,000	4,52,995	4.5283%	0.9996%
7	RTM Investment & Trading Co. Ltd.	3,56,822	-	3,56,822	3.5669%	-
8	SCM Investment & Trading Co. Ltd.	3,02,784	-	3,02,784	3.0267%	-
9	Mrs. Nandini Nopany	2,37,570	11	2,37,581	2.3749%	0.0001%
10	Uttam Commercial Ltd.	1,26,927	1,00,000	2,26,927	2.2684%	0.9996%
11	Champaran Marketing Co. Ltd.	2,25,672	-	2,25,672	2.2559%	-
12	OSM Investment & Trading Co. Ltd.	2,03,221	-	2,03,221	2.0315%	-
13	Nilgiri Plantations Ltd.	1,19,394	-	1,19,394	1.1935%	-
14	Sonali Commercial Ltd.	66,428	25,000	91,428	0.9139%	0.2499%
15	Sidh Enterprises Ltd.	90,423	-	90,423	0.9039%	-
16	Narkatiaganj Farms Ltd.	74,760	-	74,760	0.7473%	-
17	Rajpur Farms Ltd.	57,773	-	57,773	0.5775%	-
18	Deepshikha Trading Co. Pvt. Ltd.	52,480	-	52,480	0.5246%	-
19	Mr. Chandra Shekhar Nopany	34,261	(4,326)	29,935	0.2992%	(0.0432%)
20	Shree Vihar Properties Ltd.	27,284	-	27,284	0.2727%	-
21	LA Monde Trading & Investments Pvt. Ltd.	21,785	-	21,785	0.2178%	-
22	Palash Securities Ltd.	16,060	-	16,060	0.1605%	-
23	Mrs. Urvi Mittal	11,775	-	11,775	0.1177%	-
24	Mr. Arhant Vikram Nopany	-	4,326	4,326	0.0432%	0.0432%
25	Pavapuri Trading and Investment Co. Ltd.	1,000	-	1,000	0.0100%	-
26	Mr. Chandra Shekhar Nopany [As Trustee of Shruti Family Trust]	11	(11)	-	-	(0.0001%)
		61,79,396	4,26,639	66,06,035	66.0357%	4.2647%

Notes to Financial Statements for the year ended 31st March, 2022 (Contd.)

18. Share Capital (Contd.)

(e) Details of shares held by promoters: (Contd.)

Sr. No.	Promoter Name	No. of shares at the beginning of the year	Change during year	No. of shares at the end of the year	% of total shares	% Change during the year
Equity shares of ₹ 10 each fully paid up held by						
As on 31st March, 2021						
1	SIL Investments Ltd.	13,38,430	-	13,38,430	13.3794%	-
2	New India Retailing & Investment Ltd.	8,38,367	-	8,38,367	8.3806%	-
3	Yashovardhan Investment & Trading Co. Ltd.	5,89,759	-	5,89,759	5.8954%	-
4	Hargaon Investment & Trading Co. Ltd.	5,69,252	-	5,69,252	5.6904%	-
5	Mr. Chandra Shekhar Nopany [As Trustee of Shekhar Family Trust]	4,64,163	-	4,64,163	4.6399%	-
6	RTM Investment & Trading Co. Ltd.	3,56,822	-	3,56,822	3.5669%	-
7	Ronson Traders Ltd.	3,27,995	25,000	3,52,995	3.5286%	0.2499%
8	SCM Investment & Trading Co. Ltd.	3,02,784	-	3,02,784	3.0267%	-
9	Mrs. Nandini Nopany	2,37,570	-	2,37,570	2.3748%	-
10	Champan Marketing Co. Ltd.	2,25,672	-	2,25,672	2.2559%	-
11	OSM Investment & Trading Co. Ltd.	2,03,221	-	2,03,221	2.0315%	-
12	Uttam Commercial Ltd.	1,927	1,25,000	1,26,927	1.2688%	1.2495%
13	Nilgiri Plantations Ltd.	1,19,394	-	1,19,394	1.1935%	-
14	Sidh Enterprises Ltd.	90,423	-	90,423	0.9039%	-
15	Narkatiaganj Farms Ltd.	74,760	-	74,760	0.7473%	-
16	Sonali Commercial Ltd.	66,428	-	66,428	0.6640%	-
17	Rajpur Farms Ltd.	57,773	-	57,773	0.5775%	-
18	Deepshikha Trading Co. Pvt. Ltd.	40,054	12,426	52,480	0.5246%	0.1242%
19	Mr. Chandra Shekhar Nopany	34,261	-	34,261	0.3425%	-
20	Shree Vihar Properties Ltd.	27,284	-	27,284	0.2727%	-
21	LA Monde Trading & Investments Pvt. Ltd.	21,785	-	21,785	0.2178%	-
22	Palash Securities Ltd.	16,060	-	16,060	0.1605%	-
23	Mrs. Urvi Mittal	11,775	-	11,775	0.1177%	-
24	Pavapuri Trading and Investment Co. Ltd.	1,000	-	1,000	0.0100%	-
25	Mr. Chandra Shekhar Nopany [As Trustee of Shruti Family Trust]	11	-	11	0.0001%	-
		60,16,970	1,62,426	61,79,396	61.7710%	1.6236%
8.5% NCCRPS of ₹ 100 each fully paid up held by						
As on 31st March, 2022						
1	Yashovardhan Investment & Trading Co. Ltd.	1,02,000	-	1,02,000	42.5000%	-
2	Shital Commercial Ltd.	40,800	-	40,800	17.0000%	-
3	Hargaon Investment & Trading Co. Ltd.	34,800	-	34,800	14.5000%	-
4	Deepshikha Trading Co. Pvt. Ltd.	26,400	-	26,400	11.0000%	-
5	Uttam Commercial Ltd.	20,400	-	20,400	8.5000%	-
6	SIL Investments Ltd.	15,600	-	15,600	6.5000%	-
		2,40,000	-	2,40,000	100.0000%	-
As on 31st March, 2021						
1	Yashovardhan Investment & Trading Co. Ltd.	1,02,000	-	1,02,000	42.5000%	-
2	Shital Commercial Ltd.	40,800	-	40,800	17.0000%	-
3	Hargaon Investment & Trading Co. Ltd.	34,800	-	34,800	14.5000%	-
4	Deepshikha Trading Co. Pvt. Ltd.	26,400	-	26,400	11.0000%	-
5	Uttam Commercial Ltd.	20,400	-	20,400	8.5000%	-
6	SIL Investments Ltd.	15,600	-	15,600	6.5000%	-
		2,40,000	-	2,40,000	100.0000%	-

Notes to Financial Statements for the year ended 31st March, 2022 (Contd.)

19. Other Equity

₹ in lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
Capital Reserve		
Balance at the beginning of the year	4,111.33	4,111.33
Less: Goodwill arisen pursuant to the Scheme [Note 2.2]	100.30	-
Balance at the end of the year	4,011.03	4,111.33
Capital Redemption Reserve		
Balance at the beginning of the year	-	-
Add: Transfer pursuant to the Scheme [Note 2.2]	30.00	-
Add: Transfer from Retained Earnings	240.00	-
Balance at the end of the year	270.00	-
Share Premium		
Balance at the beginning of the year	-	-
Add: Transfer pursuant to the Scheme [Note 2.2]	107.50	-
Balance at the end of the year	107.50	-
General Reserve		
Balance at the beginning of the year	-	-
Add: Transfer pursuant to the Scheme [Note 2.2]	279.76	-
Balance at the end of the year	279.76	-
Reserve Fund		
Balance at the beginning of the year	-	-
Add: Transfer pursuant to the Scheme [Note 2.2]	1,092.19	-
Add: Transfer from Retained Earnings	138.08	-
Balance at the end of the year	1,230.27	-
Retained Earnings		
Balance at the beginning of the year	(4.49)	(475.06)
Add: Transfer pursuant to the Scheme [Note 2.2]	3,632.07	-
Add: Profit for the year	690.38	470.57
Less: Transfer to Capital Redemption Reserve and Reserve Fund	(378.08)	-
Balance at the end of the year	3,939.88	(4.49)
Equity Instruments through OCI		
Balance at the beginning of the year	1,358.65	479.50
Add: Transfer pursuant to the Scheme [Note 2.2]	20,561.48	-
Net change in fair value during the year	27,804.36	879.15
Balance at the end of the year	49,724.49	1,358.65
	59,562.93	5,465.49

20. Interest Income

₹ in lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<i>On financial assets measured at amortised cost</i>		
Interest on inter-corporate deposits	232.05	-
Interest on deposits with bank	44.56	10.97
	276.61	10.97

Notes to Financial Statements for the year ended 31st March, 2022 (Contd.)

21. Other Income

₹ in lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Interest on Refund from Income Tax Department	-	0.11
Unspent liabilities, Provisions no longer required and Unclaimed balances written back *	-	18.47
	-	18.58

* During the year ended 31 March 2021, ₹ 18.47 lakhs being excess provision of liability related to subordinated liabilities written back

22. Employee Benefits Expense

₹ in lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Remuneration to the related parties [Note 32]	68.35	-
	68.35	-

23. Finance Costs

₹ in lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Interest on Subordinated Liabilities, measured at amortised cost	15.66	7.12
Interest on Income Tax	-	0.21
	15.66	7.33

24. Fees and Commission Expenses

₹ in lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Listing and Other Regulatory Fees	6.93	9.48
Fees related to ROC matters	0.34	0.13
	7.27	9.61

25. Depreciation Expenses

₹ in lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Depreciation on Investment Property	2.36	2.36
Depreciation on Property, plant and equipment	4.53	-
	6.89	2.36

Notes to Financial Statements for the year ended 31st March, 2022 (Contd.)

26. Other Expenses

₹ in lakhs

	Year ended 31 March 2022		Year ended 31 March 2021	
	Rate	₹ in lakhs	Rate	₹ in lakhs
Rate, Tax and Energy Costs		2.24		3.12
Repairs and Maintenance		5.35		5.66
Communication Costs		0.03		0.05
Printing and Stationery		2.25		2.09
Advertisement and Publicity		1.27		1.16
Director's Sitting Fees [Note 32]		2.70		1.75
Auditor's Fee and Expenses				
<i>As Auditors</i>				
- Statutory audit	1.25		1.25	
- Limited review of quarterly results	0.75		0.75	
<i>In other capacity</i>				
- For certificates and other services	4.06	6.06	3.24	5.24
Service Charges		11.08		-
Legal and Professional Charges		46.11		15.04
Other Expenses		22.39		14.92
		99.48		49.03

27. Tax expense

₹ in lakhs

Particulars	Year ended	Year ended
	31 March 2022	31 March 2021
Current tax	40.93	-
Provision for tax related to earlier years	-	(1.61)
Deferred tax		
Attributable to origination and reversal of temporary differences	-	-
	40.93	(1.61)

Reconciliation of effective tax

	Year ended 31 March 2022		Year ended 31 March 2021	
	Rate	₹ in lakhs	Rate	₹ in lakhs
Profit before tax		731.31		468.96
Tax using the Company's domestic tax rate	25.168%	184.06	25.168%	118.03
Tax effect of:				
- Deferred tax expense adjusted with deferred tax assets not recognised		(165.13)		(84.11)
- Amount related to earlier years		19.73		(29.61)
- Interest expense on Preference shares classified as liability not deductible for tax purposes		3.94		1.79
- Others (including permanent differences)		(1.67)		(7.71)
Effective tax		40.93		(1.61)

Notes to Financial Statements for the year ended 31st March, 2022 (Contd.)

28. Earnings per equity share (EPS)

Basic and Diluted earnings per share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic and diluted earnings per share calculation are as follows:

₹ in lakhs

	Year ended 31 March 2022	Year ended 31 March 2021
(i) Profit attributable to equity shareholders (₹ in lakhs)	690.38	470.57
(ii) Weighted average number of equity shares for the year		
At the beginning and at the end of the year	1,00,03,687	1,00,03,687
(iii) Earning per equity share [Nominal value of share ₹ 10] [(i)/(ii)]		
Basic and Diluted (₹)	6.90	4.70

There is no dilutive potential equity share.

29. Contingent liability, not provided for, in respect of uncalled capital on partly paid shares held as investment is ₹ 104.51 lakhs (31 March 2021: Nil).

30. The Company has only one business segment i.e. Investing Business and as such segment reporting as required by Ind AS 108 Operating Segments is not applicable.

31. Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

₹ in lakhs

Particulars	As at 31 March 2022		
	Within twelve months	After twelve months	Total
<i>Financial Assets:</i>			
Cash and Cash Equivalents	707.72	-	707.72
Loans	3,700.00	-	3,700.00
Investments	-	57,008.72	57,008.72
Other Financial Assets	46.43	-	46.43
<i>Non-financial Assets:</i>			
Current Tax Assets (net)	109.86	-	109.86
Investment Property	-	48.49	48.49
Property, Plant and Equipment	-	59.49	59.49
Other Non-financial Assets	6.18	29.25	35.43
Total Assets	4,570.19	57,145.95	61,716.14
<i>Financial Liabilities:</i>			
Payables	3.02	-	3.02
Subordinated Liabilities	-	262.78	262.78
Other Financial Liabilities	4.50	-	4.50
<i>Non-financial Liabilities:</i>			
Provisions	11.20	-	11.20
Other Non-financial Liabilities	3.01	-	3.01
Deferred Tax Liabilities (net)	-	868.33	868.33
Total Liabilities	21.73	1,131.11	1,152.84
Net Assets [Total Assets - Total Liabilities]	4,548.46	56,014.84	60,563.30

Notes to Financial Statements for the year ended 31st March, 2022 (Contd.)

31. Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. (Contd.)

₹ in lakhs

Particulars	As at 31 March 2021		
	Within twelve months	After twelve months	Total
<i>Financial Assets:</i>			
Cash and Cash Equivalents	527.95	-	527.95
Investments	-	6,090.05	6,090.05
Other Financial Assets	1.14	-	1.14
<i>Non-financial Assets:</i>			
Current Tax Assets (net)	41.99	-	41.99
Investment Property	-	50.85	50.85
Other Non-financial Assets	4.20	29.25	33.45
Total Assets	575.28	6,170.15	6,745.43
<i>Financial Liabilities:</i>			
Payables	3.10	-	3.10
Subordinated Liabilities	-	247.12	247.12
Other Financial Liabilities	-	29.25	29.25
<i>Non-financial Liabilities:</i>			
Other Non-financial Liabilities	0.10	-	0.10
Total Liabilities	3.20	276.37	279.57
Net Assets [Total Assets - Total Liabilities]	572.08	5,893.78	6,465.86

32. Related Party Disclosures

In accordance with the requirements of Ind AS 24 Related Party Disclosures, names of the related parties, related party relationships, transactions and outstanding balances, where control exist and with whom transactions have been taken place during the reported periods are:

A. Names of related parties and related party relationship

Related parties where control exist / with whom transactions have been taken place during the year

Wholly owned subsidiaries	Cinnatollah Tea Limited Uttar Pradesh Trading Company Limited *
Key management personnel	Mrs. Nandini Nopany – Chairperson / Non-Executive Director Mrs. Urvi Mittal – Managing Director Mr. Arun Kumar Newar – Independent / Non-Executive Director Mr. Dhiraj Ramakant Banka – Independent / Non-Executive Director Mr. Chhedi Lal Agarwal – Independent / Non-Executive Director Mr. Brij Mohan Agarwal – Non-Executive Director w.e.f. 10 February 2022 Mr. Santosh Kumar Poddar – Managing Director upto 10 February 2022 Mr. Vikash Goyal – Chief Financial Officer Ms. Vijaya Agarwala – Company Secretary Ms. Kanika Sonthalia – Company Secretary of UPTCL upto 20 September 2021

* merged with the Company on approval of the Scheme.

Notes to Financial Statements for the year ended 31st March, 2022 (Contd.)

32. Related Party Disclosures (Contd.)

B. The following transactions were carried out with related parties in the ordinary course of business

a. Investments in Equity Shares / Dividend Income thereon

₹ in lakhs

Particulars	Year ended 31 March	Investments in equity shares	Dividend Income	Amount owed by related parties
Wholly owned subsidiaries				
Cinnatollah Tea Limited	2022	2,617.54	130.88	-
	2021	2,617.54	130.88	-
Uttar Pradesh Trading Company Limited	2022	-	-	-
	2021	1,736.55	327.25	-

b. Sitting fees and remuneration to Directors and other KMPs

₹ in lakhs

Particulars	Year ended 31 March	Director's sitting fees	Director's remuneration	Remuneration to other KMPs	Amount owed to related parties
Key management personnel					
Mrs. Nandini Nopany	2022	0.40	-	-	-
	2021	0.25	-	-	-
Mrs. Urvi Mittal	2022	-	67.50	-	4.50
	2021	0.25	-	-	-
Mr. Arun Kumar Newar	2022	0.72	-	-	-
	2021	0.50	-	-	-
Mr. Dhiraj Ramakant Banka	2022	0.28	-	-	-
	2021	0.25	-	-	-
Mr. Chhedi Lal Agarwal	2022	0.72	-	-	-
	2021	0.50	-	-	-
Mr. Brij Mohan Agarwal	2022	0.08	-	-	-
	2021	-	-	-	-
Mr. Santosh Kumar Poddar	2022	0.50	-	-	-
	2021	-	-	-	-
Ms. Kanika Sonthalia	2022	-	-	0.85	-
	2021	-	-	-	-

C. The Company, being CIC, is not required to disclose details of loans, investments and guarantees covered under Section 186(4) of the Companies Act, 2013.

D. Terms and conditions of transactions with related parties

- The transactions with related parties have been entered at an amount which are not materially different from those on normal commercial terms.
- Neither amounts is outstanding nor receivable. Neither guarantees have been given nor received.
- For the year ended 31 March 2022, the Company has not recorded any impairment of receivables relating to amounts owed by a related parties. This assessment is undertaken in each financial year through examining the financial position of the related parties and the market in which the related party operates.
- The sitting fees and remuneration of directors is determined by the Nomination & Remuneration Committee having regard to the performance of individuals and market trends.

Notes to Financial Statements for the year ended 31st March, 2022 (Contd.)

33. Financial instruments - fair values and risk management

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities:

₹ in lakhs

Particulars	Carrying amount				Fair value
	FVTPL	FVOCI	Amortised cost	Total carrying amount	
As at 31 March 2022					
Financial assets					
Investment in equity shares (Quoted)	-	49,027.28	-	49,027.28	49,027.28
Investment in equity shares (Unquoted)	-	5,363.90	-	5,363.90	5,363.90
Cash and cash equivalents	-	-	707.72	707.72	707.72
Investment in Subsidiaries	-	-	2,617.54	2,617.54	2,617.54
Loans	-	-	3,700.00	3,700.00	3,700.00
Other financial assets	-	-	46.43	46.43	46.43
	-	54,391.18	7,071.69	61,462.87	61,462.87
Financial liabilities					
Payables	-	-	3.02	3.02	3.02
Subordinated liabilities	-	-	262.78	262.78	262.78
Other financial liabilities	-	-	4.50	4.50	4.50
	-	-	270.30	270.30	270.30
As at 31 March 2021					
Financial assets					
Investment in equity shares (Quoted)	-	1,673.63	-	1,673.63	1,673.63
Investment in equity shares (Unquoted)	-	62.33	-	62.33	62.33
Cash and cash equivalents	-	-	527.95	527.95	527.95
Investment in Subsidiaries	-	-	4,354.09	4,354.09	4,354.09
Other financial assets	-	-	1.14	1.14	1.14
	-	1,735.96	4,883.18	6,619.14	6,619.14
Financial liabilities					
Payables	-	-	3.10	3.10	3.10
Subordinated liabilities	-	-	247.12	247.12	247.12
Other financial liabilities	-	-	29.25	29.25	29.25
	-	-	279.47	279.47	279.47

The following methods and assumptions were used to estimate the fair values:

- The fair value of the quoted investments are based on market price at the respective reporting date.
- The fair value of the unquoted investments are based on independent valuation report, using combination of different methodologies i.e. discounted cash flow method and net assets method with equal weightage.

B. Measurement of fair values

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in forced or liquidation sale.

The Company has established the following fair value hierarchy that categories the value into 3 levels.

Financial assets and liabilities measured at fair value - recurring fair value measurements as under:

₹ in lakhs

Particulars	Note	Level 1	Level 2	Level 3	Total
As at 31 March 2022					
Investment in equity shares (Quoted)	6	49,027.28	-	-	49,027.28
Investment in equity shares (Unquoted)	6	-	-	5,363.90	5,363.90
As at 31 March 2021					
Investment in equity shares (Quoted)	6	1,673.63	-	-	1,673.63
Investment in equity shares (Unquoted)	6	-	-	62.33	62.33

Notes to Financial Statements for the year ended 31st March, 2022 (Contd.)

33. Financial instruments - fair values and risk management (Contd.)

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- (i) Credit risk
- (ii) Liquidity risk
- (iii) Market risk

Risk management framework

The Company's principal financial liabilities includes payable, subordinated liabilities and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include cash and cash equivalents, receivables, investments and other financial assets that derive directly from its operations.

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal auditor undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

The Company's primary risk management focus is to minimise potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities.

(i) Credit risk

Credit risk is the risk of financial loss of the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company receivables from customers. The Company has no significant concentration of credit risk with any counterparty. The carrying amount of financial assets represent the maximum credit risk exposure. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry also has an influence on credit risk assessment. Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to the customer credit risk management. The Company uses financial information and past experience to evaluate credit quality of majority of its customers. Outstanding receivables and the credit worthiness of its counter parties are periodically monitored and taken up on case to case basis. There is no material expected credit loss based on the past experience. However, the Company assesses the impairment of receivable on case to case basis and has accordingly created loss allowance on receivables.

Exposure to credit risks

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry. The Company evaluates the concentration of risk with respect to receivables as low, as the Company's income are mostly on cash.

There is no credit risk by type of counterparty for the Company's exposure because there is no receivables.

Receivables are primarily unsecured and are derived from revenue earned from customers. Credit risk is managed through credit approvals, establishing credit limits and by continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. As per simplified approach, the Company makes provision of expected credit loss on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provisions at each reporting date whenever is for longer period and involves higher risk. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the credit loss allowance for receivables.

The Company's management also pursue all legal option for recovery of dues, wherever necessary based on its internal assessment.

Notes to Financial Statements for the year ended 31st March, 2022 (Contd.)

33. Financial instruments - fair values and risk management (Contd.)

C. Financial risk management (Contd.)

(ii) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Exposure to liquidity risks

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

(₹ in lakhs)

Particulars	Carrying amount	Total	Less than 1 years	1 to 2 years	2 to 5 years	More than 5 years
As at 31 March 2022						
Payables	3.02	3.02	3.02	-	-	-
Subordinated Liabilities*	262.78	444.00	-	-	-	444.00
Other financial liabilities	4.50	4.50	4.50	-	-	-
	270.30	451.52	7.52	-	-	444.00
As at 31 March 2021						
Payables	3.10	3.10	3.10	-	-	-
Subordinated Liabilities*	247.12	444.00	-	-	-	444.00
Other financial liabilities	29.25	29.25	-	29.25	-	-
	279.47	476.35	3.10	29.25	-	444.00

* including estimated dividend as finance cost.

(iii) Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, regulatory changes, equity prices and other market changes that effect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and payables.

Foreign currency risks

All transactions of the Company are in Indian currency, consequently Company is not exposed to foreign currency risk. The Company has no outstanding foreign currency exposure or related derivative contract.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates relates primarily to the Company's long term and short term borrowing with floating interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

Currently the Company's borrowings are within acceptable risk levels, as determined by the management, hence the Company has not taken any swaps to hedge the interest rate risk.

Notes to Financial Statements for the year ended 31st March, 2022 (Contd.)

33. Financial instruments - fair values and risk management (Contd.)

C. Financial risk management (Contd.)

Exposure to interest rate risks

The interest rate profile of the Company's interest bearing financial instruments at the end of the reporting period are as follows:

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Fixed rate instruments		
Financial assets	4,375.00	520.00
Financial liabilities	262.78	247.12
Variable rate instruments		
Financial assets	-	-
Financial liabilities	-	-

Cash flow sensitivity analysis

Fixed rate instruments that are carried at amortised cost are not subject to interest rate risk for the purpose of sensitive analysis.

Equity risk

The Company's quoted equity instruments are susceptible to market price risk arising from uncertainties about future values of the investment securities. The reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The senior management reviews and approves all equity investment decisions.

Sensitivity analysis

Investment in equity instruments (Quoted) of the Company are listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) in India. The table below summaries the impact of increase/decrease of the Nifty 50 index on the Company's equity and profit for the period. The analysis is based on the assumption that the BSE / NSE had increased / decreased by 10% with all other variables held constant, and that all the Company's equity instruments moved in line with the index.

(₹ in lakhs)

Particulars	Profit or loss before tax		Equity, net of tax	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
BSE / NSE - increase by 10%	4,902.73	167.36	4,341.86	148.21
BSE / NSE - decrease by 10%	(4,902.73)	(167.36)	(4,341.86)	(148.21)

Regulatory risk

The Company's operations is significantly regulated by neither by Central Government nor by State Government. Hence, Regulatory risk to the Company is very low.

Notes to Financial Statements for the year ended 31st March, 2022 (Contd.)

34. Capital management

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

35. The title deeds of following immovable properties are not held in the name of the Company:

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative # of promoter * / director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the company
<i>As on 31st March, 2022</i>						
Investment Property	Freehold Land	2.47	The erstwhile company	No	1 April 2015	Mutation in the name of the Company is pending.
PPE	Freehold Land	15.00	The erstwhile company	No	1 April 2020	
<i>As on 31st March, 2021</i>						
Investment Property	Freehold Land	2.47	The erstwhile company	No	1 April 2015	

Relative here means relative as defined in the Companies Act, 2013.

* Promoter here means promoter as defined in the Companies Act, 2013.

36. Ratio Analysis and its elements

Ratio	Numerator	Denominator	As at 31st March, 2022	As at 31st March, 2021	Change (%)
Capital to risk-weighted assets ratio (CRAR)	Total Capital Fund	Total Risk Weighted Assets	1.51	1.90	(20.53%)
					[Explanation in Note below]
Tier I CRAR	Capital Fund - Tier I	Total Risk Weighted Assets	1.31	1.49	(12.08%)
					[Explanation in Note below]
Tier II CRAR	Capital Fund - Tier II	Total Risk Weighted Assets	0.20	0.41	(51.22%)
					[Explanation in Note below]

Note: Change in the above-mentioned ratios is more than 25% as compared to the preceding year due to increase in other equity other than OCI pursuant to the Scheme.

37. The previous year's figures have been regrouped / reclassified wherever necessary to conform to the current year' classification / disclosure.

As per our report of even date attached.

For **Agarwal Subodh & Co.**

Chartered Accountants

ICAI Firm's Registration No.: 319260E

Prosanta Mukherjee

Partner

Membership No.: 053651

Place: Kolkata

Date: 12 May 2022

For and on behalf of the Board of Directors

Brij Mohan Agarwal

Director

DIN: 03101758

Vijaya Agarwala

Company Secretary

Urvi Mittal

Managing Director

DIN: 02780842

Vikash Goyal

Chief Financial Officer

Independent Auditor's Report on the Consolidated Ind as Financial Statements

To the Members of
Ganges Securities Limited.

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying Consolidated Ind AS Financial Statements of M/s. **GANGES SECURITIES LIMITED** (hereinafter referred to as "the Company") and its subsidiary (the Company and its Subsidiary together referred to as the "the Group") which comprise the consolidated Balance Sheet as at March 31 2022, the consolidated statement of Profit and Loss (including other comprehensive income), the consolidated cash flow statement and the consolidated statement of Changes in Equity for the year then ended and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information ("the Consolidated Financial Statements").

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of the other auditor on separate financial statement of the subsidiary referred to in the Other Matters Section below the aforesaid Consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standard) Rules 2015, as amended ("IND AS") and other accounting principles generally accepted in India of the consolidated state of affairs of the Group as at March 31, 2022 and their consolidated profit their consolidated total comprehensive income, their consolidated cash flows and their consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements section of our report. We are independent of the 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 Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS financial statements of the current financial year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This section of auditor's report is intended to describe the matters communicated with those charged with governance that the auditor has determined, in the auditor's professional judgement, were of most significance in the audit of the financial statements and the auditor has determined that there are no matters to report.

Information other than the Consolidated Ind AS Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, for example, Board of Director's Report, Report on Corporate Governance, Management Discussion & Analysis Report, Business Responsibility Report, Shareholder information, etc., but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of Consolidated Ind AS financial statements, our responsibility is to read the other information compare with the financial statements of the subsidiary, audited by the other auditors to the extent it relates to these entity and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the Consolidated Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiary, is traced from their financial statements audited by other auditors

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the group in accordance with the accounting principles generally accepted in India, including the applicable Indian Accounting Standards (IND AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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

In preparing the Consolidated Ind AS Financial Statements, the respective Board of Directors of the company and of its subsidiary are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the company and of its subsidiary are responsible for overseeing the financial reporting process of group.

Auditor's Responsibilities for the audit of the Consolidated Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Ind AS financial statements, including the disclosures, and whether the Consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities of the Company and its subsidiary to express an opinion on the Consolidated Ind AS Financial Statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the Consolidated Ind AS Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Ind AS Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Company and such other entities included in the Consolidated Ind AS Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

We did not audit the financial statements of subsidiary included in the Group whose financial statements reflect total assets of 4,981.78 Lakhs as at March 31, 2022, total revenue of 2,804.38 Lakhs total net profit after tax of 240 Lakhs, total comprehensive income of 230.73 Lakhs and net cash inflows/(outflows) amounting to (102.56) Lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these aforesaid subsidiary and our report in terms of subsection (3) of section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the report of the other auditors.

Our opinion on the consolidated Ind AS financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements.

Report on other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of audit report of the other auditor and on separate financial statements of the subsidiary as were audited by other auditor, as noted in the 'Other Matter' paragraph, we report to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS Financial Statements.
 - b) In our opinion, proper books of accounts as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The consolidated balance Sheet, the consolidated statement of profit and loss (including other comprehensive Income), the consolidated statement of changes in equity and the consolidated statement of cash flow dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements.
 - d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended
 - e) On the basis of the written representations received from the directors of the Company as on 31st March 2022 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary company, incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the company and its subsidiary company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with the Rule 11 of the Companies (Audit and Auditors) rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements of such subsidiary, as noted in the 'Other matter' paragraph:
 - i. The Group did not have any pending litigations which will impact on its financial position.
 - ii. The company and its subsidiary did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary company incorporated in India.

- iv. (a) The respective Management of the Company and its subsidiary incorporated in India, whose financial statements have been audited under the act, have represented to us and to the other auditors of such subsidiary, that to the best of its knowledge and belief, , no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- b) The respective Managements of the Company and its subsidiary which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiary, that, to the best of its knowledge and belief, other than as disclosed in financial statements, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
- v. The Company has neither declared nor paid dividend during the previous year. The Board of Directors of the Company have also not proposed dividend for the current year.

For, **Agrawal Subodh & Co.**
Chartered Accountants
Firm’s Registration No – 319260E

Prosanta Mukherjee
Partner
Membership No. – 053651
UDIN: 22053651AIWHPG2061

Place: Kolkata
Date: 12th May 2022

Annexure – A: to the Independent Auditors’ Report on the Consolidated Ind AS Financial Statements of Ganges Securities Limited as on 31st March 2022

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section our report of even date addressed to the members of Ganges Securities Limited on the Consolidated Ind AS financial statements as on 31st March 2022)

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

We have audited the internal financial controls with reference to the Consolidated Ind AS Financial Statement over financial reporting of Ganges Securities Limited (“the Company”) as of 31st March 2022 in conjunction with our audit of the Consolidated Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The respective management of the Company and its subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated Ind AS financial statements based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to the Consolidated Ind AS Financial Statements of the Company and its Subsidiary, which are companies incorporated in India, we conducted our audit in accordance with the Guidance Note and the

Standards on Auditing (“SA”), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Consolidated Financial Statements. Those SAs and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Consolidated Financial Statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to the Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.

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

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 the Consolidated Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial controls with reference to the Consolidated Financial Statements includes those policies and procedures that:

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Company and its subsidiary company which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to the subsidiary, which is company incorporated in India, is based solely on the corresponding reports of the auditor of such company incorporated in India. Our opinion is not modified in respect of the above matters.

For, **Agrawal Subodh & Co.**
Chartered Accountants
Firm’s Registration No – 319260E

Prosanta Mukherjee
Partner
Membership No. – 053651
UDIN: 22053651AIWHPG2061

Place: Kolkata
Date: 12th May 2022

Consolidated Balance Sheet as at 31 March 2022

(₹ in lakhs)

Particulars	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
1. Financial Assets			
(a) Cash and Cash Equivalents	4	767.02	1,333.42
(b) Bank Balances other than (a) above	5	1,904.17	2,763.43
(c) Receivables			
(I) Trade Receivables	6	15.14	58.92
(II) Other Receivables	6	-	-
(d) Loans	7	3,700.00	2,700.00
(e) Investments	8	55,418.67	25,648.84
(f) Other Financial Assets	9	274.20	366.77
Total Financial Assets		62,079.20	32,871.38
2. Non-financial Assets			
(a) Inventories	10	318.52	212.66
(b) Current Tax Assets (net)	11	227.03	138.03
(c) Deferred Tax Assets (net)	23	-	21.04
(d) Investment Property	12	48.49	50.85
(e) Biological Assets other than bearer plants	13	3.12	1.32
(f) Property, Plant and Equipment	14	1,065.12	1,059.09
(g) Capital Work-in-Progress	15	132.28	67.87
(h) Goodwill	16	90.11	90.11
(i) Other Non-financial Assets	17	107.41	106.74
Total Non-financial Assets		1,992.08	1,747.71
TOTAL ASSETS		64,071.28	34,619.09
LIABILITIES AND EQUITY			
LIABILITIES			
1. Financial Liabilities			
(a) Payables			
(I) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises	18	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	18	42.97	61.47
(II) Other Payables			
(i) total outstanding dues of micro enterprises and small enterprises	18	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	18	-	-
(b) Subordinated Liabilities	19	262.78	247.12
(c) Other Financial Liabilities	20	261.54	265.96
Total Financial Liabilities		567.29	574.55
2. Non-financial Liabilities			
(a) Provisions	21	247.91	242.30
(b) Other Non-financial Liabilities	22	24.25	24.23
(c) Deferred Tax Liabilities (net)	23	859.24	-
Total Non-financial Liabilities		1,131.40	266.53
Total Liabilities		1,698.69	841.08
EQUITY			
(a) Equity Share Capital	24	1,000.37	1,000.37
(b) Other Equity	25	61,372.22	32,777.64
Total Equity		62,372.59	33,778.01
TOTAL LIABILITIES AND EQUITY		64,071.28	34,619.09
Summary of significant accounting policies	3		
The accompanying notes are an integral part of the financial statements.			

As per our report of even date attached.

For **Agarwal Subodh & Co.**
Chartered Accountants
ICAI Firm's Registration No.: 319260E

Prosanta Mukherjee
Partner
Membership No.: 053651

Place: Kolkata
Date: 12 May 2022

For and on behalf of the Board of Directors

Brij Mohan Agarwal
Director
DIN: 03101758

Vijaya Agarwala
Company Secretary

Urvi Mittal
Managing Director
DIN: 02780842

Vikash Goyal
Chief Financial Officer

Consolidated Statement of Profit and Loss for the year ended 31 March 2022

(₹ in lakhs)

Particulars	Notes	Year ended 31 March 2022	Year ended 31 March 2021
I. Revenue from Operations			
(i) Interest Income	26	422.00	416.59
(ii) Dividend Income		383.28	265.27
(iii) Sale of Products	27	2,622.47	2,799.19
Total Revenue from Operations		3,427.75	3,481.05
II. Other Income			
(i) Rental Income		138.19	25.03
(ii) Other Income	28	36.52	25.71
Total Other Income		174.71	50.74
III. Total Income (I + II)		3,602.46	3,531.79
IV. Expenses			
(i) Finance Costs	29	20.01	8.34
(ii) Fees and Commission Expenses	30	38.75	39.87
(iii) Changes in Inventories of finished goods	31	(49.31)	(5.60)
(iv) Employee Benefits Expenses	32	1,882.51	1,511.52
(v) Depreciation Expense	33	74.10	69.54
(vi) Other Expenses	34	728.37	737.70
Total Expenses		2,694.43	2,361.37
V. Profit before Tax (III - IV)		908.03	1,170.42
VI. Tax expense	35		
Current tax		119.43	147.08
Provision for tax related to earlier years		(25.96)	(1.62)
Deferred tax		15.07	45.54
Total Tax expenses		108.54	191.00
VII. Profit for the year (V - VI)		799.49	979.42
VIII. Other comprehensive income			
Items that will not be reclassified to profit or loss			
(a) Remeasurement of defined benefit liability / (asset)		(12.40)	16.02
(b) Equity investments through other comprehensive income - net change in fair value		28,672.70	11,945.99
(c) Income tax relating to items that will not be reclassified to profit or loss		(865.21)	(4.03)
Other comprehensive income for the year, net of income tax		27,795.09	11,957.98
IX. Total comprehensive income for the year (VII + VIII)		28,594.58	12,937.40
X. Earnings per equity share [Nominal value per equity share ₹ 10 each]"	36		
(a) Basic (₹)		7.99	9.79
(b) Diluted (₹)		7.99	9.79
Summary of significant accounting policies	3		
The accompanying notes are an integral part of the financial statements.			

As per our report of even date attached.

For **Agarwal Subodh & Co.**

Chartered Accountants

ICAI Firm's Registration No.: 319260E

Prosanta Mukherjee

Partner

Membership No.: 053651

Place: Kolkata

Date: 12 May 2022

For and on behalf of the Board of Directors

Brij Mohan Agarwal

Director

DIN: 03101758

Vijaya Agarwala

Company Secretary

Urvi Mittal

Managing Director

DIN: 02780842

Vikash Goyal

Chief Financial Officer

Consolidated Statement of Changes in Equity for the year ended 31st March, 2022

A. Equity Share Capital

Particulars	Notes	As at 31st March, 2022		As at 31st March, 2021	
		No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Balance at the beginning of the year	24	1,00,03,687	1,000.37	1,00,03,687	1,000.37
Changes in Equity Share Capital due to prior period errors		-	-	-	-
Restated balance at the beginning of the year		1,00,03,687	1,000.37	1,00,03,687	1,000.37
Change in equity share capital during the year		-	-	-	-
Balance at the end of the year	24	1,00,03,687	1,000.37	1,00,03,687	1,000.37

B. Other Equity

(₹ in lakhs)

Particulars	Reserves and Surplus						Items of OCI	Total
	Capital Reserve	Capital Redemption Reserve	Share Premium	General Reserve	Reserve Fund	Retained Earnings	Equity instruments through OCI	
Balance as at 1 April 2020	4,118.53	30.00	-	279.76	1,010.94	4,426.88	9,974.13	19,840.24
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
Restated balance at the beginning of the year	4,118.53	30.00	-	279.76	1,010.94	4,426.88	9,974.13	19,840.24
Total comprehensive income for the year	-	-	-	-	-	-	-	-
- Profit	-	-	-	-	-	979.42	-	979.42
- Remeasurement of defined benefit liability / (asset) (net of tax)	-	-	-	-	-	11.99	-	11.99
- Net change in fair value of Equity investments	-	-	-	-	-	-	11,945.99	11,945.99
Total comprehensive income	-	-	-	-	-	991.41	11,945.99	12,937.40
Transfer to Reserve Fund from Retained Earnings	-	-	-	-	81.25	(81.25)	-	-
Balance as at 31 March 2021	4,118.53	30.00	-	279.76	1,092.19	5,337.04	21,920.12	32,777.64
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
Restated balance at the beginning of the year	4,118.53	30.00	-	279.76	1,092.19	5,337.04	21,920.12	32,777.64
Add / (Less): Impact of the Scheme [Note 2.3]	(107.50)	-	107.50	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	-	-	-
- Profit	-	-	-	-	-	799.49	-	799.49
- Remeasurement of defined benefit liability / (asset) (net of tax)	-	-	-	-	-	(877.61)	-	(877.61)
"- Net change in fair value of Equity investments"	-	-	-	-	-	-	28,672.70	28,672.70
Total comprehensive income	-	-	-	-	-	(78.12)	28,672.70	28,594.58
Transfer to Capital Redemption Reserve / Reserve Fund from Retained Earnings	-	240.00	-	-	138.08	(378.08)	-	-
Balance as at 31 March 2022	4,011.03	270.00	107.50	279.76	1,230.27	4,880.84	50,592.82	61,372.22

The description of purpose of each reserve mentioned above within other equity is as follows:

(a) **Capital Reserve**

The difference between the net fair value of assets and liabilities acquired and shares issued pursuant to the scheme of arrangement approved in earlier year including amount recorded pursuant to the Scheme refer Note 2.2.

Offset (eliminate) the carrying amount of the Company's investment in each subsidiary and equity of each subsidiary and any difference between them is treated as Goodwill / Capital Reserve as the case may be.

(b) **Capital Redemption Reserve**

The Company and its subsidiaries had created "Capital Redemption Reserve" on redemption of preference shares in accordance with the Companies Act. The reserve may be applied in accordance with the provision of Section 69 of the Companies Act, 2013.

(c) **Share Premium**

Securities Premium, transferred to the Company pursuant to the Scheme, is a sum equal to the aggregate amount of the premium received on issue of shares at premium by the transferor company, whether for cash or otherwise. The reserve may be applied in accordance with the provision of Section 52 of the Companies Act, 2013.

(d) **General Reserve**

General Reserve, transferred to the Company pursuant to the Scheme, had been created on declaration of dividend in accordance with the Companies (Transfer of Profit to Reserve) Rules, 1975 read with the relevant provisions of the Companies Act, 1956 by the transferor company. After enactment of the Companies Act, 2013, it is not mandatory on declaration of dividend. It is a free reserve.

(e) **Reserve Fund**

Reserve Fund, transferred to the Company pursuant to the Scheme, had been created in accordance with provisions of Section 45-IC of the Reserve Bank of India Act, 1934 by the transferor company.

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached.

For **Agarwal Subodh & Co.**

Chartered Accountants

ICAI Firm's Registration No.: 319260E

Prosanta Mukherjee

Partner

Membership No.: 053651

Place: Kolkata

Date: 12 May 2022

For and on behalf of the Board of Directors

Brij Mohan Agarwal

Director

DIN: 03101758

Vijaya Agarwala

Company Secretary

Urvi Mittal

Managing Director

DIN: 02780842

Vikash Goyal

Chief Financial Officer

Consolidated Cash Flow Statement for the year ended 31st March, 2022

(₹ in lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
(A) CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax	908.03	1,170.42
Adjustments for:		
Finance Costs	20.01	8.34
Depreciation expense	74.10	69.54
Net change in fair value of investments in bonds / mutual funds (quoted / unquoted)	(13.51)	-
Gain on discard / sale of Investment Property / Property, Plant and Equipment (net)	-	(1.14)
Unspent liabilities, Provisions no longer required and Unclaimed balances written back	(6.62)	(20.65)
	982.01	1,226.51
Working capital adjustments:		
Decrease in Receivables	43.78	98.55
Decrease / (Increase) in Other Financial Assets	951.83	(618.48)
(Increase) / Decrease in Inventories	(105.86)	38.51
(Increase) in Biological assets other than bearer plants	(1.80)	(1.32)
(Increase) in Other Non-financial Assets	(0.67)	(29.62)
(Decrease) in Payables	(11.88)	(26.03)
(Decrease) / Increase in Financial Liabilities	(1.59)	12.19
(Decrease) / Increase in Provisions	(6.79)	9.91
Increase in Other Non-financial Liabilities	0.02	0.33
Cash Generation from Operations	1,849.05	710.55
Income tax paid (net of refund received)	(182.47)	(199.82)
Net Cash generated from Operating Activities	1,666.58	510.73
(B) CASH FLOW FROM INVESTING ACTIVITIES:		
Inter-corporate deposits given	(1,000.00)	-
Proceeds from sale of Property, Plant and Equipment	-	1.84
Acquisition of Property, Plant and Equipment	(142.18)	(100.09)
Investment made	(1,083.62)	(156.12)
Net Cash used in Investing Activities	(2,225.80)	(254.37)
(C) CASH FLOW FROM FINANCING ACTIVITIES:		
Repayment of Lease liabilities	(2.83)	(2.60)
Interest on Lease liabilities paid	(0.59)	(0.80)
Other Interest paid	(3.76)	(0.42)
Net Cash used in Financing Activities	(7.18)	(3.82)
Net Changes in Cash & Cash Equivalents (A + B + C)	(566.40)	252.54
Cash & Cash Equivalents at the beginning of the year	1,333.42	1,080.88
Cash & Cash Equivalents at the end of the year	767.02	1,333.42

Change in Liability arising from financing activities

(₹ in lakhs)

Particulars	As on 31 March 2021	Cash Flow	Fair Value Change	As on 31st March, 2022
Subordinated Liabilities [Note 19]	247.12	-	15.66	262.78
Lease Liabilities [Note 20]	7.41	(3.42)	0.59	4.58

Particulars	As on 31 March 2020	Cash Flow	Fair Value Change	As on 31st March, 2021
Subordinated Liabilities [Note 19]	258.47	-	(11.35)	247.12
Lease Liabilities [Note 20]	10.01	(3.40)	0.80	7.41

As per our report of even date attached.

For **Agarwal Subodh & Co.**
Chartered Accountants
ICAI Firm's Registration No.: 319260E

Prosanta Mukherjee
Partner
Membership No.: 053651
Place: Kolkata
Date: 12 May 2022

For and on behalf of the Board of Directors

Brij Mohan Agarwal Director DIN: 03101758	Urvi Mittal Managing Director DIN: 02780842
Vijaya Agarwala Company Secretary	Vikash Goyal Chief Financial Officer

Notes to Consolidated Financial Statements for the year ended 31 March 2022

1. Reporting entity

Ganges Securities Limited ('the Company') is a public limited company domiciled in India and incorporated under the provisions of the Companies Act. The Company together with its wholly owned subsidiary are collectively called as 'the Group'. The Company is primarily engaged in investing and dealing etc. in securities mainly of group companies and its wholly owned subsidiary is engaged in tea business. The registered office of the Company is located at Post Office Hargaon, District Sitapur, Uttar Pradesh 261121. Its shares are listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE).

Consequent to the scheme of amalgamation ('the Scheme'), approved by the National Company Law Tribunal (NCLT) and the certified copy of the NCLT order received 3 September 2021 and filed with the Registrar of Companies, Kanpur in accordance with the Companies Act, 2013 on 1 October 2021, Uttar Pradesh Trading Company Limited ('the transferor company'), erstwhile wholly owned subsidiary of the Company, has been amalgamated with the Company from the appointed date i.e. 1 April 2020 to facilitate reduction in number of multiple entities in the group and for simplification of the group structure.

Pursuant to the Scheme, application made by the Company for registration as a non-banking financial company (NBFC) to Reserve Bank of India (RBI) is pending.

2. Basis of preparation

2.1 Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) notified under Section 133 of the Companies Act, 2013 ('Act') and other relevant provisions and presentation requirements of Division III of the Act, as applicable.

In accordance with the Scheme, all the Assets, Liabilities and Reserves of the transferor company have been carried by the Company at their existing carrying amounts (refer to Note 2.2 below).

The financial statements are authorised for issue by the Board of Directors of the Company at their meeting held on 12 May 2022.

Details of the Group's significant accounting policies are included in Note 3.

2.2 Scheme of Amalgamation

The amalgamation of the transferor company has been accounted for under the "Pooling of Interest Method" as described in Appendix C of Ind AS - 103 "Business Combination" notified under Section 133 of the Act or other applicable provisions of the Act and read with relevant rules issued thereunder.

As per the Scheme, appointed date approved by the National Company Law Tribunal is 1 April 2020 and effective date is 1 October 2021, being the date on which the certified copy of the order sanctioning the Scheme is filed with the Registrar of Companies, Kanpur in accordance with the Act.

The details of assets, liabilities and reserves of the transferor company as on 1 April 2020, transferred to the Company, are as under:

(₹ in lakhs)

Particulars	Amount	Amount	Amount
ASSETS			
Financial Assets			
Cash and Cash Equivalents	684.55		
Receivables	14.28		
Loans	2,700.00		
Investments *	12,689.93		
Other Financial Assets	53.54		
Total Financial Assets		16,142.30	
Non-financial Assets			
Current Tax Assets (net)	0.04		
Property, Plant and Equipment	68.81		
Total Non-financial Assets		68.85	
Total Assets			16,211.15

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

(₹ in lakhs)

Particulars	Amount	Amount	Amount
LIABILITIES			
Financial Liabilities			
Trade Payables	5.69		
Total Financial Liabilities		5.69	
Non-financial Liabilities			
Provisions	11.20		
Other Non-financial Liabilities	0.83		
Total Non-financial Liabilities		12.03	
Total Liabilities			17.72
RESERVES			
Capital Redemption Reserve		30.00	
Securities Premium		107.50	
General Reserve		279.76	
Reserve Fund		1,010.94	
Retained Earnings		3,634.34	
Equity Instruments through OCI		9,494.64	
Total Reserves			14,557.18

* includes investments in equity shares (unquoted), cost of which had been written off.

The entire paid-up equity shares of the transferor company, held by the Company, and the Investment of the Company in equity shares (fully paid-up) of the transferor company stand cancelled.

Since, the Company is not permitted to issue shares to itself under the provisions of the Act, no share of the Company has been issued or allotted with respect to equity shares held by the Company in the transferor company in consideration for the amalgamation.

The difference between the value of assets over the value of liabilities including reserves of the transferor company and value of investment of the Company in equity share capital of the transferor company has been recorded in Capital Reserve.

The details of total comprehensive income of the transferor company for the period from 1 April 2020 to 31 March 2021, transferred to the Company, are as under:

(₹ in lakhs)

Particulars	Amount	Amount	Amount
Revenue from Operations			
Interest Income	251.15		
Dividend Income	240.69		
Total Revenue from Operations		491.84	
Other Income		0.13	
Total Income			491.97
Expenses			
Employee Benefits Expenses		1.80	
Fees and Commission Expenses		0.81	
Depreciation Expense		4.79	
Other Expenses		20.16	
Total Expenses			27.56
Profit before Tax			464.41
Tax expense			58.18
Profit after Tax			406.23
Dividend paid on equity shares			(327.25)
Transfer to Reserve Fund			(81.25)
Retained earnings transferred to the Company			(2.27)
Reserve Fund transferred to the Company			81.25
Other comprehensive income (OCI)			
<i>Items that will not be reclassified to profit or loss</i>			
Equity investments through OCI - net change in fair value		11,066.84	
Income tax relating to items that will not be reclassified to profit or loss		-	
Equity Instruments through OCI transferred to the Company			11,066.84

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

Further, net cash flows for the period 1 April 2020 to 31 March 2021 pertaining to the transferor company on account of operating, investment and financing activities aggregating ₹ 442.42 lakhs, ₹ (156.12) lakhs and ₹ (327.25) lakhs respectively are also transferred to the Company.

2.3 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiary as at 31 March 2022. Significant subsidiary/ies of the Group are:

Name	Country of incorporation	% equity interest		
		31 March 2022	31 March 2021	1 April 2020
Cinnatollah Tea Limited	India	100	100	100
Uttar Pradesh Trading Company Limited	India	Refer note given below	100	100

Note: Uttar Pradesh Trading Company Limited has been amalgamated with the Company on approval of the Scheme.

Consolidation procedure:

- Combine on line-by-line basis like items of assets, liabilities, income, expenses and cash flows of the Company with those of its subsidiary/ies. Apart from this, carrying of Share Premium of the transferor company by recording the impact thereof to Capital Reverse pursuant to the Scheme.
- Offset (eliminate) the carrying amount of the Company's investment in each subsidiary/ies and equity of each subsidiary including share premium and any difference between them is treated as Goodwill / Capital Reserve as the case may be.
- Eliminate in full intra-group assets and liabilities, income and expenses and cash flows relating to transactions between entities of the Group. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intra-group transactions.

Profit or loss and each component of OCI, reflected in these consolidated financial statements are attributed to the equity holders of the Company.

The consolidated financial statements have been prepared using uniform accounting policies, except stated otherwise, for like transactions and are prepared, to the extent possible, in the same manner as the Company's standalone financial statements. All intra-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2.4 Functional and presentation currency

These financial statements are presented in Indian Rupees (₹), which is also the Group's functional currency. All amounts have been rounded off to the nearest lakhs, unless otherwise indicated.

2.5 Presentation of financial statements

The Group presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement within twelve months after the reporting date (current) and more than twelve months after the reporting date (non-current) is presented in Note 40.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Group and / or its counterparties.

2.6 Basis of measurement

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

Items	Measurement basis
i) Certain financial assets and financial liabilities	Fair value
ii) Biological assets other than bearer plants	Fair value less costs to sell
iii) Employee's defined benefit plan	As per actuarial valuation (present value of defined benefit obligation less fair value of plan assets)

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

Fair value is the price that would be received on the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

2.7 Use of estimates and judgments

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amount of assets, liabilities, income and expenses. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results may differ from these estimates.

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

The management makes various judgements, apart from those involving estimations, that can significantly affect the amounts it recognises in the financial statements. Judgements are applied in determining the followings:

Note 8 - Determining the fair values of investments;

Note 38 - Determination of ROU assets and liabilities; incremental borrowing rate and lease term.

Information about estimation and assumption uncertainties that have a significant risk of resulting in a material adjustment in the financial statements for the every period ended is included in the following notes:

Note 12 & 14 - Useful life and residual value of investment property and property, plant and equipment;

Note 13 - Determining the fair values of biological assets other than bearer plants on the basis of significant unobservable inputs;

Note 21 - Measurement of defined benefit obligations: key actuarial assumptions;

Note 23 - Recognition of deferred tax assets: availability of future taxable profit and income tax liabilities thereon against which carried forward tax losses / unabsorbed depreciation can be used;

Note 37 - Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;

Note 42 - Impairment of financial assets: key assumptions used in estimating recoverable cash flows.

2.8 Measurement of fair values

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

The Group has an established control framework with respect to the measurement of fair values. The management has overall responsibility for overseeing all significant fair value measurements and it regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

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

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included in level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

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

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair values is included in Note 2.7.

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

3 Significant accounting policies

3.1 Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currency of the Group at the exchange rates prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate prevailing at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of initial transaction.

Exchange differences are recognised in the Statement of Profit and Loss in the period in which they arise.

3.2 Financial instruments

Recognition and initial measurement

Receivables issued are initially recognised when they are originated. All other financial assets and liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Classification and subsequent measurement

i) Financial assets

On initial recognition, a financial asset is classified and measured at:

- Amortised cost; or
- Fair value through other comprehensive income (FVOCI); or
- Fair value through profit or loss (FVTPL).

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

ii) Financial assets at amortised cost

A financial assets is measured at amortised cost if it meet both of the following conditions and is not designated as at FVTPL:

- The financial asset is held within a business model with the objective to hold financial 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 (SPPI) on the principal amount outstanding.

The details of these conditions are outlined below.

Business model assessment

The Group determines its business model at the level that best reflects how it manages the Group's of financial assets to achieve its business objective.

The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed;
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected);
- The expected frequency, value and timing of sales are also important aspects of the Group's assessment.

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Group's original expectations, the Group does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The SPPI test

As a second step of its classification process the Group assesses the contractual terms of financial to identify whether they meet the SPPI test. 'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium / discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Group applies judgment and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

iii) Financial assets at FVOCI

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI - equity investment). This election is made on an investment-by-investment basis.

Financial assets are measured at the FVOCI if both of the following conditions are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets;
- The asset's contractual cash flows represent SPPI.

Financial assets included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI).

iv) Financial assets at FVTPL

All financial assets which do not meet the criteria for categorisation as at amortised cost or FVOCI as described above are classified as at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are SPPI.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are SPPI, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

v) **Financial assets: Subsequent measurement and gains and losses**

Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method (EIR). The amortised cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is recognised in Statement of Profit and Loss.
Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Statement of Profit and Loss.
Financial assets at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to Statement of Profit and Loss.

vi) **Financial liabilities: Classification, subsequent measurement and gains and losses**

Financial liabilities are classified as measured at amortised cost or FVTPL.

vii) **Financial liabilities at FVTPL**

A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss.

viii) **Financial liabilities at amortised cost**

Deposits, subordinated liabilities and other financial liabilities are subsequently measured at amortised cost using the effective interest (EIR) method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss.

Any gain or loss on derecognition is also recognised in Statement of Profit and Loss.

Interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximates fair value due to the short maturity of these instruments.

Derecognition

i) **Financial assets**

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

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

ii) **Financial liabilities**

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

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

Offsetting

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

Impairment

i) **Impairment of financial assets**

At each reporting date, the Group assess whether financial assets, than those at FVTPL are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for 90 days or more; or
- it is probable that the borrower will enter bankruptcy or other financial reorganisation.

The Group recognises loss allowances using the expected credit losses (ECL) model for the financial assets which are fair valued through profit or loss.

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in Statement of Profit and Loss.

In case of trade receivables, the Group follows the simplified approach permitted by Ind AS 109 Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Group to track changes in credit risk. The Group calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

For all other financial assets, expected credit losses are measured unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

(a) Measurement of expected credit losses

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

(b) Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

(c) Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

(ii) Impairment of non-financial assets

The Group's non-financial assets, other than biological assets, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are combined together into cash-generating units (CGUs). Each CGU represents the smallest Group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Group's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated to reduce the carrying amounts of the other assets of the CGU (or Company of CGUs) on a pro rata basis.

In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

3.3 Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

3.4 Inventories

Raw Materials (including purchased tea leaves), stores and spares are valued at lower of cost and net realisable value. However, these items are considered to be realisable at cost if the finished products, in which they will be used, are expected to be sold at or above cost. Cost of raw materials and stores and spares is determined on annual weighted average method / moving average method.

Work-in-progress, Finished goods and Traded goods are valued at lower of cost and net realisable value. Work-in-progress and Finished goods include cost of conversion and other costs incurred in bringing the inventories to their present location and condition based on normal operating capacity. Cost is determined on weighted average basis.

Raw Material in nature of harvested tea leaves raised from own gardens are measured at fair value less cost of sale at point of harvest. The same cost is used for measuring cost for the purpose of valuation of finished goods.

Saleable scraps, whose cost is not identifiable, are valued at estimated net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

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

Assessment of net realisable value is made at each subsequent reporting date. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the amount so written-down is adjusted in terms of policy as stated above.

3.5 Investment property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is calculated using the straight-line method to write down the cost of investment properties to their residual values over their estimated useful lives. Land recognised as investment properties is not depreciated.

The Group depreciates building components of investment property over 5 to 60 years from the date of original purchase.

The Group, based on technical assessment made by management's expert and management estimate, depreciates the building components of investment property over their estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Though the Company measures investment property using cost model, the fair value of investment property is disclosed in the notes. Fair values are determined based on technical assessment made by management's expert.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount (net) of the asset is recognised in profit or loss in the period of derecognition. In determining the amount of consideration from the derecognition of investment property, the Group considers the effects of variable consideration, existence of a significant financing component, non-cash consideration, and consideration payable to the buyer (if any).

Transfers are made to (or from) investment property only when there is a change in use.

3.6 Biological assets other than bearer plants

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

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

3.7 Property, plant and equipment

Property plant and equipment is stated at cost excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment in value. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Cost of an item of property, plant and equipment acquired comprises its purchase price, including import duties and non-refundable purchase taxes (after deducting discounts and rebates), any directly attributable costs of bringing the assets to its working condition and location for its intended use and present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located.

If Significant part of an item of Property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Depreciation is calculated using the straight-line method to write down the cost of property, plant and equipment to their residual values over their estimated useful lives. Land recognised as properties, plant and equipment is not depreciated.

The estimated useful lives are, as follows:

- Buildings	30 years
- Furniture and Fixtures	10 years

The Company depreciates property, plant and equipment over the useful life prescribed in Schedule II to the Companies Act, 2013.

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

Property plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

3.8 Bearer Plants

Bearer Plants which are used in the production or supply of agricultural produce and expected to bear produce for more than a period of twelve months are capitalized as part of Property, Plant and Equipment and are stated in the balance sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any). The cost of Bearer Plant includes all cost incurred till the plants are ready for commercial harvest.

Depreciation on bearer plants is recognized so as to write off its cost over useful lives, using the straight-line method.

The residual value in case of Bearer Plants has been considered as NIL. Estimated useful life of the bearer plants has been determined as 50 years.

3.9 Capital work-in-progress (CWIP)

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the reporting date. Directly attributable expenditure (including finance costs relating to borrowed funds / general borrowings for construction or acquisition of property, plant and equipment) incurred on project under implementation are treated as Pre-operative expenses pending allocation to the asset and are shown under CWIP.

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

3.10 Goodwill

Goodwill is an asset representing the future economic benefits arising from other assets that are not individually identified and separately recognized acquired pursuant to a composite scheme of arrangement ("the scheme") approved by the NCLT. Goodwill is initially measured at cost, being the excess of the consideration transferred over the net identifiable assets acquired and liabilities as summed.

Goodwill is considered to have indefinite useful life and hence is not subject to amortization but tested for impairment at least annually. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

3.11 Lease

As a lessee

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

(a) *Right-of-use assets*

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

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

The right-of-use assets are disclosed in Property, plant and equipment (see Note 14).

(b) *Lease Liabilities*

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

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

Lease liabilities are included in other financial liabilities (see Note 20).

Short-term lease and lease of low-value assets

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

As a lessor

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessor will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Group is the lessor.

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

3.12 Employee benefits

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in Statement of Profit and Loss in the periods during which the related services are rendered by employees. The Group makes specified periodically contribution to Provident / Pension funds as the defined contribution plans.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

The Group's gratuity benefit scheme is a defined benefit plan. The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plans ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other comprehensive income (OCI). The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in Statement of profit and Loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

The contributions are deposited with the Life Insurance Corporation of India based on information received by the Group. When the benefits of a plan are improved, the portion of the increased benefit related to past service by employees is recognised in Statement of Profit and Loss on a straight-line basis over the average period until the benefits become vested.

Compensated absences

The employees of the Group are entitled to compensated absences which are both accumulating and non-accumulating in nature.

The expected cost of accumulating compensated absences is measured on the basis of an annual independent actuarial valuation using the projected unit credit method, for the unused entitlement that has accumulated as at the balance sheet date. Remeasurement gains or losses are recognised in the Statement of Profit and Loss in the period in which they arise.

Non-accumulating compensated absences are recognised in the period in which the absences occur.

3.13 Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Expected future operating losses are not provided for.

3.14 Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is possible. Major contingent liabilities are disclosed in the financial statements unless the possibility of an outflow of economic resources is remote. Contingent assets are not recognised in the financial statements but disclosed, where an inflow of economic benefit is probable.

3.15 Recognition of income and expenses

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind ASs.

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

- Step 2:** Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
- Step 3:** Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
- Step 4:** Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.
- Step 5:** Recognise revenue when (or as) the Company satisfies a performance obligation.

Dividend income

Dividend income (including from investment at FVOCI) is recognised when the Group receives it. It is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably. This is generally when the shareholders approve the dividend.

Trading income

Trading income includes all gains and losses from changes in fair value and the related interest income or expense and dividends, for financial assets and financial liabilities held for trading.

Expenses

All expenses are accounted for on accrual basis.

3.16 Recognition of interest income

The effective interest rate method

Under Ind AS 109 interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost, debt instrument measured at FVOCI and debt instruments designated at FVTPL. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Group recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges).

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk. The adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest income in the statement of profit and loss.

Interest income

The Group calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Group calculates interest income by applying the EIR to the net amortised cost of the financial asset. If the financial assets cures and is no longer credit-impaired, the Group reverts to calculating interest income on a gross basis.

For purchased or originated credit-impaired (POCI) financial assets, the Group calculates interest income by calculating the credit-adjusted EIR and applying that rate to the amortised cost of the asset. The credit-adjusted EIR is the interest rate that, at original recognition, discounts the estimated future cash flows (including credit losses) to the amortised cost of the POCI assets.

Interest income on all trading assets and financial assets mandatorily required to be measured at FVTPL is recognised using the contractual interest rate in net gain on fair value changes.

3.17 Government grants

Grants from Government are recognised at their fair value where there is reasonable assurance that the grant will be received and the Group will comply with the conditions attached thereto.

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

Government grants related to revenue are recognised in the Statement of Profit and Loss on a systematic and rational basis in the periods in which the Group recognises the related costs for which the grants are intended to compensate and are netted off with the related expenditure. If not related to a specific expenditure, it is taken as income and presented under "Other Operating Revenue".

Government grants received relating to property, plant and equipment and other intangible assets are deducted from the gross value of the property, plant and equipment and other intangible assets concerned in arriving at the carrying amount of the related property, plant and equipment and other intangible assets. The grant is recognised in the statement of profit or loss over the life of the related depreciable asset as a reduced depreciation expense.

3.18 Income tax

Income tax expense comprises of current tax and deferred tax. Current tax and deferred tax is recognised in the Statement of profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax

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

Current tax assets and current tax liabilities are off set only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised.

Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to off set current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax liabilities / assets on change in fair value of investments not part of the profit or loss are recognised through OCI.

3.19 Goods and services tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services tax paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable;
- When receivables and payables are stated with the amount of tax included.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

3.20 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

3.21 Dividend on ordinary shares

The Company recognises a liability to make cash or non-cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss.

3.22 Determination of fair values

Fair values have been determined for measurement and disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

i) **Financial assets**

Financial assets are initially measured at fair value. If the financial asset is not subsequently accounted for at fair value through profit or loss, then the initial measurement includes directly attributable transaction costs. These are measured at amortised cost or at FVTPL or at FVOCI.

Investments in equity instruments are measured at FVOCI and combination of different methodologies i.e. discounted cash flow method, comparable companies method and net assets method with different weightage has been used for fair valuations of investment in unquoted securities.

ii) **Trade and other receivables**

The fair values of trade and other receivables are estimated at the present value of future cash flows, discounted at the market rate of interest at the measurement date. Short-term receivables with no stated interest rate are measured at the original invoice amount if the effect of discounting is immaterial. Fair value is determined at initial recognition and, for disclosure purposes, at each annual reporting date.

iii) **Financial liabilities**

Financial liabilities are measured at fair value, at initial recognition and for disclosure purposes, at each annual reporting date. Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the measurement date.

3.23 Recent accounting pronouncement

On 23 March 2022, the Ministry of Corporate Affairs ("MCA") through notifications, amended to the existing Ind AS. The same shall come into force from annual reporting period beginning on or after 1 April 2022. Key Amendments relating to the same whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

- **Ind AS 16 Property, Plant and Equipment** – For items produced during testing / trail phase, clarification added that revenue generated out of the same shall not be recognised in the profit or loss and considered as part of cost of PPE.
- **Ind AS 37 Provisions, Contingent Liabilities & Contingent Assets** – Guidance on what constitutes cost of fulfilling contracts (to determine whether the contract is onerous or not) is included.
- **Ind AS 41 Agriculture** – This aligns the fair value measurement therein with the requirements of Ind AS 113 Fair Value Measurement to use internally consistent cash flows and discount rates and enables preparers to determine whether to use pre-tax or post-tax cash flows and discount rates for the most appropriate fair value measurement.
- **Ind AS 101 – First time Adoption of Ind AS** – Measurement of Foreign Currency Translation Difference in case of subsidiary / associate / JV's date of transition to Ind AS is subsequent to that of Parent – FCTR in the books of subsidiary / associate / JV can be measured based Consolidated Financial Statements.
- **Ind AS 103 – Business Combination** – Reference to revised Conceptual Framework. For contingent liabilities / levies, clarification is added on how to apply the principles for recognition of contingent liabilities from Ind AS 37. Recognition of contingent assets is not allowed.
- **Ind AS 109 Financial Instruments** – The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in assessing whether to derecognise a financial liability.

The Company has evaluated the effect of the above on the financial statements and the impact is not material.

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

4. Cash and cash equivalents

₹ in lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
Balances with banks		
- Current accounts	76.23	167.09
- Bank deposits having maturity of three months or less of original maturities	675.00	1,151.06
Cash on hand	15.79	15.27
	767.02	1,333.42

5. Other bank balances

₹ in lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
Bank deposits due to mature after three months of original maturities but not more than twelve months of the reporting date	1,904.17	2,763.43
	1,904.17	2,763.43

6. Receivables

₹ in lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
Trade Receivables		
- Considered good and unsecured	15.14	58.92
- Have significant increase in credit risk	11.82	11.82
	26.96	70.74
Less: Loss allowance		
Trade Receivables which have significant increase in credit risk	11.82	11.82
	15.14	58.92
Other Receivables -		
- Considered good and unsecured	-	-
- Have significant increase in credit risk	-	-
	15.14	58.92

- (a) No debt is due by directors or other officers of the Group or any of them either severally or jointly with any other person or firms including limited liabilities partnership (LLPs) or private companies respectively in which any director is a partner or a director or a member.
- (b) The Company's exposure to credit risks and loss allowances related to trade receivables are disclosed in Note 42(C).
- (c) Receivables aging schedule:

₹ in lakhs

Particulars	Outstanding for following periods from due dates of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
As on 31 March 2022						
Receivables considered good and unsecured						
- Undisputed	15.14	-	-	-	-	15.14
- Disputed	-	-	-	-	-	-
	15.14	-	-	-	-	15.14
Receivables have significant increase in credit risk						
- Undisputed	-	-	-	-	-	-
- Disputed	-	-	-	-	11.82	11.82
	-	-	-	-	11.82	11.82
	15.14	-	-	-	11.82	26.96

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

6. Receivables (Contd.)

₹ in lakhs

Particulars	Outstanding for following periods from due dates of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
As on 31 March 2021						
Receivables considered good and unsecured						
- Undisputed	58.92	-	-	-	-	58.92
- Disputed	-	-	-	-	-	-
	58.92	-	-	-	-	58.92
Receivables have significant increase in credit risk						
- Undisputed	-	-	-	-	-	-
- Disputed	-	-	-	-	11.82	11.82
	-	-	-	-	11.82	11.82
	58.92	-	-	-	11.82	70.74

7. Loans

₹ in lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
<i>At amortised cost</i>		
Inter-corporate deposits (unsecured)	3,700.00	2,700.00
	3,700.00	2,700.00

8. Investments

₹ in lakhs

Particulars	No. of Unit / Shares	Face Value of Unit / Share (₹)	As at 31 March 2022	As at 31 March 2021
Equity shares (fully paid) carried at FVOCI - Quoted				
- Sutej Textiles & Industries Ltd.	3,04,16,970	1.00	21,778.55	11,938.66
- Avadh Sugar & Energy Ltd.	14,78,624	10.00	10,748.12	2,741.37
- Chambal Fertilisers & Chemicals Ltd.	19,66,795	10.00	8,301.84	4,504.94
- SIL Investments Ltd.	20,19,339	10.00	6,702.19	3,928.62
- Palash Securities Ltd.	12,83,234	10.00	1,410.92	573.61
- New India Retailing & Investment Ltd.	2,85,573	10.00	85.67	85.67
			49,027.29	23,772.87
Equity shares (fully paid) carried at FVOCI - Unquoted				
- Manbhawani Investment Ltd.	73,500	10.00	3,099.35	934.54
- Manavta Holdings Ltd.	73,500	10.00	1,460.48	473.20
- Shree Vihar Properties Ltd.	3,86,930	10.00	556.05	348.24
- Birla Building Ltd.	8,400	10.00	188.81	62.33
- Moon Corporation Ltd.	2,874	5.00	7.09	7.38
- India Educational & Research Institution Pvt. Ltd.	24,500	10.00	2.38	2.39
- Modern Diagen Services Ltd.	13,196	10.00	1.54	2.30
- Pavapuri Trading & Investment Co. Ltd.	1,900	10.00	0.11	-
				(31 March 2021: Nil)
- Bihar State Financial Corporation Ltd.	60	100.00	-	-
- Haryana Oxygen Ltd.	5,000	10.00	-	-
- Taparia Ltd.	3,500	10.00	-	-
			5,315.81	1,830.38

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

8. Investments (Contd.)

₹ in lakhs

Particulars	No. of Unit / Shares	Face Value of Unit / Share (₹)	As at 31 March 2022	As at 31 March 2021
Equity shares (partly paid) carried at FVOCI - Unquoted				
- Modern Diagen Services Ltd. (party paid by ₹ 2 each)	13,06,404	10.00	48.08	45.59
			48.08	45.59
Preference shares (fully paid) carried at FVOCI - Unquoted				
- Raj Kamal Prakashan Ltd.	50	100.00	-	-
			-	-
Perpetual Bonds carried at FVTPL - Quoted				
- State Bank of India Sr. II 7.72 BD Perpetual Bonds	7	1,00,00,000.00	726.07	-
				(31 March 2021: Nil)
			726.07	-
Mutual Funds (Debt) carried at FVTPL - Unquoted				
- Nippon India Dynamic Bond Fund - Growth Plan	3,34,384		100.22	-
				(31 March 2021: Nil)
- IDFC Gilt 2028 Index Fund - Regular Plan (Growth)	9,51,907		100.01	-
				(31 March 2021: Nil)
- Aditya Birla Sun Life Corporate Bond Fund - Regular Plan (Growth)	56,206		50.69	-
				(31 March 2021: Nil)
- HDFC Banking & PSU Debt Fund - Regular Plan (Growth)	2,70,901		50.50	-
				(31 March 2021: Nil)
			301.42	-
			55,418.67	25,648.84
Investments outside India			-	-
Investments in India			55,418.67	25,648.84
			55,418.67	25,648.84

- (a) The Group received dividends of ₹ 383.28 lakhs (31 March 2021: ₹ 265.27 lakhs) from its investments in equity shares, carried at FVOCI, recorded in the Statement of profit and loss as dividend income.
- (b) The Group has designated its equity investments at FVOCI on the basis that these are not held for trading and held for strategic purposes.
- (c) No strategic investment was disposed off during 2021-22 and there were no transfer of any cumulative gain or loss within equity relating to these investments.
- (d) The cost of following unquoted investments in equity shares (fully paid up) had been written off in earlier years, though quantity thereof appears in the books:

Name of the company	No. of shares	Face Value per share (in ₹)
APV Texmaco Ltd. (in liquidation)	20,400	10.00
Chandausi Rice Mills Ltd. (Strike off)	1,000	10.00
Lease Communications Ltd. (Strike off)	21,000	10.00
Maruti Ltd. (Strike off)	40,000	10.00

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

9. Other Financial Assets

₹ in lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
<i>At amortised cost</i>		
Balance with Tea Development Account Scheme, 1990	203.67	296.65
Security deposits	5.42	5.40
Interest accrued on -		
- inter-corporate deposits	43.84	18.03
- bank deposits	21.27	46.69
	274.20	366.77

10. Inventories

₹ in lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
<i>(Value at lower of cost and net realisable value)</i>		
Finished goods	126.86	77.55
Stores, chemicals and spare parts	191.66	135.11
	318.52	212.66

11. Current Tax Assets (net)

₹ in lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
Advance tax, self assessment tax and tax deducted at sources	467.95	331.10
Less: Provision for taxation	240.92	193.07
	227.03	138.03

12. Investment Property

₹ in lakhs

Particulars	Freehold Land	Buildings	Total
Reconciliation of carrying amount			
Cost or deemed cost (gross carrying amount)			
Balance at 1 April 2020	2.47	55.05	57.52
Additions during the year	-	-	-
Balance at 31 March 2021	2.47	55.05	57.52
Additions during the year	-	-	-
Balance at 31 March 2022	2.47	55.05	57.52
Accumulated depreciation			
Balance at 1 April 2020	-	4.31	4.31
Depreciation for the year	-	2.36	2.36
Balance at 31 March 2021	-	6.67	6.67
Depreciation for the year	-	2.36	2.36
Balance at 31 March 2022	-	9.03	9.03
Carrying amount (net)			
At 31 March 2021	2.47	48.38	50.85
At 31 March 2022	2.47	46.02	48.49

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

12. Investment Property (Contd.)

Fair value of the above-mentioned investment property is as under:

₹ in lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
Investment Property	338.99	323.59

Note: For the purpose of valuation of the aforesaid investment property, the Company has referred the circle rate decided by the appropriate authority and no independent report of valuation has been obtained from registered valuer.

The amounts recognised in profit or loss for:

₹ in lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
(i) Rental income from investment property	138.19	25.03
(ii) Direct operating expenses (including repairs and maintenance) arising from investment property that generated rental income during the year; and	7.47	2.81
(iii) Direct operating expenses (including repairs and maintenance) arising from investment property that did not generate rental income during the year.	-	5.92

13. Biological Assets other than bearer plants

₹ in lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
Reconciliation of carrying amount		
Balance at the beginning of the year	1.32	-
Net change in fair value estimated costs to sell [Note 28]	1.80	1.32
Balance at the end of the year	3.12	1.32
Carrying amount (net)	3.12	1.32

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)
14. Property, Plant and Equipment

₹ in lakhs

Particulars	Freehold Land	Buildings	Plant and Equipment	Bearer Plants	Computer and Data Processing Equipments	Furniture and Fixtures	Vehicles	Office Equipments	Right-of-use assets [Note 38]	Total
Reconciliation of carrying amount										
Cost or deemed cost										
(gross carrying amount)										
Balance at 1 April 2020	15.00	659.52	360.84	-	3.90	27.51	71.98	3.75	12.42	1,154.92
Additions during the year	-	7.41	13.19	46.05	1.35	1.15	29.18	1.00	-	99.33
Disposals / discard during the year	-	-	10.87	-	-	-	3.15	-	-	14.02
Balance at 31 March 2021	15.00	666.93	363.16	46.05	5.25	28.66	98.01	4.75	12.42	1,240.23
Additions during the year	-	30.29	22.95	11.37	3.95	0.16	8.26	0.79	-	77.77
Disposals / discard during the year	-	-	-	-	-	-	-	-	-	-
Balance at 31 March 2022	15.00	697.22	386.11	57.42	9.20	28.82	106.27	5.54	12.42	1,318.00
Accumulated depreciation										
Balance at 1 April 2020	-	30.21	61.44	-	1.64	8.30	21.71	1.22	2.76	127.28
Depreciation for the year	-	17.09	25.49	2.27	0.93	4.12	13.86	0.66	2.76	67.18
Disposals / discard during the year	-	-	10.33	-	-	-	2.99	-	-	13.32
Balance at 31 March 2021	-	47.30	76.60	2.27	2.57	12.42	32.58	1.88	5.52	181.14
Depreciation for the year	-	17.18	29.19	0.83	1.36	3.87	15.76	0.79	2.76	71.74
Disposals / discard during the year	-	-	-	-	-	-	-	-	-	-
Balance at 31 March 2022	-	64.48	105.79	3.10	3.93	16.29	48.34	2.67	8.28	252.88
Carrying amount (net)										
At 31 March 2021	15.00	619.63	286.56	43.78	2.68	16.24	65.43	2.87	6.90	1,059.09
At 31 March 2022	15.00	632.74	280.32	54.32	5.27	12.53	57.93	2.87	4.14	1,065.12

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

15. Capital Work-in-Progress

₹ in lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
Reconciliation of carrying amount		
Balance at the beginning of the year	67.87	67.11
Additions	93.45	29.05
Expenditure on Bear Plants	33.32	22.79
Transfer to Property, Plant and Equipment	(62.36)	(51.08)
Balance at the end of the year	132.28	67.87
Carrying amount	132.28	67.87

Capital Work-in-Progress aging schedule:

₹ in lakhs

Capital Work-in-Progress (CWIP)	Amount of CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
As on 31 March 2022					
Projects in progress	58.42	20.10	53.76	-	132.28
Projects temporarily suspended	-	-	-	-	-
	58.42	20.10	53.76	-	132.28
As on 31 March 2021					
Projects in progress	21.89	34.60	11.38	-	67.87
Projects temporarily suspended	-	-	-	-	-
	21.89	34.60	11.38	-	67.87

16. Goodwill

₹ in lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
Reconciliation of carrying amount		
Balance at the beginning and at the end of the year	90.11	90.11
Carrying amount	90.11	90.11

17. Other Non-financial Assets

₹ in lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
<i>(Unsecured, considered good)</i>		
Capital Advances	29.25	29.25
Advances other than Capital Advances		
Advances to suppliers and others	5.38	13.32
Other advances		
- Claims and refunds receivable	5.53	-
- Balance with Government Authorities	56.82	54.06
- Prepaid Expenses	10.43	10.11
	107.41	106.74

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

18. Payables

₹ in lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
Trade Payables		
Total outstanding dues of micro enterprises and small enterprises; and	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	42.97	61.47
	42.97	61.47
Other Payables		
Total outstanding dues of micro enterprises and small enterprises; and	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
	-	-
	42.97	61.47

(a) The following details relating to Micro enterprises and small enterprises are as under:

₹ in lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
(i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the accounting year:		
Principal amount due to micro and small enterprises	-	-
Interest due on above	-	-
Total	-	-
(ii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act 2006) along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year.	-	-
(iii) 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 the MSMED Act, 2006.	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

(b) Payables aging schedule:

₹ in lakhs

Particulars	Unbilled / Not Due	Outstanding for following periods from due dates of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
As on 31 March 2022						
- MSME	-	-	-	-	-	-
- Others	7.44	33.57	1.64	0.32	-	42.97
- Disputed dues - MSME	-	-	-	-	-	-
- Disputed dues - Others	-	-	-	-	-	-
	7.44	33.57	1.64	0.32	-	42.97
As on 31 March 2021						
- MSME	-	-	-	-	-	-
- Others	5.96	55.19	0.32	-	-	61.47
- Disputed dues - MSME	-	-	-	-	-	-
- Disputed dues - Others	-	-	-	-	-	-
	5.96	55.19	0.32	-	-	61.47

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

19. Subordinated Liabilities

₹ in lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
2,40,000 8.5% Non-Convertible Cumulative Redeemable Preference Shares of ₹ 100 each at amortised cost	262.78	247.12
	262.78	247.12

Rights, preferences and restrictions attached to 8.5% Non-Convertible Cumulative Redeemable Preference Shares of ₹ 100 each:

The NCCRPS of ₹ 100 each carries dividend @ 8.5% per annum. NCCRPS shall be redeemable at par on 11 October 2030 being ten years from the date of the original allotment i.e. 12 October 2020 with a sole right vested to the Board of Directors of the Company to redeem it earlier. The dividend is payable at the time of redemption of the NCCRPS. However, the Board reserves the right to pay dividend earlier subject to available of the profit.

20. Other Financial Liabilities

₹ in lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
Lease liabilities	4.58	7.41
Payable to employees *	256.96	229.30
Liabilities for Capital Goods	-	29.25
	261.54	265.96

* includes ₹ 8.01 lakhs (31 March 2021: ₹ 3.88 lakhs) payable to related parties [Note 41].

21. Provisions

₹ in lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
Provision for employee benefits		
Net defined benefit liability - Gratuity	214.66	208.19
Liability for compensated absences	22.05	22.91
	236.71	231.10
Other Provisions		
For standard assets	11.20	11.20
	11.20	11.20
	247.91	242.30

Defined benefits - Gratuity Plan

Cinnatollah Tea Limited (CTL), wholly owned subsidiary of the Company has a defined benefit gratuity plan. Every employee who has completed continuously at least five years or more of service is entitled to Gratuity on terms as per the provisions of The Payment of Gratuity Act, 1972.

Net defined benefit liabilities

₹ in lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
Present value of defined benefit obligations	539.19	471.41
Fair value of plan assets	324.53	263.22
Net defined benefit liabilities	214.66	208.19

These defined benefit plans expose CTL to actuarial risks, such as currency risk, interest risk and market (investment) risk.

CTL expects to contribute ₹ 252.39 lakhs to Gratuity Fund in the next year.

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

21. Provisions (Contd.)

Inherent risk

The plan is defined benefit in nature which is sponsored by CTL and hence it underwrites all the risk pertaining to the plan. In particular, this exposes CTL, to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to longevity risk.

The following tables analyse present value of defined benefit obligations, fair value of defined plan assets, actuarial gain / (loss) on plan assets, expense recognised in the Statement of Profit and Loss and Other Comprehensive Income, actuarial assumptions and other information:

Reconciliation of the net defined benefit liabilities / (assets):

₹ in lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
(i) Reconciliation of present value of defined benefit obligations		
(a) Balance at the beginning of the year	471.41	453.58
(b) Service cost	31.17	25.83
(c) Interest cost	31.39	28.94
(d) Benefits paid	(10.75)	(20.92)
(e) Actuarial (gain) / loss on defined benefit obligations:		
- due to change in financial assumptions	(25.95)	(5.53)
- due to experience changes	41.92	(10.49)
Balance at the end of the year	539.19	471.41
(ii) Reconciliation of fair value of plan assets		
(a) Balance at the beginning of the year	263.22	237.31
(b) Actual return on plan assets	21.09	14.46
(c) Contributions by the employer	50.97	32.37
(d) Benefits paid	(10.75)	(20.92)
Balance at the end of the year	324.53	263.22
(iii) Actuarial gain / (loss) on plan assets		
(a) Expected Interest Income	17.52	14.46
(b) Actual return on plan assets	21.09	14.46
	3.57	-
(iv) Expense recognised in Employee benefits expenses		
(a) Service cost	31.17	25.83
(b) Interest cost	31.39	28.94
(c) Interest income	(17.52)	(14.46)
Amount charged to Employee benefits expenses	45.04	40.31
(v) Remeasurement recognised in Other Comprehensive Income		
(a) Actuarial gain / (loss) on defined benefit obligations	(15.97)	16.02
(b) Actuarial gain / (loss) on plan assets	3.57	-
Amount recognised in Other Comprehensive Income	(12.40)	16.02
(vi) Plan assets		
Plan assets comprise of the following:		
(a) Investments with LIC	100%	100%
(vii) Actuarial assumptions		
Principal actuarial assumptions at the reporting date (expressed as weighted averages)		
(a) Discount rate	7.20%	6.66%
(b) Future salary growth	5.00%	5.00%
(c) Attrition rates	Upto 40 Years - 0.42%	
	41 Years to 54 Years - 0.18%	
	54 Years and above - 0.22%	

Assumptions regarding future mortality experience are set in accordance with the published rates under Indian Assured Lives Mortality (2012-14).

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

21. Provisions (Contd.)

Reconciliation of the net defined benefit liabilities / (assets): (Contd.)

(viii) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligations by the amounts shown below:

₹ in lakhs

Particulars	As at 31 March 2022		As at 31 March 2021	
	Increase	Decrease	Increase	Decrease
(a) Discount rate (1% movement)	(39.37)	54.43	(23.11)	29.10
(b) Future salary growth (1% movement)	55.39	(40.45)	29.05	(23.11)

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

₹ in lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
(ix) Maturity profile of defined benefit obligations (valued on undiscounted basis)		
Within the next 12 months (next annual reporting period)	103.26	72.60
Between 2 and 5 years	113.40	102.81
Between 6 and 10 years	248.61	188.26
Beyond 10 years	724.30	633.01
	1,189.57	996.68
Reconciliation of Other Provisions:		
For standard assets - At the beginning and end of the year *	11.20	11.20

* Pursuant to the Scheme transferred to the Company.

22. Other Non-financial Liabilities

₹ in lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
Statutory dues	24.25	24.23
	24.25	24.23

23. Deferred Tax Liabilities / (Assets) (net)

The Company has recognised deferred tax liabilities / (assets) as per the Accounting Policies (refer Note 3.18).

CTL has recognised deferred tax assets / liabilities on carried forward business losses, unabsorbed depreciation and other timing differences between the carrying amount of an asset or liability in the balance sheet and its tax base. CTL has recognised deferred tax assets / liabilities in view of a reasonable certainty.

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

23. Deferred Tax Liabilities / (Assets) (net) (Contd.)

The breakup of Deferred tax liabilities and assets are as under:

₹ in lakhs				
Particulars	As at 31 March 2021	Recognised in profit or loss	Recognised in OCI	As at 31 March 2022
Deferred tax liabilities				
Investments - Unquoted	390.40	0.36	667.45	1,058.21
Property, plant and equipments	65.23	29.84	-	95.07
	455.63	30.20	667.45	1,153.28
Deferred tax assets				
Carried forward tax losses / unabsorbed depreciation	186.76	(165.13)	-	21.63
Investments - Quoted	3,078.62	-	(2,889.10)	189.52
Provision for employee's benefits	54.92	1.54	3.12	59.58
Other provisions	6.14	-	-	6.14
Deduction of disallowances allowed on payment basis	28.03	13.59	-	41.62
	3,354.47	(150.00)	(2,885.98)	318.49
Less : Deferred tax assets not recognised	2,877.80	(165.13)	(2,688.22)	24.45
	476.67	15.13	(197.76)	294.04
Net deferred tax liabilities / (assets)	(21.04)	15.07	865.21	859.24

₹ in lakhs				
Particulars	As at 31 March 2020	Recognised in profit or loss	Recognised in OCI	As at 31 March 2021
Deferred tax liabilities				
Investments - Unquoted	368.18	-	22.22	390.40
Investment Property	11.61	(11.61)	-	-
Property, plant and equipments	52.57	12.66	-	65.23
	432.36	1.05	22.22	455.63
Deferred tax assets				
Carried forward tax losses / unabsorbed depreciation	282.48	(95.72)	-	186.76
Investments - Quoted	4,447.58	-	(1,368.96)	3,078.62
Provision for employee's benefits	59.70	(0.75)	(4.03)	54.92
Other provisions	2.97	3.17	-	6.14
Deduction of disallowances allowed on payment basis	46.97	(18.94)	-	28.03
	4,839.70	(112.24)	(1,372.99)	3,354.47
Less : Deferred tax assets not recognised	4,336.73	(67.75)	(1,391.18)	2,877.80
	502.97	(44.49)	18.19	476.67
Net deferred tax liabilities / (assets)	(70.61)	45.54	4.03	(21.04)

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

24. Share Capital

₹ in lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
Authorised*:		
3,05,00,000 (31 March 2021: 1,35,00,000) equity shares of ₹ 10 each	3,050.00	1,350.00
4,50,000 (31 March 2021: 4,50,000) preference shares of ₹ 100 each	450.00	450.00
	3,500.00	1,800.00
Issued, subscribed and fully paid-up:		
1,00,03,687 equity shares of ₹ 10 each	1,000.37	1,000.37
	1,000.37	1,000.37

* includes ₹ 1,700 lakhs transferred from the transferor company by virtue of the Scheme [Note 2.2].

2,40,000 8.5% NCCRPS of ₹ 100 each issued are classified as Subordinated Liabilities [Note 19].

(a) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year:

	As at 31 March 2022		As at 31 March 2021	
	No. of shares	₹ in lakhs	No. of shares	₹ in lakhs
At the beginning and end of the year	1,00,03,687	1,000.37	1,00,03,687	1,000.37

(b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares with par value of ₹ 10 per share. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets on winding up. The equity shareholders are entitled to receive dividend as declared by the Company from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company.

(c) Particulars of shareholder's holding more than 5% shares

	As at 31 March 2022		As at 31 March 2021	
	No. of shares	% of total shares in the class	No. of shares	% of total shares in the class
Equity shares of ₹ 10 each fully paid up held by				
SIL Investments Ltd.	13,38,430	13.3794	13,38,430	13.3794
New India Retailing & Investment Ltd.	8,38,367	8.3806	8,38,367	8.3806
Mr. Chandra Shekhar Nopany [As Trustee of Shekhar Family Trust]	6,49,163	6.4892	refer note given below	
Navjeevan Medical Institute	6,21,466	6.2124	6,21,466	6.2124
Yashovardhan Investment & Trading Co. Ltd.	6,06,398	6.0617	5,89,759	5.8954
Hargaon Investment & Trading Co. Ltd.	5,69,252	5.6904	5,69,252	5.6904
8.5% NCCRPS of ₹ 100 each fully paid up held by				
Yashovardhan Investment & Trading Co. Ltd.	1,02,000	42.5000	1,02,000	42.5000
Shital Commercial Ltd.	40,800	17.0000	40,800	17.0000
Hargaon Investment & Trading Co. Ltd.	34,800	14.5000	34,800	14.5000
Deepshikha Trading Co. Pvt. Ltd.	26,400	11.0000	26,400	11.0000
Uttam Commercial Ltd.	20,400	8.5000	20,400	8.5000
SIL Investments Ltd.	15,600	6.5000	15,600	6.5000

Note: As at 31st March, 2021, shareholding of Mr. Chandra Shekhar Nopany as a Trustee of Shekhar Family Nopany in the Company's equity shares was not more than 5%.

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

24. Share Capital (Contd.)

(d) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date

	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019	Year ended 31 March 2018
<i>Issued pursuant to the order of NCLT passed in earlier year:</i>					
Preference shares of ₹ 100 each allotted as fully paid-up	-	2,40,000	-	-	-

(e) Details of shares held by promoters:

Sr. No.	Promoter Name	No. of shares at the beginning of the year	Change during year	No. of shares at the end of the year	% of total shares	% Change during the year
Equity shares of ₹ 10 each fully paid up held by						
As on 31st March, 2022						
1	SIL Investments Ltd.	13,38,430	-	13,38,430	13.3794%	-
2	New India Retailing & Investment Ltd.	8,38,367	-	8,38,367	8.3806%	-
3	Mr. Chandra Shekhar Nopany [As Trustee of Shekhar Family Trust]	4,64,163	1,85,000	6,49,163	6.4892%	1.8493%
4	Yashovardhan Investment & Trading Co. Ltd.	5,89,759	16,639	6,06,398	6.0617%	0.1663%
5	Hargaon Investment & Trading Co. Ltd.	5,69,252	-	5,69,252	5.6904%	-
6	Ronson Traders Ltd.	3,52,995	1,00,000	4,52,995	4.5283%	0.9996%
7	RTM Investment & Trading Co. Ltd.	3,56,822	-	3,56,822	3.5669%	-
8	SCM Investment & Trading Co. Ltd.	3,02,784	-	3,02,784	3.0267%	-
9	Mrs. Nandini Nopany	2,37,570	11	2,37,581	2.3749%	0.0001%
10	Uttam Commercial Ltd.	1,26,927	1,00,000	2,26,927	2.2684%	0.9996%
11	Champaran Marketing Co. Ltd.	2,25,672	-	2,25,672	2.2559%	-
12	OSM Investment & Trading Co. Ltd.	2,03,221	-	2,03,221	2.0315%	-
13	Nilgiri Plantations Ltd.	1,19,394	-	1,19,394	1.1935%	-
14	Sonali Commercial Ltd.	66,428	25,000	91,428	0.9139%	0.2499%
15	Sidh Enterprises Ltd.	90,423	-	90,423	0.9039%	-
16	Narkatiaganj Farms Ltd.	74,760	-	74,760	0.7473%	-
17	Rajpur Farms Ltd.	57,773	-	57,773	0.5775%	-
18	Deepshikha Trading Co. Pvt. Ltd.	52,480	-	52,480	0.5246%	-
19	Mr. Chandra Shekhar Nopany	34,261	(4,326)	29,935	0.2992%	(0.0432%)
20	Shree Vihar Properties Ltd.	27,284	-	27,284	0.2727%	-
21	La Monde Trading & Investments Pvt. Ltd.	21,785	-	21,785	0.2178%	-
22	Palash Securities Ltd.	16,060	-	16,060	0.1605%	-
23	Mrs. Urvi Mittal	11,775	-	11,775	0.1177%	-
24	Mr. Arhant Vikram Nopany	-	4,326	4,326	0.0432%	0.0432%
25	Pavapuri Trading and Investment Co. Ltd.	1,000	-	1,000	0.0100%	-
26	Mr. Chandra Shekhar Nopany [As Trustee of Shruti Family Trust]	11	(11)	-	-	(0.0001%)
		61,79,396	4,26,639	66,06,035	66.0357%	4.2647%

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

24. Share Capital (Contd.)

(e) Details of shares held by promoters: (Contd.)

Sr. No.	Promoter Name	No. of shares at the beginning of the year	Change during year	No. of shares at the end of the year	% of total shares	% Change during the year
Equity shares of ₹ 10 each fully paid up held by						
As on 31st March, 2021						
1	SIL Investments Ltd.	13,38,430	-	13,38,430	13.3794%	-
2	New India Retailing & Investment Ltd.	8,38,367	-	8,38,367	8.3806%	-
3	Yashovardhan Investment & Trading Co. Ltd.	5,89,759	-	5,89,759	5.8954%	-
4	Hargaon Investment & Trading Co. Ltd.	5,69,252	-	5,69,252	5.6904%	-
5	Mr. Chandra Shekhar Nopany [As Trustee of Shekhar Family Trust]	4,64,163	-	4,64,163	4.6399%	-
6	RTM Investment & Trading Co. Ltd.	3,56,822	-	3,56,822	3.5669%	-
7	Ronson Traders Ltd.	3,27,995	25,000	3,52,995	3.5286%	0.2499%
8	SCM Investment & Trading Co. Ltd.	3,02,784	-	3,02,784	3.0267%	-
9	Mrs. Nandini Nopany	2,37,570	-	2,37,570	2.3748%	-
10	Champaran Marketing Co. Ltd.	2,25,672	-	2,25,672	2.2559%	-
11	OSM Investment & Trading Co. Ltd.	2,03,221	-	2,03,221	2.0315%	-
12	Uttam Commercial Ltd.	1,927	1,25,000	1,26,927	1.2688%	1.2495%
13	Nilgiri Plantations Ltd.	1,19,394	-	1,19,394	1.1935%	-
14	Sidh Enterprises Ltd.	90,423	-	90,423	0.9039%	-
15	Narkatiaganj Farms Ltd.	74,760	-	74,760	0.7473%	-
16	Sonali Commercial Ltd.	66,428	-	66,428	0.6640%	-
17	Rajpur Farms Ltd.	57,773	-	57,773	0.5775%	-
18	Deepshikha Trading Co. Pvt. Ltd.	40,054	12,426	52,480	0.5246%	0.1242%
19	Mr. Chandra Shekhar Nopany	34,261	-	34,261	0.3425%	-
20	Shree Vihar Properties Ltd.	27,284	-	27,284	0.2727%	-
21	La Monde Trading & Investments Pvt. Ltd.	21,785	-	21,785	0.2178%	-
22	Palash Securities Ltd.	16,060	-	16,060	0.1605%	-
23	Mrs. Urvi Mittal	11,775	-	11,775	0.1177%	-
24	Pavapuri Trading and Investment Co. Ltd.	1,000	-	1,000	0.0100%	-
25	Mr. Chandra Shekhar Nopany [As Trustee of Shruti Family Trust]	11	-	11	0.0001%	-
		60,16,970	1,62,426	61,79,396	61.7710%	1.6236%
8.5% NCCRPS of ₹ 100 each fully paid up held by						
As on 31st March, 2022						
1	Yashovardhan Investment & Trading Co. Ltd.	1,02,000	-	1,02,000	42.5000%	-
2	Shital Commercial Ltd.	40,800	-	40,800	17.0000%	-
3	Hargaon Investment & Trading Co. Ltd.	34,800	-	34,800	14.5000%	-
4	Deepshikha Trading Co. Pvt. Ltd.	26,400	-	26,400	11.0000%	-
5	Uttam Commercial Ltd.	20,400	-	20,400	8.5000%	-
6	SIL Investments Ltd.	15,600	-	15,600	6.5000%	-
		2,40,000	-	2,40,000	100.0000%	-
As on 31st March, 2021						
1	Yashovardhan Investment & Trading Co. Ltd.	1,02,000	-	1,02,000	42.5000%	-
2	Shital Commercial Ltd.	40,800	-	40,800	17.0000%	-
3	Hargaon Investment & Trading Co. Ltd.	34,800	-	34,800	14.5000%	-
4	Deepshikha Trading Co. Pvt. Ltd.	26,400	-	26,400	11.0000%	-
5	Uttam Commercial Ltd.	20,400	-	20,400	8.5000%	-
6	SIL Investments Ltd.	15,600	-	15,600	6.5000%	-
		2,40,000	-	2,40,000	100.0000%	-

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

25. Other Equity

₹ in lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
Capital Reserve		
Balance at the beginning of the year	4,118.53	4,118.53
Less: Impact of the Scheme [Note 2.3]	107.50	-
Balance at the end of the year	4,011.03	4,118.53
Capital Redemption Reserve		
Balance at the beginning of the year	30.00	30.00
Add: Transfer from Retained Earnings	240.00	-
Balance at the beginning and at the end of the year	270.00	30.00
Share Premium		
Balance at the beginning of the year	-	-
Add: Impact of the Scheme [Note 2.3]	107.50	-
Balance at the end of the year	107.50	-
General Reserve		
Balance at the beginning and at the end of the year	279.76	279.76
Reserve Fund		
Balance at the beginning of the year	1,092.19	1,010.94
Add: Transfer from Retained Earnings	138.08	81.25
Balance at the end of the year	1,230.27	1,092.19
Retained Earnings		
Balance at the beginning of the year	5,337.04	4,426.88
Add: Profit for the year	799.49	979.42
Add: Remeasurement of defined benefit liability / (asset) (net of tax)	(9.28)	11.99
Less: Transfer to Capital Redemption Reserve / Reserve Fund	(378.08)	(81.25)
Balance at the end of the year	5,749.17	5,337.04
Equity Instruments through OCI		
Balance at the beginning of the year	21,920.12	9,974.13
Net change in fair value during the year	27,804.37	11,945.99
Balance at the end of the year	49,724.49	21,920.12
	61,372.22	32,777.64

26. Interest Income

₹ in lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<i>On financial assets measured at amortised cost</i>		
Interest on inter-corporate deposits	232.04	229.50
Interest on deposits with bank	189.96	187.09
	422.00	416.59

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

27. Sale of Products

₹ in lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Finished goods - Tea	2,611.56	2,787.97
Tea Waste Sale	10.91	11.22
	2,622.47	2,799.19

Disclosure pursuant to Ind AS 115 "Revenue from Contracts with Customers":

- Nature of goods and services: CTL, being subsidiary of the Company, is engaged in the manufacturing and sale of tea and other related agricultural produce. Tea business is only reportable segment of CTL.
- Disaggregation of revenue: The major product of CTL is tea and operating in India only. CTL recognises its revenues at a point in time. The contract with customers are of short term duration (less than 30 days) and all sales are direct to customers.
- Contract balances: Receivables from contract with customers of CTL are included in Note 6 "Receivables". Contract assets and contract liabilities from contract with customers of CTL is nil as on 31 March 2022 and 31 March 2021.

28. Other Income

₹ in lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Interest on refund from income tax department	-	0.11
Net change in fair value of investments in mutual funds / bonds (quoted)	13.51	-
Net change in fair value of biological assets other than bearer plant [Note 13]	1.80	1.32
Gain on sale / discard of Property, Plant and Equipment (net)	-	1.14
Insurance and other claims	5.53	-
Unspent liabilities, Provisions no longer required and Unclaimed balances written back *	6.62	20.65
Miscellaneous Receipts	9.06	2.49
	36.52	25.71

* During the year ended 31 March 2021, ₹ 18.47 lakhs being excess provision of liability related to subordinated liabilities written back.

29. Finance Costs

₹ in lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<i>On Financial Liabilities measured at amortised cost:</i>		
Interest on Borrowings (other than securities)	-	0.09
Interest on Subordinated Liabilities	15.66	7.12
Interest on Lease Liabilities [Note 38]	0.59	0.80
Interest on Income Tax	3.76	0.33
	20.01	8.34

30. Fees and Commission Expenses

₹ in lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Commission on Sales	31.40	29.34
Listing and Other Regulatory Fees	6.93	10.01
ROC Fees	0.42	0.52
	38.75	39.87

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

31. Changes in Inventories of finished goods

₹ in lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Finished goods at the end of the year	126.86	77.55
Finished goods at the beginning of the year	77.55	71.95
	(49.31)	(5.60)

32. Employee Benefits Expenses

₹ in lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Salaries, wages, bonus etc.	1,509.02	1,189.68
Contribution to provident and other funds *	160.40	135.03
Expenses related to post-employment defined benefit plans	45.04	40.31
Staff welfare expenses	168.05	146.50
	1,882.51	1,511.52
The amount amount belongs to:		
- Related parties [Note 41]	127.90	64.97
- Others	1,754.61	1,446.55
	1,882.51	1,511.52

* are defined contribution plans.

33. Depreciation Expenses

₹ in lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Depreciation on Investment Property [Note 12]	2.36	2.36
Depreciation on Property, Plant and Equipments [Note 14]	71.74	67.18
	74.10	69.54

34. Other Expenses

₹ in lakhs

	Year ended 31 March 2022		Year ended 31 March 2021	
Consumption of Stores, Spares and Packing Materials		146.73		150.66
Repairs and Maintenance		45.75		41.96
Rent, Tax and Energy Costs		266.42		258.89
Communication Costs		9.33		7.52
Printing and Stationery		4.38		4.03
Advertisement and Publicity		1.28		1.18
Director's Sitting Fees [Note 41]		4.15		2.70
Payment to Auditors				
<i>As Auditors</i>				
- Statutory audit	4.25		4.43	
- Limited review of quarterly results	2.55		2.66	
<i>In other capacity</i>				
- For certificates and other services	4.06	10.86	4.29	11.38
Services Charges		56.08		57.51
Legal and Professional Charges		55.00		19.62
Insurance		10.98		10.66
Freight and Forwarding Charges		19.32		13.99
Corporate Social Responsibilities Expenses		9.30		-
Miscellaneous Expenses		88.79		157.60
		728.37		737.70

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

34. Other Expenses (Contd.)

Corporate Social Responsibility (CSR) expenses (relates to CTL only)

₹ in lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
(i) Gross amount required to be spent during the year	9.30	-
(ii) Amount spent during the year on:		
(A) Construction / acquisition of any asset		
- In Cash	-	-
- Yet to be paid in cash	-	-
Total	-	-
(B) On purpose other than (A) above		
- In Cash	9.30	-
- Yet to be paid in cash	-	-
Total	9.30	-
(iii) Surplus / (shortfall) at the end of the year	-	-
(iv) Total of previous years surplus / (shortfall)	-	-
(v) Reason for shortfall, if any	Not Applicable	
(vi) Nature of CSR Activities	9.30	-
Promoting education including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.		
(vii) The Movements in the provision for CSR expenditure during the year	-	-
Provision for CSR expenditure at the beginning and at the end of the year		

35. Tax expense

₹ in lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Current tax	119.43	147.08
Provision for tax related to earlier years	(25.96)	(1.62)
Deferred tax		
Attributable to origination and reversal of temporary differences	15.07	45.54
	108.54	191.00
Reconciliation of tax expense		
Profit before tax	908.03	1,170.42
Tax using the Group's domestic tax applicable rates	261.48	409.87
Tax effect of:		
- Deferred tax expense (net) adjusted with deferred tax assets not recognised	(165.13)	(67.75)
- Amount related to earlier years	(6.23)	(29.61)
- Interest expense on Preference shares classified as liability not deductible for tax purposes	3.94	(14.57)
- Others (including permanent differences)	14.48	(106.94)
Effective tax	108.54	191.00

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

36. Earnings per equity share (EPS)

Basic and Diluted earnings per share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic and diluted earnings per share calculation are as follows:

	Year ended 31 March 2022	Year ended 31 March 2021
(i) Profit attributable to equity shareholders (₹ in lakhs)	799.49	979.42
(ii) Weighted average number of equity shares for the year At the beginning and at the end of the year	1,00,03,102	1,00,03,102
(iii) Earning per equity share [Nominal value of share ₹ 10] [(i)/(ii)] Basic and Diluted (₹)	7.99	9.79

₹ in lakhs

There is no dilutive potential equity share.

37. Contingent liability, not provided for, in respect of uncalled capital on partly paid shares held as investment is ₹ **104.51 lakhs** (31 March 2021: ₹ 104.51 lakhs).

38. Lease

CTL has a lease contract for land used in its operations. CTL's obligations under its lease are secured by lessor's title to the leased assets.

The carrying amount of right-of-use assets (Land) recognised and its movements during the year are disclosed in Note 14.

Lease liabilities is being measured by discounting the lease payments using the incremental borrowing rate i.e. 8% p.a. Movement of the carrying amount of lease liabilities during the year are as under:

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	7.41	10.01
Finance cost accrued during the year [Note 29]	0.59	0.80
Payment of lease liabilities for the year	(3.42)	(3.40)
Balance at the end of the year	4.58	7.41
Non-current	1.57	4.60
Current	3.01	2.81
	4.58	7.41

₹ in lakhs

The maturity analysis of lease liabilities on an undiscounted basis are as under:

Particulars	As at 31 March 2022	As at 31 March 2021
Less than one year	3.40	3.40
More than one year	1.70	5.10
	5.10	8.50

₹ in lakhs

The followings are the amounts recognised during the year in profit or loss:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Interest on lease liabilities [Note 29]	0.59	0.80
Depreciation on right-of-use assets [Note 14]	2.76	2.76
	3.35	3.56

₹ in lakhs

There is no significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when due.

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

39. Segment information

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. All operating segments and its operating results are reviewed regularly by the management to make decisions about resources to be allocated to the segments and assess their performance.

The Group has two reportable segments as described below, which are the Group's strategic business:

Investing Business	Consists of interest income from inter-corporate deposits and bank deposits and dividend income from investment in shares and securities.
Tea Business	Consists of business of manufacturing tea.

The Group primarily operates in India and therefore the analysis of geographical segments is demarcated into its Indian and Overseas Operations, if any.

₹ in lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Revenue from operations		
Investing Business	805.28	681.86
Tea Business	2,622.47	2,799.19
	3,427.75	3,481.05
Segment results		
Investing Business	770.23	625.66
Tea Business	166.20	546.41
	936.43	1,172.07
Less: Finance costs	20.01	8.34
Less: Other unallocable expenditure (net of unallocable income)	8.39	(6.69)
Profit before tax	908.03	1,170.42
Other segment information		
Capital expenditure - Property, Plant and Equipment		
Investing Business	-	-
Tea Business	142.18	100.09
	142.18	100.09
Depreciation		
Investing Business	6.89	7.16
Tea Business	67.21	62.38
	74.10	69.54
Segment assets		
Investing Business	61,212.68	31,282.03
Tea Business	1,864.55	1,844.57
Unallocable Assets	994.05	1,492.49
Total assets	64,071.28	34,619.09
Segment liabilities		
Investing Business	21.73	43.81
Tea Business	550.36	542.74
Unallocable Liabilities	1,126.60	254.53
Total liabilities	1,698.69	841.08

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

40. Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

₹ in lakhs

Particulars	As at 31 March 2022		
	Within twelve months	After twelve months	Total
<i>Financial Assets:</i>			
Cash and Cash Equivalents	767.02	-	767.02
Bank Balances other than Cash and Cash Equivalents	1,904.17	-	1,904.17
Receivables	15.14	-	15.14
Loans	3,700.00	-	3,700.00
Investments	-	55,418.67	55,418.67
Other Financial Assets	143.78	130.42	274.20
<i>Non-financial Assets:</i>			
Inventories	318.52	-	318.52
Current Tax Assets (net)	227.03	-	227.03
Deferred Tax Assets (net)	-	-	-
Investment Property	-	48.49	48.49
Biological Assets other than bearer plants	3.12	-	3.12
Property, Plant and Equipment	-	1,065.12	1,065.12
Capital Work-in-Progress	-	132.28	132.28
Goodwill	-	90.11	90.11
Other Non-financial Assets	76.83	30.58	107.41
Total Assets	7,155.61	56,915.67	64,071.28
<i>Financial Liabilities:</i>			
Payables	42.97	-	42.97
Subordinated Liabilities	-	262.78	262.78
Other Financial Liabilities	259.97	1.57	261.54
<i>Non-financial Liabilities:</i>			
Provisions	58.44	189.47	247.91
Other Non-financial Liabilities	24.25	-	24.25
Deferred Tax Liabilities (net)	-	859.24	859.24
Total Liabilities	385.63	1,313.06	1,698.69
Net Assets [Total Assets - Total Liabilities]	6,769.98	55,602.61	62,372.59

₹ in lakhs

Particulars	As at 31 March 2021		
	Within twelve months	After twelve months	Total
<i>Financial Assets:</i>			
Cash and Cash Equivalents	1,333.42	-	1,333.42
Bank Balances other than Cash and Cash Equivalents	2,763.43	-	2,763.43
Receivables	58.92	-	58.92
Loans	2,700.00	-	2,700.00
Investments	-	25,648.84	25,648.84
Other Financial Assets	169.45	197.32	366.77

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

40. Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. (Contd.)

₹ in lakhs

Particulars	As at 31 March 2021		
	Within twelve months	After twelve months	Total
<i>Non-financial Assets:</i>			
Inventories	212.66	-	212.66
Current Tax Assets (net)	138.03	-	138.03
Deferred Tax Assets (net)	-	21.04	21.04
Investment Property	-	50.85	50.85
Biological Assets other than bearer plants	1.32	-	1.32
Property, Plant and Equipment	-	1,059.09	1,059.09
Capital Work-in-Progress	-	67.87	67.87
Goodwill	-	90.11	90.11
Other Non-financial Assets	77.49	29.25	106.74
Total Assets	7,454.72	27,164.37	34,619.09
<i>Financial Liabilities:</i>			
Payables	61.47	-	61.47
Subordinated Liabilities	-	247.12	247.12
Other Financial Liabilities	232.11	33.85	265.96
<i>Non-financial Liabilities:</i>			
Provisions	51.35	190.95	242.30
Other Non-financial Liabilities	24.23	-	24.23
Total Liabilities	369.16	471.92	841.08
Net Assets [Total Assets - Total Liabilities]	7,085.56	26,692.45	33,778.01

41. Related Party Disclosures

In accordance with the requirements of Indian Accounting Standard (Ind-AS) 24 Related Party Disclosures, names of the related parties, related party relationships, transactions and outstanding balances, where control exist and with whom transactions have been taken place during the reported periods are:

A. Names of related parties and related party relationship

Related parties where control exist / with whom transactions have been taken place during the year

Key management personnel (KMP)	Ms. Nandini Nopany	- Chairperson / Non-Executive Director
	Ms. Urvi Mittal	- Managing Director
	Ms. Shruti Vora	- Non-Executive Director of a subsidiary of the Company
	Mr. Dilip Patodia	- Non-Executive Director of a subsidiary of the Company
	Mr. Arun Kumar Newar	- Independent / Non-Executive Director
	Mr. Dhiraj Ramkant Banka	- Independent / Non-Executive Director
	Mr. Chhedi Lal Agarwal	- Independent / Non-Executive Director
	Mr. Brij Mohan Agarwal	- Non-Executive Director w.e.f. 10 February 2022
	Mr. Santosh Kumar Poddar	- Non-Executive Director upto 10 February 2022
	Mr. Vikash Goyal	- Chief Financial Officer
	Ms. Vijaya Agarwala	- Company Secretary
	Ms. Kanika Sonthalia	- Company Secretary of UPTCL upto 20 September 2021
	Mr. Priyankar Ghosh	- Chief Financial Officer w.e.f. 9 February 2022 of a subsidiary of the Company
	Mr. Rajes Gupta	- Chief Financial Officer upto 9 February 2022 of a subsidiary of the Company

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

41. Related Party Disclosures (Contd.)

B. The following transactions were carried out with related parties in the ordinary course of business

Director's sitting fees / Remuneration to director and other KMPs

(i) Short term employee benefits

₹ in lakhs

Particulars	Year ended 31 March	Director's sitting fees	Director's remuneration	Remuneration to other KMPs	Amount owed to related parties
Ms. Nandini Nopany	2022	0.73	-	-	-
	2021	0.45	-	-	-
Ms. Urvi Mittal	2022	-	67.50	-	4.50
	2021	0.25	-	-	-
Ms. Shruti Vora	2022	0.10	-	-	-
	2021	0.15	-	-	-
Mr. Dilip Patodia	2022	0.52	-	-	-
	2021	0.30	-	-	-
Mr. Arun Kumar Newar	2022	1.22	-	-	-
	2021	0.80	-	-	-
Mr. Dhiraj Ramkant Banka	2022	0.28	-	-	-
	2021	0.25	-	-	-
Mr. Chhedi Lal Agarwal	2022	0.72	-	-	-
	2021	0.50	-	-	-
Mr. Brij Mohan Agarwal	2022	0.08	-	-	-
	2021	-	-	-	-
Mr. Santosh Kumar Poddar	2022	0.50	52.99	-	3.09
	2021	-	56.54	-	3.10
Ms. Kanika Sonthalia	2022	-	-	0.85	-
	2021	-	-	1.80	-
Mr. Priyankar Ghosh	2022	-	-	1.80	0.10
	2021	-	-	-	-
Mr. Rajes Gupta	2022	-	-	4.76	0.32
	2021	-	-	6.63	0.78

(ii) Post employment benefits

The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for CTL as a whole.

C. Details of loans, investments and guarantee covered under Section 186(4) of the Companies Act, 2013

- The Company being CIC, is not required to disclose the details of loans, investments and guarantees covered under Section 186(4) of the Companies Act, 2013.
- CTL, wholly owned subsidiary, neither given any loan nor has advanced any amount during the year ended 31 March 2022 and during the year ended 31 March 2021.
- Particulars of investments as required under Section 186(4) of the Companies Act, 2013 have been disclosed in Note 8.

D. Terms and conditions of transactions with related parties

- The transactions with related parties have been entered at an amount which are not materially different from those on normal commercial terms.
- No guarantees have been given or received.
- For the year ended 31 March 2022, the Group has not recorded any impairment of receivables relating to amounts owed by a related parties. This assessment is undertaken in each financial year through examining the financial position of the related parties and the market in which the related party operates.
- The sitting fees of directors is determined by the Nomination & Remuneration Committee having regard to the performance of individuals and market trends.

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

42. Financial instruments - fair values and risk management

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities:

₹ in lakhs

Particulars	Carrying amount				Fair value
	FVTPL	FVOCI	Amortised cost	Total carrying amount	
As at 31 March 2022					
Financial assets					
Investment - Quoted	726.07	49,027.29	-	49,753.36	49,753.36
Investment - Unquoted	301.42	5,363.89	-	5,665.31	5,665.31
Cash and cash equivalents	-	-	767.02	767.02	767.02
Bank Balances other than Cash and Cash equivalents	-	-	1,904.17	1,904.17	1,904.17
Receivables	-	-	15.14	15.14	15.14
Loans	-	-	3,700.00	3,700.00	3,700.00
Other financial assets	-	-	274.20	274.20	274.20
	1,027.49	54,391.18	6,660.53	62,079.20	62,079.20
Financial liabilities					
Trade payables	-	-	42.97	42.97	42.97
Subordinated liabilities	-	-	262.78	262.78	262.78
Other financial liabilities	-	-	261.54	261.54	261.54
	-	-	567.29	567.29	567.29
As at 31 March 2021					
Financial assets					
Investment - Quoted	-	23,772.87	-	23,772.87	23,772.87
Investment - Unquoted	-	1,875.97	-	1,875.97	1,875.97
Cash and cash equivalents	-	-	1,333.42	1,333.42	1,333.42
Bank Balances other than Cash and Cash equivalents	-	-	2,763.43	2,763.43	2,763.43
Receivables	-	-	58.92	58.92	58.92
Loans	-	-	2,700.00	2,700.00	2,700.00
Other financial assets	-	-	366.77	366.77	366.77
	-	25,648.84	7,222.54	32,871.38	32,871.38
Financial liabilities					
Trade payables	-	-	61.47	61.47	61.47
Subordinated liabilities	-	-	247.12	247.12	247.12
Other financial liabilities	-	-	265.96	265.96	265.96
	-	-	574.55	574.55	574.55

The management assessed that cash and cash equivalent, receivables and other financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The following methods and assumptions were used to estimate the fair values:

- The fair value of the quoted investments are based on market price at the respective reporting date.
- The fair value of the unquoted investments is based on independent valuation report using combination of different methodologies i.e. discounted cash flow method and net assets method with different weightage.

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

42. Financial instruments - fair values and risk management (Contd.)

B. Measurement of fair values

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in forced or liquidation sale.

The Company has established the following fair value hierarchy that categories the value into 3 levels.

Financial assets and liabilities measured at fair value - recurring fair value measurements as under:

₹ in lakhs

Particulars	Note	Level 1	Level 2	Level 3	Total
As at 31 March 2022					
Investment - Quoted	8	49,753.36	-	-	49,753.36
Investment - Unquoted	8	-	-	5,665.31	5,665.31
As at 31 March 2021					
Investment - Quoted	8	23,772.87	-	-	23,772.87
Investment - Unquoted	8	-	-	1,875.97	1,875.97

C. Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- (i) Credit risk
- (ii) Liquidity risk
- (iii) Market risk

Risk management framework

The Group's principal financial liabilities includes trade payable, deposits, subordinated liabilities and other financial liabilities. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include cash and cash equivalents, receivables, investments and other financial assets that derive directly from its operations.

The Board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The audit committee is assisted in its oversight role by internal audit. Internal auditor undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

The Group's primary risk management focus is to minimise potential adverse effects of market risk on its financial performance. The Group's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Group's activities.

(i) Credit risk

Credit risk is the risk of financial loss of the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group receivables from customers. The Group has no significant concentration of credit risk with any counterparty. The carrying amount of financial assets represent the maximum credit risk exposure. The Group assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry also has an influence on credit risk assessment. Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to the customer credit risk management. The Group uses financial information and past experience to evaluate credit quality of majority of its customers. Outstanding receivables and the credit worthiness of its counter parties are periodically monitored and taken up on case to case basis. There is no material expected credit loss based on the past experience. However, the Group assesses the impairment of receivable on case to case basis and has accordingly created loss allowance on receivables.

Exposure to credit risks

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry. The Group evaluates the concentration of risk with respect to receivables as low, as the Group's income are mostly on cash.

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

42. Financial instruments - fair values and risk management (Contd.)

C. Financial risk management (Contd.)

The Group's exposure to credit risk for receivables by type of counterparty is as follows:

₹ in lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
Corporate bodies in relation to rental income	-	-
Others	15.14	58.92
	15.14	58.92

Receivables are primarily unsecured and are derived from revenue earned from customers. Credit risk is managed through credit approvals, establishing credit limits and by continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. As per simplified approach, the Group makes provision of expected credit loss on receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provisions at each reporting date whenever is for longer period and involves higher risk. On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss or gain. The Group uses a provision matrix to compute the credit loss allowance for receivables.

Ageing of trade receivables is disclosed in Note 6.

The Group's management also pursue all legal option for recovery of dues, wherever necessary based on its internal assessment.

(ii) Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. Processes and policies related to such risks are overseen by senior management. Management monitors the Group's liquidity position through rolling forecasts on the basis of expected cash flows.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Exposure to liquidity risks

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

(₹ in lakhs)

Particulars	Carrying amount	Total	Less than 1 years	1 to 2 years	2 to 5 years	More than 5 years
As at 31 March 2022						
Trade Payables	42.97	42.97	42.97	-	-	-
Subordinated Liabilities*	262.78	444.00	-	-	-	444.00
Other financial liabilities*	261.54	262.06	260.36	1.70	-	-
	567.29	749.03	303.33	1.70	-	444.00
As at 31 March 2021						
Trade Payables	61.47	61.47	61.47	-	-	-
Subordinated Liabilities*	247.12	444.00	-	-	-	444.00
Other financial liabilities*	265.96	267.05	232.70	32.65	1.70	-
	574.55	772.52	294.17	32.65	1.70	444.00

* including estimated dividend as finance cost including dividend.

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

42. Financial instruments - fair values and risk management (Contd.)

C. Financial risk management (Contd.)

(iii) Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, regulatory changes, equity prices and other market changes that effect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and payables.

Foreign currency risks

All transactions of the Group are in Indian currency, consequently Group is not exposed to foreign currency risk. The Group has no outstanding foreign currency exposure or related derivative contract.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group exposure to the risk of changes in market interest rates relates primarily to the Group's long term and short term borrowing with floating interest rates. The Group constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk.

Currently the Group's borrowings are within acceptable risk levels, as determined by the management, hence the Group has not taken any swaps to hedge the interest rate risk.

Exposure to interest rate risks

The interest rate profile of the Group's interest bearing financial instruments at the end of the reporting period are as follows:

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Fixed rate instruments		
Financial assets	6,279.17	6,614.49
Financial liabilities	262.78	247.12
Variable rate instruments		
Financial assets	-	-
Financial liabilities	-	-

Cash flow sensitivity analysis

Fixed rate instruments that are carried at amortised cost are not subject to interest rate risk for the purpose of sensitive analysis.

Equity risk

The Group's quoted equity instruments are susceptible to market price risk arising from uncertainties about future values of the investment securities. The reports on the equity portfolio are submitted to the Group's senior management on a regular basis. The senior management reviews and approves all equity investment decisions.

Sensitivity analysis

Investment in equity instruments (Quoted) of the Group are listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) in India. The table below summaries the impact of increase/decrease of the Nifty 50 index on the Group's equity and profit for the period. The analysis is based on the assumption that the BSE had increased / decreased by 10% with all other variables held constant, and that all the Group's equity instruments moved in line with the index.

(₹ in lakhs)

Particulars	Profit or loss before tax		Equity, net of tax	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
BSE / NSE - increase by 10%	4,975.34	2,377.29	4,406.16	2,105.33
BSE / NSE - decrease by 10%	(4,975.34)	(2,377.29)	(4,406.16)	(2,105.33)

Regulatory risk

The Group's operations is significantly regulated by neither by Central Government nor by State Government. Hence, Regulatory risk to the Group is very low.

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

43. Capital management

The primary objectives of the Group's capital management policy are to ensure that the Group complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Group manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

44. Statutory Group Information

Name of the entity in the Group	Net Assets i.e. Total assets minus total liabilities		Share in profit / (loss)		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
	As % of consolidated net assets	Amount (₹ in Lakhs)	As % of consolidated profit or loss	Amount (₹ in Lakhs)	As % of consolidated OCI	Amount (₹ in Lakhs)	As % of consolidated TCI	Amount (₹ in Lakhs)
Parent:								
Ganges Securities Limited								
As at / for the year ended 31 March 2022	92.90%	57,945.76	69.98%	559.49	100.03%	27,804.37	99.19%	28,363.86
As at / for the year ended 31 March 2021	6.25%	2,111.77	1.27%	12.45	7.35%	879.15	6.89%	891.60
Subsidiaries (Indian):								
Cinnatollah Tea Limited								
As at / for the year ended 31 March 2022	7.10%	4,426.83	30.02%	240.00	(0.03%)	(9.28)	0.81%	230.72
As at / for the year ended 31 March 2021	12.81%	4,326.99	57.25%	560.74	0.10%	11.99	4.43%	572.73
Uttar Pradesh Trading Company Limited								
As at / for the year ended 31 March 2022	Refer Note given below							
As at / for the year ended 31 March 2021	80.94%	27,339.25	41.48%	406.23	92.55%	11,066.84	88.68%	11,473.07
Total:								
As at / for the year ended 31 March 2022	100.00%	62,372.59	100.00%	799.49	100.00%	27,795.09	100.00%	28,594.58
As at / for the year ended 31 March 2021	100.00%	33,778.01	100.00%	979.42	100.00%	11,957.98	100.00%	12,937.40

Note: Since amalgamated with the Company [Note 2.2].

45. Previous year's figures have been regrouped / reclassified wherever necessary to conform to current year's classification / disclosure.

As per our report of even date attached.

For **Agarwal Subodh & Co.**
Chartered Accountants
ICAI Firm's Registration No.: 319260E

Prosanta Mukherjee
Partner
Membership No.: 053651

Place: Kolkata
Date: 12 May 2022

For and on behalf of the Board of Directors

Brij Mohan Agarwal
Director
DIN: 03101758

Vijaya Agarwala
Company Secretary

Urvi Mittal
Managing Director
DIN: 02780842

Vikash Goyal
Chief Financial Officer

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