CONTINENTAL COFFEE

Date: 08.08.2022

To The Listing Department, **National Stock Exchange of India Limited** Exchange Plaza, 5th Floor, Plot No . C/1, G Block, Bandra – Kurla Complex, Bandra East, Mumbai – 400051. **Scrip Code: CCL**	To The Corporate Relations Department, **Bombay Stock Exchange Limited,** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001. **Scrip Code: 519600**

Dear Sir/Madam,

Subject: Submission of a Copy of Annual Report along with the Notice of Annual General Meeting (AGM) as required under Reg. 34(1) of SEBI (LODR) Regulations, 2015

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are herewith enclosing the annual report of the Company along with the notice of AGM for the financial year 2021-22, which is being sent to the members of the Company through electronic mode.

The above said annual report along with notice is also uploaded on the website of the Company and the weblink is https://www.cclproducts.com/wp-content/uploads/2022/08/2021-22.pdf

This is for your information and necessary records.

Regards,
For CCL PRODUCTS (INDIA) LIMITED

Sridevi Dasari
Company Secretary & Compliance Officer

CCL PRODUCTS INDIA LIMITED HYDERABAD

CCL PRODUCTS (INDIA) LIMITED
CORPORATE OFFICE:
7-1-24/2/D, "Greendale", Ameerpet, Hyderabad - 500016, T.S., India.
+91 40 2373 0855

REGISTERED OFFICE:
Duggirala, Guntur Dist. 522330, A.P., India | CIN L15110AP1961PLC000874
+91 8644 277294 | info@continental.coffee | www.cclproducts.com www.continental.coffee

ANNUAL REPORT
2021 - 2022


CONTINENTAL COFFEE
BRAND OF THE YEAR 2022
BRAND OF THE YEAR 2022
CONTINENTAL®
Spéciale
Rich and
Creamy Coffee
CONTINENTAL
Spéciale
100% PURE COFFEE
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61ST ANNUAL GENERAL MEETING

Tuesday, 30th August, 2022
at 12.05 P.M.
through Video Conferencing (VC)/
Other Audio-Visual Means (OAVM)

CONTENTS

Company Information

Board of Directors

Mr. Challa Rajendra Prasad (Chairman)
(Executive Director)

Ms. Challa Shantha Prasad
(Non-Executive Director)

Mr. Vipin K. Singal
(Independent Non-Executive Director)

Mr. Kata Chandrahas, IRS (Retd.)
(Independent Non-Executive Director)

Mr. G.V. Krishna Rau, IAS (Retd.)
(Independent Non-Executive Director)

Mr. K.V. Chowdary, IRS (Retd.)
(Independent Non-Executive Director)

Mr. Kode Durga Prasad, IPS (Retd.)
(Independent Non-Executive Director)

Mr. K. K. Sarma
(Non-Executive Director)

Ms. Kulsoom Noor Saifullah
(Independent Non-Executive Director)

Dr. Lanka Krishnanand
(Non-Executive Director)

Mr. B. Mohan Krishna
(Executive Director)

Mr. Challa Srishant, Managing Director
(Executive Director)

Chief Executive Officer

Mr. Praveen Jaipuriar

Chief Financial Officer

Mr.V. Lakshmi Narayana

Company Secretary & Compliance Officer

Ms. Sridevi Dasari

Registered Office

Duggirala, Guntur Dist. - 522 330
Andhra Pradesh, India.
Ph : +91 8644-277294, Fax : +91 8644-277295
E.mail : info@continental.coffee
www.cclproducts.com

CIN : L15110AP1961PLC000874

Statutory Auditors

M/s.Ramanatham & Rao
Chartered Accountants
Ft.no.302, Kala Mansion
Sarojini Devi Road
Secunderabad – 500 003, T.S., India.

Internal Auditors

M/s. Ramesh & Co.
Chartered Accountants
H.No: 6-3-661/B/1
Sangeeth Nagar, Somajiguda
Hyderabad – 500 082, T.S., India.

Secretarial Auditors

M/s. P. S. Rao & Associates
Company Secretaries
Flat No.10, 4th Floor, D. No.6-3-347/22/2
Ishwarya Nilayam, Opp. Sai Baba Temple,
Dwarakapuri Colony, Punjagutta,
Hyderabad – 500 082, Telangana, India

Cost Auditors

M/s. MPR & Associates
Cost Accountants
H. No.6-3-349/15/17 Flat No. 301,
Sri Sai Brundavan Apts.,
Beside. Sai Baba Temple,
Dwarakapuri Colony, Punjagutta,
Hyderabad – 500 082, Telangana, India

Bankers
State Bank of India
ICICI Bank Ltd
Citi Bank N.A
HDFC Bank Ltd

Registrars & Share Transfer Agent (Physical & Demat)

M/s. Venture Capital &
Corporate Investments Pvt. Ltd.
12-10-167, Bharatnagar Colony
Hyderabad – 500 018, T.S., India
Phone : +91 40 2381 8475 / 76
Fax : +91 40 2386 8024
E.mail : investor.relations@vccipl.com

Board Committees

Audit Committee	Stakeholders Relationship Committee
Mr. Kata Chandrahas - Chairman Mr. Vipin K. Singal Mr. K. K. Sarma Mr. G.V. Krishna Rau Ms. Kulsoom Noor Saifullah Dr. Lanka Krishnanand Mr. Kode Durga Prasad Mr. K.V. Chowdary	Mr. Kata Chandrahas -Chairman Mr. Vipin K. Singal Mr. K. K. Sarma Mr. G.V. Krishna Rau Ms. Kulsoom Noor Saifullah Dr. Lanka Krishnanand Mr. Kode Durga Prasad
Nomination and Remuneration Committee	**Corporate Social Responsibility Committee**
Mr. G.V. Krishna Rau - Chairman Mr. Vipin K. Singal Mr. Kata Chandrahas Mr. K. K. Sarma Ms. Kulsoom Noor Saifullah Dr. Lanka Krishnanand Mr. Kode Durga Prasad	Mr. Vipin K Singal- Chairman Mr. Kata Chandrahas Mr. K. K. Sarma Mr. B. Mohan Krishna Mr. G.V. Krishna Rau Ms. Kulsoom Noor Saifullah Mr. Challa Srishant Ms. Challa Shantha Prasad Dr. Lanka Krishnanand Mr. Kode Durga Prasad
Risk Management Committee	
Mr. Challa Srishant- Chairman Mr. Vipin K. Singal Mr. Kata Chandrahas Mr. K. K. Sarma Mr. B. Mohan Krishna Mr. G.V. Krishna Rau Ms. Kulsoom Noor Saifullah	Ms. Challa Shantha Prasad Dr. Lanka Krishnanand Mr. Kode Durga Prasad Mr. Praveen Jaipuriar Ms. Sridevi Dasari Mr. V. Lakshmi Narayana
Management Committee	
Mr. Challa Srishant- Chairman Mr. Kata Chandrahas	Mr. Kode Durga Prasad Mr. B. Mohan Krishna

NOTICE

Notice is hereby given that the 61st Annual General Meeting of the Members of CCL Products (India) Limited will be held on Tuesday, 30th August, 2022, at 12:05 P.M. through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) to transact the following items of business:

Ordinary Business:

1. To receive, consider and adopt:

   (a) the audited Standalone Financial Statement of the Company for the financial year 2021-22 together with the Report of the Board of Directors and Auditors thereon; and

   (b) the audited Consolidated Financial Statement of the Company for the financial year 2021-22 together with the Report of the Auditors thereon.

2. (a) To confirm the interim dividend of ₹ 3.00/- per Equity Share of ₹ 2.00/- each to the shareholders, declared by the Board of Directors in their meeting held on 19th January, 2022 for the financial year 2021-22.

   (b) To declare final dividend of ₹ 2.00/- per Equity Share of ₹ 2.00/- each to the shareholders for the financial year 2021-22.

3. To appoint a director in place of Mr. B. Mohan Krishna (DIN: 03053172), who retires by rotation and being eligible, offers himself for re-appointment to the office of Director.

4. To appoint a director in place of Dr. Lanka Krishnanand (DIN: 07576368), who retires by rotation and being eligible, offers himself for re-appointment to the office of Director.

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of sections 139, 141 and 142 of the Companies Act, 2013, M/s. Ramanatham & Rao, Chartered Accountants, (Registration No. 206421), be and are hereby appointed as the Statutory Auditors of the Company to hold the office from the conclusion of this meeting till the conclusion of the 66th Annual General Meeting on such remuneration as may be agreed upon by the Board of Directors and the Auditors, in addition to reimbursement of all out of pocket expenses in connection with the audit of the accounts of the Company for every financial year ending 31st March."

Special Business:

6. Re-appointment of Mr. Challa Rajendra Prasad as an Executive Chairman

   To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule V to the Companies Act, 2013, reappointment of Mr. Challa Rajendra Prasad (DIN 00702292) as an Executive Chairman of the Company with effect from 01st April, 2022 to hold his office as such upto 31st March, 2026, at a monthly remuneration of ₹ 35,00,000/- along with other perquisites as per the Rules of the Company and as per the terms and conditions set out in the employment agreement be and is hereby approved."

"RESOLVED FURTHER THAT in the event of absence or inadequacy of profits of the Company in any financial year during the tenure of Mr. Challa Rajendra Prasad as Executive Chairman, the above mentioned remuneration would be paid as minimum remuneration subject to the provisions of Schedule V to the Companies Act, 2013 or any statutory enactment thereof."

7. Ratification of Remuneration to Cost Auditors (Financial year 2021-22)

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s. M P R & Associates, Cost Accountants, (Registration No. 000413), Hyderabad, appointed as Cost Auditors by the Board of Directors of the Company, inorder to fill the casual vacancy caused on account of demise of Mr. N.V.S. Kapardhi (proprietor of M/s. Kapardhi & Associates, Cost Accountants) to conduct the audit of the cost records maintained by the Company for the financial year ending 31st March, 2022, amounting to ₹ 2,00,000/- (Rupees Two Lakhs only) excluding taxes as may be applicable, in addition to reimbursement of all out of pocket expenses, be and is hereby ratified."

8. Ratification of Remuneration to Cost Auditors (Financial year 2022-23)

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s. M P R & Associates, Cost Accountants, (Registration No. 000413), Hyderabad, appointed as Cost Auditors by the Board of Directors of the Company to conduct the audit of the cost records maintained by the Company for the financial year ending 31st March, 2023, amounting to ₹ 2,00,000/- (Rupees Two Lakhs only) excluding taxes as may be applicable, in addition to reimbursement of all out of pocket expenses, be and is hereby ratified."

9. Approval of CCL Employee Stock Option Scheme - 2022 (the CCL Scheme 2022/ the Scheme) and Grant of options under the Scheme

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 read with rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and in accordance with the relevant provisions of the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (SEBI (SBEBASE) Regulations), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") as amended from time to time, and in accordance with such other circulars, rules, regulations and guidelines issued or that may be issued by SEBI and/or other appropriate authorities, from time to time, and further subject to such other approvals, permissions and sanctions as may be necessary, the members of the Company do hereby approve **"CCL Employee Stock Option Scheme - 2022"** (hereinafter referred to as "the **CCL Scheme 2022/ the Scheme"),** and accord their consent to the Board of Directors of the Company (hereinafter referred to as the **"Board"**, which term shall be deemed to include the Nomination and Remuneration Committee, also known as the Compensation Committee pursuant to Regulation 5 of **SEBI (SBEBASE) Regulations, 2021** to exercise its powers, including the powers conferred under this resolution (hereinafter referred as "Compensation Committee") to introduce, notify and implement the said Scheme and further to create, issue, offer, grant, allot and/or transfer from time to time, upto a maximum of 4,00,000 (Four Lakhs Only) options that may be granted pursuant to the Scheme, in one or more tranches which shall be convertible into equal number of Equity Shares of ₹ 2/- (Rupees Two) each, unless otherwise determined by the Committee, to the present and / or future permanent employees of the Company, whether working in India or outside India, and/or such other persons as may be decided by the Board and / or permitted under applicable rules, regulations, guidelines and laws (hereinafter referred to as “Eligible Employees”) under **the Scheme** through **“CCL Employees Trust”** (hereinafter referred to as **“Trust”)** being established by the Company in accordance with the applicable laws, on such terms and in such manner including the price of options as the Board/ Compensation Committee may decide in accordance with the provisions of the law as may be prevailing at the relevant time.”

“RESOLVED FURTHER THAT pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 read with rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the approval of members be and is hereby accorded to the Board / Compensation Committee to create, issue and allot **4,00,000 (Four Lakhs Only)** equity shares of ₹ 2/- each at a price of ₹ 2/- per share to **CCL Employees Trust,** a trust established by the Company for implementation and/or administration of the **CCL Scheme 2022.**

“RESOLVED FURTHER THAT subject to the terms and salient features of the Scheme mentioned in the explanatory statement to this resolution, which are hereby approved by the members, the consent of the members of the Company be and is hereby accorded to the Board (including the Compensation Committee or such other person(s) as may be authorised), to administer, superintendent and implement the **CCL Scheme 2022** in due compliance and in conformity with applicable laws in this regard.”

“RESOLVED FURTHER THAT the equity shares to be transferred on exercise of options shall be allocated to the Employees through **“CCL Employees Trust”** (hereinafter referred to as “Trust”), which is being established by the Company for implementation and/or administration of **the CCL Scheme 2022** and in accordance with the provisions of applicable laws.”

“RESOLVED FURTHER THAT the Equity Shares to be allotted and issued by the Company in the manner aforesaid shall rank pari-passu in all respects with the then existing Equity Shares of the Company, except that the CCL Employees Trust/ its Trustees shall not be entitled to exercise any voting rights on such number of equity shares held by it in its name.”

“RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, sub division or consolidation of shares, changes in capital structure, merger and sale of division/ undertaking or any other re-organisation, if any, fair and reasonable adjustments under the Scheme, as it deems fit, with respect to the number of options, exercise price and other necessary amendments to the Scheme shall be made for this purpose.”

“RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed under Regulation 15 of the SEBI (SBEBASE) Regulations and any other applicable laws and regulations to the extent relevant and applicable in connection with the implementation of the **CCL Scheme 2022.”**

“RESOLVED FURTHER THAT the Board (which term shall be deemed to include the Nomination and Remuneration Committee also known as the Compensation Committee) be and is hereby authorized to make, sign, execute, submit, acknowledge, endorse applications, deeds, documents, papers, grant letters, intimations and such other documents as may be required and/or in its absolute discretion as it may deem necessary for notification, administration, superintendence and implementation of the Scheme and to take such steps and do all such acts, deeds things and matters in this regard including but not limited to appointment of Solicitors, Registrars and other Advisors, Consultants or Representatives, Intermediaries, filing of necessary forms and applications, intimations and disclosures with concerned authorities, Institutions for their requisite approvals as may be required under applicable laws from time to time without being required to seek any further consent or approval of the members of the Company.”

"RESOLVED FURTHER THAT subject to compliance with applicable laws, the Board / Compensation Committee be and is hereby authorized to modify, change, vary, alter, amend, suspend or terminate **the CCL Scheme 2022** in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits And Sweat Equity) Regulations, 2021 (SBEBASE Regulations) as amended from time to time or any new regulations as may be applicable to the Company in this regard and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the members of the Company and to execute all such deeds, documents and writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of **the CCL Scheme 2022** and to do things which may be incidental and/or ancillary thereof including to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary for such purpose."

"RESOLVED FURTHER THAT the Board / Compensation Committee be and is hereby authorised to delegate all or any of its powers conferred in the aforesaid resolutions for administration, implementation and superintendence of **the CCL Scheme 2022** to the Trust being established in this regard and shall also be authorised to nominate and appoint one or more officers of the Company for carrying out any or all of the activities that the Board / Compensation Committee is authorised to do for the purpose of giving effect to these resolutions."

"RESOLVED FURTHER THAT all actions taken by the Board in connection with the above and all incidental and ancillary things done are hereby specifically approved and ratified."

10. Approval for Grant of options pursuant to CCL Employee Stock Option Scheme - 2022 (the CCL Scheme 2022/ the Scheme) to the employees of the subsidiary companies

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 read with rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and in accordance with the relevant provisions of the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (SEBI (SBEBASE) Regulations), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") as amended from time to time, and in accordance with such other circulars, rules, regulations and guidelines issued or that may be issued by SEBI and/or other appropriate authorities, from time to time, and further subject to such other approvals, permissions and sanctions as may be necessary, the members of the Company do hereby approve grant of options to the employees of the subsidiary company(ies) of the Company under **"CCL Employee Stock Option Scheme - 2022"** (hereinafter referred to as the **"the CCL Scheme 2022/ the Scheme")** and accord their consent to the Board of Directors of the Company (hereinafter referred to as **" the Board",** which term shall be deemed to include the Nomination and Remuneration Committee also known as the Compensation Committee to exercise its powers, including the powers conferred under this resolution to introduce, notify and implement the said Scheme through **"CCL Employees Trust"** (hereinafter referred to as "Trust") being established by the Company in accordance with the applicable laws, on such terms and in such manner including the price of options as the Board/Compensation Committee may decide in accordance with the provisions of the law as may be prevailing at the relevant time."

"RESOLVED FURTHER THAT the Board / Compensation Committee be and is hereby authorised to delegate all or any of its powers conferred in the aforesaid resolutions for administration, implementation and superintendence of **the CCL Scheme 2022** to the Trust established in this regard and shall also be authorised to nominate and appoint one or more officers of the Company for carrying out any or all of the activities that the Board / Compensation Committee is authorised to do for the purpose of giving effect to these resolutions."

“RESOLVED FURTHER THAT all actions taken by the Board in connection with the above and all incidental and ancillary things done are hereby specifically approved and ratified.”

11. Approval of the implementation of “CCL Employee Stock Option Scheme - 2022” through Trust

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 62(1)(b), 67 and all other applicable provisions, if any, of the Companies Act, 2013 (the “Act”), read with Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), relevant provisions of the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (SEBI (SBEBASE) Regulations), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”) as amended from time to time, and in accordance with and subject to such other circulars, rules, regulations and guidelines issued or that may be issued by SEBI and/or other appropriate authorities, from time to time, and subject to such other approvals, permissions and sanctions as may be necessary, consent of the members of the Company be and is hereby accorded to the **“Board”**, which term shall be deemed to include the Nomination and Remuneration Committee of Directors also known as the Compensation Committee pursuant to Regulation 5 of SEBI (SBEBASE) Regulations and to exercise its powers, including the powers conferred under this resolution (hereinafter referred as “Compensation Committee”) to implement the “CCL Employee Stock Option Scheme - 2022” (hereinafter referred to as the **“the CCL Scheme 2022 / The Scheme”)** through **“CCL Employees Trust”** (hereinafter referred to as **“Trust”**), being established by the Company in accordance with the applicable laws for implementation and/or administration of the CCL Scheme 2022 or for any other purpose(s) as contemplated herein and in due compliance with the Scheme and the provisions of the applicable laws and regulations.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolution, the Board / Compensation Committee be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary or expedient and to settle any questions, difficulty or doubts that may arise in this regard without being required to secure any further consent or approval of the Members of the Company.”

12. Approval for grant of loan (money) to **CCL Employees Trust** by the Company for implementation of CCL Employee Stock Option Scheme - 2022

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution.

“RESOLVED THAT pursuant to the provisions of Sections 62(1)(b), 67 and all other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’), read with rules framed there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), in accordance with the relevant provisions of the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (SEBI (SBEBASE) Regulations), Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”) as amended from time to time, and in accordance with and subject to such other circulars, rules, regulations and guidelines issued or that may be issued by SEBI and/or other appropriate authorities, from time to time, and subject to such other approvals, permissions and sanctions as may be necessary, approval of the members of the Company be and is hereby accorded to the **“Board”**, which term shall be deemed to include the Nomination and Remuneration Committee of Directors also known as the Compensation Committee pursuant to Regulation 5 of SEBI (SBEBASE) Regulations and to exercise its powers, including the powers conferred by this resolution (hereinafter referred as **“the Compensation Committee”**) to grant an interest free loan to **CCL Employees Trust** (hereinafter referred to as **“Trust”**) being established by the Company, for implmentation of **“CCL Scheme 2022 /The Scheme”** in one or more tranches, not exceeding

₹ 20,00,000 lakhs for undertaking various activities and implementing the objects as contemplated in the Scheme and / or Trust Deed executed by the Company in this regard.

RESOLVED FURTHER THAT the Trust shall neither deal in derivatives nor undertake transactions as permitted by SEBI (SBEBASE) Regulations.

RESOLVED FURTHER THAT the Trustees of the Trust shall not vote in respect of the Shares held by such Trust.

RESOLVED FURTHER THAT for the purposes of disclosures to the stock exchange, the shareholding of the Trust shall be shown as non–promoter and non–public shareholding.

RESOLVED FURTHER THAT the Trustees of the Trust shall ensure the compliance of all the applicable laws including SEBI (SBEBASE) Regulations with respect to granting/vesting/exercising of the options or shares under the Scheme(s) being administered and implemented by the Trust including but not limited to maintenance of proper books of account, records and documents as prescribed.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to comply with the legal provisions and do all ancillary and consequential matters and to take such steps and to do such acts, deeds, matters and things as they may deem proper and give/send such notices, directions as may be necessary to give effect to the above resolution."

By order of the Board of Directors
For CCL Products (India) Limited

Sd/-
Sridevi Dasari
Company Secretary & Compliance Officer
M.No. A29897

Place: Hyderabad
Date : 05th August, 2022

NOTES FOR MEMBERS:

1. In accordance with the provisions of the Act, read with the Rules made thereunder and General Circular nos. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020, 20/2020 dated 5th May, 2020, 02/2021 dated 13th January, 2021, 21/2021 dated 14th December, 2021 and 2/2022 dated 5th May, 2022, issued by the Ministry of Corporate Affairs ("MCA") read with Circular no. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022 and other relevant circulars issued by the Securities and Exchange Board of India ("SEBI"), from time to time (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold AGM through Video Conference ("VC") or Other Audio Visual Means ("OAVM") upto 31st December, 2022, without physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being convened through VC/OAVM and the venue of the AGM shall be deemed to be the registered office of the Company.

2. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since this AGM is being proposed to be held pursuant to the said MCA Circulars through VC / OAVM, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the proxy form and the attendance slip are not attached to this Notice.

3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”), in respect of items of special business is annexed hereto.

4. Members may note that the Board, at its meeting held on 26th May, 2022, has recommended a final dividend of ₹ 2/- per share. The record date for the purpose of final dividend for the financial year is fixed as 26th August, 2022. The final dividend, once approved by the members in the ensuing AGM, will be paid on or before 09th September, 2022 electronically through various online transfer modes to those members who have updated their bank account details. For members who have not updated their bank account details, dividend warrants / demand drafts will be sent to their registered addresses. To avoid delay in receiving dividend, members are requested to update their KYC with their depositories (where shares are held in dematerialized mode) and with the Company’s Registrar and Transfer Agent (RTA) (where shares are held in physical mode) to receive dividend directly into their bank account on the payout date.

   The members may note that the Income-tax Act, 1961, (“the IT Act”) as amended by the Finance Act, 2020, mandates that dividend paid or distributed by a company on or after 1st April, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source (“TDS”) at the time of making the payment of final dividend. To enable us to determine the appropriate TDS rate as applicable, members are requested to submit relevant documents, as specified in the below paragraphs, in accordance with the provisions of the IT Act.

   For resident shareholders, taxes shall be deducted at source under Section 194 of the IT Act as follows:

Members having valid Permanent Account Number (PAN)	10%* or as notified by the Government of India
Members not having PAN / valid PAN	20% or as notified by the Government of India

   * As per the Finance Act, 2021, Section 206AB has been inserted effective 1st July, 2021, wherein higher rate of tax (twice the specified rate) would be applicable on payment made to a shareholder who is classified as ‘Specified Person’ as defined under the provisions of the aforesaid Section.

   However, no tax shall be deducted on the dividend payable to resident individual shareholders if the total dividend to be received by them during financial year 2022-23 does not exceed ₹ 5,000, and also in cases where members provide Form 15G / Form 15H (Form 15H is applicable to resident individual shareholders aged 60 years or more) subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / nil withholding of tax. PAN is mandatory for members providing Form 15G / 15H or any other document as mentioned above.

   For non-resident shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20%** (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable. However, as per Section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA), read with Multilateral Instrument (MLI) between India and the country of tax residence of the shareholders, if they are more beneficial to them. For this purpose, i.e. to avail the benefits under the DTAA read with MLI, non-resident shareholders will have to provide the following documents:

- Copy of the PAN card allotted by the Indian income tax authorities duly attested by the shareholders or details as prescribed under Rule 37BC of the Income-Tax Rules, 1962

- Copy of the Tax Residency Certificate for financial year 2022-23 obtained from the revenue or tax authorities of the country of tax residence, duly attested by shareholders

- Self-declaration in Form 10F

- Self-declaration by the shareholders of having no permanent establishment in India in accordance with the applicable tax treaty

- Self-declaration of beneficial ownership by the non-resident shareholder

- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by the shareholders

In case of Foreign Institutional Investors / Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act at the rate of 20%** (plus applicable surcharge and cess) or the rate provided in relevant DTAA, read with MLI, whichever is more beneficial, subject to the submission of the above documents, if applicable.

** As per the Finance Act, 2021, Section 206AB has been inserted effective 1st July, 2021, wherein higher rate of tax (twice the specified rate) would be applicable on payment made to a shareholder who is classified as 'Specified Person' as defined under the provisions of the aforesaid section. However, in case a non-resident shareholder or a non-resident Foreign Portfolio Investor (FPI) / Foreign Institutional Investor (FII), higher rate of tax as mentioned in Section 206AB shall not apply if such non-resident does not have a permanent establishment in India.

Shareholders may write to investor.relations@vccipl.com for any clarifications on this subject. Shareholders can also check their tax credit in Form 26AS from the e-filing account at https://www.incometax.gov.in/iec/foportal or "View Your Tax Credit" on https://www.tdscpc.gov.in.

5. In case you are holding the Company's shares in dematerialized form, please contact your depository participant and kindly give suitable instructions to update your bank details in your demat account and to notify any changes with respect to their addresses, email id, ECS mandate etc.

   In case you are holding Company's shares in physical form, please inform Company's RTA viz. M/s. Venture Capital and Corporate Investments Pvt. Ltd., 12-10-167, Bharat Nagar, Hyderabad - 500 018 by enclosing a photocopy of blank cancelled cheque of your bank account.

6. As per Regulation 40 of the Listing Regulations, as amended from time to time, securities of listed companies can be transferred only in dematerialized form with effect from 1st April, 2019. Even the transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form with effect from 24th January, 2022. In view of this and to eliminate all the risks associated with physical shares and for the ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. M/s. Venture Capital and Corporate Investments Pvt. Ltd, 12-10-167, Bharat Nagar, Hyderabad-500 018 are the Registrar & Share Transfer Agents (RTA) of the Company. All communications in respect of share

transfers, dematerialization and change in the address of the members may be communicated to the RTA.

7. Members holding shares in the same name under different ledger folios are requested to apply for consolidation of such folios and are requested to send the relevant share certificates to the RTA/Company.

8. Corporate members intending to allow their authorised representatives to attend the meeting are requested to send to the Company, a certified copy of the Board resolution authorising their representative to attend and vote on their behalf at the meeting.

9. Members holding shares in physical form are informed to furnish their bank account details to the RTA to have the same printed on the dividend warrants so as to avoid any possible fraudulent encashment / misuse of dividend warrants by others.

10. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in a single name are advised, in their own interest to avail the nomination facility. Members holding shares in dematerialized form may contact their respective depository participant(s) for recording nomination in respect of their shares.

11. Transfer of Unclaimed/Unpaid amounts to the Investor Education and Protection Fund (IEPF):

    Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 (seven) years from the date of transfer to the Company's Unpaid Dividend Account, shall be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Further, pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') as amended from time to time, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.

    The Members/Claimants whose shares and/or unclaimed dividend have been transferred to IEPF may claim the shares or apply for refund by making an application to IEPF Authority in Form IEPF 5 which is available on www.iepf.gov.in and on the website of the Company www.cclproducts.com along with requisite fee as decided by it from time to time.

    Members who have not yet encashed the dividend warrants from the financial year ended 31st March, 2015 onwards are requested to forward their claims to the Company's Registrar and Share Transfer Agents without any further delay. It is in the Members' interest to claim any un-encashed dividends and for future, opt for Electronic Clearing Service, so that dividends paid by the Company are credited to the members' account on time.

    It may be noted that once the unclaimed dividend is transferred to IEPF as above, no claim shall rest with the Company in respect of such amount. It may also be noted that the unclaimed dividend amount which was lying with the Company upto and in respect of the year ended on 31st March 2014, have already been transferred to the IEPF. The details of the unclaimed dividends are available on the Company's website at www.cclproducts.com and on the website of Ministry of Corporate Affairs at www.mca.gov.in. Members are requested to contact the Company's Registrar and Share Transfer Agent or the Company to claim the unclaimed/unpaid dividends.

12. Members seeking any information or clarification on the accounts are requested to send their queries to the Company, in writing, at least one week before the date of the meeting. Replies will be provided in respect of such written queries at the meeting.

13. Pursuant to the directions/notifications of Securities and Exchange Board of India (SEBI) and Depositories, the demat account holders can operate their accounts if they had already provided Income Tax Permanent Account Number (PAN) either at the time of opening of the account or at any time subsequently. In case they have not furnished the PAN to the Depository Participants, such demat account holders are requested to contact their DPs with a photocopy of the PAN Card (with original PAN Card for verification), so that the frozen demat accounts would be available for operation and further consequences of non-compliance with the aforesaid directives would be obviated. SEBI, vide Circular ref.no. MRD/DOP/CIR-05/2009 dated May 20, 2009 made it mandatory to have PAN particulars for registration of physical share transfer requests. Based on the directive contained in the said circular, all share transfer requests are therefore to be accompanied with PAN details. Members holding shares in physical form can submit their PAN details to the Company / RTA.

14. Members may also note that the notice of the 61st Annual General Meeting is available on the Company's website: www.cclproducts.com. All documents referred to in the accompanying notice and the statement pursuant to Section 102(1) of the Companies Act, 2013 shall be open for inspection by the Members by writing an e-mail to the Company at investors@continental.coffee.

    In compliance with the aforesaid MCA Circulars and SEBI Circular dated 13th May, 2022, Notice of the AGM along with Annual Report 2021-22 is being sent only through electronic mode to those members whose e-mail addresses are registered with the Company / Depository Participants. Members may note that the Notice and the Annual Report 2021-22 will also be available on the Company's website at www.cclproducts.com, on the website of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of CDSL www.evotingindia.com.

    To support 'Green Initiative', members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/ their Depository Participants in respect of shares held in physical/electronic mode, respectively.

15. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to the Notice.

16. Additional information pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Secretarial Standards on general meetings, information in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting is furnished in the annexure and forms part of the notice. The Directors have furnished the requisite consent / declaration for their appointment / re-appointment.

17. Retirement of Directors by rotation: Mr. B. Mohan Krishna, Executive Director and Dr. Lanka Krishnanand, Non-Executive Director of the Company, retire by rotation at the ensuing Annual General Meeting and, being eligible, offer themselves for re-appointment.

    The Board of directors commend the re-appointment of Mr. B. Mohan Krishna, Executive Director and Dr. Lanka Krishnanand, Non-Executive Director, who are liable to retire by rotation.

Instructions for E-VOTING

CDSL e-Voting System –For e-voting during AGM

1. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated 8th April, 2020, 13th April, 2020 and 5th May,2020, the Company is providing facility of remote e-voting to its members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

2. The members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large shareholders (shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

3. The attendance of the members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

4. Pursuant to MCA Circular No. 14/2020 dated 8th April, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

5. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated 13th April, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.cclproducts.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

(i) The voting period begins on 27th August, 2022 at 09:00 A.M. and ends on 29th August, 2022 at 05:00 P.M. During this period, the shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., 23rd August, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The Board, of Directors have appointed Mr. M.B. Suneel, Practising Company Secretary, to act as Scrutinizer to conduct and scrutinize the electronic voting process in connection with the ensuing Annual General Meeting in a fair and transparent manner. The members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereunder.

(iii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iv) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020,** under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

(v) In terms of SEBI circular no. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in demat mode CDSL/NSDL** is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL Depository**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered mobile and email as recorded in the demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL Depository**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting

	services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants (DP)**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL depository site after successful authentication, wherein you can see e-Voting feature. Click on the company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(vi) Login method for e-Voting and joining virtual meetings for physical shareholders and shareholders other than individual holding in Demat form:

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

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/ RTA.
Dividend Bank Details or Date of Birth(DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

(vii) After entering these details appropriately, click on "SUBMIT" tab.

(viii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein, they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(ix) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) Click on the EVSN for the relevant Company, i.e., CCL Products (India) Limited, on which you choose to vote.

(xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.

(xvii) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xviii) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login will be mapped automatically and can be delinked in case of any wrong mapping.

- It is mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- Alternatively, non-individual shareholders are required mandatorily to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; investors@continental.coffee, if they have voted from individual tab and not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting and e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.

2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.

3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.

4. Shareholders are encouraged to join the meeting through Laptops / iPads for better experience.

5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

6. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting mentioning** their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to the meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

10. If any votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through AVC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), Aadhar (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.

2. For Demat shareholders - Please update your email id and mobile no. with your respective Depository Participant (DP)

3. For Individual Demat shareholders – Please update your email id and mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting and joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM and e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

General Instructions

i. The voting rights of members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on 23rd August, 2022.

ii. The Scrutinizer, after scrutinising the votes cast at the meeting through remote e-voting and during AGM will, not later than 48 hours from the conclusion of the meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.cclproducts.com and on the website of CDSL www.cdslindia.com. The results shall simultaneously be communicated to the Stock Exchanges.

iii. The voting result will be announced by the Chairman or any other person authorized by him within two days of the AGM.

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

Item No. 6

The Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, in their Meeting held on 24th March, 2022 re-appointed Mr. Challa Rajendra Prasad as the Executive Chairman of the Company to hold the office as such till 31st March, 2026 at a remuneration of ₹ 35,00,000/- per month along with other perquisites. Pursuant to the provisions of Section 196, 197 read with Schedule V of the Companies Act, 2013 any such re-appointment shall be subject to the approval of members in their General Meeting.

Hence the resolution is recommended for your consideration and approval.

Except Mr. Challa Srishant, Managing Director, Mr. B. Mohan Krishna, Executive Director, Ms. Challa Shantha Prasad, Director of the Company and Mr. Challa Rajendra Prasad, being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 6. This Explanatory Statement may also be regarded as a disclosure under Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Brief profile of Mr. Challa Rajendra Prasad

Mr. Challa Rajendra Prasad is an Engineer-Technocrat-Entrepreneur having nearly 4 decades of industrial experience and more than 32 years of experience in International Soluble Coffee Industry. CCL Products (formerly known as M/s. Continental Coffee Ltd.) was promoted by Mr. Prasad in 1995.

Mr. Prasad is reckoned as a Pioneer and First Entrepreneur in India to have placed Indian Soluble Coffee in the hard currency world markets. He was the Promoter Managing Director of Asian Coffee Ltd., set up in 1989, which was the first Indian non-multinational owned company engaged in the business of producing instant coffee. He was instrumental in Asian Coffee Ltd. achieving the distinction of being the first recipient of assistance in India from the Commonwealth Development Corporation, United Kingdom.

He has been in the past, closely associated with two other coffee projects also, one in Singapore and the other in Dunstable, UK.

He has been associated with the Coffee Board of India as a Member and Expert Member for more than 15 years and is also a Member of APSFC.

He is the promoter of the Company and holds 1,33,76,759 shares of the Company as on 31st March, 2022.

The details of directorships and other details of Mr. Challa Rajendra Prasad required as per Regulation 36 of the Listing Regulations and Secretarial Standards issued by the Institute of Company Secretaries of India are furnished as annexure to this Notice.

Employment Agreement containing the terms and conditions of the appointment of Mr. Challa Rajendra Prasad would be available for inspection by members at the registered office of the Company during normal business hours on any working day.

Item No. 7 & 8

The Board places its deep condolences on the sudden demise of Mr. N V S Kapardhi (proprietor of M/s. Kapardhi & Associates, Cost Accountants), on 24th January, 2022 who was then holding the office of Cost Auditor of the Company for the FY 2021-22. In view of the said casual vacancy, the Board, pursuant to the recommendation of the Audit Committee, at its meeting held on 10th February, 2022 appointed M/s. M P R & Associates, Cost Accountants, (Registration No. 000413) to the office of Cost Auditor of the Company for the FY 2021-22, at a remuneration of ₹ 2,00,000/- subject to the approval of members of the Company.

Further, based on the recommendation of the Audit Committee, the Board of Directors at its meeting held on 26th May, 2022, reappointed M/s. M P R & Associates, Cost Accountants, (Registration No. 000413) to the office of Cost Auditors of the Company for the FY 2022-23 at a remuneration of ₹ 2,00,000/- Lakhs, subject to the approval of members of the Company.

In accordance with Rule 14 of Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditors requires ratification by the Shareholders and hence the resolutions at No. 7 & 8 in the Notice attached herewith are put up for the consideration of the shareholders.

Hence the respective resolutions are recommended for your consideration and approval.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolutions set out at Item No. 7 & 8 in the Notice attached herewith

Item Nos. 9,10 & 11

Share Based Employee Benefits are an effective mode, aimed at promoting the culture of employee ownership, creating long term wealth in their hands which also helps the Company to attract, motivate and retain the employees in the competitive environment and to reduce the employees' attrition rate in the organisation.

The Company is proposing to issue Options under **an Employee Stock Option Scheme** to motivate the employees associated with the Company, to retain the best talents for a longer period, to share ownership in the Company and to give them opportunity to participate and gain from the Company's performance, thereby, acting as a retention tool as well as to align the efforts of such talent towards long term value creation in the organization.

With the above objective, the Nomination and Remuneration Committee (also known as Compensation Committee), has designed an **Employee Stock Option Scheme under the style "CCL Employee Stock**

Option Scheme - 2022" ("CCL Scheme 2022/ The Scheme")" and has recommended to the Board for its further action. The Scheme has been formulated in accordance with the SEBI (SBEBASE) Regulations, 2021. The terms and broad framework of the Scheme has been approved by the Board of Directors of the Company at their meeting held on 05th August, 2022.

The Board of Directors proposes the same for the eventual consideration of members of the Company.

In other words, the Board seeks members' approval for **CCL Scheme 2022** and for grant of options to the eligible employees of the Company and also for grant of options to the employees of the subsidiary companies of the Company whether present or future employees, as may be decided by the Board/Compensation Committee from time to time.

Further, it is proposed that the said Scheme be implemented through a Trust, to be formed exclusively for the said purpose. In this regard, requisite process has been initiated to establish a Trust under the name and style **CCL Employees Trust.**

Further, in the said regard, it is proposed that the Company issues and allots its equity shares of ₹ 2/- per share at a price of ₹ 2/- per share to the said **CCL Employees Trust.** The said shares to be held by the said Trust, would be eventually transferred to such employees who would exercise their options in accordance with the Scheme.

The Board seeks approval of members for the said issue / allotment of shares to the **CCL Employees Trust.**

The salient features, relevant disclosures and details of the Scheme are as follows:

a. Brief Description of the Scheme:

"CCL Employee Stock Option Scheme - 2022" ("CCL Scheme 2022 / The Scheme") provides for grant of options to the eligible employees of the Company and to the eligible employees of the respective subsidiaries of the Company including the present and future employees (hereinafter referred to as "Employees") as may be decided solely by the Board ("the Board" which term shall be deemed to include the Nomination and Remuneration Committee of Directors also known as the Compensation Committee pursuant to Regulation 5 of SEBI (SBEBASE) Regulations.) The brief purpose / objects of the Scheme includes the following:

- To motivate the employees to contribute to the growth and profitability of the Company / subsidiary Companies.
- To retain the employees and reduce the attrition rate.
- To achieve sustained growth and the creation of Shareholder value by aligning the interests of the employees with the long-term interests of the Company/ subsidiary companies.
- To create a sense of ownership and participation amongst the employees to share the value they create for the Company in the years to come and
- To incentivize the critical talents in line with corpoate growth and creation of shareholedrs' wealth.
- To provide additional deferred rewards to employees.

The maximum quantum of options / shares to be granted/issued/allotted under **CCL Scheme 2022** shall be limited upto 4,00,000 (Four Lakhs only) options / shares

The Nomination and Remuneration Committee of the Board of Directors, also known as as the Compensation Committee (Committee) shall be responsible for the administration and superintendence of "CCL Scheme 2022". All questions on the interpretation of the Scheme shall be determined by the Committee and such determination shall be final and binding upon all persons having interest in the Scheme. The Scheme shall be implemented through CCL Employees Trust.

b. Total number of options to be granted:

The total number of options to be granted under **CCL Scheme 2022** shall not exceed 4,00,000 (Four Lakhs only) in one or more tranches, from time to time, exercisable into equal number of Equity Shares of the Company of ₹ 2/- each.

Pursuant to SEBI (SBEBASE) Regulations, 2021 in case of any corporate action(s) such as rights issues, bonus issues, sub division or consolidation of shares, merger and sale of division, requisite adjustments shall be made to the options whether granted or to be granted, vested etc. Accordingly, subject to applicable laws, in case of any corporate action(s) such as rights issues, bonus issues, merger, sale of division or other reorganisation of capital structure of the Company, as the case may be, the number of equity shares to be allotted upon exercise of options shall be adjusted as per the provisions of the Scheme and in case of sub division or consolidation of shares, the number of shares and the exercise price shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of ₹ 2/- per equity share pertains to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the eligible employees who have been granted Options under the Scheme.

c. Identification of classes of employees entitled to participate and be beneficiaries in the Scheme

i. Only permanent Employees are eligible for being granted options /offer Shares under the Scheme. Pursuant to applicable provisions of the law, the Committee shall identify the class of persons eligible under the scheme.

ii. The Committee in consultation with Board of Directors may lay down the criteria for the entitlement of the options. The Committee shall accordingly assess and recommend the annual entitlements to the Board.

iii. Nothing contained in the Scheme or an option granted pursuant to the Scheme shall confer on any Employee any right to continue in the employment of the Company or interfere in any way with the rights of the Company to terminate the employee's employment at any time.

d. Requirements of vesting and period of vesting

i. Subject to applicable laws, there shall be a minimum gap of one year between the grant of options and vesting of options.

ii. Vesting period for options shall commence after minimum 1 (One) year from the Grant Date and such commencement may extend upto a maximum of 4 (Four) years from the Grant Date, at the discretion of and in the manner prescribed by the Committee.

iii. Vesting of options will be on yearly basis and can vary from Grantee to Grantee as per the discretion of the Committee whose decision shall be final and binding.

iv. The Vesting Schedule and terms and conditions thereof will be communicated to the respective grantees through Grant Letter. Subject to applicable law, the Committee shall have the power to determine the right of an employee to exercise all the options vested in him/her at one time or at various points of time within the Exercise Period; and has the power to modify or accelerate the schedule.

v. The actual vesting may further be linked with the eligibility criteria, as determined by the Committee and mentioned in the Grant Letter.

vi. The options which get lapsed due to eligibility criteria including the reason of lapse of exercise period or due to resignation of the employees or otherwise, would be available for being re-granted. The Committee is authorized to re-grant such lapsed/cancelled options.

Further any fraction entitlement, to which the Grantee would become entitled to, upon vesting of options, then the options to be actually vested, be rounded off to nearest lower integer.

e. Maximum period within which the Options shall be vested:

options granted under CCL Scheme 2022 would vest in accordance with the terms of each grant, subject to a maximum period of 5 (Five) years from the date of grant of such options, (i.e., vesting period).

f. Exercise price, purchase price or pricing formula

The Exercrse Price of the options shall be at the face value, i.e, ₹ 2/- per equity share

g. Exercise period, offer period and the process of exercise/acceptance of offer

The exercise period may commence from the date of vesting and will expire on completion of 2 (Two) years from the date of vesting of options or such other period as may be decided by the Compensation Committee at its sole discretion from time to time. If the options are not exercised within the exercise period, they shall lapse and be cancelled forthwith. The Company shall not have any obligations to the option holders towards such lapsed options.

The vested options shall be deemed to be exercised when the Company receives the written notice of exercise of options in the manner and as per the prescribed format which is complete in all respects from the concerned option grantee (or his/her legal heir/ nominee in case of death of option grantee) entitled to exercise the options along with full payment of the exercise price for the equity shares underlying such vested options subject to payment/ recovery of applicable tax, if any.

The options shall lapse if not exercised within the exercise period, as specified. The options may also lapse under certain circumstances as determined by the Committee even before expiry of the specified exercise period.

h. Appraisal process for determining eligibility of the employees:

The appraisal process for determining the eligibility of the employees shall be decided by the Compensation Committee from time to time.

i. Maximum number of Options to be offered and issued per employee and in aggregate, if any

- The maximum number of Stock options to be granted to any eligible employee shall be decided by the Committee.
- The maximum number of options that may be granted per employee and in aggregate shall vary depending upon the designation and the appraisal/assessment process.
- The Committee reserves the right to decide the number of options to be granted and the maximum number of options that can be granted to each employee within the ceiling limit prescribed hereat.

Subject to availability of options in the pool under the Scheme, the maximum number of options that can be granted to the Employee(s) as may be identified by the Board/Committee under the Scheme, during any one year, shall not exceed 0.3% of the issued capital of the company at the time of grant of option, as the case may be.

Total number of options to be granted under CCL Scheme 2022 shall not exceed 4,00,000 (Four Lakhs only) in one or more tranches, from time to time, exercisable into equal number of equity shares of the Company.

j. Maximum quantum of benefits to be provided per employee under the Scheme

Except for the number of options mentioned at point i, there are no other benefits under the scheme.

k. Lock-in period : As may be decided by the Compensation Committee.

l. Whether CCL Scheme 2022 is to be implemented and administered directly by the Company or through a trust

The Nomination and Remuneration Committee also known as the Compensation Committee pursuant to Regulation 5 of **SEBI (SBEBASE) Regulations,** has been empowered for the purpose of administration and superintendence of “CCL Scheme 2022”.

The Committee is authorized to interpret the Scheme, to establish, amend and rescind any rule(s) and regulation(s) relating to the Scheme and to make any other determinations that it deems necessary or desirable for the administration and implementation of the Scheme.

All questions on the interpretation of the Scheme shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in the Scheme. The Scheme shall be implemented through CCL Employees Trust.

The powers and functions of the Committee can be specified, varied, altered or modified from time to time by the Board of Directors, subject to the rules and regulations as may be in force. The Board of Directors may further provide that the Committee shall exercise certain powers only after consultation with the Board of Directors and in such case; the said powers shall be exercised accordingly.

A member of the Committee shall abstain from participating in and deciding on any matter relating to grant of any Options to himself.

In the event of any inconsistency between the provisions of the Scheme and the provisions of the employment offer letter or employment agreement of the eligible Employee, the provisions of the Scheme shall prevail.

m. Whether the ESOP Scheme involves issue of new Equity Shares by the Company or secondary acquisition or both

The Scheme contemplates issue of new Equity Shares by the Company to the Trust. No secondary acquisition is proposed under the said Scheme.

n. The amount of loan to be provided for implementation of the scheme(s) by the company to the trust, its tenure, utilization, repayment terms, etc.;

Subject to the provisions of Rule 16 of Companies (Share Capital and Debentures) Rules, 2014, and CCL Employee Stock Option Scheme 2022, the the maximum amount of loan to be provided for implementation of the Scheme by the Company to the Trust shall be up to ₹ 20,00,000. The tenure of such loan shall be the point where the objects of the Trust are accomplished or the repayment of loan is made, whichever is earlier. The utilization of such loan shall be for the objects of the Trust as mentioned in trust deed. The Trust shall repay the loan to the Company by utilizing the proceeds realized from exercise of options by the Grantees.

The utilization of such loan shall be towards the objects of the Trust as mentioned in Trust Deed, including but not limited to

(i) For subscription of Shares in subject to and in accordance with the limits prescribed under applicable laws, including without limitation the SBEBASE Regulations;

(ii) Repayment of loan(s) availed from the Company and interest thereon, if any;

(iii) Towards all expenses and outgoings and managing the affairs of the Trust, including but not limited to payment of auditor's fees, statutory fees, duties and taxes as permitted under this Deed and applicable laws in connection with the CCL Employee Stock Option Scheme 2022 and

(iv) Fulfilment of other objects and purpose of the Trust;

The Trust shall repay the loan to the Company out of the proceeds realized upon exercise of Options by the Grantees and the accruals of the Trust at the time of termination of the Scheme or in such other permissible manner, in or or more tranches.

o. Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the scheme(s);

Not Applicable

p. Accounting policies & Accounting Standards:

The Company shall conform to the accounting policies specified in Regulation 15 of SEBI (SBEBASE) Regulations and accounting Standards to the extent applicable.

q. Method of valuation of options

The Company shall use the fair value method or such valuation method as may be prescribed from time to time in accordance with applicable laws for valuation of the options granted, to calculate the employee compensation cost.

r. The conditions under which option vested in employees may lapse e.g., in case of termination of employment for misconduct and the specified time period within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation of employee or cessation of employment due to death of employee

Subject to the employment terms of a Grantee, the following terms shall be applicable:

I In the event of cessation of employment due to death:

a) In the event of death of the employee while in employment, all the options vested under the Scheme to him/her till his/her death may be exercised by the nominee of the deceased employee and if the employee has not appointed any nominee by the legal heir as the case may be.

b) The options would be exercisable by the Nominee / Legal Heir within a period of 3 (Three) months from the date of death of the employee, failing which all the unexercised Options shall lapse irrevocably and the rights thereunder shall be extinguished.

c) All other terms and conditions of the Scheme shall apply to such options provided that, in order to exercise the options of the deceased grantee, the Nominee / Legal Heir have to submit the following documents to the Company, to the satisfaction of the Committee and the Committee may at its discretion waive off the requirement to submit any of the documents:

A. In case nominee is not appointed

- Copy of the succession certificate / probate of will / letter of administration.
- No objection certificate from the other legal heirs.
- Photo copy of the death certificate duly attested by the proper authority (English translated version if in the vernacular language)
- Specimen signature of the person(s) in whose name Shares are to be transmitted (duly attested by the bank)

- Copy of PAN card and Aadhar card of the applicant (self – attested).
- Copy of address proof (self – attested)

B. In case nominee is appointed

- Photo copy of the death certificate duly attested by the proper authority (English translated version if in the vernacular language)
- Specimen signature of the person(s) in whose name Shares are to be transmitted (duly attested by the bank)
- Copy of PAN card and Adhar card of the applicant (self – attested).
- Copy of address proof (self – attested)

II In the event of cessation of employment due to retirement/superannuation

In the event of cessation of employment due to retirement or superannuation, the options granted to an employee would continue to vest in accordance with the respective vesting schedules even after retirement or superannuation in accordance with the company's policies and the Applicable Law.

III In the event of cessation of employment due to termination (due to misconduct or ethical/ compliance violations)

If a Grantee is terminated due to misconduct or ethical/ compliance violations, all options granted whether vested or not shall stand terminated with immediate effect unless otherwise determined by the Committee, whose determination will be final and binding.

In the event that a Grantee is transferred or deputed to subsidiaries prior to vesting or exercise of options, the vesting and exercise of options as per the terms of grant, shall continue in case of such transferred or deputed Grantee even after the transfer or deputation.

In the event of a Grantee going on Long Leave, i.e. absence from the office for more than three months, the treatment of options granted to him/her, whether vested or not, shall be determined by the Committee, whose decision shall be final and binding.

The Committee may modify the terms of grant, vesting and exercise of options in case of cessation of employment as mentioned in foregoing paras.

s. Terms & conditions for buyback, if any, of specified securities covered under these regulations: Not Applicable

In light of above, your board recommends resolutions as set out at item Nos. 9,10 & 11 in the attached Notice for your consideration and approval.

None of the Directors and Key Managerial Personnel or their relatives, is in anyway concerned or interested in the resolution, whether financial or otherwise, except to the extent of Equity Shares held by them in the Company. However, Key Managerial Personnel or their relatives may be deemed to be interested upto the amount of options that may be granted to them under the CCL Scheme 2022.

A copy of CCL Employee Stock Option Scheme - 2022 (CCL Scheme 2022) and a copy of CCL Employees Trust Deed shall be available for inspection by members at the registered office of the company during working hours on all working days till the ensuing AGM and available on the website of the Company www.cclproducts.com

Item No. 12

In order to execute **"CCL Employee Stock Option Scheme - 2022" (CCL Scheme 2022)** through Trust, the Company needs to make provisioning of funds to the Trust so as to enable it to implement the Scheme. Accordingly, Item No 12 which is proposed for approval of the Shareholders is set out in this Notice.

Disclosures pursuant to Rule 16 of Companies (Share Capital and Debentures) Rules, 2014:

1.	The class of Employees for whose benefit the Scheme is being implemented and money is being provided for purchase of or subscription to Shares	The class of Employees for whose benefit the Scheme is being implemented and money is being provided for purchase of or subscription to Shares shall be in accordance with and as mentioned in CCL Scheme 2022.
2.	The particulars of the Trustee or Employees in whose favor such Shares are to be registered	Name of the Trustees: Mr. P. Rangappa Mr. B.V.N. Prasad Mr. C. Narayana Swamy
3.	Particulars of Trust	CCL Employees Trust Principal/Registered Office of the Trust 7-1-24/2/D, Greendale, Ameerpet, Hyderabad- 500016
4.	Name, Address,Occupation and Nationality of Trustees.	1. Name:B.V. Narendra Prasad Address: 650, Pragati Nagar, Kukatpally, Hyderabad-72 Occupation: Professional Nationality: Indian 2. Name : P. Rangappa H.No. 5-28/2, Duggirala, Guntur Dist., A.P. Occupation: Professional Nationality: Indian 3. Name: C. Narayana Swamy Address: Plot No. 306, Padmarekha Apts. Sriram Nagar, Hyderabad Occupation: Professional Nationality: Indian
5.	Relationship of Trustees with Promoters, Directors or Key Managerial Personnel, if any.	None of the Trustees is related to any of the Promoters, Directors or Key Managerial Personnel of the Company.
6.	Any interest of Key Managerial Personnel, Directors or Promoters in such Scheme or Trust and effect thereof.	The Key Managerial personnel are interested in the CCL Scheme 2022 only to the extent of the Options that may be granted to them, if any, under the Scheme, however not interested directly in the Trust. Directos and Promoters are not interested in the Scheme or Trust in any manner.
7.	The detailed particulars of benefits which will accrue to the Employees from the implementation of the Scheme	Upon implementation of the Scheme, the eligible employees, as decided by the Compensation Committee, shall be entitled to receive grant of Options pursuant to the CCL Scheme 2022.
8.	The details about who would exercise and how the voting rights in respect of the shares to be purchased or subscribed under the scheme would be exercised	The Employees shall not have right to receive any dividend or to vote or in any manner enjoy the benefits of a shareholder in respect of options granted to them, till shares are issued on exercise of options. The Trustees of CCL Employees Trust shall not have any vote in respect of shares held by the Trust. Once the shares are transferred to the Employees upon their exercise, the Employees shall have the right to vote in respect of such shares held by them.

In terms of the Companies Act, 2013 read with Rule 16 of Companies (Share Capital and Debentures) Rules, 2014, the approval of the Shareholders is sought by way of Special Resolution for the approval of provisioning of money to the Trust in order to fulfil the requirements of CCL Scheme 2022.

Hence the Directors recommend the resolution as set out at Item No. 12 for your consideration and approval by way of Special Resolution.

None of the Directors and Key Managerial Personnel or their relatives, is in anyway concerned or interested in the resolution, whether financial or otherwise, except to the extent of equity shares held by them in the Company. However, Key Managerial Personnel or their relatives may be deemed to be interested upto the number of Options that may be granted to them under the CCL Scheme 2022.

A copy of CCL Employee Stock Option Scheme - 2022 (CCL Scheme 2022) and a copy of CCL Employees Trust Deed shall be available for inspection by members at the registered office of the company during working hours on all working days till the ensuing AGM.

By order of the Board of Directors
For CCL Products (India) Limited

Place: Hyderabad
Date : 05th August, 2022

Sd/-
Sridevi Dasari
Company Secretary & Compliance Officer
Membership No. A29897

Annexure

Details of Directors seeking appointment / re-appointment at the Annual General Meeting (Pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standards on General Meetings)

Name of the Director	Dr. Lanka Krishnanand
Date of Appointment including terms and conditions of appointment	He was appointed as a Non-Executive Director in the Annual General Meeting of the Company held on 26.09.2016. Hence no specific terms and conditions.
Date of first appointment on the Board	29.07.2016
Date of Birth	06.03.1962 (AGE: 60)
Expertise in Specific Functional areas and Experience	Dr. Lanka Krishnanand is a Professor in Mechanical Engineering Department, National Institute of Technology (NIT), Warangal. He has written several articles which were published in International Journal of Supply Chain Inventory Management, Procedia Engineering, Journal of Manufacturing Processes, Journal of The Institution of Engineers (India). He has attended several national and international conferences. He has undertaken several projects and few of them are Development of Feature based CAD/CAM with reference of Machining Processes & Evaluation of Sculptured Surfaces, Development of Networked Digital Library as an online learning resource etc.
Educational Qualification	B Tech in Mechanical Engineering from VRSEC, Nagarjuna University M. Tech in Industrial Engineering from NIT, Calicut, Calicut University Ph. D in Automatic Feature Recognition from NIT, Warangal, Kakatiya University.
Directorships in other Companies	Nil
Membership / Chairmanships of committees of Other Boards (other than the Company)	Nil
Details of Remuneration sought to be paid and the remuneration last drawn by such person	Being a Non-Executive Director, he is entitled to sitting fee for each Meeting of Board / Committee attended by him. Further, he is also entitled to profit based commission, as decided by the Board from time to time. For last drawn remuneration, please refer remuneration details provided in the Report on Corporate Governance. Currently, proposed for reappointment by virtue of retirement by rotation.
Shareholding in the Company as on 31.03.2022	Nil
Relationship between Directors inter-se/ Manager and KMPs	Nil
Number of Meetings of the Board attended during the year	5 of 6

Details of Directors seeking appointment / re-appointment at the Annual General Meeting (Pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standards on General Meetings)

Name of the Director	Mr. B. Mohan Krishna
Date of Appointment including terms and conditions of appointment	He served as Executive Director of the Company for a term of 2 years till 14th February, 2019 and was re-appointed to the office of Executive Director for another term of 5 years w.e.f 14.02.2019 at a monthly remuneration of ₹ 25,00,000 and commission not exceeding 3% of the net profits of the Company computed in terms of Section 197 & 198 of Companies Act, 2013
Date of first appointment on the Board	03.07.2013
Date of Birth	21.01.1981 (AGE: 41)
Expertise in Specific Functional areas and Experience	He has more than 17 years of varied experience in the field of implementation of Civil, Mechanical and Electrical Projects. He is acquainted with the latest technological innovations in the field of Civil Engineering and implementation of Plants. He has hands on experience dealing with various issues involved in obtaining of approvals from various Government Departments and overseeing implementation of the projects on turnkey basis.
Educational Qualification	Civil Engineering from JNTU, Hyderabad
Directorships in other Companies	1.) Continental Coffee Private Limited 2.) Helical Tubes and Ducts Private Limited 3.) Tierra Agrotech Limited
Membership / Chairmanships of committees of Other Boards (other than the Company)	NIL
Details of Remuneration sought to be paid and the remuneration last drawn by such person	N.A. (Since proposed for re-appointment by virtue of retirement by rotation)
Shareholding in the Company as on 31.03.2021	10,00,000 Shares
Relationship between Directors inter-se/ Manager and KMPs	Mr. B. Mohan Krishna - son-in-law of Mr. Challa Rajendra Prasad, Executive Chairman and Ms. Challa Shantha Prasad, Director and brother-in law of Mr. Challa Srishant, Managing Director of the Company.
Number of Meetings of the Board attended during the year	6 of 6

Details of Directors seeking appointment / re-appointment at the Annual General Meeting (Pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standards on General Meetings)

Name of the Director	Mr. Challa Rajendra Prasad
Date of Appointment including terms and conditions of appointment	Having completed the term of 2 years as Executive Chairman of the Company on 31st March, 2022, he was re-appointed to the office of Executive Chairman for another period of 4 years, i.e., till 31.03.2026 at a monthly remuneration of ₹ 35,00,000.
Date of first appointment on the Board	24.11.1982
Date of Birth	11.06.1952 (AGE: 70)
Expertise in Specific Functional areas and Experience	Mr. Challa Rajendra Prasad is an Engineer-Technocrat-Entrepreneur having nearly 4 decades of industrial experience and more than 32 years of experience in International Soluble Coffee Industry. Mr. Prasad has been, in the past, also closely associated with two other coffee projects, one in Singapore and the other in Dunstable, UK.
Educational Qualification	Mechanical Engineer
Directorships in other Companies	1) Continental Coffee Private Limited 2) Aries Habitat Private Limited 3) C R Prasad Family Foundation 4) Dharmakshetra Estates LLP
Membership / Chairmanships of committees of Other Boards (other than the Company)	Nil
Details of Remuneration sought to be paid last drawn by such person	Proposed remuneration: as mentioned in the Resolution forming part of Notice Last drawn remuneration: refer Report on Corporate Governance.
Shareholding in the Company as on 31.03.2022	1,33,76,759 Shares
Relationship between Directors inter-se/ Manager and KMPs	Mr. Challa Rajendra Prasad – spouse of Ms. Challa Shantha Prasad, Director; father of Mr. Challa Srishant, Managing Director and father -in- law of Mr. B. Mohan Krishna, Executive Director of the Company.
Number of Meetings of the Board attended during the year	6 of 6

Directors' Report for the Financial Year 2021-22

The Members

The Board of Directors are pleased to present your Company's report on business and operations along with the audited financial statements (standalone and consolidated) for the financial year ended 31st March, 2022.

Financial Performance

The financial results and performance of your Company for the year ended on 31st March, 2022 on Standalone and Consolidated basis is summarized below:

Standalone Basis

(₹ in Lakhs)

Particulars	2021-2022	2020-2021
Revenue from operations	92,294	79,507
Profit for the year (before Interest, Depreciation & Tax)	22,826	25,316
Less:		
Interest	1,380	1,572
Depreciation	3,077	2,702
Provision for Taxation (including deferred tax)	5,649	5,173
Net Profit	12,720	15,869

For the financial year 2021-2022, your Company recorded a turnover of ₹ 92,294 Lakhs and earned a net profit of ₹ 12,720 Lakhs as compared to the previous year's turnover of ₹ 79,507 Lakhs and net profit of ₹ 15,869 Lakhs. Profit includes dividend received (₹ 2634.40 Lakhs for FY 2021-22 and ₹ 6217.95 Lakhs for FY 2020-21) from M/s. Ngon Coffee Company Limited, wholly owned subsidiary of your Company.

Consolidated basis / Group level

(₹ in Lakhs)

Particulars	2021-2022	2020-2021
Revenue from operations	1,46,203	1,24,248
Profit for the year (before Interest, Depreciation & Tax)	33,516	30,115
Less:		
Interest	1,636	1,696
Depreciation	5,746	4,941
Provision for Taxation (including deferred tax)	5,699	5,252
Net Profit	20,435	18,226

For the financial year 2021-2022, on a consolidated basis, the turnover of your Company for the financial year ended 31st March, 2022 stood at ₹ 1,46,203 Lakhs and net profit at ₹ 20,435 Lakhs as compared to previous year's turnover of ₹ 1,24,248 Lakhs and net profit of ₹ 18,226 Lakhs.

Transfer of amount to General Reserve

No amount has been transferred to reserves during the year.

Dividend

Your Board of Directors have declared an interim dividend of ₹ 3/- per equity share of ₹ 2/- each in their meeting held on 19th January, 2022 and recommended a final dividend of ₹ 2/- per equity share of ₹ 2/- each in their meeting held on 26th May, 2022, subject to the approval of the members in the 61st Annual General Meeting. The total dividend for the financial year 2021-22 year shall be ₹ 5/- per equity share. Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the shareholders w.e.f. 1st April 2020 and your Company is required to deduct tax at source (TDS) from dividend paid to the members at prescribed rates as per the Income-tax Act, 1961.

The record date for the purpose of payment of final dividend for the financial year ended 31st March 2022 is fixed as 26th August, 2022.

As per 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 your Company has framed a Dividend Distribution Policy, which may be accessed at https://www.cclproducts.com/wp-content/uploads/2021/07/Dividend-Distribution-Policy.pdf.

Material Changes and Commitments

Save as and except the proposed merger, which was completed during the FY 2021-22, the Russia - Ukraine war and the impact of Covid -19, as discussed elsewhere in this Report, there were no material changes and commitments affecting the financial position of your Company that have occurred between the end of the financial year 2021-22 and the date of this report.

Share Capital

During the year under review, there was no change in the paid up share capital of your Company. The paid-up Equity Share Capital of your Company as on 31st March, 2022 stood at ₹ 2,660.56 Lakhs, comprising of 13,30,27,920 equity shares of face value of ₹ 2/- each. During the year under review, your Company has neither issued any shares with differential voting rights nor has granted any stock options or sweat equity.

Subsidiaries

The subsidiary companies situated in India and outside India continue to contribute to the overall growth in revenues and performance of your Company. As of 31st March, 2022, your Company has the following wholly owned subsidiaries:

I. Jayanti Pte Limited (Singapore)
II. Continental Coffee SA (Switzerland)
III. Ngon Coffee Company Limited (Vietnam)
IV. Continental Coffee Private Limited (India)

Performance and contribution of each of the Subsidiaries

As per Rule 8 of Companies (Accounts) Rules, 2014, a report on the financial performance of the subsidiary companies during the financial year ended 31st March, 2022 is as mentioned below:

i. Jayanti Pte Limited (Singapore)

Jayanti Pte Limited is a wholly owned subsidiary of your Company incorporated in Singapore to act as an investment vehicle for your Company, hence no operational performance is reported.

ii. Continental Coffee SA (Switzerland)

Continental Coffee SA is a wholly owned subsidiary of your Company incorporated in Switzerland. This is an agglomeration and packing unit. Operational performance of the Company, in brief is as hereunder:

(₹ in Lakhs)

Particulars	2021-2022	2020-2021
Revenue from operations	21,807	18,429
Profit for the year (before Interest, Depreciation & Tax)	905	929
Less:		
Interest	79	53
Depreciation	90	97
Provision for Taxation	31	80
Net Profit	705	699

iii. Ngon Coffee Company Limited (Vietnam)

Ngon Coffee Company Limited is a wholly owned subsidiary of your Company incorporated in Vietnam. This is an instant coffee manufacturing unit. Operational performance of the Company, in brief, is hereunder:

(₹ in Lakhs)

Particulars	2021-2022	2020-2021
Revenue from operations	45,125	37,436
Profit for the year after meeting all expenses (before Interest, Depreciation & Tax)	12,928	10,591
Less:		
Interest	81	37
Depreciation	2,443	2075
Provision for Taxation	-	(8)
Net Profit	10,404	8,487

iv. Continental Coffee Private Limited

Continental Coffee Private Limited is a wholly owned subsidiary of your Company, incorporated in India, established with an objective of promoting instant coffee brands of your Company in the domestic market. Operational performance of the Company, in brief, is hereunder:

(₹ in Lakhs)

Particulars	2021-2022	2020-2021
Revenue from operations	17,376	13,395
Profit for the year after meeting all expenses (before Interest, Depreciation & Tax)	(319)	(366)
Less:		
Interest	239	176
Depreciation	136	68
Provision for Taxation	14	10
Net Profit/Loss	(708)	(620)

v. CCL Beverages Private Limited

CCCL Beverages Private Limited, pursuant to the order passed by the Hon'ble National Company Law Tribunal, Amaravati Bench, dated 09th November, 2021 stands amalgamated with CCL Products (India) Limited.

The statement containing the salient features of the financial statement of subsidiaries as per sub-section (3) of Section 129 of the Companies Act, 2013 in Form AOC-1 is herewith annexed as "Annexure I" to this report.

Consolidated Financial Statements

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

The Consolidated Financial Statements for the financial year ended 31st March, 2022 forms part of the Annual Report.

Further, we undertake that the annual accounts of the subsidiary companies and the related detailed information will be made available to the shareholders seeking such information at any point of time. Further, the annual accounts of the subsidiary companies shall also be kept open for inspection by any shareholder at our Registered Office and that of the subsidiary companies.

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of your Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the website of your Company which may be accessed at www.cclproducts.com.

The policy for determining material subsidiaries is available on the website of your Company which may be accessed at : https://www.cclproducts.com/wp-content/uploads/2021/07/policy-on-material-subsidiary.pdf

Companies which have become or ceased to be its Subsidiaries, joint ventures or associate companies during the year:

Your Company does not have any associate or joint venture company falling within the definition under the Companies Act, 2013. Further, during the year under review, CCL Beverages Private Limited, the wholly owned subsidiary was amalgamated with CCL Products (India) Limited. There was no other change in the list of wholly subsidiaries of your Company.

Global Coffee Scenario

According to the estimates of the International Coffee Organisation (ICO), for the financial year 2021-22, global production is estimated to rise by 1.9% to 171.9 million bags vis-à-vis 168.7 million bags for the coffee year 2020-21. In the current financial year, the share of Arabica production is 101.88 million bags, up 5.2% from that of last year and Robusta production at 70.02 million bags is likely to be lower by 2.6% vis-à-vis last financial year.

World coffee consumption is projected to grow by 3.3% to 170.3 million 60-kg bags in 2021-22 as compared to 164.9 million for financial year 2020-21. In 2021-22, consumption is expected to exceed production by 3.1 million bags. However, exogenous factors such as reduced global economic growth and increased cost of inputs, production and trade may affect both supply and demand.

Listing of Equity Shares

Your Company's equity shares are listed on the following Stock Exchanges:

(i) BSE Limited, Phiroze JeeJeebhoy Towers, Dalal Street, Mumbai- 400 001, Maharashtra, India; and
(ii) National Stock Exchange of India Limited, Exchange Plaza, Floor 5, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400051, Maharashtra, India.

Your Company has paid the Annual Listing Fees to the said Stock Exchanges for the Financial Year 2022-23.

External Factors - COVID-19 and the Outbreak of war – impact thereof

The Financial Year 2021-22 suffered two major jolts, causing far reaching impact on the global economy. First, it was COVID-19 and then the Russia – Ukraine war. The beginning of the financial year witnessed unprecedented spread of COVID-19 resulting in lockdowns, restrictions on movements across the country and mass fatalities. Towards the end of 2nd quarter of the FY, while the waves of COVID started to subside steadily and normalcy was about to be restored, the Russia – Ukraine war broke out in the 4th quarter of the FY. The said events may have peculiar impacts on the global economy. Despite the said, we feel bolstered to mention that your Company not only could mitigate the adverse impacts, it also managed to encash the opportunities along the rough road to make the most of what it had to offer. Rise in ocean freights along with the war related scenarios did affect the delivery time and the transportation costs, but the overall scenario for your Company still remained favorable for carrying out its operations in an uninterrupted manner so as to be able to cater to the growing demands of its customers. Your Company's overseas wholly-owned subsidiaries viz., Ngon Coffee Company Limited at Vietnam and Continental Coffee SA at Switzerland are operating smoothly without any disruptions. The Board and the Management will continue to closely monitor the situation as it evolves and do its best to take all necessary measures, in the interests of all stakeholders of your Company.

Corporate Social Responsibility

Your Company, as part of its Corporate Social Responsibility (CSR) initiative, undertook and supported activities like contributions to old age homes, orphanages, promotion of education and health care activities, facilitating infrastructural and rural development to the identified rural areas in and around the factories situated at Guntur and Tirupati Districts of Andhra Pradesh and rural housing to the underprivileged groups.

Your Company has a Policy on Corporate Social Responsibility (CSR). The Annual Report on CSR activities as per the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed herewith as "Annexure II" to this report. The CSR Policy is posted on the website of your Company which may be accessed at https://www.cclproducts.com/wp-content/uploads/2021/07/csr-policy.pdf

Further, pursuant to the provisions of Section 135 of the Companies Act, 2013 your Company was required to spend an amount of ₹ 458.22 Lakhs towards CSR Activities.

Your management feels proud to mention that for the financial year ended 31st March, 2022, your Company has spent a total amount of ₹ 492.46 Lakhs towards various CSR activities which was in excess of the mandatorily prescribed limit.

Internal Control Systems & their adequacy

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to your Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures.

Statutory Auditors & their report

The Shareholders in their meeting held on 11th July, 2017 (56th AGM) approved the appointment of M/s. Ramanatham & Rao, Chartered Accountants, Hyderabad, as the Statutory Auditors of your Company to hold office till the conclusion of 61st Annual General Meeting. The Board of Directors based on the recommendation of Audit Committee considered the re-appointment of M/s. Ramanatham & Rao, Chartered Accountants, Secunderabad (Registration No. 002934S) as Statutory Auditors of your Company from the conclusion of 61st Annual General Meeting till the conclusion of 66th Annual General Meeting, subject to approval of members at the ensuing Annual General Meeting. Accordingly, a resolution seeking the re-appointment of M/s. Ramanatham & Rao, Chartered Accountants, as the Statutory Auditors of your Company is included in the notice convening the Annual General Meeting for approval of the shareholders.

The standalone and the consolidated financial statements of your Company have been prepared in accordance with Ind AS notified under Section 133 of the Act. The Statutory Auditor's report does not contain any qualifications, reservations, adverse remarks or disclaimers.

The Statutory Auditors were present in the last AGM held on 26th August, 2021.

Internal Auditors

The Board of Directors based on the recommendation of the Audit Committee have re-appointed M/s. Ramesh & Co., Chartered Accountants, Hyderabad, as the Internal Auditors of your Company. The Internal Auditors are submitting their reports on quarterly basis.

Cost Auditors

The Board places its deep condolences on the sudden demise of Mr. N V S Kapardhi (proprietor of M/s. Kapardhi & Associates, Cost Accountants) on 24th January, 2022, who was then holding the office of Cost Auditor of your Company for the FY 2021-22. In view of the said casual vacancy, the Board, pursuant to the recommendation of the Audit Committee, at its meeting held on 10th February, 2022 appointed M/s. M P R & Associates, Cost Accountants, (Registration No. 000413) to the office of Cost Auditor of your Company for the FY 2021-22, at a remuneration of ₹ 2,00,000/-, subject to the approval of members of your Company.

Further, in accordance with Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the Board of Directors upon recommendation of the Audit Committee has appointed M/s. M P R & Associates, Cost Accountants, Hyderabad, as the Cost Auditors of your Company, to carry out the cost audit of the products manufactured by your Company during the financial year 2022-23 at a remuneration of ₹ 2,00,000/-. The remuneration payable to the cost auditor is required to be placed before the members in the general meeting for their ratification. Accordingly, resolutions seeking members ratification for the remuneration payable to M/s. M P R & Associates, Cost Accountants, are included in the Notice convening the Annual General Meeting. Your Company is maintaining cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013.

A Certificate from M/s. M P R & Associates, Cost Accountants, has been received to the effect that their appointment as Cost Auditor of your Company is in accordance with the limits specified under Section 141 of the Companies Act, 2013 and the Rules framed thereunder.

Reporting of Frauds

During the year under review, 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 the Companies Act, 2013 and the rules made thereunder.

Secretarial Audit

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 appointed M/s. P.S. Rao & Associates, Company Secretaries (Peer Review Number: P2001TL078000) to undertake the Secretarial Audit of your Company for the FY 2021-22. The Secretarial Audit Report confirms that your Company has complied with the provisions of the Act, Rules, Regulations, and Guidelines and that there were no deviations or non-compliances. The Secretarial Audit Report of the Company and the Secretarial Audit Report of the material unlisted subsidiary of the Company, Continental Coffee Private Limited as per Regulation 24(A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided in “Annexure III” and “Annexure IIIA” to this Report

Further, we would like to clarify that the said Secretarial Audit Report does not contain any observations or qualifications or reservations or adverse remarks or disclaimers.

Compliance with Secretarial Standards

Your Company has devised proper systems to ensure compliance with the provisions of all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively. During the year under review, your Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India.

Directors & Key Managerial Personnel

The Board of directors of your Company has an optimum combination of Executive, Non-Executive and Independent Directors including Women Directors.

i. Independent and Non-Executive Directors

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. B. Mohan Krishna and Dr. Lanka Krishnanand, Non-Executive Directors of your Company retire by rotation and being eligible, have offered themselves for re-appointment.

In the opinion of the Board all the Independent Directors of your Company possess integrity, experience, expertise, and the requisite proficiency required under all applicable laws and the policies of your Company.

All the Independent Directors have given declarations stating that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 along with Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations. There has been no change in the circumstances affecting their status as independent directors of your Company.

In terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, all the Independent Directors of your Company have got their names included in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

ii. Whole Time Directors & Other Key Managerial Personnel

During the year under review, there was no change in the office(s) of any Whole time Director.

During the year under review, Mr. K V L N Sarma, Chief Operations Officer resigned on 27th October, 2021, following which your Company appointed Mr. Praveen Jaipuriar as the Chief Executive Officer of your Company with effect from 29th October, 2021.

iii. Directors and Officers Insurance (‘D&O’)

As per the requirements of Regulation 25(10) of the SEBI Listing Regulations, your Company has taken D&O for all its directors and members of the Senior Management.

Meetings of the Board

Six meetings of the Board of Directors were held during the year. The details of the Board and Committee meetings and Independent Directors' meeting are given in the Corporate Governance Report which forms part of this Annual Report.

Your Company also adopted Governance Guidelines on Board Effectiveness which comprises the aspects relating to composition of board and committees, terms of directors, nomination, appointment, development of directors, code of conduct, effectiveness of board and committees, review and their mandates.

Committees

i. Audit Committee

Your Board has in place, a duly constituted Audit Committee as per the provisions of Section 177 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The composition, attendance, powers and role of the Audit Committee are included in Corporate Governance Report which forms part of this Annual Report. All the recommendations made by the Audit Committee were accepted by the Board of Directors.

ii. Other Committees

Apart from the Audit Committee, the Board has also constituted the following committees, in accordance with the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable, which are in place and are discharging their functions as per terms of reference entrusted by the Board:

❖ Nomination and Remuneration Committee
❖ Stakeholders Relationship Committee
❖ Corporate Social Responsibility Committee
❖ Risk Management Committee
❖ Management Committee

The composition, attendance, powers and role of the Committees are included in Corporate Governance Report which forms part of this Annual Report.

Policy on Director's Appointment and Remuneration and other matters

(a) Procedure for Nomination and Appointment of Directors:

The Nomination and Remuneration Committee has been formed in compliance with Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Section 178 of the Companies Act, 2013. The main object of this Committee is to identify persons who are qualified to become directors and who may be appointed in senior management of your Company, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance, recommend the remuneration package of both the Executive and the Non-Executive Directors on the Board and also the remuneration of Senior Management, one level below the Board. The Committee reviews the remuneration package payable to Executive Director(s), makes appropriate recommendations to the Board and acts in terms of reference of the Board from time to time.

On the recommendation of the Nomination and Remuneration Committee, the Board has adopted and framed a Remuneration Policy for the Directors, Key Managerial Personnel and other Employees pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulations and the same is enclosed as "Annexure IV" and the Remuneration is posted on the website of your Company which may be accessed at https://www.cclproducts.com/wp-content/uploads/2021/07/remuneration-policy.pdf

The remuneration determined for Executive/Non-Executive Directors is subject to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors. The Non-Executive Directors are entitled to sitting fees for the Board/Committee Meetings and profit based commission. The remuneration paid to Directors and Key Managerial Personnel and all other employees is in accordance with the Remuneration Policy of your Company.

Neither the Managing Director nor any Whole Time Director of your Company has received any remuneration or commission from any of the subsidiaries of your Company.

Brief terms of Nomination and Remuneration Policy and other matters provided in Section 178(3) of the Act and Regulation 19 of SEBI Listing Regulations are disclosed in the Corporate Governance Report, which forms part of this Report.

(b) Familiarisation/ Orientation program for Independent Directors:

A formal familiarization program was conducted apprising the directors of the amendments in the Companies Act, rules prescribed thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other applicable laws to your Company. All the directors were also apprised about the business activities of your Company.

It is the general practice of your Company to notify the changes in all the applicable laws to the Board of Directors, from time to time. The objective of the program is to familiarize Independent Directors on the Board with the business of your Company, industry in which your Company operates, business model, challenges etc. through various programs such as interaction with experts within your Company, meetings with our business leads and functional heads on a regular basis.

The details of such familiarization programs for Independent Directors are posted on the website of your Company which may be accessed at https://www.cclproducts.com/wp-content/uploads/2021/07/Familiarization-programme-for-Independent-Directors.pdf

Annual Evaluation of Board Performance and Performance of its Committees and Individual Directors

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and all other committees.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of your Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Independent Director being evaluated.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, the Board as a whole and the Chairman of your Company was evaluated, taking into account the views of the Executive Directors & Non-Executive Directors who also reviewed the performance of the Secretarial Department. The Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

The Directors expressed their satisfaction with the evaluation process.

Particulars of Loans, Guarantees and Investments

Details of Loans, Guarantees and Investments made during the financial year ended 31st March, 2022, covered under the provisions of Section 186 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014, are given in the notes to the Financial Statements.

Fixed Deposits

Your Company has neither accepted nor renewed any fixed deposits from the public within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 and as such, no principal or interest was outstanding as on the date of the Balance Sheet.

Capex

Your Company has spent an amount of ₹ 82.59 Crores towards its capital expenditure requirements.

Directors' Responsibility Statement

Pursuant to Section 134 (5) of the Companies Act, 2013, your Directors confirm that to the best of their knowledge and belief and according to the information and explanation obtained by them,

i) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

ii) Such accounting policies as mentioned in the notes to the financial statements have been selected and applied consistently and judgments and estimates that are reasonable and prudent made so as to give a true and fair view of the state of affairs of your Company at the end of the financial year 2021-22 and of the profit or loss of your company for that period;

iii) 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 your Company and for preventing and detecting fraud and other irregularities;

iv) The annual accounts for the year 2021-22 have been prepared on a going concern basis.

v) That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.

vi) That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

Vigil Mechanism / Whistle Blower Policy

The Vigil Mechanism as envisaged in the Companies Act, 2013, the Rules prescribed thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is implemented through your Company's Whistle Blower Policy, to deal with instances of fraud and mismanagement, if any in the Group. The Policy provides for adequate safeguards against victimization of employees who avail the mechanism and also provides for direct access to the Chairman of the Audit Committee. The details of the Policy are explained in the Corporate Governance Report and is also available on the website of your Company which may be accessed at https://www.cclproducts.com/wp-content/uploads/2021/07/whistle-blower-policy.pdf

The Whistle Blower Policy aims for conducting the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. All the employees of your Company are covered under the Whistle Blower Policy.

Risk Management

Your Company has constituted a Risk Management Committee and formulated a policy on Risk Management in accordance with the Companies Act, 2013 and Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to frame, implement and monitor the risk management plan for your Company. The Committee is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. Furthermore, your Company has set up a robust internal audit function which reviews and ensures sustained effectiveness of internal financial controls by adopting a systematic approach to its work. The details of the Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Board's Report. The Risk Management Policy of your Company is posted on the website of your Company which may be accessed at https://www.cclproducts.com/wp-content/uploads/2021/07/risk-management-policy.pdf

Related Party Transactions

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 are no materially significant related party transactions made by your Company with its Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of your Company at large.

All related party transactions are placed before the Audit Committee and also before the Board for approval. Prior omnibus approval of the Audit Committee is obtained as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the transactions which are foreseeable and repetitive in nature. Your Company has developed a Policy on Related Party Transactions for the purpose of identification and monitoring of such transactions.

None of the transactions with related parties falls under the scope of section 188(1) of the Companies Act, 2013. However, as a matter of disclosure, particulars of contracts or arrangements with related parties are provided in "Annexure V" in Form AOC-2 pursuant to section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 and forms part of this report.

The policy on materiality of related party transactions and dealings in related party transactions, as approved by the Board is uploaded on the website which may be accessed at https://www.cclproducts.com/wp-content/uploads/2021/07/policy-on-related-party-transactions.pdf.

Disclosure under Regulation 34(3) read with Schedule V of the Listing Regulations

Related Party disclosure as per Schedule V of the Listing Regulations

S.No	In the accounts of	Particulars	Amount at the year ended 2021-22	Maximum amount outstanding during the year 2021-22
1	CCL Products (India) Limited (Holding Company)	(i) Loans/advances to subsidiaries -Continental Coffee Private Limited (Wholly owned subsidiary)	₹ 17.93 Crores (including interest)	₹ 23.43 Crores (including interest)
		(ii) Loans/advances to associates	NA	NA
		(iii) Loans/advances to firms/ companies in which Directors are interested	NA	NA
2	CCL Products (India) Limited (Holding Company)	Investment by the Loanee in the shares of parent company/ subsidiary company when the company has made a loan or advance	NA	NA

Policy on Material Subsidiaries

The Policy on Material Subsidiaries as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as approved by the Board is uploaded on the website of your Company which may be accessed at https://www.cclproducts.com/wp-content/uploads/2021/07/policy-on-material-subsidiary.pdf.

Annual Return

In accordance with Section 134 (3) (a) of the Companies Act, 2013, a copy of Annual Return in the prescribed format i.e. Form MGT-7 is placed on the website of your Company which may be accessed at: https://www.cclproducts.com/wp-content/uploads/2022/08/MGT-7-2021-22.pdf

Management Discussion & Analysis

Pursuant to the provisions of Regulation 34(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a report on Management Discussion & Analysis is herewith annexed as "Annexure VI" to this report.

Change in the nature of business

There has been no change in the nature of business of your Company during the year under review.

Transfer of amounts to Investor Education and Protection Fund

Pursuant to the provisions of Section 124 (5) of the Companies Act, 2013, an amount of ₹ 7,63,060/- pertaining to financial year 2013-14, which remained unclaimed for a period of seven years had been transferred by your Company to the Investor Education and Protection Fund established by the Central Government during the financial year 2021-22.

Transfer of unclaimed shares to Investor Education and Protection Fund

Pursuant to the provisions of Section 124 of the Companies Act, 2013, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more upto and including the financial year 2013-14 were transferred by your Company in the name of Investor Education and Protection Fund during the financial year 2021-22 and the statement containing such details as may be prescribed is placed on the website of your Company. Information in respect of unclaimed dividend and due dates for transfer to the IEPF are given below:

Sl	For the Financial year ended	Percentage of Dividend	Date of Declaration	Due date for transfer to IEPF
1	2014-15 (Final)	75%	20.07.2015	23.09.2022
2	2015-16 (Interim dividend)	75%	11.03.2016	15.05.2023
3	2015-16 (Final)	50%	26.09.2016	30.11.2023
4	2016-17 (Final)	125%	11.07.2017	14.09.2024
5	2017-18 (Final)	125%	14.07.2018	17.09.2025
6	2018-19 (Interim dividend)	87.5%	23.03.2019	27.05.2026
7	2018-19 (Final)	87.5%	07.08.2019	11.10.2026
8	2019-20 (First interim dividend)	100%	27.01.2020	31.03.2027
9	2019-20 (Second interim dividend)	150%	26.02.2020	30.04.2027
10	2020-21 (Interim dividend)	100%	20.10.2020	24.12.2027
11	2020-21 (Final dividend)	100%	26.08.2021	30.10.2028
12	2021-22 (Interim dividend)	150%	19.01.2022	23.03.2029

Insurance

All properties and insurable interests of the Company have been fully insured.

Particulars of Employees

The information required pursuant to Section 197 of the Companies Act, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of your Company is herewith annexed as “Annexure VII” to this report.

Business Responsibility Report

A Business Responsibility Report as per Regulation 34 of the Listing Regulations, detailing various initiatives taken by your Company on the environmental, social and governance front forms an integral part of this Annual Report.

Corporate Governance

Your Company has been making every endeavor to bring more transparency in the conduct of its business. As per the requirements of Regulation 34 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a report on Corporate Governance for the year 2021-22 and a Certificate from M/s. P.S .Rao & Associates, Practising Company Secretaries is furnished which form part of this Annual Report.

Human Resources

Your Company considers its Human Resources as the key to achieve its objectives. Keeping this in view, your Company takes utmost care to attract and retain quality employees. The employees are sufficiently empowered and such work environment propels them to achieve higher levels of performance. The unflinching commitment of the employees is the driving force behind your Company’s vision. Your Company appreciates the spirit of its dedicated employees.

Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Work place

Your Company strongly supports the rights of all its employees to work in an environment that is free from all forms of harassment. Your Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace as per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. The policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. Your Company has also constituted an Internal Complaints Committee, known as Anti Sexual Harassment Committee to address the concerns and complaints of sexual harassment and to recommend appropriate action.

Your Company has not received any complaint on sexual harassment during the year.

Energy conservation, technology absorption and foreign exchange earnings and outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as “Annexure VIII” to this report.

Significant and material orders passed by the regulators or courts

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

Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year:

No application was made or any proceedings pending under the IBC, 2016 during the year ended on 31st March, 2022.

Details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof:

Not Applicable

Green initiative in Corporate Governance

The Ministry of Corporate Affairs (MCA) has taken a green initiative in Corporate Governance by allowing paperless compliances by the Companies and permitted the service of Annual Reports and documents to the shareholders through electronic mode subject to certain conditions and your Company continues to send Annual Reports and other communications in electronic mode to the members who have registered their email addresses with your Company/RTA.

Acknowledgments

Your Directors take this opportunity to express their sincere appreciation to the shareholders, customers, bankers, suppliers and other business associates for the excellent support and co-operation extended by them.

Your Directors gratefully acknowledge the ongoing co-operation and support provided by the Central and State Governments, Stock Exchanges, SEBI, RBI and other Regulatory Bodies.

For and on behalf of the Board

Sd/-	Sd/-
Challa Srishant	**B. Mohan Krishna**
Managing Director	Executive Director
DIN: 00016035	DIN: 03053172

Place: Hyderabad
Date : 05th August, 2022

Annexure I

Form AOC-1

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

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

Part "A": Subsidiaries

SUBSIDIARY COMPANIES FINANCIAL HIGHLIGHTS – 2021-22

Sl No	Particulars	Continental Coffee Private Limited	Jayanti Pte. Ltd.	Continental Coffee SA	Ngon Coffee Company Ltd
1	Capital	7,00,00,000	2,17,79,131	1,11,00,000	5,30,00,00,00,000
2	Reserves	(25,84,22,326)	(2,15,95,685)	(19,69,042)	4,44,31,05,32,217
3	Total Assets	85,96,38,733	1,91,698	2,02,95,567	13,20,86,75,83,372
4	Total Liabilities	85,96,38,733	1,91,698	2,02,95,567	13,20,86,75,83,372
5	Turnover	1,73,75,65,425	-	2,73,98,718	13,94,88,52,87,806
6	Profit/(Loss) before Taxation	(6,94,41,953)	(9,261)	8,46,915	3,14,85,04,60,756
7	Provision for Taxation	13,69,118	-	39,111	-
8	Profit/(Loss) after Taxation	(7,08,11,071)	(9,261)	8,07,804	3,14,85,04,60,756
9	Dividend	-	-	-	-
10	Investment	-	-	-	-
	Reporting Currency	INR	USD	CHF	VND
	Exchange Rate used for Conversion :				
	- Average Yearly Rates for Profit and Loss Account Items	-	74.5185	79.5917	0.003235
	- Year end rates for Balance Sheet Items	-	75.8071	81.5560	0.003300

Part "B": Associates and Joint Ventures - NA

For and on behalf of the Board

Sd/-
Challa Srishant
Managing Director
DIN: 00016035

Sd/-
B. Mohan Krishna
Executive Director
DIN: 03053172

Place: Hyderabad
Date : 05th August, 2022

Annexure II
Annual Report on CSR Activities
[Pursuant to Section 135 of the Companies Act, 2013 and the Companies(Corporate Social Responsibility Policy) Rules, 2014]

1. A brief outline of the Company's CSR Policy:

As an integral part of our Commitment to good corporate citizenship, we at CCL Products (India) Limited believe in actively assisting in improvement of the quality of life of people in communities, giving preference to local areas around our business operations. CSR at CCL Products (India) Limited shall be underpinned by 'More from Less for More People' Philosophy which implies striving to achieve greater impacts, outcomes and outputs of our CSR Projects and programmes by judicious investment and utililsation of financial and human resources engaging in like-minded stakeholder partnerships for higher out-reach benefiting more lives.

2. Composition of CSR Committee:

S.No	Name of the Director	Designation	Number of meetings Committee attended during the year of CSR	Number of meetings of CSR Committee held during the year
1	Mr. Vipin K Singal	Chairman (Independent Director)	1	1
2	Mr. Kata Chandrahas	Independent Director	1	1
3	Mr. K.K. Sarma	Non-Executive Director	1	1
4	Mr. Kode Durga Prasad	Independent Director	1	1
5	Mr. G.V. Krishna Rau	Independent Director	1	1
6	Ms. Kulsoom Noor Saifullah	Independent Director	1	1
7	Ms. Challa Shantha Prasad	Non-Executive Director	1	1
8	Dr. Lanka Krishanand	Non-Executive Director	1	1
9	Mr. B Mohan Krishna	Executive Director	1	1
10	Mr. Challa Srishant	Managing Director	1	1

3. The web-link where compostion of CSR Committee, CSR policy and CSR projects approved by the Board are disclosed on the website of the Company:

   weblink: https://www.cclproducts.com/wp-content/uploads/2021/07/csr-policy.pdf

4. Details of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy)Rules, 2014, if applicable – Not applicable

5. Details of the amount available for set-off in pursuance of sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set-off for the financial year, if any : Nil

6. Average Net Profit of the Company as per Section 135 (5) of the Act : ₹ 22,911.03 Lakhs

7. (a) Two percent of average net profit of the Company as per Section 135(5) of the Act : ₹ 458.22 Lakhs
   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years : Nil
   (c) Amount required to be set-off for the financial year, if any : Nil
   (d) Total CSR obligation for the financial year (7a +7b -7c) : ₹ 458.22 Lakhs

8. (a) CSR amount spent or unspent for the financial year:

Total amount spent for the Financial Year	Amount unspent (in Rupees)				
	Total amount transferred to unspent CSR Account as per section 135 (6)		Amount transferred to any fund specified under schedule vii as per the second provision of Section 135 (5)		
	Amount	**Date of Transfer**	**Name of the Fund**	**Amount**	**Date of Transfer**
₹ 4,92,45,541	-	-	-	-	-

(b) Details of CSR amount spent against ongoing projects for the Financial year: Nil

(c) Details of CSR amount spent against other than ongoing projects for the Financial Year: ₹ 49,245,541

S No	Name of the Project	Item from the List of Activities in ScheduleVII	Local Area (Yes /No)	Location of the Project: State	Location of the Project: District	Amount Spent for the project (in ₹)	Mode of implementation Direct / agency.	Mode of implementation Through implementing Authority
1.	Elderly care and orphanages	Contribution to old age homes and orphanages	Yes	Andhra Pradesh	Guntur	4,50,000	Direct	-
2.	Promotion of	Education Education	Yes	Andhra Pradesh	Guntur	76,10,258	Direct	-
3	Promotion of Health care activities	Health and Hygiene	Yes	Andhra Pradesh	Guntur	1,01,25,526	Direct	-
4.	Housing to economically weaker sections	Development of Infrastructure	Yes	Andhra Pradesh	Guntur	2,81,74,491	Direct	-
5.	Environment Protection	Environmental Sustainability	Yes	Andhra Pradesh	Guntur	5,67,266	Direct	-
6.	Rural Development	Rural Development Projects	Yes	Andhra Pradesh	Guntur	23,18,000	Direct	-

(d) Amount spent in administrative overheads : Nil

(e) Amount spent on impact assessment, if applicable: Not applicable

(f) Total amount spent for the financial year (8c+8d+8e) : ₹ 4,92,45,541

(g) Excess amount for set off, if any : Nil

S.No	Particulars	Amount (in ₹)
i)	Two perecent of average profit of the company as per Sec. 135(5)	4,58,22,000
ii)	Total amount spent for the financial year	4,92,45,541
iii)	Excess amount spent for the financial year (ii -i)	34,23,541
iv)	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years, if any	Nil
v)	Amount available for set-off in suceeding financial years (iii+iv)	34,23,541

9. (a) Details of Unspent CSR amount for the preceeding three financial years: Nil

   (b) Details of CSR amount spent in the financial year for ongoing projects of the preceeding financial year(s) : Nil

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: Not applicable

11. Specify the reason (s), if the Company has failed to spend two percent of the average net profit as per Section 135(5) : Not applicable

FOR CCL PRODUCTS (INDIA) LIMITED

Sd/-	Sd/-	Sd/-
Challa Srishant	**B. Mohan Krishna**	**Vipin K. Singal**
Managing Director	Executive Director	Chairman – CSR Committee
DIN: 00016035	DIN: 03053172	DIN: 00505339

Place: Hyderabad

Date: 05^{th} August, 2022

Annexure III
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,
CCL Products (India) Limited,
Duggirala, Guntur Dist.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by CCL PRODUCTS (INDIA) LIMITED, (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, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 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, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder.

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowing.

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not applicable to the Company during the audit period);**

   (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **(Not applicable to the Company during the audit period);**

   (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the audit period)**

   (f) 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;

   (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not applicable to the Company during the audit period);** and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable to the Company during the audit period);**

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

vi. Other specifically applicable laws to the Company:

- Food Safety and Standards Act, 2006 and Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011 and Food Safety and Standards (Packaging and Labelling) Regulations, 2011;
- Coffee Act, 1942 and the rules made thereunder;
- Boiler Act, 1923 and Indian Boiler Regulations 1950;
- Legal Metrology Act, 2009 and The Legal Metrology (Packaged Commodities) Rules, 2011
- Special Economic Zone Act, 2005 and Special Economic Zone Rules, 2006.

We have also examined compliance with the applicable clauses of Secretarial Standards, i.e., SS-1, SS-2 and SS-3, as amended from time to time, issued by the Institute of Company Secretaries of India.

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

We further report that examination / audit of financial laws such as direct and indirect tax laws, labour laws has not been carried out by us as part of this Secretarial Audit.

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Woman Director 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, (in case of shorter duration, the same were subject to requisite confirmation(s) by the Directors) 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 at the Board Meetings and Committee Meetings and the resolution(s) proposed by way of circulation have been carried out unanimously as recorded in the Minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that:

1. As per the information provided by the management, and based on the review of compliance reports by the respective department / functional heads, 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.
2. During the audit period, there were no specific events / actions in pursuance of the above referred laws, rules, regulations, etc., having a major bearing on the Company's affairs except below:

i. The Scheme of amalgamation contemplating the merger of CCL Beverages Private Limited, the wholly owned subsidiary of the Company, with itself, effective 01.04.2020, subsequent upon receipt of various other requisite approvals, was approved by the Hon'Ble National Company Law Tribunal, Amaravati Bench during the FY 2021-22. Requisite post-merger compliances, as required under the Companies Act, have been completed.

ii. Further, attention is drawn to Notes to Financial Statements, which describes the management's assessment of the impact of geo-political situations in Russia and Ukraine and Covid -19 pandemic.

For P S Rao & Associates
Company Secretaries

Vikas Sirohiya
Partner
M. No.: 15116
C.P. No.: 5246
UDIN: A015116D000746836
Peer Review No. P2001TL078000

Place: Hyderabad
Date : 05.08.2022

[This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.]

Annexure A

To
The Members,
CCL Products (India) Ltd,
Duggirala, Guntur Dist.

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

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

2. 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 procedures on test basis.

3. We have followed the audit practises and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on random 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.

4. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

5. We believe that audit evidence and information provided by the Company's management is adequate and appropriate for us to provide a basis for our opinion.

6. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

7. We have not verified the correctness and appropriateness of financial records and Books and Accounts of the Company.

Disclaimer

8. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For P S Rao & Associates
Company Secretaries

Vikas Sirohiya
Partner
M. No.: 15116
C.P. No.: 5246
UDIN: A015116D000746836
Peer Review No. P2001TL078000

Place: Hyderabad
Date : 05.08.2022

Annexure IIIA
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,
Continental Coffee Private Limited
7-1-24/2/D, Greendale, Ameerpet,
Hyderabad - 500016

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by CONTINENTAL COFFEE PRIVATE LIMITED (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. Note: The Company, though private limited by virtue of its incorporation, is a wholly owned subsidiary of CCL Products (India) Limited; hence a Public Limited Company pursuant to Section 2(71) of the Companies Act, 2013.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 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, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder.

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder - **(Not Applicable)**

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowing - **(Not applicable to the Company during the audit Period)**

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 –

   (Not applicable)

   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   (Not applicable)

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not applicable)**

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **(Not applicable)**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable)**

(f) 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;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not aplicable)**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable)**

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; **(Not applicable)**

vi. Other specifically applicable laws to the Company:

- Food Safety and Standards Act, 2006 and Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011 and Food Safety and Standards (Packaging and Labelling) Regulations, 2011;
- Legal Metrology Act, 2009 and The Legal Metrology (Packaged Commodities) Rules, 2011

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

i. Secretarial Standards with regard to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

ii. The Company, being an unlisted Public Limited Company, has not entered into any Listing Agreement and hence the same is not commented upon.

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

We further report that examination / audit of financial laws such as direct and indirect tax laws, labour laws has not been carried out by us as part of this Secretarial Audit.

We further report that:

- The Board of Directors of the Company is duly constituted, comprising of Non-Executive Directors only. There were no changes in the composition of the Board of Directors during the period under review, except appointment of Directors upon retirement by rotation.
- 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, (in case of shorter duration, the same were subject to requisite confirmation(s) by the Directors) 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 at the Board Meetings have been carried out unanimously as recorded in the Minutes of the meetings of the Board of Directors.

We further report that:

1. As per the information provided by the management, and based on the review of compliance reports by the respective department / functional heads, 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.

2. During the audit period, there were no specific events / actions in pursuance of the above referred laws, rules, regulations, etc., having a major bearing on the Company's affairs except below:

    (i) The Company approved a ESOP PLAN, under the name and style "Continental Coffee Employee Stock Option Plan – 2021" and granted options pursuant to the said ESOP Plan.

    (ii) Attention is drawn to Notes to Financial Statements, which describes the management's assessment of the impact of Covid -19 pandemic.

For P S Rao & Associates
Company Secretaries

Sd/-
Vikas Sirohiya
Partner
M. No.: 15116
C.P. No.: 5246
UDIN : A015116D000763534
Peer Review No. P2001TL078000

Place: Hyderabad
Date : 05.08.2022

[This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.]

Annexure A

To
The Members,
Continental Coffee Private Limited
7-1-24/2/D, Greendale, Ameerpet,
Hyderabad - 500016

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

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

2. 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 procedures on test basis.

3. We have followed the audit practises and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on random 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.

4. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

5. We believe that audit evidence and information provided by the Company's management is adequate and appropriate for us to provide a basis for our opinion.

6. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

7. We have not verified the correctness and appropriateness of financial records and Books and Accounts of the Company.

Disclaimer

8. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For P S Rao & Associates
Company Secretaries

Sd/-
Vikas Sirohiya
Partner
M. No.: 15116
C.P. No.: 5246
UDIN : A015116D000763534
Peer Review No. P2001TL078000

Place: Hyderabad
Date : 05.08.2022

ANNEXURE - IV

Nomination and Remuneration Policy

1. Introduction

CCL Products (India) Limited (CCL), believes that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance.

Towards this, CCL ensures constitution of a Board of Directors with an appropriate composition, size, diversified expertise and experience and commitment to discharge their responsibilities and duties effectively. CCL recognizes the importance of Independent Directors in achieving the effectiveness of the Board. CCL aims to have an optimum combination of Executive, Non- Executive and Independent Directors.

CCL also recognizes the importance of aligning the business objectives with specific and measureable individual objectives and targets. The Company has therefore formulated the remuneration policy for its directors, key managerial personnel and other employees keeping in view the following objectives:

a) Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate, to run the company successfully.

b) Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.

c) Ensuring that remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

2. Scope:

This Policy sets out the guiding principles for the Nomination and Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent directors of the Company and also for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the Company.

3. Terms and References:

In this Policy, the following terms shall have the following meanings:

3.1 **"Director"** means a director appointed to the Board of a Company.

3.2 **"Nomination and Remuneration Committee"** means the committee constituted by CCL's Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Equity Listing Agreement.

3.3 **"Independent Director"** means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 and Clause 49(II)(B) of the Equity Listing Agreement.

3.4 **"Key Managerial Personnel" means**

(i) the Chief Executive Officer or the Managing Director or the Manager;
(ii) the Company Secretary;
(iii) the Whole-Time Director;
(iv) the Chief Financial Officer; and
(v) such other officer as may be prescribed under the Companies Act, 2013

4. Selection of Directors and determining Directors' independence

4.1 Qualifications and criteria

4.1.1 The Nomination and Remuneration (NR) Committee, and the Board, shall review on an annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience that are relevant for the Company's global operations.

4.1.2 In evaluating the suitability of individual Board members, the NR Committee may take into account factors, such as:

General understanding of the Company's business dynamics, global business and social perspective;

Educational and professional background Standing in the profession; Personal and professional ethics, integrity and values;

Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

4.1.3 The proposed appointee shall also fulfill the following requirements:

Shall possess a Director Identification Number;

Shall not be disqualified under the Companies Act, 2013; Shall give his written consent to act as a Director;

Shall endeavour to attend all Board Meetings and wherever he is appointed as a Committee Member, the Committee Meetings;

Shall abide by the Code of Conduct established by the Company for Directors and Senior Management Personnel;

Shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;

Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013, Equity Listing Agreements and other relevant laws.

4.1.4 The NR Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

4.2 Criteria of Independence

4.2.1 The NR Committee shall assess the independence of Directors at the time of appointment / re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interests or relationships are disclosed by a Director.

4.2.2 The criteria of independence, as laid down in Companies Act, 2013 and Clause 49 of the Equity Listing Agreement, is as below:

An independent director in relation to a company, means a director other than a managing director or a whole-time director or a nominee director—

a. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;

b. (i) who is or was not a promoter of the company or its holding, subsidiary or associate company;

(ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;

c. who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;

d. none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;

e. who, neither himself nor any of his relatives—

(i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;

(ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—

(A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or

(B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;

(iii) holds together with his relatives two per cent or more of the total voting power of the company; or

(iv) is a Chief Executive or director, by whatever name called, of any nonprofit organisation that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or

(v) is a material supplier, service provider or customer or a lessor or lessee of the company.

f. shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, corporate social responsibility or other disciplines related to the Company's business.

g. shall possess such other qualifications as may be prescribed, from time to time, under the Companies Act, 2013.

h. who is not less than 21 years of age.

4.2.3 The Independent Directors shall abide by the "Code for Independent Directors" as specified in Schedule IV to the Companies Act, 2013.

4.3 Other directorships / committee memberships

4.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as directors of the Company. The NR Committee shall take into account the nature of, and the time involved in a

Director's service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

4.3.2 A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be Public Limited Companies.

4.3.3 A Director shall not serve as an Independent Director in more than 7 Listed Companies and not more than 3 Listed Companies in case he is serving as a Whole-time Director in any Listed Company.

4.3.4 A Director shall not be a member in more than 10 Committees or act as Chairman of more than 5 Committees across all companies in which he holds directorships. For the purpose of considering the limit of the Committees, Audit Committee and Stakeholders' Relationship Committee of all Public Limited Companies, whether listed or not, shall be included and all other companies including Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 shall be excluded.

5. Remuneration to Executive Directors and Key Managerial Personnel Non-Executive Directors and other employees

5.1.1 The Board, on the recommendation of the Nomination and Remuneration (NR) Committee, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders.

5.1.2 The Board, on the recommendation of the NR Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.

5.1.3 The remuneration structure to the Executive Directors and Key Managerial Personnel shall include the following components:

(i) Basic Pay
(ii) Perquisites and Allowances
(iv) Commission (Applicable in case of Executive Directors)
(v) Retiral benefits
(vi) Annual Performance Bonus

5.1.4 The Annual Plan and Objectives for Executive Directors and Senior Executives shall be reviewed by the NR Committee and Annual Performance Bonus will be approved by the Committee based on the achievements against the Annual Plan and Objectives.

5.2 Remuneration to Non-Executive Directors

5.2.1 The Board, on the recommendation of the NR Committee, shall review and approve the remuneration payable to the Non- Executive Directors of the Company within the overall limits approved by the shareholders.

5.2.2 Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof. The Non- Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.

5.3 Remuneration to other employees

5.3.1 Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

Annexure V
Form No. AOC-2
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL
The Company has not entered into any contract or arrangement or transaction which is not at arm's length basis during the year under review.

2. Details of material contracts or arrangement or transactions at arm's length basis:

Name of the related party Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts arrangements/transactions	Salient terms of the contracts or arrangements or transactions,	Date(s) of approval by the Board, if any	Amount (₹ in Lakhs)	Amount the Board, paid as advances, if any
Mr. Challa Srishant (Managing Director)	Rent	01-04-2001 - ongoing and renewed every year	Based on Transfer price guidelines	28.01.2021	22.05	Nil
Ms. Challa Shantha Prasad (Non- Executive Director)	Rent	01-04-1995 - ongoing and renewed every year	Based on Transfer price guidelines	28.01.2021	19.89	Nil
Ms. Challa Soumya (Daughter of Executive Chairman)	Rent	01-01-2010 - ongoing and renewed every year	Based on Transfer price guidelines	28.01.2021	5.46	Nil
Continental Coffee SA (Subsidiary)	Sale of instant coffee	01-02-2009 - ongoing	Based on Transfer price guidelines	28.01.2021	17,550.57	Nil
Continental Coffee Private Limited (Subsidiary)	Sale of instant coffee	01-04-2015 - ongoing	Based on Transfer price guidelines	28.01.2021	12,848.12	Nil
Karafa Products Private Limited (Company in which Directors are interested)	Sale of coffee beans/ roast & ground and instant coffee	01-02-2022 - ongoing	Based on Transfer price guidelines	19.01.2022	2.79	Nil

For and on behalf of the Board

Sd/-
Challa Srishant
Managing Director
DIN: 00016035

Sd/-
B. Mohan Krishna
Executive Director
DIN: 03053172

Place: Hyderabad
Date : 05th August, 2022

Annexure - VI
MANAGEMENT DISCUSSION AND ANALYSIS REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Company is in the business of manufacturing and selling Soluble Instant coffee, commonly referred to as Instant Coffee for more than 25 years. By virtue of its product development capabilities and pricing efficiencies, your Company today is one of the leading instant coffee manufacturers in the world.

For most of the renowned brands across the world, your Company remains the preferred supplier of instant coffee. Constant innovation has made sure that new clients are added year on year.

Business Review

Despite headwinds of COVID-19 and unstable global political scenarios your Company continued to grow at a healthy pace. The growth has come from all geographies and product types. During the year under review, your Company has managed to add prestigious new customers and their brands in its portfolio which has further given confidence to initiate setting up of a State-of-the-Art packing facility in India to cater to the growing demand of small packs.

Strong order book position at Ngon Coffee Company Limited, Vietnam has given the confidence to expand the capacity by 35% during the year under review. The Vietnam plant with added capacity has been operating at full utilization.

Continental Coffee SA, Switzerland has succeeded in adding some new super markets as direct customers for their private label business.

The branded business in domestic market has been growing aggressively to become the number 3 instant coffee brand in India*. The brand has generated very good awareness backed by above the line campaign and below the line sampling activity. New products and variants were launched to cater to different market segments. There was considerable market penetration in the coffee strong south market. During the period under review, ‘Continental Coffee’ won the prestigious **Brand of the Year** award conferred by Marksmen Group, in association with India Today.

***Source: A C Nielsen**

The turnover of your Company on standalone basis is ₹ 92,294 Lakhs and the net profit of the Company is ₹ 12,720 Lakhs (including 2634.40 Lakhs dividend received from Ngon Coffee Company Limited, wholly owned subsidiary of the Company). Earnings per share (EPS) (Face value of ₹ 2/- per share) for the current year is ₹ 9.56 for the year 2021-22.

The turnover of your Company on consolidated basis is ₹ 1,46,203 Lakhs and the net profit of the Company is ₹ 20,435 Lakhs. Earnings per share (EPS) (Face value of ₹ 2/- per share) for the current year is ₹ 15.36 for the year 2021-22.

Industry Structure and Development

International Instant Coffee market has been growing at low single digit. Emergence of niche categories and developing economies are driving growths.

The domestic coffee market in India is growing at a guestimate rate of 15% year on year. With the advent of third wave of coffee, consumers are evaluating a lot of gourmet coffee and are open for more coffee experiences while trying different formats of coffee. Quick delivery model from key ecommerce players have helped in penetration of coffee as consumer can order coffee whenever and whatever they want to consume at the comfort of home.

Outlook

Modern times have witnessed evolution of coffee drinking from an everyday habit to a healthy lifestyle choice. Coffee has gained the status of being the most preferred beverage worldwide.

According to Statista and International Coffee Organization, the latest estimate for total production in the coffee for year 2021-22 remains unchanged at 167.2 million bags, a 2.1% decrease versus 170.83 million bags in the previous coffee year 2020-21.

Revenue in the Instant Coffee segment amounts to US$116.50bn in 2022. The market is expected to grow annually by 8.21% (CAGR 2022-2025). In relation to total population figures, per person revenues of US$15.30 are generated in 2022. In the Instant Coffee segment, volume is expected to amount to 1,682.2 million Kg by 2025. The market for Instant Coffee segment is expected to show a volume growth of 7.5% in 2023. The average volume per person in the Instant Coffee segment is expected to amount to 0.20kg in 2022.

World coffee consumption is projected to grow by 3.3% to 170.3 million 60-kg bags in 2021-22 as compared to 164.9 million for financial year 2020-21. In 2021-22, consumption is expected to exceed production by 3.1 million bags. However, exogenous factors such as reduced global economic growth and increased cost of inputs, production and trade may affect both supply and demand.

In India, consumers have started exploring different coffee taste, thanks to various flavors, formats which are offered nowadays across different channels. 21% of Indian coffee drinkers perceive gourmet coffee to taste more superior than regular coffee reflects the growing demand for fresher coffee formats and premium offerings. As consumers demand information about the food they consume, it will be key to be more transparent about coffee's origin and processing method. Such details can serve as proxies to enhance the quality image of the product.

The instant coffee segment's outlook is bright as consumers increasingly value instant coffee's simplicity of preparation. Further innovations in the instant coffee segment will keep the growth outlook intact for instant coffee.

Opportunities

Entry into new markets will be the key focus area for your company. Small packs will be actively targeted. Distribution expansion and market penetration will drive the growth in domestic markets.

With opening of offices, Institutions and restaurant, HORECA segment has started to grow and thus providing an opportunity in placement of Coffee machines and consumables accordingly.

Risk, Concerns and Threats

Geo political disturbances continue to loom large adding to risk factors. Freight and fuel price increase continue to add pressure on margins.

As Continental Brands has been gradually grabbing market share, the competitors in coffee categories have been very aggressive from both Media, consumer offer as well as trade front.

Apart from the big players, D2C players backed with investors (private equity funds) have been pumping huge amount of money on the digital platform to grab consumers' attention.

Internal Control Systems and their Adequacy

Your Company has appropriate internal control systems for business processes, efficiency in its operations, and compliance with all the applicable laws and regulations. Regular internal checks and audits ensure that the responsibilities are being effectively executed. In-depth review of internal controls, accounting procedures and policies of Company is conducted. Your Company has adopted adequate internal control and audit system commensurate with its size and nature of business.

Internal audit is carried on a quarterly basis. Internal auditors work with all levels of management and the report is placed before the audit committee. The audit committee after reviewing the findings and suggestions directs the respective departments to implement the same.

Industrial Relations and Human Resources Management

Employees are the valuable assets and the strength of an organisation in its growth, prosperity and development. Your Company has a team of qualified and dedicated personnel who have contributed to the growth and progress of the Company. Necessary training is being imparted to the employees and various seminars and workshops are being conducted to continuously hone their skills.

Your Company is continuously striving to create appropriate environment, opportunities and systems to facilitate identification, development, and utilization of their full potential and inculcating a sense of belongingness. There are 764 employees in the Company as on 31st March, 2022.

Your Company's industrial relations continued to be harmonious during the year under review.

Financial performance with respect to operational performance

During the year, the Company has achieved a turnover of ₹ 92,294 Lakhs recording a net profit of ₹ 12,720 Lakhs. Profit includes ₹ 2634.30 Lakhs dividend received from Ngon Coffee Company Limited, wholly owned subsidiary of the Company.

Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanation

During the year on a standalone basis, the significant changes in the financial ratios of the Company, which are more than 25% as compared to the previous year are summarised below:

Financial Ratios	Consolidated		Change(%)	Reason for change
	2021-22	2020-21		
Debtor Turnover	7.18	4.52	59.08	Due to decrease in the credit period extended to the customers
Net Profit Margin	0.14	0.20	(30.95)	Reduction in dividend payout from subsidiary in FY 21-22 resulted in decline in the Net Profit Ratio, Return on Investment and Return of Equity
Return on Investment	0.17	0.39	(57.43)	
Return on Equity Ratio	0.13	0.18	(28.23)	

During the year on a consolidated basis there are no significant changes in the financial ratios of the Company, which is more than 25% as compared to the previous year.

Details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation there of: There is no significant change during the current financial year 2021-22, compared to previous financial year 2020-21.

Certifications

Your Company has the following certifications:

1. BRC- Version 8 with A Grade (British Retail Consortium) - Global Standard for Food
2. IFS - Food Version 6.1 with Higher Level (International Featured Standards) - International Food Standard.
3. Organic Coffee Certificate (Processing & Trading)
4. Fair Trade Certificate
5. Halal Certificate
6. Kosher Certificate
7. FSSAI License - Food Safety Standards Authority of India
8. BIS License - Bureau of Indian Standards (ISI) License
9. UTZ Certificate (Chain Of Custody Standard - Coffee)
10. US.FDA Certificate of Registration
11. RFA Endorsement certificate

Social Accountability compliance

1. SGP (Supplier Guiding Principles and Human Rights Policy Assessment)
2. ICS (Initiative for Compliance and Sustainability)
3. SA 8000 (Social Accountability audit)

Awards

During the year under review, your Company has won EPCES and VSEZ Awards in two categories: for Commendable Exports and for Highest Exports for the years 2019-20 and 2020-21.

Further, your Company's brand 'Continental Coffee' bestowed with Brand of the Year 2022 award by Marksmen Group in association with India Today.

Cautionary Statement

Statements in this management discussion analysis describing the Company's objectives, projections, estimates, expectations may be forward looking within the meaning of applicable securities-laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could make difference to Company's operations include economic conditions affecting the domestic market and the overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors.

For and on behalf of the Board

Sd/-	Sd/-
Challa Srishant	**B. Mohan Krishna**
Managing Director	Executive Director
DIN: 00016035	DIN: 03053172

Place: Hyderabad
Date : 05th August, 2022

Annexure - VII

Details pertaining to Employees as required under Section 197(12) of the Companies Act, 2013

Statement of Particulars of Employees Pursuant to Provisions of Section 197(12) of the Companies Act 2013 Read with Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014

a) Employed throughout the Financial Year 2021-22

Name	Age	Qualification	Designation	Date of Commencement of Employment	Experience (Years)	Gross Remuneration in ₹	Nature of employment	% of shareholding in the Company	Previous Employment
Mr.Challa Rajendra Prasad	70	B.E.(Mech.)	Executive Chairman	01-04-1994	46	4,20,00,000	By virtue of agreement dated 24.02.2020	9.95	Asian Coffee Ltd
Mr.Challa Srishant	39	B.A., B.L.(Hons.)	Managing Director	18-07-2005	18	6,43,00,000	By virtue of agreement dated 14.02.2019	10.48	-
Mr.B.Mohan Krishna	41	B.Tech	Executive Director	01-06-2017	19	4,82,00,000	By virtue of agreement dated 14.02.2019	0.75	Elmech Enterprises Limited

Note: Relationship with Directors/Managers can be referred from the Corporate Governance Report, annexed with this Annual Report

b) Other Top Ten Employees throughout the Financial Year 2021-22: this information is available in the website of the Company www.cclproducts.com

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i) The percentae increase in remuneration of each Director, Chief Executive Officer, Chief Opertations Officer, Chief Financial Officer and Company Secretary during the financial year 2021-22, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22,and the comparison of remuneration of each Key Magerial Personnel (KMP) against the performance of the Company are as under :

Sl. No.	Name of Director/ KMP and Designation	Remuneration of Director /KMP for the financials year 2021-22 (₹.in Lakhs)	Remuneration of Director /KMP for the financials year 2020-21 (₹.in Lakhs)	% increase in Remuneration in the Financial Year 2021-22. ₹ in Lakhs)	Ratio of remuneration of each Director/to median remuneration of employees	Comparision of the Remuneration of the KMP against the performance of the Company
1	Mr.Challa Rajendra Prasad, Executive Chairman	420.00	420.00	0.00	102.29	The marginal increase is in line with the operations of the Company for the year 2021-22
2	Mr.Challa Srishant, Managing Director	643.00	589.00	9.17	156.60	
3	Mr.B.Mohan Krishna, Executive Director	482.00	442.00	9.05	117.39	
4	Mr.Praveen Jaipuriar (From 29.10.2021) Chief Executive Officer	79.74	0.00	0.00	Not Applicable	
5	Mr.K.V.L.N.Sarma, (Upto 27.10.2021) Chief Operations Officer	67.49	95.08	0.00	Not Applicable	
6	Mr.V.Lakshmi Narayana Chief Financial Officer	97.48	93.74	3.99	Not Applicable	
7	Ms.Sridevi Dasari, Company Secretary	22.57	19.18	17.67	Not Applicable	
8	Mr.Vipin K.Singal, Non Executive Director	12.00	10.00	20.00	2.92	
9	Mr.Kata Chandrahas, Non Executive Director	12.00	10.00	20.00	2.92	
10	Mr.K.K.Sarma, Non Executive Director	12.00	10.00	20.00	2.92	
11	Mr.G.V.Krishna Rau, Non Executive Director	12.00	10.00	20.00	2.92	
12	Ms.Kulsoom Noor Saifullah, Non Executive Director	12.00	10.00	20.00	2.92	
13	Ms.Challa Shantha Prasad Non Executive Director	12.00	10.00	20.00	2.92	
14	Dr. Lanka Krishnanand Non Executive Director	12.00	10.00	20.00	2.92	
15	Mr.Kode Durga Prasad Non Executive Director	12.00	10.00	20.00	2.92	
16	Mr.K.V.Chowdary Non Executive Director	12.00	10.00	20.00	2.92	

ii) The median remuneration of employees of the Company during the financial year was ₹ 4.11 Lakhs

iii) In the financial year, there was an increase of 10.42% in the median remuneration of employees

iv) There were 764 permanent employees on the rolls of Company as on March 31, 2022.

v) In the financial year, there was an decrease of 6.48% in the managerial remuneration, which is as per the remuneration policy of the Company.

vi) We herewith affirm that the remuneration is as per the remuneration policy of the Company.

For and on behalf of the Board

	Sd/-	Sd/-
	Challa Srishant	**B. Mohan Krishna**
Place: Hyderabad	Managing Director	Executive Director
Date : 05th August, 2022	DIN: 00016035	DIN: 03053172

Annexure-VIII

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO
[Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014]

A. Conservation of Energy

Your Company is making investments to up-grade technology in various utilities equipment in the soluble coffee plant to conserve energy.

The steam boiler continues to be a major energy conserver to the Company. CCL is continuously striving for the sustainability, conservative utilisation of energy available and to minimize the ecological footprint by finding out ways to best utilise the waste generated in the process of manufacturing instant coffee. Coffee is a product, where only 50% can be derived from the coffee beans for the productive usage and the rest 50% is in the form of solid waste. This solid waste generated, on drying up, has greater calorific value.

i) The steps taken or impact on conservation of energy

We, at CCL addressed this with detailed discussions with our boiler suppliers. The solid waste, on drying up, not only has good calorific value but is with very low ash content. Thus, jointly with the boiler suppliers - Original Equipment Manufacturer, we have got the fuel system redesigned so as to enable using this solid waste as fuel for boilers. This has not only resulted in substantial savings on fuel costs but also is environmental friendly as the ash content is very minimal. Thus, this effort of the company has not only served as a substitute for fossil fuel but also is an effective method for waste disposal.

ii) Steps taken by the Company for utilising alternate sources of energy

The Company has been continuously saving considerable fuel cost for its boilers by using rice husk and recycled solid waste as fuel. Further, the Company is also mulling the idea of utilising energy generated from renewable sources at its Plants. Also, the Company is planning to install solar panels at its Plants for generation of solar energy for captive consumption.

iii) The capital investment on energy conservation equipments

As stated above, capital investment on energy conservation equipments will be incurred during the FY 2022-23 and reported accordingly.

B) Technology Absorption

i) Efforts made towards technology absorption:

The best technology in the world for the manufacturing of quality coffee is being used by your Company and strives continuously to upgrade the technology.

ii) Benefits derived like product improvement, cost reduction, product development or import substitution:

The technology being used has improved the production standards and optimised the operational costs.

iii) In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished:

a)	Technology imported	No technology imported during the last 3 years
b)	Year of Import	NA
c)	Has technology been fully absorbed	NA
d)	If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action	NA

iv) Expenditure incurred on Research and Development:

Your Company has a strong quality and assurance department which continuously strives to improve process methods, quality parameters etc., resulting in better value added products, improvement in quantities etc. This department is part of the Company's routine operations and hence, no specific allocation to be identified under Research and development.

C) Foreign Exchange Earnings and Outgo:

Total foreign exchange	**₹ in Crores**
Used	383.813
Earned	771.77

For and on behalf of the Board

Sd/-	Sd/-
Challa Srishant	**B. Mohan Krishna**
Managing Director	Executive Director
DIN: 00016035	DIN: 03053172

Place: Hyderabad
Date : 05th August, 2022

REPORT ON CORPORATE GOVERNANCE

[Pursuant to Schedule V (C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 ("Listing Regulations")]

(1) Company's philosophy on Code of Governance

Over the years, your Company has shown a commitment towards effective corporate governance and has always been at the forefront of benchmarking its internal systems and policies with global practices. Your Company believes that it needs to show a greater degree of responsibility and accountability. It is committed to provide fair, transparent and equitable treatment to all its stakeholders.

At CCL, we have always endeavoured to be a value driven organisation, where our growth and success is directed by our values.

Your Company has complied with the norms of governance as provided in Chapter IV and Schedule II of the Listing Regulations during the year under review.

(2) Board of Directors

(a) Composition and category of directors:

The composition of the Board of your Company is in consonance with the requirements of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As on 31st March, 2022, CCL's Board consisted of 12 Members. The Board of directors of your Company has an optimum combination of Executive, Non-Executive and Independent Directors with one woman Independent Director.

The details of the Board of directors including their attendance at the meetings of Board and shareholders, directorships / chairmanships / memberships on the Boards /Committees of other Companies and names of the listed entities where the person is a director and the category of directorship as required under Regulation no. 34 read with schedule V of Listing Regulations are as below:

Name	Category	No. of Board Meetings		Attendance at the last AGM (26th August, 2021)	No. of Directorships in other Companies		Chairmanships/ memberships in Committeees of other Public Companies		Name of other listed entities where he/she is a director and the category of directorship
		Held	Attended`		Private	Public	Member ship	Chairman ship	
Mr. Challa Rajendra Prasad	Promoter & Executive Director	6	6	Yes	3	-	-	-	
Mr. Vipin K Singal	Independent Non-Executive Director	6	6	Yes	-	-	-	-	
Mr. Kata Chandrahas	Independent Non-Executive Director	6	5	Yes	-	-	-	-	
Mr. K. K. Sarma	Non-Executive Director	6	6	Yes	2	-	-	-	
Mr. B. Mohan Krishna	Promoter & Executive Director	6	6	Yes	2	1	2	1	Tierra Agrotech Limited- Non-Executive Director
Mr. G. V. Krishna Rau	Independent Non-Executive Director	6	6	Yes	-	1	1	-	Tierra Agrotech Limited- Independent Director

Ms. Kulsoom Noor Saifullah	Independent Non-Executive Director	6	5	Yes	1	-	-	-	
Mr. K. V. Chowdary	Independent Non-Executive Director	6	6	Yes	1	6	12	2	1. Reliance Industries Limited: Independent Director 2. Divi's Laboratories Limited: Independent Director 3. Tata Motors Limited: Independent Director
Ms. Challa Shantha Prasad	Promoter & Non-Executive Director	6	6	Yes	-	-	-	-	-
Dr. Lanka Krishnanand	Non-Executive Director	6	5	Yes	-	-	-	-	-
Mr. Kode Durga Prasad	Independent Non-Executive Director	6	6	Yes	-	2	7	5	NAVA Limited: Independent Director
Mr. Challa Srishant	Promoter & Executive Director	6	6	Yes	7	-	-	-	-

The Directorships held by Directors in other Companies, as mentioned above are as on the date of this report and do not include Directorships in Foreign Companies.

None of the Directors on the Board is a member on more than 10 Committees and Chairman of more than 5 Committees across all the companies in which they are directors. None of the Directors holds office in more than 10 public companies and seven listed Companies. None of the Directors serves as Independent Director in more than seven listed companies.

(b) Number of meetings of the Board of directors held and dates on which held:

The Board met 6 times in the financial year 2021-22 on the following dates, with a gap not exceeding one hundred and twenty days between any two meetings:

21st May, 2021	29th July, 2021	28th October, 2021	19th January, 2022	10th February, 2022	24th March, 2022

(c) Disclosure of relationships between directors inter-se:

- Mr. Challa Rajendra Prasad - spouse of Mr. Challa Shantha Prasad, Director; Father of Mr. Challa Srishant, Managing Director and father -in- law of Mr. B. Mohan Krishna, Executive Director of the Company.
- Mr. Challa Srishant - son of Mr. Challa Rajendra Prasad, Executive Chairman and Ms. Challa Shantha Prasad, Director and brother-in-law of Mr. B. Mohan Krishna, Executive Director of the Company.
- Mr. B. Mohan Krishna - son-in-law of Mr. Challa Rajendra Prasad, Executive Chairman and Ms. Challa Shantha Prasad, Director and brother-in-law of Mr. Challa Srishant, Managing Director of the Company

- Ms Challa Shantha Prasad - spouse of Mr. Challa Rajendra Prasad, Executive Chairman; mother of Mr. Challa Srishant, Managing Director and mother-in-law of Mr. B. Mohan Krishna, Executive Director of the Company.

Except mentioned above, none of the Directors is related to each other.

(d) Number of shares and convertible instruments held by non-executive directors:

Except below mentioned, none of the non-Executive Directors hold any equity shares

S.No	Name and designation of the Director	No. of Shares held
1	Mr. Vipin K Singal, Independent Director	5,000
2	Mr. Kata Chandrahas, Independent Director	9,186
3	Mr. Kode Durga Prasad, Independent Director	10,000
4	Mr. G V Krishna Rau, Independent Director	600
5	Ms. Challa Shantha Prasad, Non-Executive Director	1,85,65,334

(e) Web link where details of familiarization programmes imparted to Independent directors:

A formal familiarization program was conducted apprising the directors of the amendments in the Companies Act, 2013, Rules prescribed thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other applicable laws of the Company.

Periodic presentations are made by Senior Management, Statutory and Internal Auditors at the Board/Committee meetings on business and performance updates of the Company, global business environment, business risks and its mitigation strategy, impact of regulatory changes on strategy etc. It is the general practice of the Company to notify the changes in all the applicable laws from time to time to the Board of Directors regularly.

Your Company has a familiarisation programme for Independent Directors with regard to their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business models of the Company etc., and the same is available on the website of the Company i.e www.cclproducts.com

(f) List of core skills/expertise/competencies identified by the Board of Directors:

The Company requires skills, expertise and competencies in the areas of strategy, finance, accounting, legal and regulatory matters, the environment, sustainability and operations of the Company’s businesses to efficiently carry on its core businesses such as manufacturing of instant coffee, knowledge on international coffee markets, marketing of coffee.

The Board comprises of qualified members who bring in the required skills, expertise and competence as mentioned above which allow them to make effective contributions to the Board and its committees. The members of the Board are committed to ensure that the Company is in compliance with the highest standards of corporate governance.

List of skills/competencies required in relation to business operations	Names of Directors having such skills/competencies
Finance, Law, Management, Administration	Mr. Challa Srishant, Mr. Kata Chandrahas, Mr. K. V. Chowdary, Mr.G.V. Krishna Rau, Mr. Kode Durga Prasad
Technical knowledge on operations, Production	Mr. Challa Rajendra Prasad, Mr. B. Mohan Krishna, Dr.Lanka Krishnanand
Corporate Governance, Strategic Management	Mr. Challa Rajendra Prasad Mr. Challa Srishant Mr. Kata Chandrahas Mr. Vipin K. Singal Mr. B. Mohan Krishna Mr. K. K. Sarma Mr. G.V. Krishna Rao Dr. Lanka Krishnanand Ms. Kulsoom Noor Saifullah Ms. Challa Shantha Prasad Mr. Kode Durga Prasad Mr. K. V. Chowdary
International Marketing and Sales	Mr. G.V. Krishna Rau, Mr. Vipin K Singal, Ms. Kulsoom Noor Saifullah

The current composition of your Company's Board includes directors with core industry experience and has all the key skills and experience mentioned above

(g) Confirmation that in the opinion of the board, the independent directors fulfil the conditions specified in these regulations and are independent of the management:

The Board of Directors hereby confirm that in the opinion of the Board, the Independent Directors fulfil the conditions specified by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they are independent of the management.

(3) Committees of the Board

Currently, there are six Board Committees – The Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee and Management Committee. The terms of reference of the Board Committees are determined by the Board from time to time. Meetings of each Board Committee are convened by the Chairman of the respective Committees.

The role and composition of these Committees, including the number of meetings held during the financial year and the related attendance are provided below:

(A) Audit Committee

Your Company has in place, an Audit Committee, constituted in accordance with Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013, comprising of members in compliance of the said regulations. The Committee is entrusted with the powers / role as prescribed under Section 177 of the Companies Act, 2013 and regulation 18 read with Part C of Schedule II to SEBI (LODR) Regulations, 2015, The Committee performs its duties and discharges its responsibilities as per its terms of reference and directions if any, given by the Board from time to time.

(a) Terms of reference

The terms of reference of the Audit Committee are as per Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, read with Section 177 of the Companies Act, 2013 and includes such other functions as may be assigned to it by the Board from time to time.

i) Powers of the Audit Committee includes:

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

ii) Role of the Audit Committee includes:

- Oversight of Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of auditors and fixation of audit fee and approval of payment to statutory auditors for any other services rendered by them.
- Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:

- matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
- changes, if any, in accounting policies and practices and reasons for the same.
- major accounting entries involving estimates based on the exercise of judgment by management
- significant adjustments made in the financial statements arising out of audit findings
- compliance with listing and other legal requirements relating to financial statements
- disclosure of any related party transactions
- review of draft Auditors Report, in particular qualifications / remarks / observations made by the Auditors on the financial statements-

- Review of internal audit reports relating to internal control weaknesses.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval
- Review, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- Approval or any subsequent modification of transactions of the listed entity with related parties
- Review of the financial statements of subsidiary companies

- Scrutiny of inter-corporate loans and investments
- Valuation of undertakings or assets of the listed entity, wherever it is necessary
- Evaluation of internal financial controls and risk management systems
- To look into the reasons for substantial defaults in the payment to the shareholders (in case of non-payment of declared dividends) and creditors
- Reviewing, with the management, auditor's independence ,performance of statutory and internal auditors, adequacy of the internal control systems
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department,staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Reviewing the risk management policies, practices and the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board
- Discussion with internal auditors of any significant findings and follow up there on;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the whistle blower mechanism;
- Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the audit committee
- Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing.
- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders

  Authority to investigate into any matter in relation to the items specified in sub-section (4) of Section 177 of the Companies Act, 2013 or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the Company
- Appointment of registered valuers
- Reviewing the reports/ certificates placed before it as mandated by the statutory authorities or as required under policies framed by the Company from time to time.
- Ascertaining and ensuring that the Company has an adequate and functional vigil mechanism and for ensuring that the interest of a person, who uses such a mechanism, are not prejudicially affected on account of such use, as and when applicable and reviewing the functioning of whistle blower mechanism;

- Any other matters/ authorities / responsibilities / powers assigned as per Companies Act 2013 and Rules made thereunder, as amended from time to time
- The Committee mandatorily reviews information including internal audit reports related to internal control weakness, management discussion and analysis of financial condition and result of operations, statement of significant related party transactions, appointment and removal of the auditors and such other matters as prescribed from time to time.

(b) The composition of the Audit Committee and attendance by each Member of the Audit Committee

Name of the Director	Category	No. of meetings held during the year	No of meetings attended
Mr. Kata Chandrahas	Chairman	6	5
Mr. Vipin K Singal	Member	6	6
Mr. K.V. Chowdary	Member	6	6
Mr. K. K. Sarma	Member	6	6
Mr. G.V. Krishna Rau	Member	6	6
Ms. Kulsoom Noor Saifullah	Member	6	5
Dr. Lanka Krishnanand	Member	6	5
Mr. Kode Durga Prasad	Member	6	6

All the members of the Audit Committee are financially literate and majority of them have expertise in accounting/ financial management.

All the recommendations of the Audit Committee have been accepted by the Board of Directors. Mr. V. Lakshmi Narayana, Chief Financial Officer of the Group and representatives from M/s. Ramesh & Co, Internal Auditors and M/s. Ramanatham & Rao., Statutory Auditors are invitees to the meetings of the Audit Committee. The Company Secretary of the Company acts as the Secretary of the said Committee.

(c) Meetings during the year

The Audit Committee met 6 times during the previous year, with a gap not exceeding one hundred and twenty days between any two meetings. Each meeting consisted of atleast 3 Members as its quorum out of which atleast 2 are independent members. The said committee met on the following dates:

21st May, 2021	29th July, 2021	28th October, 2021	19th January, 2022	10th February, 2022	24th March, 2022

(B) Nomination and Remuneration Committee

Your Company has in place a Nomination and Remuneration Committee, constituted in accordance with Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013, comprising of members in compliance of said regulations. The Committee is entrusted with the powers as prescribed under Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II to SEBI (LODR) Regulations, 2015. The Committee performs its duties and discharges its responsibilities as per its terms of reference and directions if any, given by the Board from time to time.

(a) Terms of reference

The terms of reference of the Nomination and Remuneration Committee are as under:

• 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.

• Formulation of criteria for evaluation of Independent Directors and the Board.

• Devising a policy on Board diversity.

• 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, remuneration and removal.

• Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

•Recommendation of fee / compensation if any, to be paid to Non-Executive Directors, including Independent Directors of the Board.

• Recommend to the Board, all remuneration, in whatever form, payable to Senior Management Personnel.

Your Company has adopted a policy relating to the remuneration for Directors, Key Managerial Personnel and other employees of the Company which is disclosed on the website of the Company https://www.cclproducts.com/wp-content/uploads/2021/07/remuneration-policy.pdf

(b) The composition of the Nomination and Remuneration Committee and the attendance by each member of the Committee

Name of the Director	Category	No. of meetings held during the year	No of meetings attended
Mr. G. V. Krishna Rau	Chairman	3	3
Mr. Vipin K Singal	Member	3	3
Mr. Kata Chandrahas	Member	3	3
Mr. K. K. Sarma	Member	3	3
Ms. Kulsoom Noor Saifullah	Member	3	3
Ms. Challa Shantha Prasad	Member	3	3
Dr. Lanka Krishnanand	Member	3	3
Mr. Kode Durga Prasad	Member	3	3

(c) Meetings during the year

The Committee met 3 times during the previous year. The said committee met on the following dates:

21st May, 2021	28th October, 2021	24th March, 2022

The main object of this Committee is to identify persons who are qualified to become directors and who may be appointed in senior management of the Company, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance, recommend the remuneration package of both the Executive and the Non-Executive Directors on the Board and also the remuneration of Senior Management, one level below the Board. The Committee reviews the remuneration package payable to Executive Director(s) and recommends to the Board the same and acts in terms of reference of the Board from time to time.

(d) Performance evaluation criteria for Independent Directors

Independent Directors are evaluated based on below mentioned criteria:

(i) their general understanding of the Company's business dynamics
(ii) global business and social perspective
(iii) professional ethics, integrity and values

(iv) willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively

The Nomination and Remuneration Committee laid down criteria for performance evaluation of all the Directors on the Board and recommended the same for evaluating the performance of each and every Director.

Board evaluates the performance of Independent Directors annually based on their participation at the Board and Committee meetings conducted during the year and the NR Committee recommends the appointment/ re-appointment of the Independent Directors by assessing the role played by them in all the meetings they attended.

(C) Stakeholders Relationship Committee

The Company has in place a Stakeholders Relationship Committee, constituted in accordance with Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013, comprising of members in compliance of said regulations. The Committee performs its duties and discharges its responsibilities as per its terms of reference and directions if any, given by the Board from time to time.

a) Terms of reference

The terms of reference of the Stakeholders Relationship Committee are as under:

i) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

ii) Review of measures taken for effective exercise of voting rights by shareholders.

iii) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

iv) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

v) Performing various functions relating to the interests of shareholders/investors of the Company as may be required under the provisions of the Companies Act, 2013, Listing Agreement with the Stock Exchanges and regulations/guidelines issued by the SEBI or any other regulatory authority. In order to expedite the process and for effective resolution of grievances/complaints, the Committee has delegated powers to the Registrar and Share Transfer Agents i.e., M/s. Venture Capital and Corporate Investments Pvt. Ltd., to redress all complaints/ grievances/enquiries of the shareholders/investors. It redresses the grievances/ complaints of shareholders/ investors under the supervision of Company Secretary & Compliance Officer of the Company.

The Committee, along with the Registrars and Share Transfer Agents of the Company follows the policy of attending to the complaints, if any, within seven days from the date of its receipt.

As mandated by SEBI, the Quarterly Reconciliation of Share Capital Audit, highlighting the reconciliation of total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) vis-à-vis the total issued and listed capital is being carried out by a Practicing Company Secretary. This Audit confirms that the total issued and paid up capital is in agreement with the total number of shares held in physical and dematerialized form with NSDL and CDSL.

As on 31st March, 2022, 13,22,73,177 Equity Shares of ₹ 2/- each representing 99.43% of the total number of Shares are in dematerialized form.

As per Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') read with Section 124 of the Companies Act, 2013, intimations have been sent to shareholders concerned, requesting them to encash their unclaimed dividends failing which the unclaimed dividend and corresponding shares held by them shall be transferred to IEPF Authority.

As required under Section 124 of the Companies Act, 2013 read with the IEPF Rules as amended, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.

b) The composition of the Stakeholders Relationship Committee and the attendance of each Member of the said Committee

Name of the Director	Category	No. of meetings held during the year	No of meetings attended
Mr. Kata Chandrahas	Chairman	4	4
Mr. Vipin K. Singal	Member	4	4
Mr. K. K. Sarma	Member	4	4
Mr. G. V. Krishna Rau	Member	4	4
Ms.Kulsoom Noor Saifullah	Member	4	4
Dr. Lanka Krishnanand	Member	4	4
Mr. Kode Durga Prasad	Member	4	4

The Stakeholders Relationship Committee met four times during the previous year. The said committee met on the following dates:

21st May,2021	29th July,2021	28th October,2021	19th January,2022

Stakeholders Relationship Committee specifically look into various aspects of interest of shareholders, debenture holders (if any) and other security holders.

Ms. Sridevi Dasari, Company Secretary is appointed as the Compliance Officer of the Company.

The Board has authorised the Company Secretary, who is also the Compliance Officer, to approve share transfers/transmission and comply with other formalities in relation thereto.

All investor complaints, which cannot be settled at the level of the Compliance Officer, will be placed before the Committee for final settlement.

A total of 33 queries/complaints were received during the year and were totally resolved to the satisfaction of the shareholders. There were no complaints pending for redressel during the year under review. There were no pending transfers as on 31st March, 2022.

(D) Risk Management Committee

Your Company has in place a Risk Management Committee, constituted in accordance with Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 comprising of members in compliance of said regulations. The Committee performs its duties and discharges its responsibilities as per its terms of reference and directions if any, given by the Board from time to time.

a) Terms of reference

The terms of reference of the Risk Management Committee are as under:

Objective of the Risk Managment Policy

- To embed the management of risk as an integral part of our business processes;
- To establish an effective system of risk identification, analysis, evaluation and treatment within all areas and all levels of the Company;
- To avoid exposure to significant financial loss;
- To contribute to the achievement of the Company's objectives; and
- To assess the benefits and costs of implementation of available options and controls to manage risk.
- The primary function of the Risk Management Committee is to assist the Board to manage the risk appetite of the Company in order to promote a balanced business model and growth. The Committee oversees the identification of major areas of risk being faced by the Company, the development of strategies to manage those risks and reviews the risk management policies and their implementation.

Functions, Roles and Responsibilities of the Committee

- To approve structures, analyze risks and benefits, seek independent opinion with regard to structure or views.
- Assisting the Board in fulfilling its oversight responsibilities with regard to Enterprise Risk Management.
- Reviewing and approving risk related disclosures.
- Responsible for day to day oversight of risk management including identification, impact assessment, monitoring, mitigation and reporting.
- Formulation and implementation of risk management policies and procedures.
- Providing updates to the Board on enterprise risks and action taken.
- Ensure compliance with policies and procedures laid down by the Company for specific business units.
- Maintenance and development of a supportive culture, in relation to the management of risk appropriately embedded through procedures, training and leadership actions so that all employees are alert to the wider impact on the whole organisation of their actions and decisions.
- Advising Board on all high level risk matters.
- To review the effectiveness of the internal control system and risk management framework in relation to the achievement of business objectives.
- Reporting risk events and incidents in a timely manner.

b) The composition of the Risk Management Committee and the attendance of each Member of the said Committee

Name of the Director	Category	No. of meetings held during the year	No of meetings attended
Mr. Challa Srishant	Chairman	2	2
Mr. Vipin K. Singal	Member	2	2
Mr. K. Chandrahas	Member	2	2
Mr. K. K. Sarma	Member	2	2
Mr. B. Mohan Krishna	Member	2	2
Mr. G.V. Krishna Rau	Member	2	2
Ms. Kulsoom Noor Saifullah	Member	2	2
Ms. Challa Shantha Prasad	Member	2	2
Dr. Lanka Krishnanand	Member	2	2
Mr. Kode Durga Prasad	Member	2	2
Ms. Sridevi Dasari (Company Secretary)	Member	2	2
Mr. Praveen Jaipuriar (Chief Executive Officer)	Member	2	1
Mr. V. Lakshmi Narayana (Chief Financial Officer)	Member	2	2

The said committee met twice during the previous year on the following dates mentioned below:

28th October, 2021	24th March, 2022

Your Company recognises that enterprise risk management is an integral part of good management practice. The purpose of this policy is to articulate our approach and expectations in relation to the management of risk across the organisation. Risk Management is an essential element in achieving business goals and deriving benefits from market opportunities. All employees are responsible for managing risk in so far as is reasonably practicable within their area of activity.

(E) Corporate Social Responsibility Committee

The Company has in place a Corporate Social Responsibility Committee, constituted in accordance with Section 135 of the Companies Act, 2013, comprising of members in compliance of the said Act. The Committee performs its duties and discharges its responsibilities as per its terms of reference and directions if any, given by the Board from time to time.

Composition of the Corporate Social Responsibility Committee and attendance by each Member of the Committee

Name of the Director	Category	No. of meetings held during the year	No of meetings attended
Mr. Vipin K. Singal	Chairman	1	1
Mr. Kata Chandrahas	Member	1	1
Mr. K. K. Sarma	Member	1	1
Mr. B. Mohan Krishna	Member	1	1
Mr. Challa Srishant	Member	1	1
Mr. G.V. Krishna Rau	Member	1	1
Ms. Kulsoom Noor Saifullah	Member	1	1
Ms. Challa Shantha Prasad	Member	1	1
Dr. Lanka Krishnanand	Member	1	1
Mr. Kode Durga Prasad	Member	1	1

The said committee met once during the previous year on the following date mentioned below:

21st May, 2021

The terms of reference of the Corporate Social Responsibility Committee are as under:

i) formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013;

ii) recommend the amount of expenditure to be incurred on the activities referred to in clause (i) above; and

iii) monitor the Corporate Social Responsibility Policy of the company from time to time.

Corporate Social Responsibility Policy

The Company has adopted Corporate Social Responsibility Policy containing the activities to be undertaken by the Company as part of its CSR programs. The CSR policy is disclosed on the website of the Company www.cclproducts.com.

(4) Remuneration of Directors

(a) All pecuniary relationship or transactions of the non-executive directors

Non-Executive Directors including Independent Directors are entitled to sitting fee for the Board and Committee meetings attended by them and Commission not exceeding 1% of of the net profits of your Company computed in the manner laid down in Section 198 of the Companies Act, 2013, which is approved by the shareholders.

(b) Criteria of making payments to non-executive directors

Keeping in view the size, scale and complexity of the Company's operations and the level of involvement of the non-executive directors in the supervision and control of your Company and their guidance for the growth of the Company as members of the Board and also as Chairman or Members of the relevant Committees of the Board, the Board and Shareholders decided that such remuneration/commission should be commensurate with their roles which have undergone significant qualitative changes.

(c) Disclosures with respect to remuneration (in addition to disclosures required under the Companies Act, 2013):

(i) All elements of remuneration package of individual directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc for the FY 2021-22:

Name of the Non-Executive Director	Sitting Fees Paid for FY 2021-22 in ₹	Commission for the year 2021-22 in ₹
Mr. Vipin K. Singal	2,65,000	12,00,000
Mr. Kata Chandrahas	2,40,000	12,00,000
Mr. K.K. Sarma	2,50,000	12,00,000
Mr. G.V. Krishna Rau	2,65,000	12,00,000
Mr. K. V. Chowdary	1,65,000	12,00,000
Ms. Kulsoom Noor Saifullah	2,40,000	12,00,000
Ms. Challa Shantha Prasad	1,50,000	12,00,000
Dr. Lanka Krishnanand	2,25,000	12,00,000
Mr. Kode Durga Prasad	2,65,000	12,00,000

Details of salary, commission and other benefits to Executive Directors

Name of the Executive Director	Salary Paid	Perquisites and allowances	Commission as % of profit
Mr. Challa Rajendra Prasad	4,20,00,000	--	--
Mr. Challa Srishant	3,60,00,000	--	2,83,00,000
Mr. B. Mohan Krishna	3,00,00,000	--	1,82,00,000

(ii) Details of fixed component and performance linked incentives, along with the performance criteria: No Director is paid any fixed component nor performance linked incentives.

(iii) Service contracts, notice period, severance fees: A separate contract of employment was entered with each of the Executive Directors with terms and conditions of appointment as per the HR Policy of the Company and approved by the Board.

(iv) Stock option details, if any including issue at a discount as well as the period over which accrued and over which exercisable: The Company has not issued any stock options.

(5) General Body Meetings

Annual General Meetings (AGMs) for the financial year ended 31st March, 2021 and 31st March,2020 were held through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) mode and AGM for the financial year ended 31st March, 2019 was held at Sarojini Picture Palace situated at Duggirala, Guntur District- 522330, Andhra Pradesh and details regarding time and special resolutions passed in the respective AGMs are as tabled below:

Financial Year Ended	Date	Day	Time	Special Resolutions passed at the AGMs by the Shareholders
31st March, 2021	26.08.2021	Thursday	1.15 P.M	No Special Resolution was passed at the AGM
31st March, 2020	24.07.2020	Friday	3.00 P.M	1. Appointment of Mr. G.V. Krishna Rau to the office of Independent Director. 2. Re-appointment of Mr. Challa Rajendra Prasad to the office of Executive Chairman at a remuneration of ₹ 35,00,000/- along with other perquisites as per the Rules of the Company. 3. Increase of NRI holding in the Company.
31st March, 2019	07.08.2019	Wednesday	9.30 A.M	1. Appointment of Mr. Vipin K Singal to the office of Independent Director for a second term of 5 years. 2. Appointment of Mr. Kata Chandrahas to the office of Independent Director for a second term of 5 years. 3. Re-appointment of Mr. Challa Rajendra Prasad to the office of Executive Chairman at a remuneration of ₹ 35,00,000/- along with other perquisites as per the Rules of the Company. 4. Re-appointment of Mr. Challa Srishant to the office of Managing Director at a remuneration of ₹ 30,00,000/- per month along with other perquisites as per the Rules of the Company and commission which shall not exceed 4% of the net profits of the Company computed in terms of Section 197 & 198 of Companies Act, 2013. 5. Re-appointment of Mr. B. Mohan Krishna to the office of Director-Operations at a remuneration of ₹ 25,00,000/- per month along with other perquisites as per the Rules of the Company and commission which shall not exceed 3% of the net profits of the Company computed in terms of Section 197 & 198 of Companies Act, 2013.

Mr. M.B. Suneel, Practising Company Secretary, conducted the e-voting process (i.e., remote e voting and voting during the AGM) in connection with the AGM held on 26th August, 2021.

Mr. M.B. Suneel, Practising Company Secretary, conducted the e-voting process (i.e., remote e voting and voting during the AGM) in connection with the AGM held on 24th July, 2020

Mr. M.B. Suneel, Practising Company Secretary, conducted the e-voting process (i.e., remote e voting and the venue voting) in connection with the AGM held on 07th August, 2019.

No Special Resolution has been passed through postal ballot process during the FY 2021-22.

No Extraordinary General Meeting of the members was held in the financial year 2021-22. However, a National Company Law Tribunal convened meeting of equity shareholders was held on 10th April, 2021 at 11.00 A.M. for the purpose of approval of the Scheme of Amalgamation between CCL Beverages Private Limited (Transferor Company) and CCL Products (India) Limited (Transferee Company) and their respective shareholders and Creditors.

(6) Means of communication:

(a) Quarterly results:

The quarterly, half-yearly and annual results of the Company were published by your Company in the newspapers within 48 hours from the conclusion of the Board meeting.

Annual reports with audited financial statements are sent to the shareholders through permitted mode.

(b) Newspapers wherein results normally published:

The results are normally published by your Company in the newspapers (Financial Express) in English version, circulating in the whole of India and in regional newspaper (Andhra Prabha) in the vernacular language in all editions.

(c) Any website, where displayed:

The results are also displayed on your Company's website: www.cclproducts.com

(d) Whether it also displays official news releases:

Official press releases/ news are sent to the Stock Exchanges i.e. National Stock Exchange of India Limited and BSE Limited, where the shares of your Company were listed and the same are hosted on the website of your Company.

(e) Presentations made to institutional investors or to the analysts:

The presentations to institutional investors or to the analysts are covered in your Company's website and were intimated to the Stock Exchanges.

(7) General Shareholder Information

The 61st Annual General Meeting of your company will be held on 30th day of August, 2022 at 12:05 P.M. through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM"), for details, please refer to the Notice of the AGM.

•	Financial Calendar	:	1st of April, 2022 to 31st of March, 2023
•	Results for the quarter ending		
	30th June 2022	:	05th August, 2022
	30th September 2022	:	Fourth week of October, 2022
	31st December 2022	:	Fourth week of January, 2023
	31st March 2023	:	Second/Third week of May, 2023
•	Record date	:	26th August, 2022
•	Dividend Payment Date	:	On or before 09th September, 2022

- Listing on Stock Exchanges : 1) BSE Limited
  Phiroze Jeejeebhoy Towers, Dalal Street.
  MUMBAI -400001

  2) National Stock Exchange of India Limited.
  'EXCHANGE PLAZA' 5th Floor, Plot No. C/1,
  G-Block, Bandra-Kurla Complex, Bandra(E),
  MUMBAI - 400051

- **Stock Code**

Name of the Stock Exchange	**Stock Code**
Bombay Stock Exchange Limited	519600
National Stock Exchange of India Limited	CCL
ISIN No. for both NSDL and CDSL	INE421D01022

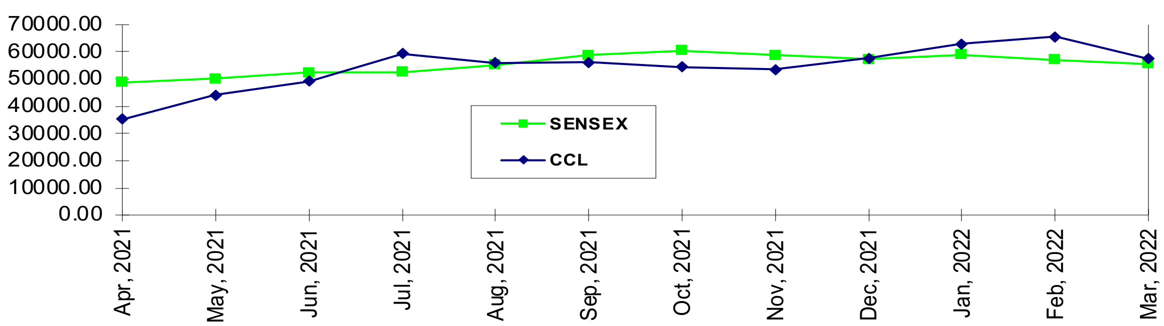
The Listing fees for the year 2022-23 has been paid to both the above Stock Exchanges.

Market Price Data

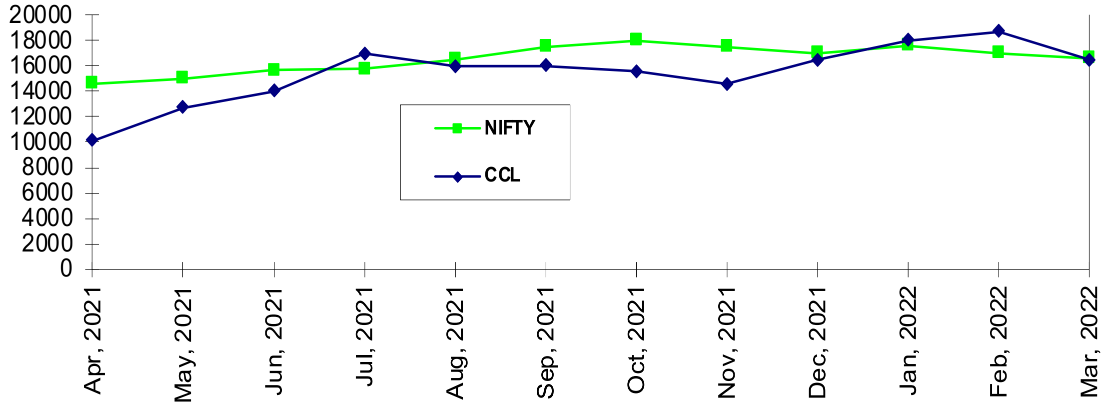
High, low during each month and trading volumes of your Company's Equity Shares during the last financial year 2021-22 at the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) are as under:

DATE	BSE			NSE		
	High	Low	Qty Traded	High	Low	Qty Traded
April, 2021	277.50	226.50	4,45,475	279.80	226.35	66,42,532
May, 2021	368.55	261.50	16,38,758	369.00	266.25	2,64,23,434
June, 2021	375.55	326.00	9,13,271	375.55	325.65	1,01,82,752
July, 2021	495.00	353.55	26,87,939	494.80	353.00	4,14,61,775
August,2021	442.75	357.65	7,97,237	441.80	356.80	1,48,69,886
September,2021	419.60	381.00	7,51,820	420.00	381.30	84,59,670
October, 2021	426.65	351.00	5,03,792	426.60	350.80	89,14,235
November,2021	416.00	349.00	3,49,423	417.00	310.00	60,28,081
December,2021	444.95	378.75	13,06,553	445.00	378.35	84,72,582
January, 2022	489.00	410.60	10,98,481	489.60	410.05	1,52,91,789
February, 2022	514.90	420.25	16,68,464	514.95	419.80	1,25,69,911
March, 2022	453.75	367.65	6,79,537	454.40	367.40	72,75,599

SHARE PERFORMANCE BSE



SHARE PERFORMANCE NSE



Distribution Schedule:

Distribution Schedule as on 31st March, 2022

S. No	Nominal Value	Amount in ₹	% to Total Capital	No. of Share Holders	% to Total Holders
1	Upto – 5000	20348950	7.65	66608	98.36
2	5001 – 10000	3603034	1.35	487	0.72
3	10001 – 20000	3936860	1.48	258	0.38
4	20001 – 30000	1933046	0.73	78	0.12
5	30001 – 40000	2181744	0.82	60	0.09
6	40001 – 50000	1135550	0.43	25	0.04
7	50001 – 100000	5697252	2.14	79	0.12
8	100001 and above	227219404	85.40	122	0.18
	TOTAL	**266055840**	**100**	**67717**	**100**

Categories of Shareholders as on 31st March, 2022:

S. No	Category of Shareholders	No. of Shares	Percentage
1	Promoter & Promoter Group	61540392	46.26
2	Mutual Funds	24678652	18.55
3	Alternate Investment Funds	1188256	0.89
4	Foreign Portfolio Investors	10899487	8.19
5	Bodies Corporate	1393899	1.05
6	Clearing Members	78395	0.06
7	Foreign Nationals	4930280	3.71
8	IEPF	242713	0.18
9	Trusts	5098	0
10	Resident Individuals	19601714	14.73
11	Non-Resident Individuals	8469034	6.3
	Total	**133027920**	**100**

- **Dematerialization of shares and liquidity:**

  The shares of the Company are under compulsory demat trading.The Company has made necessary arrangements with NSDL and CDSL for demat facility, 99.43% of the Company's Shares are dematerialised as on 31st March, 2022.

- Securities suspended from trading: Not applicable

- Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity

  The Company has not issued any GDRs/ADRs/warrants or any other convertible instruments.

- List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad- Your Company does not have any debt instruments or fixed deposit programme or any scheme or proposal involving mobilization of funds. However, we have obtained credit rating report from 'India Ratings & Research' to share with Company's bankers, who have extended working capital and term loan facility.

• Plant Location	:	1. Duggirala, Guntur Dist Andhra Pradesh - 522 330 Ph: 08644-277294 / 277296 Fax: 08644-277295
	:	2. SEZ – Kuvvakolli Village Varadaiah Palem Mandal Tirupati District - 517 645 Andhra Pradesh
	:	3. Survey No. 269, 271 and 272, Sullurpeta - B.N. Kandriga Road Kuvvakolli Village Varadaiah Palem Mandal Tirupati District - 517 645 Andhra Pradesh
	:	3. Continental Coffee S.A Z.I Glaciere 3, CH2126, Les Verrierieres Switzerland
	:	4. Ngon Coffee Company Limited Cu Kuin Industrial Complex, Cu Kuin District, Dak lak Province, Vietnam.
• Address for Correspondence & any query on Annual Report	:	The Company Secretary CCL Products (India) Ltd 7-1-24/2/D, Greendale Ameerpet, Hyderabad 500 016 Ph: 040 23730855 Fax: 04023732499 Email: investors@continental.coffee Website: www.cclproducts.com

• Registrar and Transfer Agents	:	Venture Capital and Corporate Investments Pvt Ltd 12-10-167, Bharat Nagar, Hyderabad - 500 018, T.S, India E-mail: info@vccipl.com
Contact Person	:	Mr. E S K Prasad, Chief Executive Ph: 040 23818475 / 76 Telefax: 040 23868024

• Share Transfer System: The Share transfers are effected within 15 days from the date of lodgment for transfer, transmission sub-division, Consolidation, renewal etc., if the documents are in order in all respects, in line with Schedule VII to the Listing Regulations and such modified share Certificates are delivered to the shareholders immediately.

(a) Transfer of unpaid/unclaimed to Investor Education & Protection Fund : Members are requested to claim any unclaimed dividend amounts for the year 2014-15, as the same will credited to Investor Education and Protection Fund (IEPF) pursuant to Section 124(5) of the Companies Act, 2013 read with the rules prescribed thereunder.

(b) Compliance Certificate: Certificate from M/s P S Rao & Associates, Company Secretaries, confirming compliance with the conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 is annexed to the Directors' Report and forms part of this 61st Annual Report.

(c) Secretarial Audit

a) M/s P S Rao & Associates, Practising Company Secretaries have conducted a Secretarial Audit of the Company for the year 2021-22. Their Audit Report confirms that the Company has complied with the applicable provisions of the Companies Act and the Rules made there under, SEBI Listing Regulations and other laws applicable to the Company. The Secretarial Audit Report forms part of this Annual Report.

b) Pursuant to Regulation 40(9) of the SEBI Listing Regulations, certificates have been issued on a half-yearly basis, by M/s P S Rao & Associates, Practicing Company Secretaries, certifying due compliance of share transfer formalities by the Company.

c) M/s P S Rao & Associates, Practising Company Secretaries carry out a quarterly Reconciliation of Share Capital Audit, to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and the total issued and listed capital. The audit confirms that the total issued/ paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

(8) Other Disclosures

a. The particulars of transactions between your Company and its related parties are set out at Notes to financial statements. However these transactions are not likely to have any conflict with the Company's interest.

The Policy on materiality of Related Party Transactions and on dealings with Related Party Transactions as approved by the Board is uploaded on the website of your Company and the weblink is https://www.cclproducts.com/wp-content/uploads/2021/07/policy-on-related-party-transactions.pdf

b. There are no non-compliances in the last three years by your Company on any matter related to Capital Market and there were no penalties imposed nor strictures passed on your Company by any Stock Exchange, SEBI or any other Statutory Authority in relation thereto, during the year.

c. The Whistle Blower (Vigil) mechanism provides a channel to the employees to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of Conduct or policy and also provides for adequate safeguards against victimization of employees by giving them direct access to the Chairman of the Audit Committee in exceptional cases. No person has been denied access to the Chairman of the Audit Committee.

The Policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of Company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of your Company is affected and formally reported by whistle blowers concerning its employees. The Whistle Blower Policy of your Company is available on the website of your Company which may be accessed at https://www.cclproducts.com/wp-content/uploads/2021/07/whistle-blower-policy.pdf.

d. The Company has complied with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has also adopted the discretionary requirements as specified in Part E of Schedule II of the Regulations and the same may be referred at point no. 10 hereunder.

e. Continental Coffee Private Limited and Ngon Coffee Company Limited qualify as Material Non-Listed Subsidiaries of your Company in terms of SEBI Listing Regulations. However, in view of explanation provided at Regulation 24 to said Regulation, your Company is not required to appoint any Independent Director on the Board of Continental Coffee Private Limited. Further, Mr. Vipin K Singal has been appointed as Director on the Board of M/s. Ngon Coffee Company Limited.

f The Policy on Material Subsidiaries as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as approved by the Board is available on the website of your Company which may be accessed at https://www.cclproducts.com/wp-content/uploads/2021/07/policy-on-related-party-transactions.pdf

g. Disclosure of commodity price risks and commodity hedging activities- We have started availing EPC (Export Packing in Rupee) against which we have taken forward cover partly (USD 26.25mn) and balance is being covered under natural hedging.

h. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)- Not Applicable

i. A certificate from M/s P.S. Rao & Associates, Company Secretaries in practice has been obtained to the effect that none of the directors on the board of the company has been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority has been enclosed as separately to this report.

j. Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year-

k. There were no such instances during the year where the recommendations of any of the Committees were not accepted by the Board. The Board considered and accepted the recommendations of all the Committees.

l. 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- ₹ 15,90,000/-

m. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

n. Your Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace as per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. The policy aims to provide protection to Employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where Employees feel secure. The Company has also constituted an Internal Committee, known as Anti Sexual Harassment Committee to address the concerns and complaints of sexual harassment and to recommend appropriate action. Your Company has not received any complaint on sexual harassment during the year.

p. Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount'

Continental Coffee Private Limited

Nature of Interest: 1. Wholly Owned Subsidiary
2. Common Directors

Amount of Loans and Advances outstanding at the end of the year: ₹ 17.93 Crores (Including interest of ₹1.43 Crores)

Save and except the aforesaid, neither the Company nor any of its subsidiaries has given any loan / advance in the nature of loans to firms/companies in which directors are interested.

(9) Non-compliance of any requirement of corporate governance report, with reasons thereof:

All the corporate governance requirements are complied with

(10) The extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted:

Discretionary Requirements:

Your Company has adopted / complied with the discretionary requirements specified in Part E of Schedule II as detailed below:

i. The Board:

Maintenance of Office to the Non-executive Chairperson at the Company's expense: This is not applicable as the Chairperson of the Company is an Executive Director.

ii. Shareholders' rights:

All the quarterly financial results are placed on the Company's Website: www.cclproducts.com, apart from publishing the same in the Newspapers also submitting to BSE and NSE.

iii. Modified opinion(s) in audit report:

There are no modified opinions in the Audit Reports.

iv. Separate Posts of Chairman and the Managing Director or the CEO:

The Office of (i) Chairman (ii) Managing Direcrtor and that of (iii) CEO are held by different persons.

v. Reporting of internal auditor:

The Internal auditor reports to the Chairman of the Audit Committee directly.

(11) Disclosures of compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 are as follows:

Regulation	Particulars of regulations	Compliance status (Yes/No)
17	Board of directors	Yes
18	Audit committee	Yes
19	Nomination and Remuneration committee	Yes
20	Stakeholders Relationship committee	Yes
21	Risk Management committee	Yes
22	Vigil mechanism	Yes
23	Related party transactions	Yes
24	Corporate Governance requirements with respect to Subsidiary of listed entity	Yes
25	Obligations with respect to Independent directors	Yes
26	Obligation with respect to Directors and Senior Management	Yes
27	Other Corporate Governance requirements	Yes
46(2) (b) to (i)	Website	Yes

(12) Code of Conduct

Your Company has in place a comprehensive Code of Conduct (the Code), pursuant to Regulation 17(5) of Listing Regulations, applicable to all the senior management personnel and directors including independent directors to such extent as may be applicable to them depending on their roles and responsibilities. The Code covers duties of independent directors and also gives guidance and support needed for ethical conduct of business and compliance of law.

Further a policy on obligation of directors and senior management personnel for disclosure of committee positions and commercial transitions pursuant to Regulation 26(2) (5) and (6) of Listing Regulation is in place.

All the Directors and senior management confirmed the compliance of code of conduct. The Company has posted the Code of Conduct for Directors and Senior Management on the website and the weblink is https://www.cclproducts.com/wp-content/uploads/2021/07/code-of-conduct.pdf

Declaration on compliance with Code of Conduct is annexed.

• Meeting of Independent Directors

During the year under review, the Independent Directors met on 24th March, 2022, inter alia, to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

- Policy for determining materiality of an event or information and for making disclosures to Stock Exchanges:

As required under Regulation 30 of the Listing Regulations, the Board of directors of the Company approved the Policy for determining materiality of an event or information and for making disclosures to Stock Exchanges effective from 1st December, 2015 and has been hosted on the website of the Company at the following link: https://www.cclproducts.com/wp-content/uploads/2021/07/Policy-on-determination-of-materiality-of-events-or-information.pdf

- Preservation of Documents:

  The Company adopted the policy on preservation of documents in accordance with the Regulation 9 of the Listing Regulations, which was placed on the Website of the Company at https://www.cclproducts.com/wp-content/uploads/2021/07/Policy-on-preservation-of-documents.pdf

- Corporate governance requirements with reference to Subsidiary Companies:

  Mr. Vipin K Singal has been appointed as Director on the Board of M/s. Ngon Coffee Company Limited, material non-listed subsidiary company.

- **Prohibition of Insider trading:**

  In compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time) and to preserve the confidentiality and prevent misuse of unpublished price sensitive information, the Company has adopted a Code of Conduct for regulating, monitoring and reporting of trading by insiders. This Code also provides for periodical disclosures from the designated Persons and their immediate Relatives as well as pre-clearance of transactions by such persons as per the thresholds mentioned in the code

  The code is applicable to designated persons and their immediate relatives who are likely or may reasonably be expected to have access to the unpublished price sensitive information relating to the Company and the same is being implemented as a self-regulatory mechanism.

- Compliance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to mandatory requirements and Auditors Certificate on Corporate Governance: As required under SEBI Listing Regulations, the Auditor's Certificate on compliance of the Corporate Governance norms is attached.

- Particulars about Directors proposed for appointment as well as the Directors who retire by rotation and are eligible for re-appointment indicating their shareholding in the Company have been given in the annexure attached to the Notice of the Annual General Meeting.

- The Chief Executive Officer and the Chief Financial Officer have certified to the Board in accordance with Regulation 33(2)(a) of SEBI Listing Regulations pertaining to CEO/CFO certification for the Financial Year ended 31st March, 2022 and the same is annexed herewith.

  Disclosures with respect to demat suspense account/ unclaimed suspense account: Not Applicable

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH COMPANY'S CODE OF CONDUCT

In terms of SEBI (LODR) Regulations, 2015, I hereby confirm that all the Board members and Senior Management Personnel of the Company have affirmed compliance with the respective Codes of Conduct, as applicable to them for the year ended 31st March, 2022.

For **CCL Products (India) Limited**

Sd/-

Praveen Jaipuriar

Chief Executive Officer

Place: Hyderabad

Date: 05th August, 2022

CEO/CFO Certification

We, Praveen Jaipuriar, Chief Executive Officer and Lakshmi Narayana Vuduta, Chief Financial Officer, to the best of our knowledge and belief, certify that:

a. We have reviewed the financial statements including cash flow statement (standalone and consolidated) for the financial year ended 31st March, 2022 and to the best of our knowledge and belief :

   i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii. these statement together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.

c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to address these deficiencies.

d. We have indicated to the auditors and the Audit Committee:

   i. significant changes in the internal control over financial reporting during the year;

   ii. significant changes in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   iii. that there are no instances of significant fraud of which they have become aware of and involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **CCL Products (India) Limited**

Sd/-
Praveen Jaipuriar
Chief Executive Officer

For **CCL Products (India) Limited**

Sd/-
Lakshmi Narayana Vuduta
Chief Financial Officer
M. No. 028499

Place: Hyderabad
Date : 05th August, 2022

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members,
CCL Products (India) Limited

We have examined the compliance of conditions of Corporate Governance by CCL Products (India) Limited ('the Company') for the year ended 31st March, 2022 as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15 (2) of the Listing Regulations.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

We further 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 **P.S.Rao & Associates**
Company Secretaries

Sd/-
P S Rao
Partner
FCS No.: 10322
C.P. No.: 3829
UDIN: F010322D000749258

Place: Hyderabad
Date: 05th August, 2022

CERTIFICATE

(Pursuant to clause 10 of Part C of Schedule V of LODR)

In pursuance of sub clause (i) of clause 10 of Part C of Schedule V of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015; (LODR) in respect of CCL Products (India) Limited, having CIN: L15110AP1961PLC000874), we hereby certify that:

On the basis of the written representation/declaration received from the directors and taken on record by the Board of Directors, as on 31st March, 2022, none of the directors on the Board of the company has been debarred or disqualified from being appointed or continuing as director of Companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority.

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

For **P.S.Rao & Associates**
Company Secretaries

Sd/-
P S Rao
Partner
FCS No.: 10322
C.P. No.: 3829
UDIN: F010322D000749258

Place: Hyderabad
Date: 05th August, 2022

BUSINESS RESPONSIBILITY REPORT
for the financial year 2021-22

[Pursuant to Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

S.No.	Particulars	Company Information
1	Corporate Identity Number (CIN) of the Company	L15110AP1961PLC000874
2	Name of the Company	CCL PRODUCTS (INDIA) LIMITED
3	Registered Office address	Duggirala, Guntur Dist. Andhra Pradesh- 522330, India
4	Website	www.cclproducts.com
5	E-mail id	investors@continental.coffee
6	Financial Year reported	01st April, 2021 to 31st March, 2022
7	Sectors that the Company is engaged in (industrial activity code wise)	NIC Code :10792 Description : Manufacturing of Instant Coffee and coffee related products
8	List three key products/services that the Company manufactures/provides (as in the Balancesheet)	The Company manufactures and markets a wide range of instant coffee products.
9	Total number of locations where business activity is undertaken by the Company	The Company has its Registered office situated at Guntur District, A.P. India. Its Corporate office is situated at Hyderabad, Telangana, India SEZ UNIT : Kuvvakolli Village, Varadaiahpalem, Tirupati District - 517 645, Andhra Pradesh, India.
9 (i)	Number of International Locations	Singapore,Vietnam and Switzerland
9 (ii)	Number of National Locations	Registered Office: Duggirala-522 330, Guntur District, Andhra Pradesh, India Corporate Office: 7-1-24/2/D,‘Greendale, Ameerpet, Hyderabad- 500 016, Telangana, India SEZ UNIT : Kuvvakolli Village, Varadaiahpalem, Tirupati District - 517 645, Andhra Pradesh, India. EOU UNIT II : Survey No. 269, 271 and 272, Sullurpeta - B.N. Kandriga Road, Kuvvakolli Village, Varadaiah Palem Mandal Tirupati District - 517 645, Andhra Pradesh, India.
10	Markets served by the Company – Local/State/National/International	The unit in Duggirala is an export oriented unit and in addition to serving Indian markets, CCL Products (India) Limited exported its products to over 90 Countries as on 31st March, 2022. The Company has a significant presence

SECTION B: FINANCIAL DETAILS OF THE COMPANY

S.No.	Particulars	Company Information
1	Paid up capital (INR)	₹ 26,60,55,840
2	Total Turnover (INR)	₹ 92,294.29 Lakhs
3	Total profit after taxes (INR)	₹ 12,719.92 Lakhs
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	During the financial year 2021- 22, CCL has incurred expenditure for an amount of ₹ 4.92 Crores which is more than 2% of PAT of average 3 preceding years.
5	List of activities in which expenditure in 4 above has been incurred:-	The Company aims to undertake activities to reduce inequalities faced by socially and economically backward groups. Please refer the Annexure II of the Director's Report in this Annual Report 2021-22 for information on CSR activities. Some of the activities undertaken in this regard are as follows: (a) Elderly care and orphanages (b) Promotion of Education (c) Promotion of Health care activities (d) Housing to economically weaker sections (e) Enviornment Protection (f) Rural Development

SECTION C: OTHER DETAILS

S.No.	Particulars	Company Information
1	Company Subsidiaries/ Joint Ventures	Subsidiary Companies • Continental Coffee Private Limited • Jayanti Pte. Limited (Singapore) • Continental Coffee SA (Switzerland) • Ngon Coffee Company Limited (Vietnam)
2	Subsidiaries participating in company's Business Responsibility (BR) initiatives	CCL Products (India) Limited keeps all its subsidiaries informed about the Business Responsibility initiatives. It also encourages its subsidiaries to participate in such initiatives.
3	Other entities (e.g suppliers, distributors etc.) participating in Company's BR initiatives	Nil

SECTION D : BR INFORMATION

1. Details of Director/Directors responsible for BR

(a) Details of the Director/Directors responsible for implementation of the BR policy/policies

S. No.	Particulars	Company Information
1	DIN	00016035
2	Name	Mr. Challa Srishant
3	Designation	Managing Director

(b) Details of BR head

S. No.	Particulars	Company Information
1.	DIN	NA
2.	Name	Mr. Praveen Jaipuriar
3.	Designation	Chief Executive Officer
4.	Telephone number	+91 40 23732455
5.	E-mail ID	investors@continental.coffee

2. Principle-wise (as per NVGs) BR Policy/policies

The National Voluntary Guidelines on Social, Enviornmental and Economic Responsibilitiesof Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are as follows:

P1	Business should conduct and govern themselves with Ehics, Transparency and Accountability
P2	Business should provide goods and services that are safe and contribute to Sustainability throughout their life cycle
P3	Business should promote the well- being of all employees
P4	Business should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.
P5	Business should respect and promote human rights
P6	Business should respect, protect and make efforts to restore the enviornment
P7	Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8	Business should support inclusive growth and equitable development
P9	Business should engage with and provide value to their Customers and consumers in a responsible manner

Details of compliance (Y/N)

No.	Principle-wise Policies	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Yes. The policies are based on the'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' released by the Ministry of Corporate Affairs.								
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	https://www.cclproducts.com/wp-content/uploads/2021/07/csr-policy.pdf https://www.cclproducts.com/wp-content/uploads/2021/07/policy-on-related-party-transactions.pdf https://www.cclproducts.com/wp-content/uploads/2021/07/whistle-blower-policy.pdf https://www.cclproducts.com/wp-content/uploads/2021/07/risk-management-policy.pdf https://www.cclproducts.com/wp-content/uploads/2021/07/policy-on-material-subsidiary.pdf https://www.cclproducts.com/wp-content/uploads/2021/07/remuneration-policy.pdf https://www.cclproducts.com/wp-content/uploads/2021/07/code-of-conduct.pdf https://www.cclproducts.com/wp-content/uploads/2021/07/code-of-insider-trading.pdf https://www.cclproducts.com/wp-content/uploads/2021/07/Responsible-Sourcing-Policy.pdf https://www.cclproducts.com/wp-content/uploads/2021/07/Sustainability-Policy.pdf								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes, the policies have been communicated to all the internal and external stakeholders.								
8	Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y

9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Yes, any grievances or feedback to the policies can be sent to Compliance Officer of the Company at investors@continental.coffee
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The head of the respective departments are made responsible for effective implementation of the policies.

(a) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	
1	The company has not understood the Principles	**Not applicable**
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	
3	The company does not have financial or manpower resources available for the task	
4	It is planned to be done within next 6 months	
5	It is planned to be done within the next 1 year	
6	Any other reason (please specify)	

3. Business Responsibility (BR) Governance:

S. No.	Particulars	Company Informarion
3.a	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	The performance on aspects of BR is reviewed by the Company's Management on periodical basis and atleast twice a year put up to the Board.
3.b	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	The Company publishes the information on Business Responsibility which forms part of the Annual Report of the Company. The same will be disclosed on the website of the Company at www.cclproducts.com

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Business should conduct and govern themselves with Ehics, Transparency and Accountability

CCL Products (India) Limited lays a strong emphasis on ethical corporate citizenship and establishment of good corporate culture. It has always believed in adhering to the best governance practices to ensure protection of interests of all stakeholders of the Company in tandem with healthy growth of the Company. The Company has always discouraged practices that are abusive, corrupt, or anticompetitive.

Our philosophy is to conduct the business with high ethical standards in our dealings with all the stakeholders that include employees, customers, suppliers, government and the community.

The Company has a strong and effective Whistle blower Policy which aims to deter and detect actual or suspected misconduct. It has been established to ensure that genuine concerns of misconduct/ unlawful conduct, which an individual believes may be taking place within the organisation, are raised at an early stage in a responsible and confidential manner. This mechanism also provides for adequate safeguards against victimisation of employees who avail of the mechanism. Any employee may report such incident without fear to the Chairman of the Audit Committee or alternatively may report to the Compliance officer of the Company. The Policy on Vigil Mechanism may be accessed on the Company's website at https://www.cclproducts.com/wp-content/uploads/2021/07/whistle-blower-policy.pdf

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?
Yes

CCL Products (India) Limited is committed to act professionally, fairly and with integrity in all its dealings. The Company has established a 'Vigil Mechanism' for Directors and employees to report their genuine concerns or grievances about unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct. As an integral part of such Vigil Mechanism, the Whistle Blower Policy of CCL has been formulated with a view to empower the Directors and employees of CCL and / or its subsidiary companies, to detect and report any improper activity within the Company.

Further CCL has also adopted "Code of Conduct for Directors and Senior Management" which captures the behavioral and ethical standards.

The Company obtains an annual confirmation affirming compliance with the Code from the Directors, Key Managerial Persons and the senior management every year.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

	Pending as on 31-03-2021	Received during 2021-22	Redressed during 2021-22	Pending as on 31-03-2022
Customer Complaints	Nil	60	60	Nil
Investor Complaints	Nil	33	33	Nil
Consumer cases	Nil	Nil	Nil	Nil

Principle 2: Business should provide goods and services that are safe and contribute to Sustainability throughout their life cycle

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

Not Applicable

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):

(a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

Not Applicable

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Not Applicable

3. Does the company have procedures in place for sustainable sourcing (including transportation)? -Yes

(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

CCL's global supply chain is complex in nature which invlolves sourcing raw materials and services from different parts of the world and the Company brought responsible sourcing practices at all the stages of supply chain in place over a period of time inspite of socio-economic and cultual constraints across the countries for long term sustainability.

The Company had a responsible sourcing policy which was made applicable to all its suppliers and ensure that the hygiene working conditions, minimum wages and safety standards are followed by all the employees involved throughout its supply chain globally in strict adherence to the international labour policies.

95% of CCL's inputs are sourced sustainably.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? Yes

(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

CCL procures green coffee from small vendors of Karnataka, Andhra Pradesh, Tamil Nadu and Kerala. The Company source all the packaging material and other related products from local and small vendors since inception.

The assurance of sourcing from the Company led to the expansion of the vendors associated, and the company helped them with latest technology available globally for their development.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

CCL continuously strives for the betterment in its porcess of recycling the products and waste generated during the production process. Coffee is a product, where around 50% can be derived from the coffee beans for the productive usage and the rest 50% is in the form of solid waste. This solid waste generated, on drying up, has greater calorific value.

The ash that comes from the boilers will be supplied to brick manufacturers. The solid waste that was generated is being used as fuel to the boilers. The water after the process of extraction is supplied to the neighbouring farmers due to its organic nature which helps them to get better yield. More than 90% of the waste generated is being recycled.

Principle 3: Business should promote the well- being of all employees

We believe that our human capital is one of the most valuable resources to tap the perennial growth of business. Company's Code of Conduct provides guidelines for employee wellbeing related to participation, freedom, gender equality, good environment and harassment free workplace. A strong mechanism is established for deployment of guidelines and grievance redressing mechanism.

1. Please indicate the Total number of employees: 764 as on 31.03.2022.

2. Please indicate the Total number of employees hired on Temporary/Contractual/casual basis: 1863

3. Please indicate the Number of permanent women employees : 28

4. Please indicate the Number of permanent employees with disabilities: 1

5. Do you have an employee association that is recognized by management- No

6. What percentage of your permanent employees is members of this recognized employee association? NA

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.-

S.No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

(a)	Permanent Employees	100%
(b)	Permanent Women Employees	100%
(c)	Casual/Temporary/Contractual Employees	100%
(d)	Employees with Disabilities	100%

Principle 4: Business should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.

1. Has the company mapped its internal and external stakeholders? Yes

CCL has always acknowledged the vital contribution of all stakeholders such as employees, communities, suppliers, customers, regulatory bodies, industry associations, shareholders, academic institutes and media in building a sustainable business and has accorded importance to their voices and concerns.

The Company has carried out comprehensive stakeholder identification program. This allowed us to understand the needs and expectations of our stakeholders better.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders. Yes

The stakeholder engagement program is deployed by focusing on each identified stakeholder from various business divisions of the organisation. We are working towards betterment of communities in the vicinity of our manufacturing plants which are located in rural areas. We have identified stakeholders and we are working on projects for them.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

The Company sources some of its raw material from the farmers of Karnataka, Andhra Pradesh, Tamil Nadu and Kerala.

The packaging material is procured locally from small vendors.

The Company initiated several programs that include health, hygiene and nutrition development in school children, promoting girl child education, Swachh Bharat initiatives in the surrounding villages, medical camps and health centres, pure drinking water facilities in many villages.

Principle 5: Business should respect and promote human rights

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

CCL's Policies cover the guidelines on Human rights and it is applicable to all members of the CCL group. The members had given liberty to report any violations of the Code, or share their concerns confidentially through e-mail, complaint drop box and access to Committee members as per the various Committees under the Code of Conduct.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

The Company has not received any stakeholder complaints/queries in the past financial year.

Principle 6: Business should respect, protect and make efforts to restore the enviornment

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others.

CCL's Sustainability Policy extends to all the stakeholders the organization deals with, including suppliers, contractors, NGOs and others. We aim to propagate the principles of Sustainability throughout our Value chain and to all stakeholders

2. Does the company have Strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

Many facets of respecting and protecting environment are embedded in the company's operations as also its products. Consumption of fuel is very important for our boilers. We have got the fuel system redesigned so as to enable using this solid waste as fuel for boilers. This has not only resulted in substantial savings on fuel costs but also is environmental friendly as the ash content is very minimal. Thus, this effort of the company has not only served as a substitute for fossil fuel but also is an effective method for waste disposal.

The Company has been continuously saving considerable fuel cost for its boiler by using rice husk and recycled solid waste as fuel. An Electrostatic Precipitator (ESP) was installed to curb pollution from the boiler which enhance eco friendly operations at the Plant.

To minimise the environmental impacts of its products, the Company continuously improves products in terms of fuel efficiency, material use and recyclability

3. Does the company identify and assess Potential environmental risks?

Since there are no chemicals used in the production process and since processing is done with coffee beans and water, everything is organic in nature. Potential environmental risks are constantly being assessed as part of the company's risk management identification process. The Company regularly reviews its environmental risks and undertakes initiatives to mitigate them.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

Not Applicable

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

Not Applicable

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/ SPCB for the financial year being reported?

All emissions and waste generated by the Company are within the permissible limits given by CPCB/ SPCB in 2021-22

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

Nil

Principle 7: Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

(a) Coffee Board of India
(b) Export Promotion Council for EOUs and SEZs (EPCES)
(c) Federation of Indian Export Organization (FIEO)
(d) Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry (FTAPCCI)
(e) Indo American Chamber of Commerce (IACC)
(f) Indo German Chamber of Commerce (IGCC)
(g) National Coffee Association, USA (NCA)

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

The Company associated with above institutions with an intention of mutual learning and contribution in development of processes.

CCL has been instrumental in value addition for the instant coffee in global markets by promoting Indian coffee, working with many associations and also in making several representations to the Government through its officers for development of green coffee production in the State of Andhra Pradesh.

Principle 8: Business should support inclusive growth and equitable development

We at CCL believe that in order to have a growth and equitable development the company has to work in proper co ordination with its ecosystem. The Company also believes that social, environmental and economic values are interlinked and we belong to an Interdependent Ecosystem comprising Shareholders, Consumers, Associates, Employees, Government, Environment and Society. We are committed to ensure a positive impact of our existence on all these stakeholders. It’s our continuous endeavour to integrate sustainability considerations in all our business decisions.

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

The Company as part of its corporate social responsibillity involved in several programmes and projects that creates a better country for the furture generations. The details of several programmes undertaken by the Company are given in ‘Annexure II’of the Directors Report, which forms part of the Annual Report.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?

The aforesaid projects have been carried out by the Company directly and in consultantion with other organizations.

3. Have you done any impact assessment of your initiative?

Yes, the CSR committee internally performs an impact assessment of its initiatives at the end of each year to understand the efficacy of the programme in terms of delivery of desired benefits to the community and to gain insights for improving the design and delivery of future initiatives.

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

S.No	CSR Project	Expenditure
1	Elderly care and Orphanages	4,50,000
2	Promotion of Education	76,10,258
3	Promotion of Health care activities	1,01,25,526
4	Housing to economically weaker sections	2,81,74,491
5	Environment Protection	5,67,266
6	Rural Development	23,18,000
	TOTAL	**4,92,45,541**

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

CCL's CSR initiatives are rolled out directly or in partnership with nonprofit organisations. This helps in increasing reach as well as ensuring the adoption of initiative by communities. Project teams track the reach and take necessary steps to make it successful.

Principle 9: Business should engage with and provide value to their Customers and consumers in a responsible manner

All the customer complaints which were received in the reporting period have been resolved and there are no complaints or consumer cases pending as on the end of the financial year. There are no cases filed by any customer or consumer against the Company as at the end of financial year 2021-22. The Company displays all product information on the product label, which is mandatory and as may be required for the use of the products by the consumers. The Company shall never engage in any unfair trading practices, irresponsible advertising or anti-competitive behavior. The Company has various checks and balances to ensure that the business of the Company is done in a fair and responsible manner.

Information with reference to BRR framework:

No.	Questions	Information
9.1	What percentage of customer complaints/ consumer cases are pending as on the end of financial year.	Following is the status of customer complaints/ consumer cases as on the end of the financial year ended on 31st March, 2022: 1.Customer complaints- Nil 2.Consumer cases-Nil
9.2	Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. / Remarks(additional information)-Yes	CCL adheres to all the applicable regulations regarding product labeling and displays relevant information on it.
9.3	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.	No case filed by any stakeholder related to the afore mentioned subject is pending as at the end of financial year ended on 31st March, 2022.
9.4	Did your Company carry out any consumer survey/ consumer satisfaction trends?	The Company regularly carries out consumer satisfaction surveys continuously to understand their tastes and preferences and to develop better products.

For CCL Products (India) Limited

Sd/-
Challa Srishant
Managing Director
DIN: 00016035

Sd/-
B. Mohan Krishna
Executive Director
DIN: 03053172

Place: Hyderabad
Date : 05th August, 2022

INDEPENDENT AUDITOR'S REPORT

To the Members of CCL Products (India) Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of CCL PRODUCTS (INDIA) LTD.("the Company"), which comprise the Balance Sheet as at 31st March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 48 of the financial statements, which describes the extent to which the COVID-19 Pandemic will impact the Company's results which depend on future developments that are highly uncertain. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significant in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report

<table>
<tr><th>Key Audit Matter</th><th>Auditor's Response</th></tr>
<tr><td>Fair value assessment of trade receivables

Trade receivables comprise a significant portion of the liquid assets of the Company.

The trade receivables are mostly dues receivable from Government and allied Government agencies hence not impaired. There was no provision made on the trade receivable in the previous year. The most significant portion of the trade receivables less than one year comprises which are dues from Government and Government agencies hence not impaired. Accordingly, the estimation of the allowance for trade receivables is a significant judgment area and is therefore considered a key audit matter.</td><td><u>Principal Audit Procedures</u>

We assessed the validity of material long outstanding receivables which are Nil by reviewing the customer ledger during current year. We also considered payments received subsequent to year-end, and unusual patterns if any were reviewed to identify potentially impaired balances. The assessment of the appropriateness of the allowance for trade receivables comprised a variety of audit procedures across the Group including:
• Challenging the appropriateness and reasonableness of the assumptions applied in the directors' assessment of the receivables allowance;
• Consideration and concurrence of the agreed payment terms;
• Verification of receipts from trade receivables subsequent to year-end; and
• Considered the completeness and accuracy of the disclosures.
To address the risk of management bias, we evaluated the results of our procedures against audit procedures on other key balances to assess whether or not there was an indication of bias.
We were satisfied that the Company's trade receivables are fairly valued and no provision is deemed to be required against these receivables.</td></tr>
<tr><td>Revenue recognition
The Company applies judgment to determine whether each goods, software product or services promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised goods, software product or services are combined and accounted as a single performance obligation. The Company allocates the arrangement consideration to separately identifiable performance obligation deliverables based on their selling price determined in contract.

The accuracy and of revenue amounts recorded is an inherent industry risk

Disclosures relating revenue recognition are in Note 23.</td><td><u>Principal Audit Procedures</u>

Our audit procedures in respect of this area included:

We evaluated the effectiveness of key controls over the capture and measurement of revenue transactions across all material revenue streams Testing controls over software product sales including:

– documentation evidencing internal and third party physical inspection and confirmation of complete status;

We evaluated the adequacy of the disclosures included in Note 24.</td></tr>
</table>

Information Other than the Financial Statements and Auditor’s Report Thereon

The Company’s Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Directors Report and Corporate Governance Report but does not include the consolidated financial statements, standalone financial statements and our auditor’s report thereon. The Directors Report and Corporate Governance Report is expected to be made available to us after the date of this auditor’s report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Directors report and Corporate Governance Report if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with Governance.

Management’s Responsibility for the standalone financial Statements

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the IND AS and other accounting principles generally accepted in India. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company’s financial reporting process.

Auditor’s Responsibilities for the Audit of the standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act based on our audit, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

(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 are 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".

(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 or provided 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 Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

    i. The Company does not have any pending litigations which would impact the standalone financial statements;

    ii. The Company did not have any long-term contracts including derivative contracts for which there are 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 (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures 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), as provided under (a) and (b) above, contain any material misstatement

v. As stated in Note 42 to the standalone financial statements:

(a) the dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

(b) The Board of Directors of the Company have proposed dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

2. As required by the Companies (Auditor's Report) Order, 2020, ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in "Annexure- B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Ramanatham & Rao
Chartered accountants
Firm Registration No.002934S

(K. Sreenivasan)
Partner
ICAI Membership No. 206421
UDIN: 22206421AJQJCV5778

Place : Hyderabad
Date : 26^{th} May, 2022

Annexure - A to the Independent Auditors' Report

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

Report on the Internal Financial Controls Over Financial Reporting 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 **CCL PRODUCTS (INDIA) Limited** ("the Company") as of 31 March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 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 Ramanatham & Rao
Chartered accountants
Firm Registration No.002934S

(K. Sreenivasan)
Partner
ICAI Membership No. 206421
UDIN: 22206421AJQJCV5778

Place : Hyderabad
Date : 26th May, 2022

Annexure – B to the Independent Auditors' Report

With reference to Paragraph 2 under 'Report on Other Legal Regulatory Requirements' section of our report to the Members of the Company, we report that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us and the records of the company examined by us, the property, plant and equipment have been physically verified by the management in a periodical manner, which in our opinion is reasonable, having regard to the size of the Company and the nature of its business. No material discrepancies were noticed on such physical verification.

(c) Based on our examination of registered sale deeds and other documents, the title deeds of all the immovable properties disclosed in the financial statements are held in the name of the Company

(d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

ii. (a) The inventory has been physically verified by the management during the year. In our opinion, the coverage, frequency and procedure of such verification is reasonable and adequate in relation to the size of the Company and the nature of its business. The discrepancies noticed on verification between the physical stocks and the book records were not exceeding 10% in the aggregate for each class of inventory and have been properly dealt within the books of account.

(b) The Company is sanctioned working capital limits in excess of ₹ 5 Crore from banks on the basis of security of current assets. Further, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.

iii. The Company has granted in the nature of loans to the subsidiary company and the details of which are given as follows:

S No	To Whom	Balance outstanding as at Balance Sheet date* (Rupees in lakhs)	Nature of the Trasaction
1	Continental Coffee Private Limited	1650.00	Short Term Loan

*The amounts reported are at gross amount, without considering provision made

(b) The investments made, guarantees provided, security given and the terms and conditions of the grant of all the above-mentioned loans and advances in the nature of loans and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans granted or advances in the nature of loans provided by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.

(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) No loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue 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 not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.

iv. 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. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. We have broadly reviewed the cost records maintained by the Company as prescribed under subsection (1) of section 148 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

According to the information and explanations given to us, there are no material dues of income tax or sales tax or service tax or Goods and Services Tax or duty of customs or duty of excise or value added tax which have not been deposited by the company on account of dispute, except for the following:

S No	Name of the Statute	Nature of Dues	Amount in Lakhs	Period	Forum Where dispute is pending
1	The Income Tax Act, 1961	Income Tax	3539.48 (2883.28 deposited under protest)	Assessment years from 2006-07 to 2013-14	A P High Court
2	The Income Tax Act, 1961	Income Tax	160.58	Assessment years from 2011-12 to 2012-13	CIT(Appeals), Guntur
3	The Income Tax Act, 1961	Income Tax	357.31	Assessment years from 2016-17 to 2017-18	CIT(Appeals), Guntur
4	Service Tax Act	Service Tax	995.92	Financial year from 2013-14 to 2017-18	CESTAT
5	Sales Tax Act	Central Sales Tax	47.15	Financial year from 2015-16	Sales Tax Appeal, Tirupati
6	Sales Tax Act,	Central Sales Tax	104.79	Assessment years from 2016-17	Sales Tax Appeal, Tirupati

vii. 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.

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 material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

b) As per the information and explanations given to us and based on records examined by us there were no undisputed amounts outstanding amounts referred in sub-clause (a) above and hence clause 3(vii)(b) of the order is not applicable.

viii. There were no transactions relating to previously unrecorded income that 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 defaulted in repayment of loans taken from the banks. The Company has not taken loans from financial institutions and Government.

b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.

f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiary.

x. a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(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 3(x)(b) of the Order is not applicable.

xi. a) No fraud by the Company and no material fraud on the Company 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 in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable 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 for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

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. On the basis of the financial ratios, ageing and expected dates of realisation 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. a) There is no amount to be spent for other than ongoing projects towards Corporate Social Responsibility (CSR). Hence, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

b) The Company does not have ongoing projects relating to CSR. Hence reporting under clause 3(xx)(b) of the Order is not applicable.

For Ramanatham & Rao
Chartered accountants
Firm Registration No.002934S

(K. Sreenivasan)
Partner
ICAI Membership No. 206421
UDIN: 22206421AJQJCV5778

Place : Hyderabad
Date : 26th May, 2022

STANDALONE BALANCE SHEET (₹ in Lakhs)

Particulars	Note No.	As at 31st March 2022	As at 31st March 2021
ASSETS			
Non-current assets			
Property plant and Equipment	2.1	65645.31	66166.07
Capital Work Inprogress	2.1.1	14665.64	7789.97
Intangible assets	2.2	0.82	0.82
Financial assets			
Investments	2.3	15709.78	15710.78
Other financial assets	2.4	585.34	510.33
Other non current assets	2.5	2883.28	4335.20
		99490.17	**94513.17**
Current assets			
Inventories	2.6	41862.54	24962.99
Financial assets			
Trade receivables	2.7	12036.15	13663.07
Cash and cash equivalent	2.8	1949.93	6879.55
Other financial assets	2.4	1978.14	2208.28
Other current assets	2.5	4233.98	4351.91
		62060.74	**52065.81**
TOTAL ASSETS		**161550.91**	**146578.99**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	2.9	2660.56	2660.56
Other Equity	2.10	96675.24	90177.63
		99335.80	**92838.19**
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	2.11	11172.10	13191.07
Other Financial Liability	2.15	57.19	486.28
Provisions	2.16	-	65.95
Deferred tax liabilities (net)	2.12	7296.73	4973.16
		18526.02	**18716.45**
Current liabilities			
Financial Liabilities			
Borrowings	2.11	27982.81	19150.47
Trade payables			
(a) Total outstanding dues of Micro and Small Enterprises	2.14	181.89	209.48
(b) Total outstanding dues of creditors other than Micro and Small Enterprises	2.14	3098.37	1543.40
Other financial liabilities	2.15	11441.78	11015.76
Other current liabilities	2.13	361.37	3075.15
Provisions	2.16	622.87	30.09
		43689.09	35024.35
TOTAL EQUITY AND LIABILITIES		**161550.91**	**146578.99**

The accompanying Significant accouting policies and notes form an integral part of the Standalone financial statements.

As per our report of even date
For RAMANATHAM & RAO
Chartered Accountants

Sd/-
K.SREENIVASAN
Partner
M.No.206421

Place : Hyderabad
Date : 26th May, 2022

By order of the Board

Sd/-
V.Lakshmi Narayana
Chief Financial Officer
M. No. 028499

Sd/-
Kata Chandrahas
Director
DIN : 02994302

Sd/-
Challa Rajendra Prasad
Executive Chairman
DIN : 00702292

Sd/-
Praveen Jaipuriar
Chief Executive Officer

Sd/-
Sridevi Dasari
Company Secretary
M.No. A29897

Sd/-
Challa Srishant
Managing Director
DIN : 00016035

STANDALONE STATEMENT OF PROFIT AND LOSS

(₹ in Lakhs)

Particulars	Note No.	For the year ended 31st March 2022	For the year ended 31st March 2021
Income			
Revenue from operations	2.17	92294.29	79507.07
Other income	2.18	3127.95	6650.11
Total Revenue		**95422.24**	**86157.18**
Expenses			
Cost of materials consumed	2.19	49691.89	34419.69
Changes in inventories	2.20	(5488.83)	1318.71
Employee benefits expense	2.21	5864.40	5251.79
Finance costs	2.22	1379.83	1572.11
Depreciation and amortization expense	2.1 & 2.2	3077.33	2702.32
Other expenses	2.23	22528.66	19850.56
Total Expenses		**77053.27**	**65115.17**
Profit before tax		**18368.97**	**21042.01**
Tax expense			
(1) Current tax		3868.69	4897.37
(2) Deferred tax		1780.37	275.69
Profit for the year		**12719.92**	**15868.95**
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss		-	-
Tax on items that will not be reclassified to profit or loss		-	-
		-	-
Items that will be reclassified to profit or loss:			
Items that may be reclassified subsequently to profit or loss		429.09	388.40
Tax on items that will be reclassified subsequently to profit or loss		-	-
		429.09	388.40
Total other comprehensive income/(loss) for the year, net of tax		429.09	388.40
Total comprehensive income for the year		**13149.01**	**16257.35**
Earnings per share: (in Rupees)			
Basic earnings per share of ₹ 2/-each		9.56	11.93
Diluted earnings per share of ₹ 2/- each		9.56	11.93

The accompanying Significant accouting policies and notes form an integral part of the Standalone financial statements.

As per our report of even date
For RAMANATHAM & RAO
Chartered Accountants

By order of the Board

Sd/-
K.SREENIVASAN
Partner
M.No.206421

Place : Hyderabad
Date : 26th May, 2022

Sd/-
V.Lakshmi Narayana
Chief Financial Officer
M. No. 028499

Sd/-
Praveen Jaipuriar
Chief Executive Officer

Sd/-
Kata Chandrahas
Director
DIN : 02994302

Sd/-
Sridevi Dasari
Company Secretary
M.No. A29897

Sd/-
Challa Rajendra Prasad
Executive Chairman
DIN : 00702292

Sd/-
Challa Srishant
Managing Director
DIN : 00016035

Statement of changes in equity

Statement of changes in equity for the period ended 31.03.2022

Equity share capital	Opening balance as at 1 Apr 2021	Changes in equity share capital during the year	Closing balance as at 31 Mar 2022
13,30,27,920 Equity Shares of ₹ 2 each, fully paid up	266055840	-	266055840
	266055840		**266055840**

Equity share capital	Opening balance as at 1 Apr 2020	Changes in equity share capital during the year	Closing balance as at 31 Mar 2021
13,30,27,920 Equity Shares of ₹ 2 each, fully paid up	266055840	-	26605840
	266055840	**-**	**266055840**

(₹ in Lakhs)

Particulars	Retained Earnings	General Reserve	FCTR	Actuarial Gains or Losses	Derivative at Fair Value	Total Equity
Balance as at 1/4/2021	61991.82	28820.70	-	(148.60)	(486.28)	90177.63
Profit for the year	12719.92	-	-	-	-	12719.92
Additions during the year	-	-	-	-	-	-
Dividend paid	(6651.40)	-	-	-	-	(6651.40)
Amount transfer to general reserve	-	-	-	-	-	-
Net change in fair value of FVTPL investments and others	-	-	-	-	-	-
Measurement of derivatives at fair value	-	-	-	-	429.09	429.09
Actuarial gain/(loss) on post-employment benefit obligations, net of tax benefit	-	-	-	-	-	-
Balance as at 31/03/2022	**68060.34**	**28820.70**	**-**	**(148.60)**	**(57.19)**	**96675.24**

Particulars	Retained Earnings	General Reserve	FCTR	Actuarial Gains or Losses	Derivative at Fair Value	Total Equity
Balance as at 1/4/2020	48783.43	28820.70	-	(148.60)	(874.68)	76580.84
Profit for the year	15868.95	-	-	-	-	15868.95
Additions during the year	-	-	-	-	-	-
Dividend paid	(2660.56)	-	-	-	-	(2660.56)
Amount transfer to general reserve	-	-	-	-	-	-
Net change in fair value of FVTPL investments and others	-	-	-	-	-	-
Measurement of derivatives at fair value	-	-	-	-	388.40	388.40
Actuarial gain/(loss) on post-employment benefit obligations, net of tax benefit	-	-	-	-	-	-
Balance as at 31/03/2021	**61991.82**	**28820.70**	**-**	**(148.60)**	**(486.28)**	**90177.63**

STANDALONE STATEMENT OF CASH FLOWS

(₹ in Lakhs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Cash Flows from Operating Activities		
Net profit before tax	**18368.97**	**21042.01**
Adjustments for :		
Depreciation and amortization expenses	3077.33	2702.32
Provision for expenses and expected credit loss	(58.23)	106.76
Dividend Income	(2634.30)	(6217.95)
Gain on sale of preference shares	-	(42.77)
(profit)/loss on sale of Assets	(2.47)	-
Operating profit before working capital changes	**18751.31**	**17590.36**
Movements in Working Capital		
(Increase)/Decrease in Trade Receivables	1685.15	7892.01
(Increase)/Decrease in Other financial assets	155.13	24.34
(Increase)/Decrease in Inventories	(16899.54)	(6208.88)
(Increase)/Decrease in Other Current Assets	(94.47)	(1065.09)
(Increase)/Decrease in Other Non Current Assets	1451.92	(85.25)
Increase/(Decrease) in Trade Payables	1527.39	(147.63)
Increase/(Decrease) in Other financial liabilities	(98.09)	1105.03
Increase/(Decrease) in Other Current liabilities	(1612.44)	(2606.57)
Changes in Working Capital	**(13884.95)**	**(1092.03)**
Cash generated from operations	**4866.36**	**16498.33**
Direct Taxes Paid	(3900.00)	(2521.20)
Net Cash from operating activities	**966.36**	**13977.14**
Cash flows from Investing Activities		
Purchase of Property, plant and equipment (Including CWIP) and Adv for Capital Goods	(9220.43)	(9581.84)
Sale proceeds from sale of shares	-	190.68
Dividend Income	2634.30	6217.95
Net Cash From/ (Used In) Investing Activities	**(6586.13)**	**(3173.21)**
Cash flows from Financing Activities		
Proceeds from/ (Repayment of) Long term borrowings	(1494.86)	(7972.22)
Proceeds from/(Repayment of) Short-term borrowings	8832.34	4880.33
Dividend and corporate dividend tax paid	(6651.40)	(2660.56)
Net Cash From/ (Used In) Financing Activities	**686.09**	**(5752.45)**
Net Increase/(Decrease) in cash and cash equivalents	**(4933.68)**	**5051.48**
Cash and Cash equivalents at the beginning of the year	6792.15	1740.67
Cash and Cash equivalents at the ending of the year	**1858.46**	**6792.15**

Cash and Cash Equivalents include the following for Cash flow purpose

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Cash and Cash Equivalents/ Bank Balances	**1949.93**	**6879.55**
Less: Unclaim dividend	91.47	87.40
Cash and Cash Equivalents/ Bank Balances	**1858.46**	**6792.15**

By order of the Board

As per our report of even date
For RAMANATHAM & RAO
Chartered Accountants

Sd/-
K.SREENIVASAN
Partner
M.No.206421

Place : Hyderabad
Date : 26th May, 2022

Sd/-
V.Lakshmi Narayana
Chief Financial Officer
M. No. 028499

Sd/-
Praveen Jaipuriar
Chief Executive Officer

Sd/-
Kata Chandrahas
Director
DIN : 02994302

Sd/-
Sridevi Dasari
Company Secretary
M.No. A29897

Sd/-
Challa Rajendra Prasad
Executive Chairman
DIN : 00702292

Sd/-
Challa Srishant
Managing Director
DIN : 00016035

1. NOTES TO STANDALONE FINANCIAL STATEMENTS

DESCRIPTION OF THE COMPANY AND SIGNIFICANT ACCOUNTING POLICIES

1.1 General Information

CCL Products (India) Limited (the Company) is engaged in the production, trading and distribution of Coffee. The Company has business operations mainly in India, Vietnam and Switzerland. The Company is a public limited Company incorporated and domiciled in India and has its registered office at Duggirala, Guntur, Andhra Pradesh. The Company has its primary listings on the Bombay Stock Exchange and National Stock Exchange in India. The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.2 Basis of preparation and presentation of Financial Statements

The financial statements of CCL Products (India) Limited ("CCL" or "the Company") have been prepared and presented in accordance with the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules 2015, as amended and as per other relevant provisions of the Act. The presentation of financial statements is based upon Ind AS Schedule III of Companies Act, 2013.

1.3 Basis of Measurement

These financial statements have been prepared on the historical cost convention and on an accural basis, except for the following material items in the balance sheet:

a. Derivative financial instruments are measured at fair value.

b. Certain financial assets are measured either at fair value or at amortized cost depending on the classification;

c. Employee defined benefit assets/(liabilities) are recognized as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation, and

d. Long-term borrowings are measured at amortized cost using the effective interest rate method.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1,2,or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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

All assets and liabilities are classified into current and non-current based on the operating cycle of less than twelve months or based on the criteria of realization/settlement within twelve months period from the balance sheet date.

1.4 Use of estimates and judgment

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on historical experiences and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, the areas involving critical estimates or Judgment are:

a. Depreciation and amortization

Depreciation and amortization is based on management estimates of the future useful lives of certain class of property, plant and equipment and intangible assets.

b. Employee Benefits

The present value of the employee benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) includes the discount rate, wage escalation and employee attrition. The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

c. Provisions and contingencies

Provisions and contingencies are based on the management's best estimate of the liabilities based on the facts known at the balance sheet date.

d. Fair valuation

Fair value is the market based measurement of observable market transaction or available market information. All financial instruments are measured at fair value as at the balance sheet date, as provided in Ind AS 109 and 113. Being a critical estimate, judgment is exercised to determine the carrying values. The fair value of financial instruments that are unlisted and not traded in an active market is determined at fair values assessed based on recent transactions entered into with third parties, based on valuation done by external appraisers etc.

e. Provision for expected credit losses of trade receivables

While calculating the expected credit loss for the receivables, the company uses historical observed default rates. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

f. Deferred taxes

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

1.5 Functional and presentation currency

These financial statements are presented in Indian rupees, which is also the functional currency of the Company. All financial information presented in Indian rupees has been rounded to the nearest lakhs.

1.6 Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1, presentation of financial statements.

Assets: An asset is classified as current when it satisfies any of the following criteria:

a. It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;

b. It is held primarily for the purpose of being traded;

c. It is expected to be realized within twelve months after the reporting date; or

d. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Liabilities: A liability is classified as current when it satisfies any of the following criteria:

a. It is expected to be settled in the Company's normal operating cycle;

b. It is held primarily for the purpose of being traded;

c. It is due to be settled within twelve months after the reporting date; or

d. The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification

Current assets/ liabilities include the current portion of non-current assets/ liabilities respectively. All other assets/ liabilities are classified as non-current. Deferred tax assets and liabilities are always disclosed as non- current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

1.7 Foreign Currency Transactions

Transactions in foreign currencies are translated to the respective functional currencies of entities within the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at that date. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognized in the statement of profit and loss in the period in which they arise.

1.8 Property Plant & Equipment

Recognition and measurement

Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment loss, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset i.e., freight, duties and taxes applicable and other expenses related to acquisition and installation. The cost of self-constructed assets includes the cost of materials and other costs directly attributable to bringing the asset to a working condition for its intended use. Borrowing costs that are directly attributable to the construction or production of a qualifying asset are capitalized as part of the cost of that asset.

Directly attributable costs include:

a. Cost of Employee Benefits arising directly from Construction or acquisition of PPE.

b. Cost of Site Preparation.

c. Initial Delivery & Handling costs.

d. Professional Fees and

e. Costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling any item produced while bringing the asset to that location and condition (such as samples produced when testing equipment).

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

Gains and losses upon disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized net within the statement of profit and loss.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part will be de-recognized. The costs of repairs and maintenance are recognized in the statement of profit and loss as incurred.

Items of property, plant and equipment acquired through exchange of non-monetary assets are measured at fair value, unless the exchange transaction lacks commercial substance or the fair value of either the asset received or asset given up is not reliably measurable, in which case the asset exchanged is recorded at the carrying amount of the asset given up.

Depreciation

Depreciation is recognized in the statement of profit and loss on a straight line basis over the estimated useful lives of property, plant and equipment based on the Companies Act, 2013 (“Schedule II”), which prescribes the useful lives for various classes of tangible assets. For assets acquired or disposed off during the year, depreciation is provided on pro rata basis. Land is not depreciated.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

The estimated useful lives are as follows:

Type of Asset	Estimated useful life in years
Buildings	
i) Main Plant Building	30
ii) Other Building	60
Plant & Machinery	25
Lab Equipment	7.5
Material Handling	7.5
Fire fighting	7.5
Vehicles	8
Computers	3
Office Equipment	5
Furniture & Fixtures	10

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is disclosed as capital advances under other non-current assets. The cost of property, plant and equipment not ready to use before such date are disclosed under capital work-in-progress. Assets not ready for use are not depreciated.

The Company assesses at each balance sheet date, whether there is objective evidence that an asset or a group of assets is impaired. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Recoverable amount is higher of the value in use or fair value less cost to sell.

1.9 Intangible assets

Acquired computer software is capitalised on the basis of the costs incurred to acquire and bring to use the specific software. The Intangible assets that are acquired by the Company and that have finite useful lives are measured at cost less accumulated amortization and accumulated impairment losses.

Amortization

Amortization is recognized in the statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets or on any other basis that reflects the pattern in which the asset's future economic benefit are expected to be consumed by the entity. Intangible assets that are not available for use are amortized from the date they are available for use. The estimated useful lives are as follows:

Type of Asset	Estimated useful life
Intangible Assets	
Computer Software	3

The amortization period and the amortization method for intangible assets with a finite useful life are reviewed at each reporting date.

1.10 Financial Instruments

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

a. Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

Debt instrument at FVTPL

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss. The Company has not designated any debt instrument as at FVTPL.

Investment in Preference Shares and Unquoted trade Investments

Investment in Preference Shares and Unquoted trade Investments are measured at amortized cost using Effective Rate of Return (ERR).

Investment in equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's balance sheet) when:

a. The rights to receive cash flows from the asset have expired, or

b. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its right to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Impairment of trade receivables

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18. Expected credit loss model takes into consideration the present value of all the cash shortfalls over the expected life of a financial instrument. In simple terms, it is weighted average of credit losses with the respective risks of default occurring as weights. The credit loss is the difference between all contractual cash flows that are due to an entity as per the contract and all the contractual cash flows that the entity expects to receive, discounted to the effective interest rate. The Standard presumes that entities would suffer credit loss even if the entity expects to be paid in full but later than when contractually due. In other words, it simply focuses on DELAYS in collection of receivables.

For the purpose of identifying the days of delay, the Company took into consideration the weighted average number of delays taking into consideration the date of billing, the credit period and the collection days.

b. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value i.e., loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the statement of profit and loss when the liabilities are de-recognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Derivative financial instruments and hedging activities:

A derivative is a financial instrument which changes value in response to changes in an underlying asset and is settled at future date. Derivatives are recognised at fair value at the end of reporting period and are subsequently re-measured at their fair value at each reporting period. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Company designates certain derivatives as either:

a. hedges of the fair value of recognised assets or liabilities (fair value hedge); or

b. hedges of a particular risk associated with a financial commitment or a highly probable forecasted transaction (cash flow hedge);

The Company documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Company also documents its assessment, both at hedge inception and on an on-going basis, of whether the derivatives that are used in hedging transactions are effective in offsetting changes in cash flows of hedged items.

Movements in the hedging reserve are accounted in other comprehensive income and are shown within the statement of changes in equity. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of hedged item is more than 12 months and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

(a) Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

(b) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The ineffective portion of changes in the fair value of the derivative is recognised in the statement of profit and loss. Gains or losses accumulated in equity are reclassified to the statement of profit and loss in the periods when the hedged item affects the statement of profit and loss.

When a hedging instrument expires or swapped or unwound, or when a hedge no longer meets the criteria for hedge accounting, any accumulated gain or loss existing in statement of changes in equity is recognised in the Statement of Profit and Loss.

When a forecasted transaction is no longer expected to occur, the cumulative gains/losses that were reported in equity are immediately transferred to the statement of profit and loss.

Fair value measurement

Fair value of financial assets and liabilities is normally determined by references to the transaction price or market price. If the fair value is not reliably determinable, the Company determines the fair value using valuation techniques that are appropriate in the circumstances and for which sufficient data are available, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

1.11 Inventories

Inventories are valued at the lower of cost and net realisable value.

Inventories consist of raw materials, stores and spares, work-in-progress and finished goods are measured at the lower of cost and net realizable value.

The cost of all categories of inventories is based on the weighted average method.

Cost includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

In the case of finished goods and work-in-progress, cost includes an appropriate share of overheads based on normal operating capacity. Stores and spares, that do not qualify to be recognized as property, plant and equipment, consists of packing materials, engineering spares (such as machinery spare parts) and consumables which are used in operating machines or consumed as indirect materials in the manufacturing process.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

1.12 Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, other than 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 goodwill and intangible assets that have indefinite lives or that are not yet available for use, an impairment test is performed each year at March 31.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflow of other assets or groups of assets (the “cash-generating unit”).

An impairment loss is recognized in the statement of profit and loss if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognized in prior periods are assessed at each reporting date for any indications 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. An impairment loss is reversed 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 amortization, if no impairment loss had been recognized.

1.13 Cash & Cash Equivalents

Cash and bank balances comprise of cash balance in hand, in current accounts with banks, demand deposit, short-term deposits, Margin Money deposits and unclaimed dividend accounts. For this purpose, “short-term” means investments having maturity of three months or less from the date of investment. Bank overdrafts that are repayable on demand and form an integral part of our cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows. The Margin money deposits, balance in dividend accounts which are not due and unclaimed dividend balances shall be disclosed as restricted cash balances.

1.14 Employee Benefits

a. Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

b. Defined Contribution Plan

The Company’s contributions to defined contribution plans are charged to the statement of profit and loss as and when the services are received from the employees.

c. Defined Benefit Plans

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the projected unit credit method consistent with the advice of qualified actuaries. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates based on prevailing market yields of Indian Government Bonds and that have terms to maturity approximating to the terms of the related defined benefit obligation. The current service cost of the defined benefit plan, recognized in the statement of profit and loss in employee benefit expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in income. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

d. Termination benefits

Termination benefits are recognized as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

e. Other long-term employee benefits

The Company's net obligation in respect of other long term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and previous periods. That benefit is discounted to determine its present value. Re-measurements are recognized in the statement of profit and loss in the period in which they arise.

1.15 Provisions, contingent liabilities and contingent assets

Provisions

A provision is recognized if, as a result of a past event, the Company 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. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets

Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

1.16 Revenue Recognition

Revenue from contracts with customers

Revenue is recognized when the Company substantially satisfied its performance obligation while transferring a promised good or service to its customers. The company considers the terms of the contract and its customary business practices to determine the transaction price. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and value added tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives / discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

Other Income Interest

Income

Interest Income mainly comprises of interest on Margin money deposit with banks relating to bank guarantee. Interest income should be recorded using the effective interest rate (EIR). However, the amount of margin money deposits relating to bank guarantee are purely current in nature, hence effective interest rate has not been applied. Interest is recognized using the time-proportion method, based on rates implicit in the transactions.

Dividend

Dividend income is recognized when the Company's right to receive dividend is established.

1.17 Government Grants

Government grants are assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity. They exclude those forms of government assistance which cannot reasonably have a value placed upon them and transactions with government which cannot be distinguished from the normal trading transactions of the entity.

Grants related to assets are government grants whose primary condition is that an entity qualifying for them should purchase, construct or otherwise acquire long-term assets. Subsidiary conditions may also be attached restricting the type or location of the assets or the periods during which they are to be acquired or held.

Grants related to income are government grants other than those related to assets.

A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs shall be recognised in profit or loss of the period in which it becomes receivable.

Export incentives in the form of MEIS scrips and power subsidy receivable by the company do not fall under the scope of Ind AS 115 and are accounted for in accordance with the provisions of Ind AS 20 considering such incentives as Government Assistance. Accordingly, government grant relating to Income on account of power subsidy is recognised on accrual basis in Profit and Loss statement and export incentive in the form of MEIS scrips will be accounted on cash basis in Profit and Loss statement.

1.18 Borrowing Costs

Borrowing costs consist of interest, ancillary and other costs that the Company incurs in connection with the borrowing of funds and interest relating to other financial liabilities. Borrowing cost also include Exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

1.19 Tax Expenses

Tax expense consists of current and deferred tax.

Income Tax

Income tax expense consists of current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- temporary differences 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;
- temporary differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising upon the initial recognition of goodwill.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

Any deferred tax asset or liability arising from deductible or taxable temporary differences in respect of unrealised inter-company profit or loss on inventories held by the Company in different tax jurisdictions is recognised using the tax rate of the jurisdiction in which such inventories are held. Dividend distribution tax arising out of payment of dividends to shareholders under the Indian Income tax regulations is not considered as tax expense for the Company and all such taxes are recognised in the statement of changes in equity as part of the associated dividend payment.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset 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.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

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

Accruals for uncertain tax positions require management to make judgements of potential exposures. Accruals for uncertain tax positions are measured using either the most likely amount or the expected value amount depending on which method the entity expects to better predict the resolution of the uncertainty. Tax benefits are not recognised unless the tax positions will probably be accepted by the tax authorities. This is based upon management's interpretation of applicable laws and regulations and the expectation of how the tax authority will resolve the matter. Once considered probable of not being accepted, management reviews each material tax benefit and reflects the effect of the uncertainty in determining the related taxable amounts.

1.20 Earnings Per Share

The Company presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

1.21 Trade receivables

Trade receivables are initially recognized at fair value and subsequently measured at amortised cost using effective interest method, less provision for impairment, if any.

1.22 Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are presented as current liabilities unless payment is not due within twelve months after the reporting period. They are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

1.23 Business combinations

Business combinations are accounted as per the provisions of Ind AS 103, Business Combinations.

The Company applies the acquisition method to account for business combination. The consideration transferred for the acquisition of a subsidiary comprises of the,

- fair values of the assets transferred,
- liabilities incurred to the former owners of the acquired business,
- equity interests issued by the Group and
- fair value of any asset or liability resulting from a contingent consideration arrangement

Identifiable assets acquired liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The excess of the fair value of consideration over the identifiable net asset acquired is recorded as goodwill, If the consideration is lower, the gain is recognised directly in equity as capital reserve.

In case, business acquisition is classified as bargain purchase, the aforementioned gain is recognised in the other comprehensive income and accumulated in equity as capital reserve.

The Company recognises any non-controlling interest in the acquired entity at fair value. Changes in ownership that do not result in a change of control are accounted for as equity transactions and therefore do not have any impact on goodwill. The difference between consideration and the non-controlling share of net assets acquired is recognised within equity.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method. Under pooling of interest method, the assets and liabilities of the combining entities are reflected at their carrying amounts, with adjustments only to harmonise accounting policies.

Acquisition-related costs are expensed as incurred

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss or other comprehensive income, as appropriate.

If the initial accounting for a business combination can be determined only provisionally by the end of the first reporting period, the business combination is accounted for using provisional amounts. Adjustments to provisional amounts, and the recognition of newly identified asset and liabilities, must be made within the 'measurement period' where these reflect new information obtained about facts and circumstances that were in existence at the acquisition date. The measurement period cannot exceed one year from the acquisition date and no adjustments are permitted after one year except to correct an error.

Any contingent consideration to be transferred by the Company is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in the Statement of Profit and Loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Business combinations of entities under common control

Common control business combination means a business combination involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory.

Business combinations involving entities or businesses under common control shall be accounted for using the pooling of interests method.

The pooling of interest method is considered to involve the following:

(a) The assets and liabilities of the combining entities are reflected at their carrying amounts.

(b) No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies.

(c) The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information shall be restated only from that date.

(d) The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee. Alternatively, it is transferred to General Reserve, if any.

(e) The identity of the reserves shall be preserved and shall appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor.

(f) The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor shall be transferred to capital reserve and should be presented separately from other capital reserves with disclosure of its nature and purpose in the notes.

1.24 Determination of fair values

The Company's accounting policies and disclosures require the determination of fair value, for certain financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

(i) Property, plant and equipment

Property, plant and equipment, if acquired in a business combination or through an exchange of non-monetary assets, is measured at fair value on the acquisition date. For this purpose, fair value is based on appraised market values and replacement cost.

(ii) Intangible assets

The fair value of brands, technology related intangibles, and patents and trademarks acquired in a business combination is based on the discounted estimated royalty payments that have been avoided as a result of these brands, technology related intangibles, patents or trademarks being owned (the "relief of royalty method"). The fair value of customer related, product related and other intangibles acquired in a business combination has been determined using the multi-period excess earnings method after deduction of a fair return on other assets that are part of creating the related cash flows.

(iii) Inventories

The fair value of inventories acquired in a business combination is determined based on its estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

(iv) Investments in equity and debt securities and units of mutual funds

The fair value of marketable equity and debt securities is determined by reference to their quoted market price at the reporting date. For debt securities where quoted market prices are not available, fair value is determined using pricing techniques such as discounted cash flow analysis.

In respect of investments in mutual funds, the fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors.

Accordingly, such net asset values are analogous to fair market value with respect to these investments, as transactions of these mutual funds are carried out at such prices between investors and the issuers of these units of mutual funds.

(v) Derivatives

The fair value of foreign exchange forward contracts is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk-free interest rate (based on government bonds). The fair value of foreign currency option and swap contracts and interest rate swap contracts is determined based on the appropriate valuation techniques, considering the terms of the contract.

(vi) Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For finance leases the market rate of interest is determined by reference to similar lease agreements. In respect of the Company's borrowings that have floating rates of interest, their fair value approximates carrying value.

1.25 Note on "Code on Security, 2020"

The Indian Parliament has approved the Code on Social Security, 2020 ("the Code") which would impact the contributions by the company towards Provident Fund and Gratuity. The purpose of the Code on Social Security, 2020 is to amend and consolidate the laws relating to social security with the goal to extend social security to all employees and workers either in the organized or unorganized or any other sectors and for matters connected therewith or incidental thereto. The Code was passed by the Lok Sabha on September 22, 2020 and subsequently, by the Rajya Sabha on September 23, 2020 with a view to amalgamate, simplify and rationalize the relevant provisions of the nine central labour enactments relating to social security. The Code is yet to receive assent of the President of India. The Code shall come into force on such date as the Central Government may, by notification appoint and different dates may be appointed for different provisions of the SS Code. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

1.26 Impact of uncertainties in preparation of financial statements

The Company has considered the possible effects that may result from the pandemic relating to Covid-19 and other geo-political situations in Russia and Ukraine in the preparation of these standalone financial statements including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date of approval of these financial statements, used internal and external sources of information including credit reports and related information and economic forecasts and expects that the carrying amount of these assets will be recovered. The impact of Covid-19 on the Company's financial statements may differ from that estimated as at the date of approval of these standalone financial statements.

1.27 New Accounting pronouncements

The Ministry of Corporate Affairs (MCA) vide notification dated 23 March 2022 issued the Companies (Indian Accounting Standards) Amendment Rules, 2022. These rules notify certain amendments to Indian Accounting Standards (Ind AS). These amendments are effective from 1 April 2022.

Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets

As per Ind AS 37, a contract is 'onerous' when the unavoidable costs of meeting the contractual obligations (i.e. the lower of the costs of fulfilling the contract and the costs of terminating it) outweigh the economic benefits. Ind AS 37 did not define what are the costs of fulfilling a contract.

The amendments have clarified the types of costs a company can include as the 'costs of fulfilling a contract' while assessing whether a contract is onerous as under:

(a) The incremental costs of fulfilling that contract—for example, direct labour and materials; and

(b) An allocation of other costs that relate directly to fulfilling contracts— for example, an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract among others.

The amendments apply for annual reporting periods beginning on or after 1 April 2022 to contracts existing at the date when the amendments are first applied. At the date of initial application, the cumulative effect of initially applying the amendments is recognised as an opening balance adjustment to retained earnings or other component of equity, as appropriate. The comparatives are not required to be restated.

Ind AS 103, Business Combinations

The amendments have given reference of Conceptual Framework for Financial Reporting under Ind AS for definition of assets and liabilities without changing the accounting requirements for business combinations.

This amendment is applicable to business combinations for which acquisition date is on or after 1 April 2022.

Ind AS 16, Property, Plant and Equipment

Amendments to Ind AS 16 have clarified the accounting treatment for sale proceeds of items produced by PPE while preparing it for its intended use.

These amendments have clarified that excess of net sale proceeds of items produced over the cost of testing, if any, would not be recognised in the statement of profit or loss, but deducted from the directly attributable costs considered as part of cost of an item of PPE.

The amendments are effective for annual reporting periods beginning on or after 1 April 2022

The aforesaid amendments do not have any material impact on the consolidated financial statements of the Company.

2.1: Property, plant and equipment

(₹ in Lakhs)

Particulars	Gross carrying value				Accumulated depreciation / impairment					Net carrying value	
	As at 1st April 2021	Additions	Disposals	As at 31st March 2022	As at 1st April 2021	For the year	Impairment for the year	Disposals	As at 31st March 2022	As at 31st March 2022	As at 31st March 2021
Land	2719.56	-	-	2719.56	-	-	-	-	-	2719.56	2719.56
Buildings	15029.66	2064.08	-	17093.74	923.05	503.16	-	-	1426.21	15667.54	14106.61
Plant and equipment	55209.04	329.14	-	55538.18	6880.44	2360.68	-	-	9241.12	46297.07	48328.60
Lab Equipment	300.47	3.77	-	304.24	50.49	37.85	-	-	88.34	215.90	249.99
Material Handling Equipment	84.51	-	-	84.51	35.79	9.99	-	-	45.78	38.73	48.72
Fire fighting Expenes	0.82	-	-	0.82	0.06	-	-	-	0.06	0.76	0.76
Vehicles	819.85	69.11	9.68	879.27	325.93	95.48	-	8.15	413.26	466.02	493.92
Computers	157.71	61.43	-	219.14	118.26	22.07	-	-	140.33	78.82	39.45
Office Equipment	324.33	23.86	-	348.19	177.14	43.71	-	-	220.85	127.33	147.19
Furniture & Fixtures	45.54	6.72	-	52.26	14.27	4.40	-	-	18.67	33.59	31.27
Total	**74691.49**	**2558.12**	**9.68**	**77239.93**	**8525.43**	**3077.33**	**-**	**8.15**	**11594.61**	**65645.31**	**66166.07**

Particulars	Gross carrying value				Accumulated depreciation / impairment					Net carrying value	
	As at 1st April 2020	Additions	Disposals	As at 31st March 2021	As at 1st April 2020	For the year	Impairment for the year	Disposals	As at 31st March 2021	As at 31st March 2021	As at 31st March 2020
Land	2554.51	165.05	-	2719.56	-	-	-	-	-	2719.56	2554.51
Buildings	9629.95	5399.71	-	15029.66	603.16	319.89	-	-	923.05	14106.61	9026.79
Plant and equipment	48842.48	6366.56	-	55209.04	4727.57	2152.87	-	-	6880.44	48328.60	44114.91
Lab Equipment	297.14	3.33	-	300.47	13.06	37.43	-	-	50.49	249.99	284.09
Material Handling Equipment	77.56	6.95	-	84.51	25.47	10.32	-	-	35.79	48.72	52.09
Fire fighting Expenes	0.82	-	-	0.82	0.06	-	-	-	0.06	0.76	0.76
Vehicles	682.55	178.38	41.08	819.85	264.59	97.48	-	36.14	325.93	493.92	417.96
Computers	147.94	9.77	-	157.71	91.25	27.01	-	-	118.26	39.45	56.69
Office Equipment	297.00	27.33	-	324.33	123.63	53.51	-	-	177.14	147.19	173.37
Furniture & Fixtures	41.45	4.09	-	45.54	10.46	3.81	-	-	14.27	31.27	30.99
Total	**62571.42**	**12161.16**	**41.08**	**74691.49**	**5859.25**	**2702.32**	**-**	**36.14**	**8525.43**	**66166.07**	**56712.17**

a. All fixed assets including Factory land and buildings located at Duggirala, Guntur district and kuvvakoli village, chittoor district, have been given as a security for availing Credit facilities from banks.

2.2: Other Intangible assets (₹ in Lakhs)

Particulars	Gross carrying value				Accumulated depreciation / impairment					Net carrying value	
	As at 1st April 2021	Additions	Disposals	As at 31st March 2022	As at 1st April 2021	For the year	Impairment for the year	Disposals	As at 31st March 2022	As at 31st March 2022	As at 31st March 2021
Computer Software	13.53	-	-	13.53	12.71	-	-	-	12.71	0.82	0.82
Total	**13.53**	**-**	**-**	**13.53**	**12.71**	**-**	**-**	**-**	**12.71**	**0.82**	**0.82**

Particulars	Gross carrying value				Accumulated depreciation / impairment					Net carrying value	
	As at 1st April 2020	Additions	Disposals	As at 31st March 2021	As at 1st April 2020	For the year	Impairment for the year	Disposals	As at 31st March 2021	As at 31st March 2021	As at 31st March 2020
Computer Software	13.53	-	-	13.53	12.71	-	-	-	12.71	0.82	0.82
Total	**13.53**	**-**	**-**	**13.53**	**12.71**	**-**	**-**	**-**	**12.71**	**0.82**	**0.82**

2.1.1 Ageing of Capital Work in Progress as at 31st March,2022

CWIP-Tangibles	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects-in-progress	6706.53	7959.11	-	-	14665.64
	6706.53	7959.11	-	-	14665.64

Ageing of Capital Work in Progress as at 31st March,2021

CWIP-Tangibles	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects-in-progress	7789.97	-	-	-	7789.97
	7789.97	-	-	-	7789.97

2.3 Investments

(₹ in Lakhs)

Particulas	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non Current	Current	Non Current
Investments carried at cost (Unquoted investments)				
In subsidiary companies				
Jayanti Pte Ltd	-	11125.57	-	11125.57
(2,80,84,784 Equity Shares Face Value of S $ 1/- each)				
Ngon Coffee Company Limited	-	3877.18	-	3877.18
(530000000000 Equity Shares Face Value of VND 1/- each)				
(344564633286 Equity Shares Face Value of VND 1/- each previous year)				
Continental Coffee SA (earlier known as Grandsaugreen SA)	-	6.92	-	6.92
(11100000 Equity Shares Face Value of CHF 1/- each)				
Continental Coffee Private Limited	-	700.00	-	700.00
(70,00,000 Equity Shares Face Value of ₹ 10/- each)				
CCL Beverages Private Limited	-	-	-	1.00
(10,000 Equity Shares Face Value of ₹ 10/- each)				
Aggregate amount of unquoted Investments	**-**	**15709.67**	**-**	**15710.67**
Investments at amortized cost(Unquoted Non Trade Investments:)				
Coffee Futures Exchange India Ltd	-	0.10	-	0.10
(Equity Subscription for Membership as Ordinary member - 1 share of Rs.10,000)				
Total investments carried at Amortized cost	-	0.10	-	0.10
Total Invetsments	-	15709.78	-	15710.78

2.4 Other Financial Assets

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non Current	Current	Non Current
Rental Deposits	-	28.79	-	28.79
Electricity and Other Security Deposits	-	556.55	-	481.54
Other Receivables	1978.14	-	2200.00	-
Tender Deposit	-	-	8.28	-
Total	**1978.14**	**585.34**	**2208.28**	**510.33**

2.5 Other Assets

(₹ in Lakhs)

Particulas	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non Current	Current	Non Current
Advance Tax (Net of Provision for tax)	-	-	-	1451.92
Deposits with Statutory authorities	-	2883.28	-	2883.28
Advances to Employees	161.01	-	64.59	-
Prepaid Expenses	244.73	-	259.48	-
Input tax and other taxes receivables	1926.93	-	2328.91	-
Advance to Creditors	711.56	-	523.31	-
Advances for Capital goods/services	544.33	-	756.15	-
Other receivables	645.41	-	419.47	-
	4233.98	**2883.28**	**4351.91**	**4335.20**

2.6 Inventories

Particulars	As at 31st March, 2022	As at 31st March, 2021
Raw materials	26962.55	16361.37
Work-in-progress	372.42	180.10
Finished goods	9912.10	4615.60
Stores, spares and consumables	2327.99	2127.75
Packing materials	2287.47	1678.17
	41862.54	**24962.99**

The method of valuation of Inventories has been stated in Note No. 1.11 of Significant Accounting Policies. The Company has considered the possible impact relating to COVID-19 and other geo-political situations in Russia and Ukraine while estimating the net realisable value of inventory. Based on the available internal and external information, as determined by the Management, the Company does not expect the carrying values of such inventories to be significantly impacted.

2.7 Trade receivables

Particlars	As at 31st March, 2022	As at 31st March, 2021
Trade Receivables		
Unsecured,considered good	12072.80	13757.95
Less: Allowances for credit losses	36.65	94.88
	12036.15	**13663.07**

Trade Receivables hypothecated as security for availing working capital facilities

The credit worthiness of Trade Receivables and the credit terms set are determined on a case to case basis and the Management has factored in the uncertainties arising out of COVID-19 and other geo-political situations in Russia and Ukraine, as applicable. Considering all the other internal and external sources of information as determined by the Management, the Company has concluded that there is a low probability of default on Trade Receivables.

The fair values of Trade Receivables are not considered to be significantly different from their carrying values, given their generally short period to maturity, with impairment reviews considered on an individual basis rather than when these become overdue.

(₹ in Lakhs)

Trade receivables ageing schedule for the year ended March 31, 2022

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed - considered good	9813.14	1998.00	45.14	199.92	-	16.60	12072.80
Less: Allowances for credit losses	-	-	-	-	-	-	(36.65)
	9813.14	**1998.00**	**45.14**	**199.92**	**-**	**16.60**	**12036.15**

Trade receivables ageing schedule for the year ended March 31, 2021

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed - considered good	12758.95	460.21	282.11	240.08	-	16.60	13757.95
Less: Allowances for credit losses							(94.88)
	12758.95	**460.21**	**282.11**	**240.08**	**-**	**16.60**	**13663.07**

2.8 Cash and Cash Equivalents **(₹ in Lakhs)**

Particulars	As at 31st March 2022	As at 31st March 2021
a) Cash and Cash equivalents		
i) Cash on hand	5.47	1.26
ii) Balances with banks		
-Current Accounts	1596.00	6550.09
b) Other Bank Balances (with restricted use)		
(i) Margin Money Deposit Accounts (against Bank Guarantees)	186.41	182.16
(ii) Unclaimed Dividend Account	91.47	87.40
Interest accrued but not due on deposits	70.58	58.64
	1949.93	**6879.55**

Cash and Cash Equivalents include the following for Cash flow purpose

Particulars	As at 31st March 2022	As at 31st March 2021
Cash and Cash Equivalents/ Bank Balances	1949.93	6879.55
Less: Unclaim dividend	91.47	87.40
Cash and Cash Equivalents/ Bank Balances	1858.46	6792.15

(₹ in Lakhs)

2.9 Share Capital

Particulars	As at 31st March 2022	As at 31st March 2021
Authorized Share Capital 150,000,000 Equity Shares of ₹ 2 each (Previous year :150,000,000 Equity Shares of ₹ 2 each)	3000.00	3000.00
Issued Subscribed and Paid up Share Capital 133,027,920 Equity Shares of ₹ 2 each, fully paid up (Previous year :133,027,920 Equity Shares of ₹ 2 each, fully paid up)	2660.56	2660.56
	2660.56	**2660.56**

Details of shareholders holding more than 5% shares :	As at 31 March, 2022		As at 31 March, 2021	
	No. of shares	% Holding	No. of shares	% Holding
1. Challa Rajendra Prasad	13376759	10.06%	13364249	10.05%
2. Challa Shantha Prasad	18565334	13.96%	18539699	13.94%
3. Challa Soumya	13473186	10.13%	13447616	10.11%
4. Challa Srishant	14115723	10.61%	14088388	10.59%
5. Axis Mutual Fund Trustee Limited A/C Axis Mutual Fund A/C Axis Capital Builder Fund – Series 4	8506442	6.39%	-	-

Details of shares held by promoters	As at 31 March, 2022		As at 31 March, 2021		% Change during the year
	No. of shares	% Holding	No. of shares	% Holding	
1. Challa Rajendra Prasad	13376759	10.06%	13364249	10.05%	0.09%
2. Challa Shantha Prasad	18565334	13.96%	18539699	13.94%	0.14%
3. Challa Soumya	13473186	10.13%	13447616	10.11%	0.19%
4. Challa Srishant	14115723	10.61%	14088388	10.59%	0.19%

2.9.1 Reconciliation of Number of Shares :

Particulars	As at 31st March 2022	As at 31st March 2021
Number of Shares at the beginning of the year	133027920	133027920
Add : Shares issued during the year	-	-
Number of Shares at the end of the year	**133027920**	**133027920**

2.9.2 Rights attached to equity shares

"The Company has only one class of equity shares having a face value of ₹ 2 /- each. Each holder of equity share is entitled to one vote per share. The company declares and pays dividends in Indian Rupees. Payment of dividend is also made in foreign currency to shareholders outside India. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

"In the event of liquidation of the Company, all preferential amounts, if any, shall be discharged by the Company. The remaining assets of the Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date.

Final dividends on equity shares are recorded as a liability on the date of their approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors. The details of dividends paid by the Company are as follows:

Dividend paid **(₹ in Lakhs)**

Particulars	As at 31st March 2022	As at 31st March 2021
Dividend paid during the year (Rs.in Lakhs)	6651.40	2660.56
Dividend per share (Rs.)	5.00	2.00

2.10 Other Equity **(₹ in Lakhs)**

Particulars	As at 31st March 2022	As at 31st March 2021
Retained Earnings		
Opening Balance	61991.82	48783.43
Add: Current year Transfer	12719.92	15868.95
Less: Dividend Paid	(6651.40)	(2660.56)
Total	**68060.34**	**61991.82**
General Reserve		
Opening Balance	28820.70	28,820.70
Add: Current year Transfer	-	-
Less: Written Back in Current year	-	-
Total	**28820.70**	**28820.70**
Acturial Gains or Losses (OCI)		
Opening Balance	(148.60)	(148.60)
Add: Current year Transfer	-	-
Less: Written Back in Current year	-	-
Total	**(148.60)**	**(148.60)**
Measurement of Derivative instrument at fair value (OCI)		
Opening Balance	(486.28)	(874.68)
Add: Current year Transfer	429.09	388.40
Total	**(57.19)**	**(486.28)**
Total Other Equity	**96675.24**	**90177.63**

General Reserve - General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

Actuarial gains or losses – Reword the same into - Remeasurements of the net defined benefits plan - Remeasurements of the net defined benefits plan reserve comprises the cumulative net gains/ losses on actuarial valuation of post-employment obligations.

Measurement of derivative instrument at fair value – Reword the same into - Cash flow hedge reserve - The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or losses will be reclassified to statement of profit and loss in the period in which the hedged transaction occurs.

2.11 Borrowings **(₹ in Lakhs)**

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non Current	Current	Non Current
Secured Borrowings:				
Term loans from Banks				
HDFC Bank	-	3600.00	-	6300.00
CitiBank	-	5203.13	-	-
CitiBank External commercial borrowings	-	2368.97	-	6891.07
Working Capital Facilities	27982.81	-	19150.47	-
	27982.81	**11172.10**	**19150.47**	**13191.07**

Reconciliation of liabilities arising from financing activities shall be presented During the year ended 31 March 2022

Particulars	Non-current borrowings	Current borrowings	Total
Opening balance at the beginning of the year	13677.35	8613.20	22290.55
Borrowings during the year	6750.00	463.22	7213.22
Borrowings repaid during the year	(8768.97)	-	(8768.97)
Effect of changes in foreign exchange rates	(429.09)	-	(429.09)
Closing balance at the end of the year	11229.29	9076.42	20305.71

During the year ended 31 March 2021

Particulars	Non-current borrowings	Current borrowings	Total
Opening balance at the beginning of the year	22820.39	7899.18	30719.57
Borrowings during the year	-	714.02	714.02
Borrowings repaid during the year	(8754.64)	-	(8754.64)
Effect of changes in foreign exchange rates	(388.40)	-	(388.40)
Closing balance at the end of the year	13677.35	8613.20	22290.55

Term loan for an amount of ₹ 90.00 Crs availed from HDFC Bank is secured by first pari passu charge on movable assets of the company and second pari passu charge on current assets of the Company.

External commercial borrowings from Citi bank is secured by first pari passu charge on movable assests of the Company and second pari passu charge on Current assets of the Company.

Term Loan from Citibank for an amount of ₹ 67.50 Crs is secured by First charge only on movable assets of "Warehouse, Packing & Agglomeration facility" of the Company situated at Kuvvakollu (Village), Chittoor (Dist.), A.P.

Term loans repayable in next twelve months period was segregated as current maturities of long term debt as Other financial liabilities under Current laibilities.

Working Capital Facilities from State Bank of India, Citi Bank and ICICI Bank Limited under consortium are secured by way of first pari-passu charge on current assets and second pari-passu charge on fixed assets of the company . The Working Capital is repayable on demand

2.12 Deffered Tax Liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2022
Opening Balance	4973.16	4704.88
Add : On account of IND AS Adjustment	2336.87	-
Add : On account of depreciation	(13.30)	202.15
Add : On account of Others	-	66.12
Closing Balance	**7296.73**	**4973.16**

2.13 Other Non Current Liabilities & Current liabilities

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non Current	Current	Non Current
Salaries and employee benefits	102.90	-	324.66	-
Withholding and other taxes payable	136.32	-	92.56	-
Advance from customers	122.15	-	271.51	-
Others	-	-	2386.42	-
	361.37	**-**	**3075.15**	**-**

2.14 Trade Payables

Particulars	As at 31st March, 2022	As at 31st March, 2021
Due to Micro & Small Enterprises	181.89	209.48
Dues to others	3098.37	1543.40
	3280.26	**1752.88**

(₹ in Lakhs)

Trade Payables ageing schedule for the year ended March 31, 2022

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 years	1-2 years	2-3 Years	More than 3 Years	
(i) MSME	173.92	7.97	-	-	-	181.89
(ii) Others	2544.20	474.72	48.33	15.20	15.93	3098.37
	2718.12	482.69	48.33	15.20	15.93	3280.26

Trade Payables Ageing for the year ended March 31, 2021

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 6 months	1-2 years	2-3 Years	More than 3 Years	
(i) MSME	175.72	33.76	-	-	-	209.48
(ii) Others	1265.84	209.03	44.31	14.84	9.37	1543.40
	1441.56	242.79	44.31	14.84	9.37	1752.88

2.15 Other financial liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non Current	Current	Non Current
Creditors For Capital goods	436.58	-	1046.53	-
Unpaid dividends	91.47	-	87.40	-
Interest accrued but not due on borrowings	91.60	-	152.49	-
Current Maturities of Long Term Borrowings	8984.82	-	8460.71	-
Derivative Financial Liability	-	57.19	-	486.28
Other Payables	1837.32	-	1,268.62	-
	11441.78	**57.19**	**11015.76**	**486.28**

2.16 Provisions

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non Current	Current	Non Current
Leave Encashment	-	-	30.09	65.95
Provision for tax (net of advance tax)	622.87	-	-	-
	622.87	**-**	**30.09**	**65.95**

(₹ in Lakhs)

2.17 Revenue from operations

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Revenue from :		
Sale of Products - Coffee	90639.36	77860.09
Trade Licences	1654.93	1646.97
Revenue from operations	**92294.29**	**79507.07**

2.18 Other income

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest on Deposits	156.26	164.24
Dividend Income from Ngon Coffee Company Ltd	2634.30	6217.95
Scrap sales	-	10.61
Miscellaneous Income	337.39	257.31
	3127.95	**6650.11**

2.19 Cost of materials consumed

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Raw Material		
Purchases	60293.07	40676.10
Add: Opening Stock	16361.37	10104.96
	76654.44	50781.06
Less: Closing Stock	(26962.55)	(16361.37)
	49691.89	**34419.69**

2.20 Changes in inventories

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Work-in-progress		
Opening	180.10	230.13
Closing	(372.42)	(180.10)
	(192.32)	50.03
Finished goods		
Opening	4615.60	5884.28
Closing	9912.10)	(4615.60)
	(5296.50)	1268.68
	(5488.83)	**1318.71**

2.21 Employee benefits expense

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Salaries, Wages and Bonus	3248.18	2907.56
Directors' Remuneration	1545.00	1451.00
Contribution to provident and other funds	467.93	469.28
Staff welfare	603.28	423.95
	5864.40	**5251.79**

2.22 Finance costs

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest Expense	1138.44	1360.11
Other borrowing costs	241.39	212.00
	1379.83	**1572.11**

2.23 Other expenses

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Packing material consumed	7379.99	7393.39
Stores and Consumables consumed	395.25	358.32
Power and fuel	6232.28	4291.10
Repairs and Maintenance to Buildings	48.37	40.37
Repairs and Maintenance to Machinery	1652.37	2008.81
Repairs and Maintenance to Other assets	107.15	72.01
Transportation, Ocean Freight, Clearing and Forwarding	3565.89	2439.37
Insurance	258.91	205.62
Rent	113.55	88.52
Rates and Taxes	143.87	141.73
Directors' Sitting Fee	20.65	14.70
Non-whole time Directors' Commission	108.00	90.00
Selling Expenses	1683.04	1851.64
Travelling and Conveyance	68.84	25.84
Communication Expenses	80.37	60.56
Printing and Stationery	10.89	8.05
Office Maintenance	534.85	274.73
Donations	20.28	253.73
Corporate Social Responsibility (CSR) Expenditure	492.46	436.15
Professional Fees & Expenses	356.08	223.53
Subscription and Membership fee	6.79	2.93
Auditor's Remuneration	16.39	17.83
Foreign Exchange Loss (Net)	(709.61)	(466.02)
Miscellaneous expenses	0.24	0.19
Allowance for credit losses	(58.23)	17.46
	22528.66	**19850.56**

2.24 Auditors Remuneration

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
a) Audit fees	11.00	11.00
b) Other charges		
Taxation matters	2.50	2.50
Certification fee	2.48	4.18
c) Reimbursement of out of pocket expenses	0.41	0.15
TOTAL	**16.39**	**17.83**

2.25 Earnings per Share

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Earnings		
Profit attributable to equity holders	12719.92	15868.95
Shares		
Number of shares at the beginning of the year	133027920	133027920
Add: Equity shares issued	-	-
Less: Buy back of equity shares	-	-
Total number of equity shares outstanding at the end of the year	133027920	133027920
Weighted average number of equity shares outstanding during the year – Basic	**133027920**	**133027920**
Add: Weighted average number of equity shares arising out of outstanding stock options (net of the stock options forfeited) that have dilutive effect on the EP	-	-
Weighted average number of equity shares outstanding during the year – Diluted	**133027920**	**133027920**
Earnings per share of par value ₹ 2/- -Basic (₹)	9.56	11.93
Earnings per share of par value ₹ 2/- – Diluted (₹)	9.56	11.93

2.26 Related Parties

List of Subsidiaries:

M/s. Jayanti Pte Ltd., Singapore
M/s. Continental Coffee Pvt Ltd., India
M/s. Ngon Coffee Company Ltd., Vietnam
M/s. Continental Coffee SA, Switzerland
M/s. CCL Beverages Private Limited (Amalgamated with CCL Products (India) Ltd vide NCLT order passed on 09.11.2021).

In accordance with the provisions of Ind AS 24 "Related Party Disclosures" and the Companies Act, 2013, Company's Directors, members of the Company's Management Council and Company Secretary are considered as Key Managerial Personnel. List of Key Managerial Personnel of the Company are given below:

- Mr. Challa Rajendra Prasad, Whole time Director
- Mr. Challa Srishant, Managing Director
- Mr. B. Mohan Krishna, Executive Director
- Mr. K.V.L.N.Sarma, Chief Operations Officer (Upto 27.10.2021)
- Mr.Praveen Jaipuriar, Chief Executive Officer (From 29.10.2021)
- Mr. V. Lakshmi Narayana, Chief Financial Officer
- Ms. Sridevi Dasari, Company Secretary

The following is a summary of significant related party transactions: **(₹ in Lakhs)**

Particulars	**For the year ended 31st March 2022**	**For the year ended 31st March 2021**
a) Key managerial personnel		
i) Remuneration & Commission		
Mr Challa Rajendra Prasad	420.00	420.00
Mr. Challa Srishant	643.00	589.00
Mr. B. Mohan Krishna	482.00	442.00
Mr.K.V.L.N.Sarma (Upto 27.10.2021)	67.49	95.08
Mr. Praveen Jaipuriar (From 29.10.2021)	79.74	-
Mr. V.Lakshmi Narayana	97.48	93.74
Ms. Sridevi Dasari	22.57	19.18
ii) Rent		
Mr. Challa Srishant	22.05	22.30
b) Non-whole time Directors		
i) Sitting Fee		
Mr. Vipin K.Singal	2.65	1.85
Mr. Kata Chandrahas	2.40	1.85
Mr. K.K.Sarma	2.50	1.70
Mr. G.V. Krishna Rau	2.65	1.85
Ms. Kulsoom Noor Saifullah	2.40	1.85
Ms. Challa Shantha Prasad	1.50	0.90
Mr. Kode Durga Prasad	2.65	1.85
Dr. Lanka Krishnanand	2.25	1.70

(₹ in Lakhs)

Mr. K.V. Chowdary	1.65	1.15
ii) Commission		
Mr. Vipin K. Singal	12.00	10.00
Mr. K. Chandrahas	12.00	10.00
Mr. K. K. Sarma	12.00	10.00
Mr.G. V. Krishna Rau	12.00	10.00
Ms. Kulsoom Noor Saifullah	12.00	10.00
Ms. Challa Shantha Prasad	12.00	10.00
Mr.Kode Durga Prasad	12.00	10.00
Dr.Lanka Krishnanand	12.00	10.00
Mr. K.V. Chowdary	12.00	10.00
iii) Rent		
Ms. Challa Shantha Prasad	19.89	21.46
c) Relatives of Key Managerial Personnel		
Rent		
Ms. Challa Soumya	5.46	7.04
d) Related Party transactions		
Sale of Goods		
Karafa Products Private Limited	2.79	-
Total	**1991.12**	**1814.50**

Transactions with Subsidiaries:

Particulars	**For the year ended 31st March 2022**	**For the year ended 31st March 2021**
Continental Coffee SA, Switzerland		
Sale of Instant Coffee	17550.57	15470.31
Trade Receivable	3200.09	1967.05
Continental Coffee Private Limited, India		
Sale of Instant Coffee	12848.12	9048.31
Trade Receivable	2678.59	1663.59
Short Term Loan	1650.00	2200.00
Interest on Short Term Loan	143.00	143.00
Total	**38070.37**	**30492.26**

2.27 Earnings/expenditure in foreign currency:

Expenditure in Foreign currency:

(₹ in Lakhs)

Particulars	**For the year ended 31st March 2022**	**For the year ended 31st March 2021**
Professional Fees	31.10	33.32
Purchase of Raw Materials	37585.56	29497.19
Purchase of Stores & Spares	460.30	1530.98
Other expenses	236.31	324.25
Total	**38313.26**	**31385.74**

Earnings in Foreign currency:

Particulars	**For the year ended 31st March 2022**	**For the year ended 31st March 2021**
FOB Value of Exports	74542.61	66052.87
Dividend	2634.30	6217.95
Total	**77176.91**	**72270.82**

2.28 Segment Reporting:

The Company concluded that there is only one operating segment i.e, Coffee products. Hence, the same becomes the reportable segment for the Company. Accordingly, the Company has only one operating and reportable segment, the disclosure requirements specified in paragraphs 22 to 30 are not applicable. Accordingly, the Company shall present entity-wide disclosures enumerated in paragraphs 32, 33 and 34 of Ind AS 108.

2.29 Employee benefits:

Gratuity benefits

In accordance with applicable laws, the Company has a defined benefit plan which provides for gratuity payments (the "Gratuity Plan") and covers certain categories of employees in India. The Gratuity Plan provides a lump sum gratuity payment to eligible employees at retirement or termination of their employment. The amount of the payment is based on the respective employee's last drawn salary and the years of employment with the Company. Liabilities in respect of the Gratuity Plan are determined by an actuarial valuation, based upon which the Company makes contributions to the Life Insurance Corporation of India (LIC).

The components of gratuity cost recognized in the statement of profit and loss for the years ended 31st March 2022 and 2021 consist of the following:

(₹ in Lakhs)

Particulars	**For the Years ended 31st March**	
	2022	**2021**
Current service cost	52.05	51.19
Interest on net defined benefit liability/(asset)	38.44	35.71
Gratuity cost recognized in statement of profit and loss	**90.49**	**86.91**

Details of the employee benefits obligations and plan assets are provided below: **(₹ in Lakhs)**

Particulars	**As of 31st March**	
	2022	**2021**
Present value of funded obligations	579.51	643.87
Fair value of plan assets	706.73	799.28
Net defined benefit liability / (asset) recognized	**(127.22)**	**(155.41)**

Details of changes in the present value of defined benefit obligations are as follows:

Particulars	**As of 31st March**	
	2022	**2021**
Defined benefit obligations at the beginning of the year	643.87	542.12
Current service cost	52.05	51.19
Interest on defined obligations	38.44	35.71
Re-measurements due to:		
Actuarial loss/(gain) due to change in financial assumptions	(20.82)	-
Actuarial loss/(gain) due to demographic assumptions	-	(5.60)
Actuarial loss/(gain) due to experience changes	40.93	14.96
Benefits paid	(3.01)	(30.80)
Other (Employee Contribution, Taxes, Expenses, adj to Opening Balance)	(171.95)	-
Defined benefit obligations at the end of the year	**579.51**	**596.31**

Details of changes in the fair value of plan assets are as follows:

Particulars	**As of 31st March**	
	2022	**2021**
Fair value of plan assets at the beginning of the year	799.28	628.16
Employer contributions	77.42	82.08
Actuarial loss/(gain) on plan assets	(52.77)	1.32
Re-measurements due to:		
Return on plan assets excluding interest on plan assets	57.76	44.32
Benefits paid	(3.01)	(30.80)
Other (Employee Contribution, Taxes, Expenses, adj to Opening Balance)	(171.95)	-
Plan assets at the end of the year	**706.73**	**725.09**

Summary of Actuarial Assumptions

The actuarial assumptions used in accounting for the Gratuity Plan are as follows:
The assumptions used to determine benefit obligations:

Particulars	**As of 31st March**	
	2022	**2021**
Discount rate	6.87%	6.87%
Rate of compensation increase	4.00%	4.00%

Leave Encashment

The Company provides for accumulation of compensated absences by certain categories of its employees. These employees can carry forward a portion of the unutilised compensated absences and utilise them in future periods or receive cash in lieu thereof as per the Company's policy. The Company records a liability for compensated absences in the period in which the employee renders the services that increases this entitlement. The total liability recorded by the Company towards this obligation was ₹ 200.44 Lakhs and ₹ 154.84 Lakhs as at 31st March 2022 and 31st March 2021, respectively

Contribution to Provident Fund

The employees of the Company receive benefits from a provident fund, a defined contribution plan. Both the employee and employer each make monthly contributions to a government administered fund equal to 12% of the covered employee's qualifying salary. The Company has no further obligations under the plan beyond its monthly contributions. The Company contributed ₹ 223.45 Lakhs and ₹ 195.63 Lakhs to the provident fund plan during the years ended 31st March 2022 and 31st March 2021, respectively.

Contribution to Superannuation schemes

Certain categories of employees of the Company participate in superannuation, a defined contribution plan administered by the Life Insurance Corporation of India. The Company makes annual contributions based on a specified percentage of each covered employee's salary. The Company has no further obligations under the plan beyond its annual contributions. The Company contributed ₹ 244.48 Lakhs and ₹ 273.65 Lakhs to the superannuation Schemes during the years ended 31st March 2022 and 31st March 2021, respectively.

2.30 Income Taxes:

Income tax expense/ (benefit) recognized in the statement of profit and loss:
Income tax expense/ (benefit) recognized in the statement of profit and loss consists of the following:

(₹ in Lakhs)

Particulars	For the Year Ended 31st March	
	2022	**2021**
Current taxes expense		
Domestic	3868.69	4897.37
Deferred taxes expense/(benefit)		
Domestic	1780.37	275.69
Total income tax expense/(benefit) recognized in the statement of profit and loss	**5649.06**	**5173.06**

b) Reconciliation of Effective tax rate

Particulars	For the Year Ended 31st March	
	2022	**2021**
Profit before income taxes	18368.97	21042.01
Enacted tax rate in India	34.94%	34.94%
Computed expected tax benefit/(expense)	**6418.12**	**7352.08**

(₹ in Lakhs)

Effect of:		
Expenses not deductible for Tax purposes	741.69	1,004.39
Expenses deductible for Tax purposes	(1,862.99)	(4,112.81)
Taxable at Special Rate	-	1,086.28
Exempted income form SEZ	(885.67)	(433.11)
Reversal of excess provision created in previous years	(543.20)	-
Income tax benefit/(expense)	**3868.69**	**4897.37**
Effective tax rate	**21.06%**	**23.27%**

The Company's average effective tax rate for the years ended March 31, 2022 and 2021 were 21.06% and 23.27%, respectively.

b) Deferred tax assets & Liabilities:

The tax effects of significant temporary differences that resulted in deferred tax assets and liabilities and a description of the items that created these differences is given below:

Particulars	**For the Year Ended 31st March**	
	2022	**2021**
Deferred tax assets/(liabilities):		
Property, plant and equipment	**(8131.20)**	**(8144.50)**
Others	834.47	3,171.34
Net deferred tax assets/(liabilities)	**7296.73**	**(4973.16)**

2.31 Financial Risk Management:

The Company's activities expose it to a variety of financial risks, including credit risk, liquidity risk and Market risk. The Company's risk management assessment and policies and processes are established to identify and analyze 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. The Board of Directors, risk management committee and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

a. Credit Risk:

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company has the following categories of financial assets that are subject to credit risk evaluation:

Trade 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 and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Financial assets that are neither past due nor impaired - None of the Company's cash equivalents, including deposits with banks, were past due or impaired as at 31st March 2022. Of the total trade and other receivables, impairment loss is provided for ₹ 36.65 Lakhs as at 31st March 2022 and ₹ 94.88 Lakhs at 31st March 2021.

The Company's credit period for customers generally ranges from 60-90 days. The aging of trade receivables that are past due but not impaired is given below:

(₹ in Lakhs)

Particulars	**As of 31st March**	
Period (in days)	**2022**	**2021**
1 – 90	9813.14	12369.47
90 – 180	1998.00	170.68
More than 180	261.66	1217.80
Total	**12072.80**	**13757.95**

Other than trade receivables, the Company has no significant class of financial assets that are past due or impaired as at 31st March, 2022.

On account of adoption of Ind AS 109, the Company uses Expected Credit Loss (ECL) model for assessing the impairment loss. For this purpose, it is weighted average of credit losses with the respective risks of default occurring as weights. The credit loss is the difference between all contractual cash flows that are due to an entity as per the contract and all the contractual cash flows that the entity expects to receive, discounted to the effective interest rate.

Reconciliation of allowance for credit losses

The details of changes in allowance for credit losses during the year ended 31st March 2022 and 31st March 2021 are as follows:

Particulars	**For the Year Ended 31st March**	
	2022	**2021**
Balance at the beginning of the year	**94.88**	**77.43**
Impairment of Trade receivables	(58.23)	17.45
Balance at the end of the year	**36.65**	**94.88**

b. Liquidity Risks:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

As of 31st March 2022 and 2021, the Company has utilized working capital credit limits from banks for ₹ 27982.81 Lakhs and ₹ 19150.47 Lakhs respectively.

As of 31st March 2022, the Company had working capital (current assets less current liabilities) of ₹ 18371.64 Lakhs including cash and cash equivalents of ₹ 1949.93 Lakhs. As of 31st March 2021, the Company had working capital (current assets less current liabilities) of ₹ 17041.46 Lakhs including cash and cash equivalents of ₹ 6879.55 Lakhs.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31st March 2022 :

(₹ in Lakhs)

Particulars	**2023**	**2024**	**2025**	**2026**	**2027**	**Total**
Trade payables	3280.26	-	-	-	-	3280.26
Long term borrowings	8984.82	7656.47	1687.50	1687.50	140.63	20156.92
Bank overdraft, short-term loans and borrowings*	27982.81	-	-	-	-	27982.81
Other liabilities*	3498.39	-	-	-	-	3498.39

*Note: The Bank Overdraft and other liabilities are payable on demand.

c. Market Risks

Market risk is the risk that changes in market prices such as commodity prices risk, foreign exchange rates and interest rates which will affect the Company's financial position. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The Coffee Industry is dependent on nature, making it susceptible to climate vagaries. The major weather factors that influence coffee yield are rainfall, temperature, light intensity and relative humidity.

Commodity Price Risk

The Company exposure to Market risk for commodity prices can result in changes to realisation for its Cost of Production for its products. The company mitigates risk by entering into Coffee Future Contracts and with the natural hedge arising on export of Products vis a vis import of Coffee Beans.

Coffee Futures

The Company uses Coffee future contract to reduce its price risk associated with forecasted purchases of Coffee beans. Throughout the year, the company enters into coffee futures based on market price and anticipated production requirements.

Foreign currency risk

The Company is exposed to currency risk on account of its borrowings and other payables in foreign currency. The functional currency of the Company is Indian Rupee. The company mitigates the currency risk with natural hedge arising on export of Products vis a vis import of Coffee Beans.

Interest rate risk **(₹ in Lakhs)**

Interest rate risk refers to risk that the fair value of future cash flows of a financial instrument may fluctuate because of changes in market interest rates.

2.32 Financial Instrument:

The carrying value and fair value of financial instruments as at 31 March 2022 and 31 March 2021 were as follows:

Particulars	As at 31st March 2022		As at 31st March 2021	
	Total carrying Value	Total fair value/ amortised cost	Total carrying Value	Total fair value/ amortised cost
Financial assets				
Cash and cash equivalents	1949.93	1949.93	6879.55	6879.55
Other bank balances	-	-	-	-
Investments	15709.78	15709.78	15710.78	15710.78
Trade receivables	12036.15	12036.15	13663.07	13663.07
Loans	-	-	-	-
Derivative instruments	-	-	-	-
Other financial assets	2563.49	2563.49	2718.62	2718.62
Total	**32259.34**	**32259.34**	**38972.02**	**38972.02**
Financial liabilities				
Trade payables	3280.26	3280.26	1752.88	1752.88
Long-term borrowings	11172.10	11172.10	13191.07	13191.07
Short-term borrowings	27982.81	27982.81	19150.47	19150.47
Lease Liabilities	-	-	-	-
Derivative instruments	57.19	57.19	486.28	486.28
Other financial liabilities	11441.78	11441.78	11015.76	11015.76
Total	**53934.14**	**53934.14**	**45596.45**	**45596.45**

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of

31st March 2022

Particulars	Level 1	Level 2	Level 3	Total
Derivative Financial instrument (Financial liability)	-	57.19	-	57.19

31st March 2021

Particulars	Level 1	Level 2	Level 3	Total
Derivative Financial instrument (Financial liability)	-	-	486.28	486.28

2.33 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects. A CSR committee has been formed by the company as per the Act. The funds were primarily utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

(₹ in Lakhs)

Particulars	**For the year ended 31st March 2022**	**For the year ended 31st March 2021**
i) Amount required to be spent by the company during the year	458.62	419.18
ii) Amount required to be set off for the financial year, if any	-	-
(iii) Total CSR obligation for the financial year	458.62	419.18
iv) Amount of expenditure incurred	492.46	436.15
(a) Construction/acquisition of any asset	305.97	61.05
(b) On purposes other than (a) above	186.49	375.10
v) Shortfall at the end of the year ((iii)-(iv))*	-	-
vi) Total of previous years shortfall	-	-
vii) Reason for shortfall	NA	NA
viii) Nature of CSR activities	Setting up of Old Age Homes, Setting up of Orphanages, Promotion of Education, Promotion of Health Activities, Infrastructural Development, Environment Preservation and Rural Development.	
ix) Details of related party transactions, e.g.,contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard (1)	NA	NA
x) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision	NA	NA

2.34 Capital Management

The Company's objective for capital management is to maximize shareholder wealth, safeguard business continuity and support the growth of the Company. The Company determines the capital management requirement based on annual operating plans and long term and other strategic investment plans. The funding requirements are met through equity, borrowings and operating cash flows required.

The company's Debt Equity ratio is as follows:

Particulars	**As of 31st March 2022**	**As of 31st March 2021**
Total Debt	62215.11	53740.81
Total Equity	99335.80	92838.19
Debt Equity Ratio	**0.63:1**	**0.58:1**

2.35 Contingent Liabilities and Commitments:

The following are the details of contingent liabilities and commitments:

(₹ in Lakhs)

Particulars	**As of 31st March 2022**	**As of 31st March 2021**
Contingent Liabilities		
a) Claims against the company/disputed liabilities		
Income Tax*	4057.38	4057.38
Service Tax	995.92	995.92
Sales Tax	151.94	151.94
b) Guarantees		
Bank Guarantee	1735.63	1516.12
	6940.87	**6721.36**
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	453.40	343.46
	453.40	**343.46**

*Tax deposited under protest ₹ 2883.28 Lakhs .

2.36 Ratio analysis

Ratio	Numerator	Denominator	As at 31st March 2022	As at 31 stMarch 2021	Variance (in %)
Current Ratio (no.of times)	Current Assets	Current Liabilities	1.42	1.61	(12)
Debt- Equity Ratio (no.of times)	Total Debt	Shareholder's Equity	0.63	0.58	8
Debt Service Coverage ratio (no.of times)	Earnings available for debt service	Debt service	2.25	2.58	(13)
Return on Equity ratio (%)	Net Profits after taxes	Average Shareholder's Equity	13.24	18.44	(28)
Inventory Turnover ratio (no.of times)	Cost of goods sold	Average Inventory	1.32	1.63	(19)
Trade Receivable Turnover Ratio (no.of times)	Net Sales	Average Trade Receivable	7.18	4.52	59
Trade Payable Turnover Ratio (no.of times)	Net credit purchases	Average Trade Payables	30.02	33.14	(9)
Net Capital Turnover Ratio (no.of times)	Net Sales	Working capital	5.02	4.67	8
Net Profit ratio (%)	Net Profits after taxes	Net Sales	13.78	19.96	(31)
Return on Capital Employed (%)	Earnings before interest and taxes	Capital Employed	17.86	21.22	(16)
Return on Investment (%)	Income generated from investments	Time weighted average investments	16.77	39.39	(57)

2.37 Other statutory information:

a. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

b. The Company does not have any transactions with struck off companies.

c. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

d. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

e. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

   i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

   ii. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

f. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

   i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

   ii. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

g. The Company has not entered into any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

h. The Company has not been declared as wilful defaulter by any bank or financial institution or other lender.

i. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

j. No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013, during the year.

k. The Company has borrowings from banks against security of its current assets. The reports or statements of Current assets filed by the company with banks are in agreement with the books of accounts.

l. The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were taken.

Independent Auditor's Report

To the Members of CCL Products (India) Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of M/s. CCL Products(India) Limited (hereinafter referred to as "the Holding Company") and its subsidiaries Jayanti Pte Ltd, Singapore; Continental Coffee SA,Switzerland (formerly known as Grandsaugreen SA); Ngon Coffee Company Limited, Vietnam and Continental Coffee Private Limited, India (the Holding Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2022, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act"), in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2022,of its consolidated profit (including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated 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 Financial Statements* section of our report. We are independent of the Group, in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") and the relevant provisions of the Companies Act, 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significant in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

<table>
<tr><th>Key Audit Matter</th><th>Auditor’s Response</th></tr>
<tr><td>Fair value assessment of trade receivables

Trade receivables comprise a significant portion of the liquid assets of the Company.

The trade receivables are mostly dues receivable from Government and allied Government agencies hence not impaired. There was no provision made on the trade receivable in the previous year. The most significant portion of the trade receivables less than one year comprises which are dues from Government and Government agencies hence not impaired. Accordingly, the estimation of the allowance for trade receivables is a significant judgment area and is therefore considered a key audit matter.</td><td><u>Principal Audit Procedures</u>

We assessed the validity of material long outstanding receivables which are Nil by reviewing the customer ledger during current year. We also considered payments received subsequent to year-end, and unusual patterns if any were reviewed to identify potentially impaired balances. The assessment of the appropriateness of the allowance for trade receivables comprised a variety of audit procedures across the Group including:
• Challenging the appropriateness and reasonableness of the assumptions applied in the directors’ assessment of the receivables allowance;
• Consideration and concurrence of the agreed payment terms;
• Verification of receipts from trade receivables subsequent to year-end; and
• Considered the completeness and accuracy of the disclosures.
To address the risk of management bias, we evaluated the results of our procedures against audit procedures on other key balances to assess whether or not there was an indication of bias.
We were satisfied that the Company’s trade receivables are fairly valued and no provision is deemed to be required against these receivables.</td></tr>
<tr><td>Revenue recognition
The Company applies judgment to determine whether each goods, software product or services promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised goods, software product or services are combined and accounted as a single performance obligation. The Company allocates the arrangement consideration to separately identifiable performance obligation deliverables based on their selling price determined in contract.
The accuracy and of revenue amounts recorded is an inherent industry risk
Disclosures relating revenue recognition are in Note 23.</td><td><u>Principal Audit Procedures</u>

Our audit procedures in respect of this area included:
We evaluated the effectiveness of key controls over the capture and measurement of revenue transactions across all material revenue streams
Testing controls over software product sales including:
– documentation evidencing internal and third party physical inspection and confirmation of complete status;

We evaluated the adequacy of the disclosures included in Note 23.</td></tr>
</table>

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's Annual Report but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The Directors Report is expected to be made available to us after the date of this auditor's report.

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

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

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group 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 accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Boards of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Boards of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our 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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss(including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of the preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2022 taken on record by the Board of Directors of the Holding Company and its subsidiary, 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 Holding Company and its subsidiary, which is incorporated in India and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”.

(g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company and its subsidiary, which is incorporated in India 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 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 Group does not have any pending litigations which would impact the standalone financial statements;

ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There is no amount required to be transferred to the Investor Education and Protection Fund by the Holding Company and subsidiary company incorporated in India.

iv. (a) The respective Management 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 that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or any of such subsidiaries to or in any other person or entity, including foreign entity (“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 by or on behalf of the Company or any of such subsidiaries (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Management 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 that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Holding Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement

v. As stated in Note 41 to the consolidated financial statements:

(a) The dividend proposed in the previous year by the Holding Company, declared and paid by the Holding Company during the year is in accordance with Section 123 of the Act, as applicable.

(b) The Board of Directors of the Holding Company have proposed dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiary included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For Ramanatham& Rao
Chartered accountants
Firm Registration No. 002934S

(K. SREENIVASAN)
Partner
ICAI Membership No. 206421
UDIN: 22206421AJQJMF6213

Place : Hyderabad
Date : 26th May, 2022

Annexure - A to the Independent Auditors' Report
(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of CCL Products (India)Limited ("the Holding Company") and its subsidiary, which is incorporated in India, as of 31st March, 2022 in conjunction with our audit of the consolidated financial statements of the Holding Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Holding Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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 the Holding Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding 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 prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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, to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary company, 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 31st March, 2022, based on the internal control over financial reporting criteria established by the Holding Company and Subsidiary 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 Ramanatham& Rao
Chartered accountants
Firm Registration No. 002934S

(K. SREENIVASAN)
Partner
ICAI Membership No. 206421
UDIN: 22206421AJQJMF6213

Place : Hyderabad
Date : 26th May, 2022

CONSOLIDATED BALANCE SHEET

(₹ in Lakhs)

Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
ASSETS			
Non-current assets			
Property plant and Equipment	2.1	88222.76	79836.70
Capital Work Inprogress	2.1.1	15999.21	14894.50
Intangible assets	2.2	1.50	1.50
Financial assets			
Investments	2.3	0.10	0.10
Other financial assets	2.4	758.93	645.48
Other non current assets	2.5	2883.28	4335.20
		107865.78	**99713.48**
Current assets			
Inventories	2.6	51914.04	31969.00
Financial assets			
Trade receivables	2.7	31955.31	29855.31
Cash and cash equivalent	2.8	5626.56	12035.22
Other financial assets	2.4	328.14	8.28
Other current assets	2.5	9303.20	5237.32
		99127.25	**79105.13**
		206993.03	**178818.61**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	2.9	2660.56	2660.56
Other Equity	2.10	122408.83	106069.22
		125069.39	**108729.78**
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	2.11	11172.10	17691.07
Other Financial Liability	2.15	386.64	486.28
Provisions	2.12	94.61	145.96
Deferred tax liabilities (net)	2.16	7261.26	4898.52
		18914.61	**23221.82**
Current liabilities			
Financial Liabilities			
Borrowings	2.11	44918.26	29765.63
Trade payables			
(a) Total out standing dues of Micro and Small Enterprises		191.39	209.47
(b) Total out standing dues of creditors other than Micro and Small Enterprises	2.14	4375.13	1957.38
Other financial liabilities	2.15	11560.77	11356.74
Other current liabilities	2.16	1340.62	3547.70
Provisions	2.13	622.87	30.09
		63009.03	**46867.01**
		206993.03	**178818.61**

The accompanying Significant accouting policies and notes form an integral part of the Standalone financial statements.

As per our report of even date
For RAMANATHAM & RAO
Chartered Accountants

Sd/-
K.SREENIVASAN
Partner
M.No.206421

Place : Hyderabad
Date : 26th May, 2022

By order of the Board

Sd/-
V.Lakshmi Narayana
Chief Financial Officer
M. No. 028499

Sd/-
Kata Chandrahas
Director
DIN : 02994302

Sd/-
Challa Rajendra Prasad
Executive Chairman
DIN : 00702292

Sd/-
Praveen Jaipuriar
Chief Executive Officer

Sd/-
Sridevi Dasari
Company Secretary
M.No. A29897

Sd/-
Challa Srishant
Managing Director
DIN : 00016035

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(₹ in Lakhs)

Particulars	Note No.	For the year ended 31st March, 2022	For the year ended 31st March,2021
Income			
Revenue from operations	2.17	146202.89	124248.04
Other income	2.18	409.32	339.16
Total Revenue		**146612.21**	**124587.20**
Expenses			
Cost of materials consumed	2.19	78563.59	57951.34
Changes in inventories	2.2	(6271.33)	1070.60
Employee benefits expense	2.21	9769.24	7953.76
Finance costs	2.22	1635.90	1695.45
Depreciation and amortization expense	2.1&2.22	5746.30	4941.15
Other expenses	2.3	31035.16	27496.60
Total Expenses		**120478.85**	**101108.90**
Profit before tax		**26133.36**	**23478.30**
Tax expense			
(1) Current tax		3899.82	4969.10
(2) Deferred tax		1798.49	283.05
Profit for the year		**20435.05**	**18226.16**
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss		(19.95)	(17.52)
Tax on items that will not be reclassified to profit or loss		5.55	-
		(14.40)	(17.52)
Items that will be reclassified to profit or loss:			
Items that may be reclassified subsequently to profit or loss		1894.57	342.17
Tax on items that will be reclassified subsequently to profit or loss		-	-
		1894.57	342.17
Total other comprehensive income/(loss) for the year, net of tax		**1880.17**	**324.65**
Total comprehensive income for the year		**22315.22**	**18550.81**
Earnings per share: (in Rupees)			
Basic earnings per share of Rs.2/-each		15.36	13.70
Diluted earnings per share of Rs.2/- each		15.36	13.70

The accompanying Significant accouting policies and notes form an integral part of the Standalone financial statements.

As per our report of even date
For RAMANATHAM & RAO
Chartered Accountants

By order of the Board

Sd/-
K.SREENIVASAN
Partner
M.No.206421

Sd/-
V.Lakshmi Narayana
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DIN : 02994302

Sd/-
Challa Rajendra Prasad
Executive Chairman
DIN : 00702292

Place : Hyderabad
Date : 26th May, 2022

Sd/-
Praveen Jaipuriar
Chief Executive Officer

Sd/-
Sridevi Dasari
Company Secretary
M.No. A29897

Sd/-
Challa Srishant
Managing Director
DIN : 00016035

Statement of changes in equity

Statement of changes in equity for the period ended 31.03.2022

Equity share capital	Opening balance as at 1 Apr 2021	Changes in equity share capital during the year	Closing balance as at 31 Mar 2022
13,30,27,920 Equity Shares of ₹.2 each, fully paid up	266055840	-	266055840
	266056840		**266055840**

Equity share capital	Opening balance as at 1 Apr 2020	Changes in equity share capital during the year	Closing balance as at 31 Mar 2021
13,30,27,920 Equity Shares of ₹ 2 each, fully paid up	266055840	-	266055840
	266055840	**-**	**266055840**

(₹ in Lakhs)

Particulars	Retained Earnings	General Reserve	FCTR	Actuarial Gains or Losses	Derivative at Fair Value	ESOP	Total Equity
Balance as at 1/4/2021	72803.98	28820.70	5104.31	(173.49)	(486.28)	-	106069.22
Profit for the year	20435.05	-	-	-	-	-	20435.05
Additions during the year	-	-	1465.48	-	-	-	1465.48
Dividend paid	(6651.40)	-	-	-	-	-	(6651.40)
Amount transfer to general reserve	-	-	-	-	-	-	-
Net change in fair value of FVTPL investments and others	-	-	-	-	-	-	-
Measurement of derivatives at fair value	-	-	-	-	429.09	-	429.09
Actuarial gain/(loss) on post-employment benefit obligations, net of tax benefit	-	-	-	(14.40)	-	-	(14.40)
Share options outstanding account (ESOP)	-	-	-	-	-	675.79	675.79
Balance as at 31/03/2022	**86587.63**	**28820.70**	**6569.79**	**(187.89)**	**(57.19)**	**675.79**	**122408.83**

Particulars	Retained Earnings	General Reserve	FCTR	Actuarial Gains or Losses	Derivative at Fair Value	ESOP	Total Equity
Balance as at 1/4/2020	57238.38	28820.70	5150.54	(155.97)	(874.68)	-	90178.97
Profit for the year	18226.16	-	-	-	-	-	18226.16
Additions during the year	-	-	(46.23)	-	-	-	(46.23)
Dividend paid	(2660.56)	-	-	-	-	-	(2660.56)
Amount transfer to general reserve	-	-	-	-	-	-	-
Net change in fair value of FVTPL investments and others	-	-	-	-	-	-	-
Measurement of derivatives at fair value	-	-	-	-	388.40	-	388.40
Actuarial gain/(loss) on post-employment benefit obligations, net of tax benefit	-	-	-	(17.52)	-	-	(17.52)
Share options outstanding account (ESOP)	-	-	-	-	-	-	-
Balance as at 31/03/2021	**72803.98**	**28820.70**	**5104.31**	**(173.49)**	**(486.28)**	**-**	**106069.22**

CONSOLIDATED STATEMENT OF CASH FLOWS

(₹ in Lakhs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Cash Flows from Operating Activities		
Net profit before tax	**26133.36**	**23478.30**
Adjustments for :		
Depreciation and amortization expenses	5746.30	4941.15
Provision for expenses and expected credit loss	154.59	146.68
Share based payments to Employees	675.79	-
Foreign currency Translation	1894.58	324.65
Other Comprehensive Income	(19.95)	(17.52)
Gain on sale of preference shares	-	(42.77)
(profit)/loss on sale of Assets	(2.47)	-
Operating profit before working capital changes	**34582.20**	**28830.48**
Movements in Working Capital		
(Increase)/Decrease in Trade Receivables	(2254.59)	(3029.18)
(Increase)/Decrease in Other financial assets	(433.31)	(88.51)
(Increase)/Decrease in Inventories	(19945.04)	(5927.04)
(Increase)/Decrease in Other Current Assets	(309.57)	724.67
(Increase)/Decrease in Other Non Current Assets	1451.92	(85.25)
Increase/(Decrease) in Trade Payables	2399.67	(482.63)
Increase/(Decrease) in Other financial liabilities	(419.73)	1326.33
Increase/(Decrease) in Other Current liabilities	(1097.26)	(1585.24)
Changes in Working Capital	**(20607.91)**	**(9146.85)**
Cash generated from operations	**13974.28**	**19683.64**
Direct Taxes Paid	(3900.00)	(2592.92)
Net Cash from operating activities	**10074.28**	**17090.72**
Cash flows from Investing Activities		
Purchase of Property, plant and equipment (Including CWIP) and Adv for Capital Goods	(18993.37)	(15461.65)
Proceeeds from sale of shares	-	190.68
Net Cash From/ (Used In) Investing Activities	**(18993.37)**	**(15270.98)**
Cash flows from Financing Activities		
Proceeds from/ (Repayment) Long term borrowings	(5994.86)	(6472.22)
Proceeds from/(Repayment of) Short-term borrowings	15152.63	15495.49
Dividend and corporate dividend tax paid	(6651.40)	(2660.56)
Net Cash From/ (Used In) Financing Activities	**2506.37**	**6362.71**
Net Increase/(Decrease) in cash and cash equivalents	**(6412.73)**	**8182.46**
Cash and Cash equivalents at the beginning of the year	11947.82	3765.36
Cash and Cash equivalents at the ending of the year	**5535.09**	**11947.82**

Cash and Cash Equivalents include the following for Cash flow purpose

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Cash and Cash Equivalents/ Bank Balances	**5626.56**	**12035.22**
Less: Unclaim dividend	91.47	87.40
Cash and Cash Equivalents/ Bank Balances	**5535.09**	**11947.82**

As per our report of even date
For RAMANATHAM & RAO
Chartered Accountants

Sd/-
K.SREENIVASAN
Partner
M.No.206421

Place : Hyderabad
Date : 26th May, 2022

By order of the Board

Sd/-
V.Lakshmi Narayana
Chief Financial Officer
M. No. 028499

Sd/-
Kata Chandrahas
Director
DIN : 02994302

Sd/-
Challa Rajendra Prasad
Executive Chairman
DIN : 00702292

Sd/-
Praveen Jaipuriar
Chief Executive Officer

Sd/-
Sridevi Dasari
Company Secretary
M.No. A29897

Sd/-
Challa Srishant
Managing Director
DIN : 00016035

1. NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DESCRIPTION OF THE COMPANY AND SIGNIFICANT ACCOUNTING POLICIES

1.1 General Information

CCL Products (India) Limited ("the Holding Company") and its subsidiaries (together "the Group") are engaged in the production, trading and distribution of Coffee. The Company has business operations mainly in India, Vietnam and Switzerland. The Company is a public limited Company incorporated and domiciled in India and has its registered office at Duggirala, Guntur, Andhra Pradesh. The Company has its primary listings on the Bombay Stock Exchange and National Stock Exchange in India. The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.2 Basis of Preparation of Consolidated Financial Statements

The financial statements of CCL Products (India) Limited ("CCL" or "the Company") have been prepared and presented in accordance with the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules 2015, as amended and as per other relevant provisions of the Act. The presentation of financial statements is based upon Ind AS Schedule III of Companies Act, 2013.

1.3 Basis of Measurement

These Consolidated financial statements have been prepared on the historical cost convention and on an accrual basis, except for the following material items in the balance sheet:

a. Certain financial assets are measured either at fair value or at amortized cost depending on the classification;

b. Employee defined benefit assets/(liability) are recognized as the net total of the fair value of plan assets, plus actuarial losses, less Actuarial gains and the present value of the defined benefit obligation; and

c. Long-term borrowings, except obligations under finance leases, are measured at amortized cost using the effective interest rate method.

d. All assets and liabilities are classified into current and non-current based on the operating cycle of less than twelve months or based on the criteria of realization / settlement within twelve months period from the balance sheet date.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1,2,or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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

All assets and liabilities are classified into current and non-current based on the operating cycle of less than twelve months or based on the criteria of realization/settlement within twelve months period from the balance sheet date.

The following are the details of subsidiaries considered for the purpose of Consolidation:

Name of Enterprise	Country of Incorporation	Nature of Business	Shareholding/ Controlling interest
Jayanti Pte Limited	Singapore	Investment Vehicle	100%
Ngon Coffeee Company Limited	Vietnam	Manufacturing of Instant Coffee	100%
Continental Coffeee Private Limited	India	Trading of Instant Coffee	100%
Coninental Coffee SA	Switzerland	Manufacturing of Instant Coffee	100%

1.4 Use of judgment, estimates and assumptions.

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on historical experiences and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, the areas involving critical estimates or Judgment are:

a. Depreciation and amortization

Depreciation and amortization is based on management estimates of the future useful lives of certain class of property, plant and equipment and intangible assets.

b. Employee Benefits

The present value of the employee benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) includes the discount rate, wage escalation and employee attrition. The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

c. Provisions and contingencies

Provisions and contingencies are based on the Management's best estimate of the liabilities based on the facts known at the balance sheet date.

d. Fair valuation

Fair value is the market based measurement of observable market transaction or available market information. All financial instruments are measured at fair value as at the balance sheet date, as provided in Ind AS 109 and 113. Being a critical estimate, judgment is exercised to determine the carrying values. The fair value of financial instruments that are unlisted and not traded in an active market is determined at fair values assessed based on recent transactions entered into with third parties, based on valuation done by external appraisers etc.

e. Provision for expected credit losses of trade receivables

While calculating the expected credit loss for the receivables, the company uses historical observed default rates. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

f. Deferred taxes

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

1.5 Scope of Consolidation

The consolidated financial statements have been prepared on the following basis:

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases. Fully consolidated means recognition of all assets and liabilities and items in the income statement in full. Thereafter the portion of net profit and equity is allocated between the owners of the Holding Company and non-controlling interest. Changes in ownership that do not result in a change of control are accounted for as equity transactions and therefore do not have any impact on goodwill. The difference between consideration and the non-controlling share of net assets acquired is recognised within equity.

The financial statements of group companies are consolidated on line by line basis and Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated if there is a profit on ultimate sale of goods. When necessary, amounts reported by subsidiaries have been adjusted to conform with the group's accounting policies.

1.6 Functional and Presentation Currency

These financial statements are presented in Indian rupees, which is also the functional currency of the Company. All financial information presented in Indian rupees has been rounded to the nearest lakhs.

1.1 Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1, presentation of financial statements.

Assets: An asset is classified as current when it satisfies any of the following criteria:

a. It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
b. It is held primarily for the purpose of being traded;

c. It is expected to be realized within twelve months after the reporting date; or

d. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Liabilities: A liability is classified as current when it satisfies any of the following criteria:

a. It is expected to be settled in the Company's normal operating cycle;

b. It is held primarily for the purpose of being traded;

c. It is due to be settled within twelve months after the reporting date; or

d. The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification

Current assets/ liabilities include the current portion of non-current assets/ liabilities respectively. All other assets/ liabilities are classified as non-current. Deferred tax assets and liabilities are always disclosed as non- current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

1.2 Foreign Currency Transaction

Transactions in foreign currencies are translated to the respective functional currencies of entities within the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at that date. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognized in the statement of profit and loss in the period in which they arise.

1.3 Property Plant & Equipment

Recognition and measurement

Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment loss, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset i.e., freight, duties and taxes applicable and other expenses related to acquisition and installation. The cost of self-constructed assets includes the cost of materials and other costs directly attributable to bringing the asset to a working condition for its intended use. Borrowing costs that are directly attributable to the construction or production of a qualifying asset are capitalized as part of the cost of that asset.

Directly attributable costs include:

a. Cost of Employee Benefits arising directly from Construction or acquisition of PPE.

b. Cost of Site Preparation.

c. Initial Delivery & Handling costs.

d. Professional Fees and

e. Costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling any item produced while bringing the asset to that location and condition (such as samples produced when testing equipment).

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

Gains and losses upon disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized net within the statement of profit and loss.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part will be derecognized. The costs of repairs and maintenance are recognized in the statement of profit and loss as incurred.

Items of property, plant and equipment acquired through exchange of non-monetary assets are measured at fair value, unless the exchange transaction lacks commercial substance or the fair value of either the asset received or asset given up is not reliably measurable, in which case the asset exchanged is recorded at the carrying amount of the asset given up.

Depreciation

Depreciation is recognized in the statement of profit and loss on a straight line basis over the estimated useful lives of property, plant and equipment based on the Companies Act, 2013 (“Schedule II”), which prescribes the useful lives for various classes of tangible assets. For assets acquired or disposed off during the year, depreciation is provided on pro rata basis. Land is not depreciated.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

The estimated useful lives are as follows:

Type of Asset	Estimated useful life
Buildings	
i) Main Plant Building	30
ii) Other Building	60
Plant & Machinery	25
Lab Equipment	7.5
Material Handling	7.5
Fire fighting	7.5
Vehicles	8
Computers	3
Office Equipment	5
Furniture & Fixtures	10

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is disclosed as capital advances under other non-current assets. The cost of property, plant and equipment not ready to use before such date are disclosed under capital work-in-progress. Assets not ready for use are not depreciated.

The Company assesses at each balance sheet date, whether there is objective evidence that an asset or a group of assets is impaired. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Recoverable amount is higher of the value in use or fair value less cost to sell.

1.4 Intangible assets

Acquired computer software is capitalised on the basis of the costs incurred to acquire and bring to use the specific software. The Intangible assets that are acquired by the Company and that have finite useful lives are measured at cost less accumulated amortization and accumulated impairment losses.

Amortization

Amortization is recognized in the statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets or on any other basis that reflects the pattern in which the asset's future economic benefit are expected to be consumed by the entity. Intangible assets that are not available for use are amortized from the date they are available for use.

The estimated useful lives are as follows:

Type of Asset	Estimated useful life
Intangible Assets	
Computer Software	3

The amortization period and the amortization method for intangible assets with a finite useful life are reviewed at each reporting date.

1.5 Financial Instruments

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

a. Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

Debt instrument at FVTPL

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss. The Company has not designated any debt instrument as at FVTPL.

Investment in Preference Shares and Unquoted trade Investments

Investment in Preference Shares and Unquoted trade Investments are measured at amortized cost using Effective Rate of Return (ERR).

Investment in equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

De recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognized (i.e., removed from the Company's balance sheet) when:

a. The rights to receive cash flows from the asset have expired, or

b. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

   When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass- through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Impairment of trade receivables

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18. Expected credit loss model takes into consideration the present value of all the cash shortfalls over the expected life of a financial instrument. In simple terms, it is weighted average of credit losses with the respective risks of default occurring as weights. The credit loss is the difference between all contractual cash flows that are due to an entity as per the contract and all the contractual cash flows that the entity expects to receive, discounted to the effective interest rate. The Standard presumes that entities would suffer credit loss even if the entity expects to be paid in full but later than when contractually due. In other words, it simply focuses on DELAYS in collection of receivables.

For the purpose of identifying the days of delay, the Company took into consideration the weighted average number of delays taking into consideration the date of billing, the credit period and the collection days.

b. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value i.e., loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Derivative financial instruments and hedging activities:

A derivative is a financial instrument which changes value in response to changes in an underlying asset and is settled at future date. Derivatives are recognised at fair value at the end of reporting period and are subsequently re-measured at their fair value at each reporting period. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Company designates certain derivatives as either:

a. hedges of the fair value of recognised assets or liabilities (fair value hedge); or

b. hedges of a particular risk associated with a financial commitment or a highly probable forecasted transaction (cash flow hedge);

The Company documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Company also documents its assessment, both at hedge inception and on an on-going basis, of whether the derivatives that are used in hedging transactions are effective in offsetting changes in cash flows of hedged items.

Movements in the hedging reserve are accounted in other comprehensive income and are shown within the statement of changes in equity. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of hedged item is more than 12 months and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

(a) Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

(b) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The ineffective portion of changes in the fair value of the derivative is recognised in the statement of profit and loss. Gains or losses accumulated in equity are reclassified to the statement of profit and loss in the periods when the hedged item affects the statement of profit and loss.

When a hedging instrument expires or swapped or unwound, or when a hedge no longer meets the criteria for hedge accounting, any accumulated gain or loss existing in statement of changes in equity is recognised in the Statement of Profit and Loss.

When a forecasted transaction is no longer expected to occur, the cumulative gains/losses that were reported in equity are immediately transferred to the statement of profit and loss.

Fair value measurement

Fair value of financial assets and liabilities is normally determined by references to the transaction price or market price. If the fair value is not reliably determinable, the Company determines the fair value using valuation techniques that are appropriate in the circumstances and for which sufficient data are available, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

1.6 Inventories

Inventories are valued at the lower of cost and net realisable value.

Inventories consist of raw materials, stores and spares, work-in-progress and finished goods are measured at the lower of cost and net realizable value.

The cost of all categories of inventories is based on the weighted average method.

Cost includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

In the case of finished goods and work-in-progress, cost includes an appropriate share of overheads based on normal operating capacity. Stores and spares, that do not qualify to be recognized as property, plant and equipment, consists of packing materials, engineering spares (such as machinery spare parts) and consumables which are used in operating machines or consumed as indirect materials in the manufacturing process.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

1.7 Impairment of non-financial assets

The carrying amounts of the Company’s non-financial assets, other than 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 goodwill and intangible assets that have indefinite lives or that are not yet available for use, an impairment test is performed each year at March 31.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflow of other assets or groups of assets (the “cash-generating unit”).

An impairment loss is recognized in the statement of profit and loss if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.
An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognized in prior periods are assessed at each reporting date for any indications 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. An impairment loss is reversed 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 amortization, if no impairment loss had been recognized.

1.8 Cash & Cash Equivalents

Cash and bank balances comprise of cash balance in hand, in current accounts with banks, demand deposit, short-term deposits, Margin Money deposits and unclaimed dividend accounts. For this purpose, “short-term” means investments having maturity of three months or less from the date of investment. Bank overdrafts that are repayable on demand and form an integral part of our cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows. The Margin money deposits, balance in dividend accounts which are not due and unclaimed dividend balances shall be disclosed as restricted cash balances.

1.9 Employee Benefits

a. Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined Contribution Plan

The Company’s contributions to defined contribution plans are charged to the statement of profit and loss as and when the services are received from the employees.

b. Defined Benefit Plans

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the projected unit credit method consistent with the advice of qualified actuaries. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates based on prevailing market yields of Indian Government Bonds and that have terms to maturity approximating to the terms of the related defined benefit obligation. The current service cost of the defined benefit plan, recognized in the statement of profit and loss in employee benefit expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in income. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

c. Termination benefits

Termination benefits are recognized as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

d. Other long-term employee benefits

The Company’s net obligation in respect of other long term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and previous periods. That benefit is discounted to determine its present value. Re-measurements are recognized in the statement of profit and loss in the period in which they arise.

1.10 Provisions, contingent liabilities and contingent assets

Provisions

A provision is recognized if, as a result of a past event, the Company 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. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets

Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

1.11 Revenue Recognition

Revenue from contracts with customers

Revenue is recognized when the Company substantially satisfied its performance obligation while transferring a promised good or service to its customers. The company considers the terms of the contract and its customary business practices to determine the transaction price. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and value added tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives / discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

Other Income Interest Income

Interest Income mainly comprises of interest on Margin money deposit with banks relating to bank guarantee. Interest income should be recorded using the effective interest rate (EIR). However, the amount of margin money deposits relating to bank guarantee are purely current in nature, hence effective interest rate has not been applied. Interest is recognized using the time-proportion method, based on rates implicit in the transactions.

Dividend

Dividend income is recognized when the Company’s right to receive dividend is established.

1.12 Government Grants

Government grants are assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity. They exclude those forms of government assistance which cannot reasonably have a value placed upon them and transactions with government which cannot be distinguished from the normal trading transactions of the entity.

Grants related to assets are government grants whose primary condition is that an entity qualifying for them should purchase, construct or otherwise acquire long-term assets. Subsidiary conditions may also be attached restricting the type or location of the assets or the periods during which they are to be acquired or held.

Grants related to income are government grants other than those related to assets.

A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs shall be recognised in profit or loss of the period in which it becomes receivable.

Export incentives in the form of MEIS scrips and power subsidy receivable by the company do not fall under the scope of Ind AS 115 and are accounted for in accordance with the provisions of Ind AS 20 considering such incentives as Government Assistance. Accordingly, government grant relating to

Income on account of power subsidy is recognised on accrual basis in Profit and Loss statement and export incentive in the form of MEIS scrips will be accounted on cash basis in Profit and Loss statement.

1.13 Borrowing Costs

Borrowing costs consist of interest, ancillary and other costs that the Company incurs in connection with the borrowing of funds and interest relating to other financial liabilities. Borrowing cost also include Exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

1.14 Tax Expenses

Tax expense consists of current and deferred tax.

Income Tax

Income tax expense consists of current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- temporary differences 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;
- temporary differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising upon the initial recognition of goodwill.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

Any deferred tax asset or liability arising from deductible or taxable temporary differences in respect of unrealised inter-company profit or loss on inventories held by the Company in different tax jurisdictions is recognised using the tax rate of the jurisdiction in which such inventories are held. Dividend distribution tax arising out of payment of dividends to shareholders under the Indian Income tax regulations is not considered as tax expense for the Company and all such taxes are recognised in the statement of changes in equity as part of the associated dividend payment.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset 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.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Current and deferred tax is recognised in consolidated statement of profit and loss, except to the extent that it relates to items recognised in OCI or directly in equity. In this case, the tax is also recognised in OCI or directly in equity, respectively.

Accruals for uncertain tax positions require management to make judgements of potential exposures. Accruals for uncertain tax positions are measured using either the most likely amount or the expected value amount depending on which method the entity expects to better predict the resolution of the uncertainty. Tax benefits are not recognised unless the tax positions will probably be accepted by the tax authorities. This is based upon management's interpretation of applicable laws and regulations and the expectation of how the tax authority will resolve the matter. Once considered probable of not being accepted, management reviews each material tax benefit and reflects the effect of the uncertainty in determining the related taxable amounts.

1.15 Earnings Per Share

The Company presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

1.16 Trade receivables

Trade receivables are initially recognized at fair value and subsequently measured at amortised cost using effective interest method, less provision for impairment, if any.

1.17 Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are presented as current liabilities unless payment is not due within twelve months after the reporting period. They are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

1.18 Business combinations

Business combinations are accounted as per the provisions of Ind AS 103, Business Combinations.

The Company applies the acquisition method to account for business combination. The consideration transferred for the acquisition of a subsidiary comprises of the,

- fair values of the assets transferred,
- liabilities incurred to the former owners of the acquired business,
- equity interests issued by the Group and
- fair value of any asset or liability resulting from a contingent consideration arrangement

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The excess of the fair value of consideration over the identifiable net asset acquired is recorded as goodwill, If the consideration is lower, the gain is recognised directly in equity as capital reserve.

In case, business acquisition is classified as bargain purchase, the aforementioned gain is recognised in the other comprehensive income and accumulated in equity as capital reserve.

The Company recognises any non-controlling interest in the acquired entity at fair value. Changes in ownership that do not result in a change of control are accounted for as equity transactions and therefore do not have any impact on goodwill. The difference between consideration and the non-controlling share of net assets acquired is recognised within equity.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method. Under pooling of interest method, the assets and liabilities of the combining entities are reflected at their carrying amounts, with adjustments only to harmonise accounting policies.

Acquisition-related costs are expensed as incurred

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss or other comprehensive income, as appropriate.

If the initial accounting for a business combination can be determined only provisionally by the end of the first reporting period, the business combination is accounted for using provisional amounts. Adjustments to provisional amounts, and the recognition of newly identified asset and liabilities, must be made within the ‘measurement period’ where these reflect new information obtained about facts and circumstances that were in existence at the acquisition date. The measurement period cannot exceed one year from the acquisition date and no adjustments are permitted after one year except to correct an error.

Any contingent consideration to be transferred by the Company is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in the Statement of Profit and Loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Business combinations of entities under common control

Common control business combination means a business combination involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory.

Business combinations involving entities or businesses under common control shall be accounted for using the pooling of interests method.

The pooling of interest method is considered to involve the following:

(a) The assets and liabilities of the combining entities are reflected at their carrying amounts.

(b) No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies.

(c) The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information shall be restated only from that date.

(d) The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee. Alternatively, it is transferred to General Reserve, if any.

(e) The identity of the reserves shall be preserved and shall appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor.

(f) The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor shall be transferred to capital reserve and should be presented separately from other capital reserves with disclosure of its nature and purpose in the notes.

1.19 Determination of fair values

The Company’s accounting policies and disclosures require the determination of fair value, for certain financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability. A fair value measurement of a non-financial asset takes into account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

(i) Property, plant and equipment

Property, plant and equipment, if acquired in a business combination or through an exchange of non-monetary assets, is measured at fair value on the acquisition date. For this purpose, fair value is based on appraised market values and replacement cost.

(ii) Intangible assets

The fair value of brands, technology related intangibles, and patents and trademarks acquired in a business combination is based on the discounted estimated royalty payments that have been avoided as a result of these brands, technology related intangibles, patents or trademarks being owned (the “relief of royalty method”). The fair value of customer related, product related and other intangibles acquired in a business combination has been determined using the multi-period excess earnings method after deduction of a fair return on other assets that are part of creating the related cash flows.

(iii) Inventories

The fair value of inventories acquired in a business combination is determined based on its estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

(iv) Investments in equity and debt securities and units of mutual funds

The fair value of marketable equity and debt securities is determined by reference to their quoted market price at the reporting date. For debt securities where quoted market prices are not available, fair value is determined using pricing techniques such as discounted cash flow analysis.

In respect of investments in mutual funds, the fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors.

Accordingly, such net asset values are analogous to fair market value with respect to these investments, as transactions of these mutual funds are carried out at such prices between investors and the issuers of these units of mutual funds.

(v) Derivatives

The fair value of foreign exchange forward contracts is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk- free interest rate (based on government bonds). The fair value of foreign currency option and swap contracts and interest rate swap contracts is determined based on the appropriate valuation techniques, considering the terms of the contract.

(vi) Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For finance leases the market rate of interest is determined by reference to similar lease agreements. In respect of the Company's borrowings that have floating rates of interest, their fair value approximates carrying value.

1.20 Note on "Code on Security, 2020"

The Indian Parliament has approved the Code on Social Security, 2020 ("the Code") which would impact the contributions by the company towards Provident Fund and Gratuity. The purpose of the Code on Social Security, 2020 is to amend and consolidate the laws relating to social security with the goal to extend social security to all employees and workers either in the organized or unorganized or any other sectors and for matters connected therewith or incidental thereto. The Code was passed by the Lok Sabha on September 22, 2020 and subsequently, by the Rajya Sabha on September 23, 2020 with a view to amalgamate, simplify and rationalize the relevant provisions of the nine central labour enactments relating to social security. The Code is yet to receive assent of the President of India. The Code shall come into force on such date as the Central Government may, by notification appoint and different dates may be appointed for different provisions of the SS Code. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

1.21 Impact of uncertainties in preparation of financial statements

The Company has considered the possible effects that may result from the pandemic relating to Covid-19 and other geo-political situations in Russia and Ukraine in the preparation of these standalone financial statements including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date of approval of these financial statements, used internal and external sources of information including credit reports and related information and economic forecasts and expects that the carrying amount of these assets will be recovered. The impact of Covid-19 on the Company's financial statements may differ from that estimated as at the date of approval of these standalone financial statements.

1.22 New Accounting pronouncements

The Ministry of Corporate Affairs (MCA) vide notification dated 23 March 2022 issued the Companies (Indian Accounting Standards) Amendment Rules, 2022. These rules notify certain amendments to Indian Accounting Standards (Ind AS). These amendments are effective from 1 April 2022.

Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets

As per Ind AS 37, a contract is 'onerous' when the unavoidable costs of meeting the contractual obligations (i.e. the lower of the costs of fulfilling the contract and the costs of terminating it) outweigh the economic benefits. Ind AS 37 did not define what are the costs of fulfilling a contract.

The amendments have clarified the types of costs a company can include as the 'costs of fulfilling a contract' while assessing whether a contract is onerous as under:

(a) The incremental costs of fulfilling that contract—for example, direct labour and materials; and

(b) An allocation of other costs that relate directly to fulfilling contracts— for example, an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract among others.

The amendments apply for annual reporting periods beginning on or after 1 April 2022 to contracts existing at the date when the amendments are first applied. At the date of initial application, the cumulative effect of initially applying the amendments is recognised as an opening balance adjustment to retained earnings or other component of equity, as appropriate. The comparatives are not required to be restated.

Ind AS 103, Business Combinations

The amendments have given reference of Conceptual Framework for Financial Reporting under Ind AS for definition of assets and liabilities without changing the accounting requirements for business combinations.

This amendment is applicable to business combinations for which acquisition date is on or after 1 April 2022.

Ind AS 16, Property, Plant and Equipment

Amendments to Ind AS 16 have clarified the accounting treatment for sale proceeds of items produced by PPE while preparing it for its intended use.

These amendments have clarified that excess of net sale proceeds of items produced over the cost of testing, if any, would not be recognised in the statement of profit or loss, but deducted from the directly attributable costs considered as part of cost of an item of PPE.

The amendments are effective for annual reporting periods beginning on or after 1 April 2022

The aforesaid amendments do not have any material impact on the consolidated financial statements of the Company.

2.1: Property, plant and equipment (₹ in Lakhs)

Particulars	Gross carrying value					Accumulated depreciation / impairment						Net carrying value	
	As at 1st April, 2021	Additions	Disposals	Foreign Exchange Fluctuation	As at 31st March, 2022	As at 1st April, 2021	For the year	Impairment for the year	Disposals	Foreign Exchange Fluctuation	As at 31st March, 2022	As at 31st March 2022	As at 31st March, 2021
Land	3801.16	-	-	52.43	3853.59	-	-	-	-	-	-	3853.59	3801.16
Buildings	22721.89	3533.40	-	404.84	26660.13	2713.91	848.48	-	-	153.78	3716.17	22943.96	20007.98
Plant and equipment	71171.20	9431.17	21.55	904.36	81485.18	16218.19	4637.35	-	1.04	699.41	21553.91	59931.27	54953.01
Lab Equipment	317.76	3.77	-	-	321.53	55.46	37.85	-	-	-	93.31	228.22	262.30
Material Handling Equipment	67.22	-	-	-	67.22	30.81	9.99	-	-	-	40.80	26.42	36.41
Fire fighting Expenes	0.83	-	-	-	0.83	0.06	-	-	-	-	0.06	0.77	0.77
Vehicles	857.55	70.84	9.68	2.42	921.13	357.19	98.50	-	8.15	2.42	449.96	471.17	500.36
Computers	193.43	72.12	-	-	265.55	134.65	30.08	-	-	-	164.73	100.82	58.78
Office Equipment	390.26	515.69	-	2.81	908.76	224.73	78.01	-	-	2.78	305.52	603.24	165.53
Furniture & Fixtures	85.03	18.29	-	4.19	107.51	34.62	6.04	-	-	3.55	44.21	63.30	50.41
Total	**99606.33**	**13645.28**	**31.23**	**1371.05**	**114591.43**	**19769.62**	**5746.30**	**-**	**9.19**	**861.94**	**26368.67**	**88222.76**	**79836.70**

Particulars	Gross carrying value					Accumulated depreciation / impairment						Net carrying value	
	As at 1st April, 2020	Additions	Disposals	Foreign Exchange Fluctuation	As at 31st March, 2021	As at 1st April, 2020	For the year	Impairment for the year	Disposals	Foreign Exchange Fluctuation	As at 31stMarch, 20201	As at 31st March 2021	As at 31st March, 2020
Land	3645.56	165.05	-	(9.45)	3801.16	-	-	-	-	-	-	3801.16	3645.56
Buildings	17371.60	5399.71	-	(49.42)	22721.89	2132.73	612.24	-	-	(31.06)	2713.91	20007.98	15238.87
Plant and equipment	65549.55	6871.42	1155.80	(93.97)	71171.20	13138.46	4084.51	-	-	(1004.78)	16218.19	54953.01	52411.09
Lab Equipment	314.43	3.33	-	-	317.76	18.03	37.43	-	-	-	55.46	262.30	296.40
Material Handling Equipment	60.27	6.95	-	-	67.22	20.49	10.32	-	-	-	30.81	36.41	39.78
Fire fighting Expenes	0.83	-	-	-	0.83	0.06	-	-	-	-	0.06	0.77	0.77
Vehicles	733.09	178.38	53.62	(0.30)	857.55	300.33	103.03	-	36.14	(10.03)	357.19	500.36	432.76
Computers	167.76	25.67	-	-	193.43	103.20	31.45	-	-	-	134.65	58.78	64.56
Office Equipment	351.93	38.56	-	(0.23)	390.26	167.91	57.04	-	-	(0.22)	224.73	165.53	184.02
Furniture & Fixtures	78.31	7.47	-	(0.75)	85.03	30.13	5.12	-	-	(0.63)	34.62	50.41	48.18
Total	**88273.33**	**12696.54**	**1209.42**	**(154.12)**	**99606.33**	**15911.34**	**4941.14**	**-**	**36.14**	**(1046.72)**	**19769.62**	**79836.70**	**72362.00**

a. All fixed assets including Factory land and buildings located at Duggirala, Guntur district and proposed new manufacturing unit located at kuvvakoli village,chittoor district, have been given as a security for availing Credit facilities from banks.

2.2: Other Intangible assets **(₹ in Lakhs)**

Particulars	Gross carrying value				Accumulated depreciation / impairment					Net carrying value	
	As at 1st April, 2021	Additions	Disposals	As at 31st March, 2022	As at 1st April, 2021	For the year	Impairment for the year	Disposals	As at 31st March, 2022	As at 31st March 2022	As at 31st March, 2021
Computer Software	14.21	-	-	14.21	12.71	-	-	-	12.71	1.50	1.50
Total	**14.21**	**-**	**-**	**14.21**	**12.71**	**-**	**-**	**-**	**12.71**	**1.50**	**1.50**

Particulars	Gross carrying value				Accumulated depreciation / impairment					Net carrying value	
	As at 1st April ,2020	Additions	Disposals	As at 31st March, 20210	As at 1st April, 2020	For the year	Impairment for the year	Disposals	As at 31st March, 2021	As at 31st March, 2021	As at 31st March, 2020
Computer Software	14.21	-	-	14.21	12.71	-	-	-	12.71	1.50	1.50
Total	**14.21**	**-**	**-**	**14.21**	**12.71**	**-**	**-**	**-**	**12.71**	**1.50**	**1.50**

2.1.1 Ageing of Capital Work in Progress as at 31st March,2022

CWIP-Tangibles	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects-in-progress	8040.11	7959.10	-	-	15999.21
Total	**8040.11**	**7959.10**	**-**	**-**	**15999.21**

Ageing of Capital Work in Progress as at 31st March,2021

CWIP-Tangibles	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects-in-progress	14182.76	711.74	-	-	14894.50
Total	**14182.76**	**711.74**	**-**	**-**	**14894.50**

2.3 Investments

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non Current	Current	Non Current
Investments at amortized cost(Unquoted Non Trade Investments:)				
Coffee Futures Exchange India Ltd (Equity Subscription for Membership as Ordinary member - 1 share of Rs.10,000)	-	0.10	-	0.10
Total investments carried at Amortized cost	**-**	**0.10**	**-**	**0.10**
Total Invetsments	**-**	**0.10**	**-**	**0.10**

2.4 Other Financial Assets

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non Current	Current	Non Current
Rental Deposits	-	71.30	-	41.74
Electricity and Other Security Deposits	-	687.62	-	603.74
Other Receivables	328.14	-	-	-
Tender Deposit	-	-	8.28	-
	328.14	**758.93**	**8.28**	**645.48**

2.5 Other Non Current Assets and Current Assets

Particulars	As at 31st March, 2022		As at 31st March,2021	
	Current	Non Current	Current	Non Current
Advance Tax (Net of Provision for tax)	-	-	-	1451.92
Deposits with Statutory authorities	-	2883.28	-	2883.28
Advances to Employees	170.87	-	69.46	-
Prepaid Expenses	282.00	-	274.47	-
Input tax and other taxes receivables	2534.47	-	2916.86	-
Advance to Creditors	711.56	-	523.31	-
Advances for Capital goods/services	4620.13	-	863.82	-
Other receivables	984.17	-	589.40	-
	9303.20	**2883.28**	**5237.32**	**4335.20**

2.6 Inventories

(₹ in Lakhs)

Particulas	As at 31st March, 2022	As at 31st March, 2021
Raw materials	31684.33	18895.29
Work-in-progress	572.83	332.87
Finished goods	14159.44	8128.07
Stores, spares and consumables	3110.48	2871.52
Packing materials	2386.96	1741.24
	51914.04	**31969.00**

The method of valuation of Inventories has been stated in Note No. 1.6 of Significant Accounting Policies. The Company has considered the possible impact relating to COVID-19 and other geo-political situations in Russia and Ukraine while estimating the net realisable value of inventory. Based on the available internal and external information, as determined by the Management, the Company does not expect the carrying values of such inventories to be significantly impacted.

2.7 Trade receivables

Particulas	As at 31st March, 2022	As at 31st March, 2021
Trade Receivables		
Unsecured,considered good	32109.91	30016.00
Less: Allowances for credit losses	154.59	160.69
	31955.31	**29855.31**

Trade Receivables hypothecated as security for availing working capital facilities

The credit worthiness of Trade Receivables and the credit terms set are determined on a case to case basis and the Management has factored in the uncertainties arising out of COVID-19 and other geo-political situations in Russia and Ukraine, as applicable. Considering all the other internal and external sources of information as determined by the Management, the Company has concluded that there is a low probability of default on Trade Receivables.

The fair values of Trade Receivables are not considered to be significantly different from their carrying values, given their generally short period to maturity, with impairment reviews considered on an individual basis rather than when these become overdue.

(₹ in Lakhs)

Trade receivables ageing schedule for the year ended March 31, 2022

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed - considered good	27309.38	3989.10	157.91	460.03	63.32	50.00	32029.74
(ii) Undisputed - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed - credit impaired	-	-	-	-	-	-	-
(iv) Disputed - considered good	-	-	-	-	-	80.17	80.17
(v) Disputed - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed - credit impaired	-	-	-	-	-	-	-
Less: Allowances for credit losses	-	-	-	-	-	-	(154.59)
	27309.38	**3989.10**	**157.91**	**460.03**	**63.32**	**130.17**	**31955.31**

Trade receivables ageing schedule for the year ended March 31, 2021

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed - considered good	27435.44	1614.87	438.16	311.71	75.60	73.07	29948.86
(ii) Undisputed - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed - credit impaired	-	-	-	-	-	-	-
(iv) Disputed - considered good	-	-	-	-	42.90	24.25	67.14
(v) Disputed - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed - credit impaired	-	-	-	-	-	-	-
Less: Allowances for credit losses	-	-	-	-	-	-	(160.69)
	27435.44	**1614.87**	**438.16**	**311.71**	**118.49**	**97.32**	**29855.31**

(₹ in Lakhs)

2.8 Cash and Cash Equivalents

Particulas	**As at 31st March, 2022**	**As at 31st March, 2021**
a) Cash and Cash equivalents		
i) Cash on hand	12.75	5.46
ii) Balances with banks		
- Current Accounts	5265.35	11701.57
b) Other Bank Balances (with resricted use)		
(i) Margin Money Deposit Accounts (against Bank Guarantees)	186.41	182.16
(ii) Unclaimed Dividend Account	91.47	87.40
Interest accrued but not due on deposits	70.58	58.64
	5626.56	**12035.22**

Cash and Cash Equivalents include the following for Cash flow purpose

Particulas	**As at 31st March, 2022**	**As at 31st March, 2021**
Cash and Cash Equivalents/ Bank Balances	5626.56	12035.22
Less: Unclaim dividend	(91.47)	(87.40)
Cash and Cash Equivalents/ Bank Balances	**5535.09**	**11947.82**

2.9 Share Capital

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Authorized Share Capital 150,000,000 Equity Shares of ₹ 2 each (Previous year :150,000,000 Equity Shares of ₹ 2 each)	3000.00	3000.00
Issued Subscribed and Paid up Share Capital 133,027,920 Equity Shares of ₹ 2 each, fully paid up (Previous year :133,027,920 Equity Shares of ₹ 2 each, fully paid up)	2660.56	2660.56
	2660.56	**2660.56**

Details of shareholders holding more than 5% shares :	As at 31st March, 2022		As at 31st March, 2021	
	No. of shares	% Holding	No. of shares	% Holding
1. Challa Rajendra Prasad	13376759	10.06%	13364249	10.05%
2. Challa Shantha Prasad	18565334	13.96%	18539699	13.94%
3. Challa Soumya	13473186	10.13%	13447616	10.11%
4. Challa Srishant	14115723	10.61%	14088388	10.59%
5. Axis Mutual Fund Trustee Limited A/C Axis Mutual Fund A/C Axis Capital Builder Fund – Series 4	8506442	6.39%	-	-

Details of shares held by promoters	As at 31st March, 2022		As at 31st March, 2021		% Change during the year
	No. of shares	% Holding	No. of shares	% Holding	
1. Challa Rajendra Prasad	13376759	10.06%	13364249	10.05%	0.09%
2. Challa Shantha Prasad	18565334	13.96%	18539699	13.94%	0.14%
3. Challa Soumya	13473186	10.13%	13447616	10.11%	0.19%
4. Challa Srishant	14115723	10.61%	14088388	10.59%	0.19%

2.9.1 Reconciliation of Number of Shares :

Particulars	As at 31st March, 2022	As at 31st March, 2021
Number of Shares at the beginning of the year	133027920	133027920
Add : Shares issued during the year		
Number of Shares at the end of the year	**133027920**	**133027920**

2.9.2 Rights attached to equity shares

“The Company has only one class of equity shares having a face value of ₹ 2 /- each. Each holder of equity share is entitled to one vote per share. The company declares and pays dividends in Indian Rupees. Payment of dividend is also made in foreign currency to shareholders outside India. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.”

"In the event of liquidation of the Company, all preferential amounts, if any, shall be discharged by the Company. The remaining assets of the Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date.

" Final dividends on equity shares are recorded as a liability on the date of their approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors. The details of dividends paid by the Company are as follows:

Dividend paid (₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Dividend paid during the year (₹ in Lakhs)	6651.40	2660.56
Dividend per share (Rs.)	5.00	2.00

2.10 Other Equity

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Retained Earnings		
Opening Balance	72803.98	57238.38
Add: Current year Transfer	20435.05	18226.16
Less: Dividend Paid	(6651.40)	(2660.56)
Total	**86587.63**	**72803.98**
General Reserve		
Opening Balance	**28820.70**	**28820.70**
Add: Current year Transfer	-	-
Less: Written Back in Current year	-	-
Total	**28820.70**	**28820.70**
Foreign Currency Translation Reserve		
Opening Balance	5104.31	5150.54
Add: Current year Transfer	1465.48	(46.23)
Less: Written Back in Current year	-	-
Total	**6569.79**	**5104.31**
Acturial Gains or Losses (OCI)		
Opening Balance	(173.49)	(155.97)
Add: Current year Transfer	(14.40)	(17.52)
Less: Written Back in Current year	-	-
Total	**(187.89)**	**(173.49)**
Measurement of derivative instrument at Fair Value (OCI)		
Opening Balance	(486.28)	(874.68)
Add: Current year Transfer	429.09	388.40
Less: Written Back in Current year	-	-
Total	**(57.19)**	**(486.28)**
Share options outstanding account		
ESOP	675.79	-
Total	**675.79**	**-**
Total Other Equity	**122408.83**	**106069.22**

General Reserve - General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

Actuarial gains or losses – Reword the same into - Remeasurements of the net defined benefits plan - Remeasurements of the net defined benefits plan reserve comprises the cumulative net gains/ losses on actuarial valuation of post-employment obligations.

Measurement of derivative instrument at fair value – Reword the same into - Cash flow hedge reserve - The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or losses will be reclassified to statement of profit and loss in the period in which the hedged transaction occurs.

The Share options outstanding account is used to record the fair value of equity-settled, share-based payment transactions with employees. The amounts recorded in share options outstanding account are transferred to securities premium upon exercise of stock options and transferred to the general reserve on account of stock options not exercised by employees.

(₹ in Lakhs)

2.11 Borrowings

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non Current	Current	Non Current
Secured Borrowings:				
Term loans from Banks				
HDFC Bank	-	3600.00	-	6300.00
CitiBank	-	5203.13	-	4500.00
CitiBank External commercial borrowings	-	2368.97	-	6891.07
Working Capital Facilities	44918.26	-	29765.63	-
	44918.26	**11172.10**	**29765.63**	**17691.07**

Reconciliation of liabilities arising from financing activities shall be presented
During the year ended 31st March 2022

Particulars	Non-current borrowings	Current borrowings	Total
Opening balance at the beginning of the year	18177.35	8613.20	26791.55
Borrowings during the year	2250.00	463.22	2713.22
Borrowings repaid during the year	(8768.97)	-	(8768.97)
Effect of changes in foreign exchange rates	(429.09)	-	(429.09)
Closing balance at the end of the year	11229.29	9076.42	20305.71

During the year ended 31st March 2021

Particulars	Non-current borrowings	Current borrowings	Total
Opening balance at the beginning of the year	25820.39	7899.18	33719.57
Borrowings during the year	1500.00	714.02	2214.02
Borrowings repaid during the year	(8754.64)	-	(8754.64)
Effect of changes in foreign exchange rates	(388.40)	-	(388.40)
Closing balance at the end of the year	18177.35	8613.20	26790.55

Term loan for an amount of Rs.90.00 Crs availed from HDFC Bank is secured by first pari passu charge on movable assets of the company and second pari passu charge on current assets of the Company.

External commercial borrowings from Citi bank is secured by first pari passu charge on movable assests of the Company and second pari passu charge on Current assets of the Company.

Term Loan from Citibank for an amount of ₹ 67.50 Crs is secured by First charge only on movable assets of "Warehouse, Packing & Agglomeration facility" of the Company situated at Kuvvakollu (Village), Chittoor (Dist.), A.P.

Term loans repayable in next twelve months period was segregated as current maturities of long term debt as Other financial liabilities under Current laibilities.

Working Capital Facilities from State Bank of India, Citi Bank and ICICI Bank Limited under consortium are secured by way of first pari-passu charge on current assets and second pari-passu charge on fixed assets of the company . The Working Capital is repayable on demand

2.12 Deffered Tax Liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Opening Balance	4898.52	4624.94
Add : On account of IND AS Adjustment	2341.31	-
Add : On account of depreciation	21.44	209.90
Add : On account of Others	-	63.68
Closing Balance	**7261.26**	**4898.52**

2.13 Other Non-Current Liabilities & Current liabilities

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non Current	Current	Non Current
Salaries and employee benefits	202.67	-	448.30	-
Withholding and other taxes payable	161.82	-	109.74	-
Advance from customers	221.33	-	295.12	-
Others	754.79	-	2694.53	-
TOTAL	**1340.62**	**-**	**3547.70**	**-**

2.14 Trade Payables

Particulars	As at 31st March, 2022	As at 31st March, 2021
Due to Micro & Small Enterprises	191.39	209.47
Dues to others	4375.13	1957.38
TOTAL	**4566.52**	**2166.85**

(₹ in Lakhs)

Trade Payables ageing schedule for the year ended March 31, 2022

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 Years	More than 3 Years	
((i) MSME	173.92	17.47	-	-	-	191.39
(ii) Others	2544.20	1751.47	48.33	15.20	15.93	4375.13
Total	**2718.12**	**1768.94**	**48.33**	**15.20**	**15.93**	**4566.52**

Trade Payables Ageing for the year ended March 31, 2021

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 Years	More than 3 Years	
(i) MSME	175.72	33.75	-	-	-	209.47
(ii) Others	1265.84	623.01	44.31	14.84	9.37	1957.38
Total	**1441.56**	**656.76**	**44.31**	**14.84**	**9.37**	**2166.85**

2.15 Other financial liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non Current	Current	Non Current
Creditors For Capital goods	455.06	-	1,398.23	-
Unpaid dividends	91.47	-	87.40	-
Dividend payables	-	-	-	-
Interest accrued but not due on borrowings	91.60	-	152.49	-
Current maturities of long term debt	8984.82	-	8460.71	-
Derivative Financial liability	-	57.19	-	486.28
Other Payables	1937.82	329.45	1257.91	-
Total	**11560.77**	**386.64**	**11356.74**	**486.28**

2.16 Provisions

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non Current	Current	Non Current
Leave Encashment	-	46.63	30.09	105.78
Provision for tax	622.87	-	-	-
Gratuity	-	47.98	-	40.18
Total	**622.87**	**94.61**	**30.09**	**145.96**

2.17 Revenue from operations **(₹ in Lakhs)**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Revenue from		
Sale of Products - Coffee	144547.96	122601.06
Sale of Trade Licences	1654.93	1646.97
Revenue from operations	**146202.89**	**124248.04**

2.18 Other income

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest on Deposits	13.36	21.62
Scrap sales	-	10.61
Miscellaneous Income	395.96	306.93
Total	**409.32**	**339.16**

2.19 Cost of materials consumed

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Raw Material		
Purchases	91352.63	63696.86
Add: Opening Stock	18895.29	13149.78
	110247.92	76846.64
Less: Closing Stock	31684.33	18895.29
Total	**78563.59**	**57951.34**

2.20 Changes in inventories

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Work-in-progress		
Opening	332.87	370.45
Closing	572.83	332.87
	(239.96)	**37.58**
Finished goods		
Opening	8128.07	9161.09
Closing	14159.44	8128.07
	(6031.37)	**1033.02**
Total	**(6271.33)**	**1070.60**

2.21 Employee benefits expense

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Salaries, Wages and Bonus	6177.11	5323.33
Directors' Remuneration	1545.00	1451.00
Contribution to provident and other funds	592.64	553.93
Staff welfare	1454.49	625.50
Total	**9769.24**	**7953.76**

2.22 Finance costs

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest Expense	1343.86	1591.59
Other borrowing costs	292.04	103.86
TOTAL	**1635.90**	**1695.45**

2.23 Other expenses

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Packing material consumed	8220.37	8037.06
Stores and Consumable consumed	1025.92	837.23
Power and fuel	8226.20	5693.49
Repairs and Maintenance to Buildings	69.90	61.38
Repairs and Maintenance to Machinery	1713.76	2054.22
Repairs and Maintenance to Other assets	180.52	126.86
Transportation, Ocean Freight, Clearing and Forwarding	5628.37	4302.89
Insurance	381.69	285.89
Rent	212.95	131.84
Rates and Taxes	158.90	168.06
Directors' Sitting Fee	20.65	14.70
Non-whole time Directors' Commission	108.00	90.00
Selling Expenses	2905.67	4176.60
Travelling and Conveyance	497.04	301.52
Communication Expenses	108.22	82.64
Printing and Stationery	27.29	27.87
Office Maintenance	592.91	444.09
Donations	20.68	263.11
Corporate Social Responsibility (CSR) Expenditure	492.46	436.15
Professional Fees & Expenses	804.70	321.68
Subscription and Membership fee	12.20	3.77
Auditor's Remuneration	44.47	45.46
Foreign Exchange Loss (Net)	(697.42)	(521.33)
Miscellaneous expenses	220.01	108.76
Allowance for credit losses	59.71	2.69
Total	**31035.16**	**27496.60**

2.24 Auditors Remuneration (₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
a) Audit fees	39.08	38.63
b) Other charges		
Taxation matters	2.50	2.50
Certification fee	2.48	4.18
c) Reimbursement of out of pocket expenses	0.41	0.15
Total	**44.47**	**45.46**

2.25 Earnings per Share

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Earnings		
Profit attributable to equity holders	20435.05	18226.16
Shares		
Number of shares at the beginning of the year	133027920	133027920
Add: Equity shares issued	-	-
Less: Buy back of equity shares	-	-
Total number of equity shares outstanding at the end of the year	133027920	133027920
Weighted average number of equity shares outstanding during the year – Basic	**133027920**	**133027920**
Add: Weighted average number of equity shares arising out of outstanding stock options (net of the stock options forfeited) that have dilutive effect on the EPS	-	-
Weighted average number of equity shares outstanding during the year – Diluted	**133027920**	**133027920**
Earnings per share of par value ₹ 2/- -Basic (₹)	15.36	13.70
Earnings per share of par value ₹ 2/- – Diluted (₹)	15.36	13.70

2.26 Related Parties

In accordance with the provisions of Ind AS 24 “Related Party Disclosures” and the Companies Act, 2013, Company’s Directors, members of the Company’s Management Council and Company Secretary are considered as Key Managerial Personnel. List of Key Managerial Personnel of the Company is as below:

- Mr. Challa Rajendra Prasad, Whole time Director
- Mr. Challa Srishant, Managing Director
- Mr. B. Mohan Krishna, Executive Director
- Mr. K.V.L.N. Sarma, Chief Operations Officer (Upto 27.10.2021)
- Mr. Praveen Jaipuriar, Chief Executive Officer (From 29.10.2021)
- Mr. V. Lakshmi Narayana, Chief Financial Officer
- Ms. Sridevi Dasari, Company Secretary

The following is a summary of significant related party transactions of Parent Company

(₹ in Lakhs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
a) Key managerial personnel		
i) Remuneration & Commission		
Mr. Challa Rajendra Prasad	420.00	420.00
Mr. Challa Srishant	643.00	589.00
Mr. B. Mohan Krishna	482.00	442.00
Mr. K.V.L.N. Sarma (Upto 27.10.2021)	67.49	95.08
Mr. Praveen Jaipuriar (From 29.10.2021)	79.74	-
Mr. V. Lakshmi Narayana	97.48	93.74
Ms. Sridevi Dasari	22.57	19.18
ii) Rent		
Mr. Challa Srishant	22.05	22.30
b) Non-whole time Directors		
i) Sitting Fee		
Mr. Vipin K. Singal	2.65	1.85
Mr. Kata Chandrahas	2.40	1.85
Mr. K.K. Sarma	2.50	1.70
Mr. G.V. Krishna Rau	2.65	1.85
Ms. Kulsoom Noor Saifullah	2.40	1.85
Ms. Challa Shantha Prasad	1.50	0.90
Mr. Kode Durga Prasad	2.65	1.85
Dr. Lanka Krishnanand	2.25	1.70
Mr. K.V. Chowdary	1.65	1.15
ii) Commission		
Mr. Vipin K. Singal	12.00	10.00
Mr. Kata Chandrahas	12.00	10.00
Mr. K.K. Sarma	12.00	10.00
Mr. G.V. Krishna Rau	12.00	10.00
Ms. Kulsoom Noor Saifullah	12.00	10.00
Ms. Challa Shantha Prasad	12.00	10.00
Mr. Koda Durga Prasad	12.00	10.00
Dr. Lanka Krishnanand	12.00	10.00
Mr. K.V. Chowdary	12.00	10.00
iii) Rent		
Ms. Challa Shantha Prasad	19.89	21.46
c) Relatives of Key Managerial Personnel		
Rent		
Ms. Challa Soumya	5.46	7.04
Total	**1988.33**	**1,814.50**
d) Related Party transactions		
Sale of Goods		
Karafa Products Private Limited	2.79	-
Total	**1991.12**	**1814.50**

2.27 Segment Reporting:

The Company concluded that there is only one operating segment i.e, Coffee products. Hence, the same becomes the reportable segment for the Company. Accordingly, the Company has only one operating and reportable segment, the disclosure requirements specified in paragraphs 22 to 30 are not applicable. Accordingly, the Company shall present entity-wide disclosures enumerated in paragraphs 32, 33 and 34 of Ind AS 108.

2.28 Employee benefits:

Gratuity benefits

In accordance with applicable laws, the Company has a defined benefit plan which provides for gratuity payments (the "Gratuity Plan") and covers certain categories of employees in India. The Gratuity Plan provides a lump sum gratuity payment to eligible employees at retirement or termination of their employment. The amount of the payment is based on the respective employee's last drawn salary and the years of employment with the Company. Liabilities in respect of the Gratuity Plan are determined by an actuarial valuation, based upon which the Holding Company makes contributions to the Life Insurance Corporation of India (LIC).

The components of gratuity cost recognized in the statement of profit and loss for the years ended 31st March 2022 and 2021 consist of the following:

(₹ in Lakhs)

Particulars	**For the Year Ended 31st March**	
	2022	**2021**
Current service cost	71.10	104.85
Interest cost on net defined benefit liability/(asset)	41.42	37.42
Gratuity cost recognized in statement of profit and loss	**112.52**	**142.27**

Details of the employee benefits obligations and plan assets are provided below:

Particulars	**As at 31st March**	
	2022	**2021**
Present value of funded obligations	632.52	687.03
Fair value of plan assets	803.27	889.20
Net defined benefit liability/(asset)	**(170.75)**	**(202.17)**

Details of changes in the present value of defined benefit obligations are as follows:

Particulars	**As at 31st March**	
	2022	**2021**
Defined benefit obligations at the beginning of the year	687.03	567.25
Current service cost	71.10	104.85
Interest cost on defined obligations	41.42	37.42
Re-measurements due to:		
Actuarial loss/(gain) due to change in financial assumptions	(22.78)	(0.40)
Actuarial loss/(gain) due to demographic assumptions	0.69	(5.60)
Actuarial loss/(gain) due to experience changes	30.01	14.31
Benefits paid	(3.01)	(30.80)
Other (Employee Contribution, Taxes, Expenses, adj to Opening Balance)	(171.95)	-
Defined benefit obligations at the end of the year	**632.52**	**639.47**

Details of changes in the fair value of plan assets are as follows: **(₹ in Lakhs)**

Particulars	As at 31st March	
	2022	**2021**
Fair value of plan assets at the beginning of the year	889.20	576.12
Employer contributions	78.02	16.06
Actuarial loss/(gain) on plan assets	(52.98)	(1.69)
Re-measurements due to:		
Return on plan assets excluding interest on plan assets	63.99	44.42
Benefits paid	(3.01)	(6.76)
Other (Employee Contribution, Taxes, Expenses, adj to Opening Balance)	(171.95)	-
Plan assets at the end of the year	**803.27**	**628.16**

Summary of Actuarial Assumptions:

The actuarial assumptions used in accounting for the Gratuity Plan are as follows:

Particulars	As at 31st March	
	2022	**2021**
Discount rate	6.87%	6.87%
Rate of compensation increase	4.00%	4.00%

Leave Encashment

The Holding Company provides for accumulation of compensated absences by certain categories of its employees. These employees can carry forward a portion of the un utilised compensated absences and utilise them in future periods or receive cash in lieu thereof as per the Company's policy. The Company records a liability for compensated absences in the period in which the employee renders the services that increases this entitlement.

The Subsidiary company, M/s. Continental Coffee Private limited:

The components of Leave Encashment recognized by the Subsidiary Company M/s. Continental Coffee Private limited, in the Financial Statements for the years ended 31st March 2022 and 2021 as per Actuarial Valuation consist of the following:

Particulars	As at 31st March	
	2022	**2021**
Total cost recognised in P&L	29.77	8.95
Present Value of Obligations at the end of the Period	**58.81**	**36.80**

Summary of Acturial Assumptions:

The actuarial assumptions used in accounting for the Leave Encashment are as follows: The assumptions used to determine benefit obligations:

Particulars	As at 31st March	
	2022	**2021**
Discount rate	6.87%	6.87%
Rate of compensation increase	4.00%	4.00%

Contribution to Provident Fund

The employees of the Company receive benefits from a provident fund, a defined contribution plan. Both the employee and employer each make monthly contributions to a government administered fund equal to 12% of the covered employee's qualifying salary. The Company has no further obligations under the plan beyond its monthly contributions. The Company contributed ₹ 326.12 Lakhs and ₹ 280.28 Lakhs to the provident fund plan during the years ended 31st March 2022 and 2021, respectively.

Contribution to Superannuation schemes

Certain categories of employees of the Company participate in superannuation, a defined contribution plan administered by the Life Insurance Corporation of India. The Company makes annual contributions based on a specified percentage of each covered employee's salary. The Company has no further obligations under the plan beyond its annual contributions. The Company contributed ₹ 266.50 Lakhs and ₹ 292.73 Lakhs to the superannuation Schemes during the years ended 31st March 2022 and 2021, respectively.

2.29 Income Taxes:

Income tax expense/ (benefit) recognized in the statement of profit and loss:
Income tax expense/ (benefit) recognized in the statement of profit and loss consists of the following:

(₹ in Lakhs)

Particulars	**For the Year Ended 31st March**	
	2022	**2021**
Current taxes expense		
Domestic	3868.69	4,897.37
Foreign	31.13	71.72
Deferred taxes expense/(benefit)		
Domestic	1798.48	283.05
Total income tax expense/(benefit) recognized in the statement of profit and loss	**5698.30**	**5252.14**

Reconciliation of Effective tax rate:

(₹in Lakhs)

Particulars	For the Year Ended 31st March	
	2022	2021
Profit before income taxes	**26133.36**	**23478.30**
Enacted tax rate in India	34.94%	34.94%
Computed expected tax benefit/(expense)	9131.00	8203.32
Effect of:		
Expenses not deductible for Tax purposes	741.69	1004.39
Expenses deductible for Tax purposes	(1862.99)	(4112.81)
Taxable at Special Rates	-	1086.28
Others	(543.20)	-
Foreign Taxes	31.13	71.72
Tax effect due to non-taxable for Indian Tax Purpose	(885.67)	(1283.80)
Income tax benefit/(expense)	**3899.82**	**4969.10**
Effective tax rate	**14.92%**	**21.16%**

The Company's average effective tax rate for the years ended March 31, 2022 and 2021 were 14.92% and 21.16%. respectively.

Deferred tax assets & Liabilities:

The tax effects of significant temporary differences that resulted in deferred tax assets and liabilities and a description of the items that created these differences is given below:

Particulars	As of 31st March	
	2022	2021
Deferred tax assets/(liabilities):		
Property, plant and equipment	(8095.73)	(8126.34)
Others	834.47	3227.82
Net deferred tax assets/(liabilities)	**(7261.26)**	**4898.52**

2.30 Financial Risk Management:

The Company's activities expose it to a variety of financial risks, including credit risk, liquidity risk and Market risk. 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. The Board of Directors, Risk Management committee and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

Credit Risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of expected losses in respect of trade and other receivables and investments.

Trade 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 and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The total trade and other receivables impairment loss provided ₹ 101.42 lakhs as at 31st March 2022 and ₹ 160.69 lakhs as at 31st March 2021.

(₹ in Lakhs)

Particulars	**As of 31st March**	
Period (in days)	**2022**	**2021**
1 – 90	27309.36	28139.98
90 – 180	3989.10	390.59
More than 180	812.29	1485.43
Total	**32109.91**	**30016.00**

The Company's credit period for customers generally ranges from 60-90 days. The aging of trade receivables that are past due but not impaired is given below:

On account of adoption of Ind AS 109, the Company uses Expected Credit Loss (ECL) model for assessing the impairment loss. For this purpose, it is weighted average of credit losses with the respective risks of default occurring as weights. The credit loss is the difference between all contractual cash flows that are due to an entity as per the contract and all the contractual cash flows that the entity expects to receive, discounted to the effective interest rate.

Financial assets that are neither past due nor impaired - None of the Company's cash equivalents, including deposits with banks, were past due or impaired as at 31st March 2022

Reconciliation of allowance for credit losses

The details of changes in allowance for credit losses during the year ended 31 March 2022 and 31 March 2021 are as follows:

Particulars	**As of 31st March**	
	2022	**2021**
Balance at the beginning of the year	**160.69**	**158.00**
Impairment of Trade receivables	(5.07)	2.69
Balance at the end of the year	**155.62**	**160.69**

Liquidity Risks:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

As of 31st March 2022 and 2021, the Company has utilized working capital credit limits from banks for ₹ 44918.26 Lakhs and ₹ 29765.63 Lakhs respectively.

As of 31st March 2022, the Company had working capital (current assets less current liabilities) of ₹ 36118.23 Lakhs including cash and cash equivalents of ₹ 5626.56 Lakhs. As of 31st March 2021, the Company had working capital of ₹ 32238.12 Lakhs, including cash and cash equivalents of ₹ 12035.22 Lakhs.

(₹ in Lakhs)

Particulars	**2023**	**2024**	**2025**	**2026**	**2027**	**Total**
Trade payables	4566.52	-	-	-	-	4566.52
Long term borrowings	8984.82	7656.47	1687.50	1687.50	140.63	20156.92
Bank overdraft, short-term loans and borrowings*	44918.26	-	-	-	-	44918.26
Other liabilities*	5020.68	-	-	-	-	5020.68

* The bank overdraft and other liabilities are payable on demand

Market Risks:

Market risk is the risk that changes in market prices such as commodity prices risk, foreign exchange rates and interest rates which will affect the Company's financial position. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The Coffee Industry is dependent on nature, making it susceptible to climate vagaries. The major weather factors that influence coffee yield are rainfall, temperature, light intensity and relative humidity.

Commodity Price Risk

The Company exposure to Market risk for commodity prices can result in changes to realisation for its Cost of Production for its products. The company mitigates risk by entering into Coffee Future Contracts and with the natural hedge arising on export of Products vis a vis import of Coffee Beans.

Coffee Futures

The Company uses Coffee future contract to reduce its price risk associated with forecasted purchases of Coffee beans. Throughout the year, the company enters into coffee futures based on market price and anticipated production requirements.

Currency Risk

The Company is exposed to currency risk on account of its borrowings and other payables in foreign currency. The functional currency of the Company is Indian Rupee. The company mitigates the currency risk with natural hedge arising on export of Products vis a vis import of Coffee Beans.

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.

2.31 Financial Instrument:

(₹ in Lakhs)

The carrying value and fair value of financial instruments as at 31st March 2022 and 31st March 2021 were as follows:

Particulars	As at 31st March 2022		As at 31st March 2021	
	Total carrying Value	Total fair value/ amortised cost	Total carrying Value	Total fair value/ amortised cost
Financial assets				
Cash and cash equivalents	5626.56	5626.56	12035.22	12035.22
Other bank balances	-	-	-	-
Investments	0.10	0.10	0.10	0.10
Trade receivables	31955.31	31955.31	29855.31	29855.31
Loans	-	-	-	-
Derivative instruments	-	-	-	-
Other financial assets	1087.07	1,087.07	653.76	653.76
Total	**38669.04**	**38669.04**	**42544.39**	**42544.39**
Financial liabilities				
Trade payables	4566.52	4566.52	2166.85	2166.85
Long-term borrowings	11172.10	11172.10	17691.07	17691.07
Short-term borrowings	44918.26	44918.26	29765.63	29765.63
Lease Liabilities	329.45	329.45	-	-
Derivative instruments	57.19	57.19	486.28	486.28
Other financial liabilities	11560.77	11560.77	11356.74	11356.74
Total	**72604.28**	**72604.28**	**61466.57**	**61466.57**

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of

31 March 2022

Particulars	Level 1	Level 2	Level 3	Total
Derivative Financial instrument (Financial liability)	-	-	57.19	57.19

31 March 2021

Particulars	Level 1	Level 2	Level 3	Total
Derivative Financial instrument (Financial liability)	-	-	486.28	486.28

2.32 Capital Management **(₹ in Lakhs)**

The Company's objective for capital management is to maximize shareholder wealth, safeguard business continuity and support the growth of the Company. The Company determines the capital management requirement based on annual operating plans and long term and other strategic investment plans. The funding requirements are met through equity, borrowings and operating cash flows required.

Particulars	As at 31st March, 2022	As at 31st March, 2021
Total Debt	81923.63	70088.83
Total Equity	125069.39	108729.78
Debt Equity Ratio	**0.66:1**	**0.64:1**

2.33 Contingent Liabilities and Commitments

The following are the details of contingent liabilities and commitments:

Particulars	As at 31st March, 2022	As at 31st March, 2021
Contingent Liabilities		
a) Claims against the company/disputed liabilities not acknowledged as debts		
Income Tax*	4057.38	4057.38
Service tax	995.92	995.92
Sales Tax	151.94	151.94
b) Guarantees		
Bank Guarantees	1735.63	1516.12
	6940.87	**6721.36**
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	15917.75	343.43
	15917.75	**343.43**

* Tax deposited under protest ₹ 2883.28 Lakhs

2.36 Ratio analysis

Ratio	Numerator	Denominator	As at 31st March 2022	As at 31 st March 2021	Variance (in %)
Current Ratio (no.of times)	Current Assets	Current Liabilities	1.62	1.78	(9)
Debt- Equity Ratio (no.of times)	Total Debt	Shareholder's Equity	0.66	0.64	2
Debt Service Coverage ratio (no.of times)	Earnings available for debt service	Debt service	3.24	3.00	8
Return on Equity ratio (%)	Net Profits after taxes	Average Shareholder's Equity	17.48	18.08	(3)
Inventory Turnover ratio (no.of times)	Cost of goods sold	Average Inventory	1.72	2.03	(15)
Trade Receivable Turnover Ratio (no.of times)	Net Sales	Average Trade Receivable	4.73	4.39	8
Trade Payable Turnover Ratio (no.of times)	Net credit purchases	Average Trade Payables	32.53	35.77	(9)
Net Capital Turnover Ratio (no.of times)	Net Sales	Working capital	4.05	3.85	5
Net Profit ratio (%)	Net Profits after taxes	Net Sales	13.98	14.67	(5)
Return on Capital Employed (%)	Earnings before interest and taxes	Capital Employed	20.31	19.81	3
Return on Investment (%)	Income generated from investments	Time weighted average investments	-	-	-

2.35 Other statutory information:

a. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

b. The Company does not have any transactions with struck off companies.

c. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

d. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

e. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

   i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

   ii. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

f. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

   i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

   ii. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

g. The Company has not entered into any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

h. The Company has not been declared as wilful defaulter by any bank or financial institution or other lender.

i. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

j. No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013, during the year.

k. The Company has borrowings from banks against security of its current assets. The reports or statements of Current assets filed by the company with banks are in agreement with the books of accounts.

l. The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were taken.

As per our report of even date
For RAMANATHAM & RAO
Chartered Accountants

Sd/-
K.SREENIVASAN
Partner
M.No.206421

Place : Hyderabad
Date : 26th May, 2022

By order of the Board

Sd/-
V.Lakshmi Narayana
Chief Financial Officer
M. No. 028499

Sd/-
Praveen Jaipuriar
Chief Executive Officer

Sd/-
Kata Chandrahas
Director
DIN : 02994302

Sd/-
Sridevi Dasari
Company Secretary
M.No. A29897

Sd/-
Challa Rajendra Prasad
Executive Chairman
DIN : 00702292

Sd/-
Challa Srishant
Managing Director
DIN : 00016035


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BRAND OF THE YEAR 2022
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escapes the bean.
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CONTINENTAL COFFEE

CCL PRODUCTS (INDIA) LIMITED

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