APPEJAY TEA LIMITED

Registered Office: 15, Park Street, Kolkata 700016
Corporate Identity No. (CIN): U27108WB1995PLC071253
Tel No.: (033)4403 5455; Email:beasmoitra@apeejaygroup.com; Website: www.apeejaygroup.com

NOTICE OF THE MEETING OF THE SECURED CREDITORS OF APEEJAY TEA LIMITED ("COMPANY") PURSUANT TO THE ORDER DATED 4TH JUNE 2021 OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, KOLKATA BENCH.

Day	**Monday**
Date	**26th July, 2021**
Time	**2.00 PM**
Mode	In view of the Covid-19 pandemic and related social distancing norms and as per the directions of the Hon'ble NCLT, Kolkata Bench, the Tribunal Convened Meeting shall be conducted through **Video Conferencing/ Other Audio-Visual Means ("VC/OAVM")**
Remote E-voting / E-voting	**Commencing on: 19th July 2021 at 9.00 A.M. IST** **Ending on: 25th July 2021 at 5.00 P.M. IST**
	E-Voting during the Tribunal Convened Meeting E-voting facility shall also be available to the Secured Creditors of the Company during the Tribunal Convened Meeting

INDEX:

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, KOLKATA BENCH

FORM NO. CAA. 2
[Pursuant to Section 230(3) and rule 6 and 7]

CA(CAA) No. 74 / KB / 2021

In the matter of the Companies Act, 2013

AND
In the matter of Section 230 to 232 read with other relevant provisions of the Companies Act, 2013

AND
In the matter of:

The Companies (Compromises, Arrangements and Amalgamation) Rules, 2014

AND

In the matter of:

Composite Scheme of Arrangement for the demerger of the Real Estate & Investment Undertaking (Demerged Undertaking) of Flurys Swiss Confectionery Private Limited (Demerged Company/Transferor Company 1) into Great Eastern Stores Private Limited (Resulting Company) and merger of the Remaining Business of Flurys Swiss Confectionery Private Limited (Demerged Company/Transferor Company 1) and Fusion Beverages Private Limited (Transferor Company 2) with Apeejay Tea Limited (Transferee Company).

APEEJAY TEA LIMITED
(CIN: U27108WB1995PLC071253)
a company incorporated under the provisions of theCompanies Act, 1956, having its registered office at 15, Park Street Kolkata-700016

… Transferee Company

NOTICE CONVENING THE MEETING OF THE SECURED CREDITORS OF APEEJAY TEA LIMITED, PURSUANT TO THE HON'BLE NCLT, KOLKATA BENCH ORDER DATED 4TH JUNE 2021.

To,
The Secured Creditor(s) of Apeejay Tea Limited
("Transferee Company")

NOTICE is hereby given that by an Order dated 4th June 2021 ("Order"), the Hon'ble National Company Law Tribunal, Kolkata Bench, ("NCLT") has directed inter alia meeting ("Tribunal Convened Meeting") of Secured Creditors of the Transferee Company abovenamed, to be convened and held on Monday, 26th July 2021 at 2.00 PM through Video Conferencing or Other Audio Visual Means (VC/OAVM), for the purpose of considering, and if thought fit, to approve with or without modification, the proposed Composite Scheme of Arrangement ("Scheme") for demerger of the Real Estate & Investment Undertaking (Demerged Undertaking) of Flurys Swiss Confectionery Private Limited ("Demerged Company"/ "Transferor Company 1") into Great Eastern Stores Private Limited ("Resulting Company") and merger of the Remaining Business of Flurys Swiss Confectionery Private Limited ("Demerged Company"/ "Transferor Company 1") and Fusion Beverages Private Limited ("Transferor Company 2") with Apeejay Tea Limited ("Transferee Company") respectively as a going concern with effect from 1st April, 2019 being the "Appointed Date" under Section 230-232 and other applicable provisions of the Companies Act, 2013 ("Act"). The Scheme if approved by the Secured Creditors, will be subject to the subsequent approval of the Hon'ble Tribunal.

TAKE FURTHER NOTICE that in pursuance of the Order read with general circulars issued by Ministry ofCorporate Affairs ('MCA') viz. circular no. 14 of 2020 dated April 08, 2020, circular no. 17 of 2020 dated April 13, 2020, circular no. 20 of 2020 dated May 05, 2020 and Circular No. 39/2020 dated 31st December, 2020 (collectively referred to as 'MCA Circulars'), a meetingof the Secured Creditors of the Transferee Company will be held on Monday, 26th July 2021 at 2.00PM (IST), through VC/OAVM.

In compliance with the provisions of Section 230(4) read with Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Rule 6(3)(xi) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the Company has provided the facility of voting by remote E-Voting (commencing from 19th July 2021 at 9:00 a.m. and ending on 25th July 2021 at 5:00 p.m.) as well as voting through E-Voting facility at the Tribunal Convened Meeting, so as to enable the Secured Creditors, to consider and approve the Scheme. Accordingly, voting by the Secured Creditors of the Company shall be carried out through (a) E-Voting during the Tribunal Convened Meeting to be held on 26th July 2021, and (b) Remote E-Voting. The Secured Creditors opting to cast their votes by remote E-Voting or E-Voting during the Tribunal Convened Meeting through VC/OAVC are requested to read the instructions in the notes below carefully.

TAKE FURTHER NOTICE that a copy of the Scheme, notice along with Explanatory Statement under Section 102 and other annexures as stated in the Index hereinabove are enclosed herewith. Copy of the Scheme and the said Explanatory Statement can be obtained free of charge from the Registered Office of Transferee Company, during normal business hours (11:00 am to 6:00 pm) from Monday to Friday up to and including the date of the meeting.

TAKE FURTHER NOTICE that Transferee Company has appointed CDSL for providing VC / OAVM facility and e- voting facility for the meeting of the Secured Creditors to consider and approve the Scheme by passing the below mentioned resolution.

The Hon'ble NCLT has appointed Mr. Amit Shyamsukha, PCA, as Chairperson of the aforesaid Tribunal Convened Meeting. Further, the Hon'ble NCLT has also appointed Mr. Anil Kumar Dubey, PCS, as the Scrutinizer for the said meeting, who shall submit his report upon conclusion of the meeting, including for any adjournment(s) thereof. The above-mentioned Scheme, if approved in the Tribunal Convened Meeting, will be subject to the subsequent approval of the Hon'ble NCLT.

Secured Creditors are requested to consider, and if thought fit, to pass with requisite majority, the following resolution:

"RESOLVED THAT pursuant to the directions of Hon'ble National Company Law Tribunal, Kolkata Bench (hereinafter referred to as 'the Tribunal') for convening the meeting of the Secured Creditors of Apeejay Tea Limited, the Transferee Company , vide its Order dated 4th June 2021 read with, the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the Memorandum and Articles of Association of the Company and subject to the approval of the Tribunal and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the Tribunal or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed by the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to mean and include any Committee thereof, constituted by the Board), the arrangement embodied proposed Composite Scheme of Arrangement for demerger of the Real Estate & Investment Undertaking (Demerged Undertaking) of Flurys Swiss Confectionery Private Limited (Demerged Company/Transferor Company 1) into Great Eastern Stores Private Limited (Resulting Company) and merger of the Remaining Business of Flurys Swiss Confectionery Private Limited (Demerged Company/Transferor Company 1) and Fusion Beverages Private Limited (Transferor Company 2) with Apeejay Tea Limited (Transferee Company) respectively and their respective shareholders and creditors ('Scheme') placed before this meeting be and is hereby approved.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the Tribunal while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any doubts or difficulties that may arise in giving effect to the Scheme, as the Board may deem fit and proper."

Dated this 21st June 2021

Registered Office:
15, Park Street Kolkata-700016
Phone No.: (033) 4403 5455
Email: beasmoitra@apeejaygroup.com
Website: www.apeejaygroup.com
CIN: U27108WB1995PLC071253

Amit Shyamsukha
Membership No. 058596
Chairperson appointed for the meeting

NOTES:

1. In view of the ongoing Covid-19 pandemic, social distancing norms to be followed and pursuant to the Order dated 4th June 2021, in Company Scheme Application No. 74 (KB) of 2021 passed by the Hon'ble National Company Law Tribunal, Kolkata Bench ("NCLT"), the meeting of the Secured Creditors of the Company is being convened on 26th July 2021 through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") without the physical presence of the Secured Creditors at a common venue, as per applicable procedure (with requisite modifications as may be required) mentioned in the General Circular No. 14/2020 dated 8th April, 2020 read with General Circular No. 17/2020 dated 13th April, 2020 and General Circular No. 39/2020 dated 31st December, 2020 issued by the Ministry of Corporate Affairs (the "MCA circulars"), for the purpose of considering, and if thought fit, approving, with or without modification(s), Composite Scheme of Arrangement between demerger of the Real Estate & Investment Undertaking (Demerged Undertaking) of Flurys Swiss Confectionery Private Limited (Demerged Company/Transferor Company 1) into Great Eastern Stores Private Limited (Resulting Company) and merger of the Remaining Business of Flurys Swiss Confectionery Private Limited (Demerged Company/Transferor Company 1) and Fusion Beverages Private Limited (Transferor Company 2) with Apeejay Tea Limited (Transferee Company) respectively and their respective shareholders and creditors.

2. Explanatory Statement under Sections 230, 232 and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 to the Tribunal Convened Meeting, is annexed hereto.

3. **In terms of the MCA Circulars, since the physical attendance of Secured Creditors has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Secured Creditors under Section 105 of the Act will not be available for the Tribunal Convened Meeting and hence the Proxy Form and Attendance Slip are not annexed to this Notice.**

   However, pursuant to Section 112 and Section 113 of the Act, Authorized Representatives of the Secured Creditors may be appointed for the purpose of voting through remote E-Voting, for participation in the Tribunal Convened Meeting through VC/OAVM facility and E-Voting during the Tribunal Convened Meeting, provided an authority letter/ power of attorney by the board of directors or other authorized signatory having the power to do so or a certified copy of the resolution passed by its board of directors or other governing body authorizing such representative to attend and vote at the meeting on its behalf is emailed to the Scrutinizer at anil@mandaassociates.in or the Chairperson at amitshyamsukha.ca@gmail.com or the Company at beasmoitra@apeejaygroup.com.

4. Only such Secured Creditors of the Company may attend and/or e-vote (either in the Tribunal Convened Meeting through VC/OAVM or through remote E-Voting), whose names appear in the Chartered Accountant's certificate certifying the list of Secured Creditors of the Applicant Company as on 31st May 2021. A person/entity who is not a Secured Creditor on such date should treat the notice for information purposes only and shall not be entitled to avail the facility of voting at the venue of the Meeting.

5. The attendance of the Secured Creditors attending the Tribunal Convened Meeting through VC/ OAVM shall be counted for the purpose of reckoning the quorum. In terms of the directions contained in the Order dated 4th June 2021, the quorum for the Meeting shall be two (2) Secured Creditors, in case the quorum is not present within 30 minutes of the commencement of the meeting, creditors who have joined the Tribunal Convened Meeting shall constitute the quorum and the Chairperson shall proceed with the meeting.

6. In line with the aforesaid MCA Circulars and in terms of the directions contained in the Order dated 4th June 2021, the Notice of the Tribunal Convened Meeting inter-alia, indicating the process and manner of voting through electronic means along with relevant documents are being sent only through electronic mode to those Secured Creditors whose email addresses are registered with the Company. Secured Creditors may note that this Notice along with the relevant documents will be available on the website of CDSL at www.evotingindia.com. Alternatively, creditors who wish to receive the guide to vote may drop a mail at beasmoitra@apeejaygroup.com for the same.

7. Notice convening the meeting of Secured Creditors through video conferencing indicating the day, date and time as aforesaid will be published through advertisement in the newspapers namely "Financial Express" (English) and "Aajkaal" (Bengali), Kolkata.

8. Instructions for voting through electronic means including remote e-voting and attending the meeting through Video Conferencing are given below:

CDSL E-VOTING SYSTEM - FOR REMOTING E-VOTING AND E-VOTING:

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the Tribunal Convened Meeting of Secured Creditors of the Company shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated 13th April, 2020 and Circular No. 20/2020 dated 5th May, 2020 and 39/2020 dated 31st December, 2020. The meeting will thus be held through video conferencing (VC) or other audio-visual means (OAVM). Hence, Creditors can attend and participate in the ensuing meeting through VC/OAVM.

2. 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 MCA Circulars dated April 08, 2020, April 13, 2020, May 05, 2020 and December 31, 2020, the Company is providing facility of remote e-voting to its Creditors in respect of the business to be transacted at the meeting. 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's agency. The facility of casting votes by a creditor using remote e-voting as well as the e-voting system on the date of the meeting will be provided by CDSL.

3. A person, whose name appears in the list of Secured Creditors of the Company as mentioned above, only shall be entitled to avail the facility of remote E-Voting or for participation at the Meeting. A person who is not a Secured Creditor as on the aforementioned date and whose name does not appear in the aforementioned list, should treat the Notice for information purpose only.

4. Any person who is a Secured Creditor, whose name appears in the list of Secured Creditors of the Company as mentioned above, will be assigned a User ID and Password which will be communicated along with the Notice being sent through e-mail at the last known e-mail address as available with the Applicant Company. Please also see details under remote E-Voting instructions regarding User ID and Password. Additionally, the Creditors to whom the said notice have been delivered physically and who wants to vote for the said resolution may drop an email beasmoitra@apeejaygroup.comfor their unique User ID and Password, post which the said Creditors may be provided with the same. It is requested to the Creditors to ensure that the request for said User ID and password is dropped within sufficient time in this regard.

5. The Creditors can join the meeting 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 meeting through VC/OAVM will be made available to the Creditors.

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

   In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the meeting Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the meeting) i.e. www.evotingindia.com.

7. The meeting has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

A. THE INTRUCTIONS FOR CREDITORS FOR REMOTE E-VOTING ARE AS UNDER:

(i) The voting period begins on 19th July 2021 at 9.00 A.M. (IST) and ends on 25th July 2021 at 5.00 P.M. (IST). During this period Creditors of the Company, as on the cut-off date of 31st May 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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

1. Creditors are requested to log on to the e-voting website www.evotingindia.com.

2. Please click on Creditors

3. Please enter your user id.

4. Please enter the image verification (Captcha) as displayed and click on Log-in.

5. Please enter the "Sequence Number" in the "PAN" field.

6. Please enter the user id again in the "Bank Details" field.

7. Please click on the "Submit" tab to get to the EVSN selection screen.

8. Please click on the EVSN of Apeejay Tea Limited on which you choose to vote.

9. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same, the option "YES / NO" for voting. Please select the option YES or No as desired. The option YES implies that you assent the Resolution and option NO implies that you dissent to the Resolution.

10. In case you wish to view the entire Resolution details, please click on the "RESOLUTIONS FILE LINK".

11. After selecting the resolution, you have decided to vote on, please click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, please click on “OK”, else to change your vote,please click on “CANCEL” and accordingly modify your vote.

12. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

13. Creditors can also take a print of the votes cast by clicking on “CLICK HERE TO PRINT” option on the voting page.

14. Creditors can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

15. **Process for those Secured Creditors whose e-mail ids are not registered for procuring user ID and password and registration of e-mail IDs for E-Voting on the resolutions set out in the Notice:**

    a. An email mentioning the name and registered email ID of the Creditor;
    b. Authority letter as mentioned in Point No. 3 of this notice;
    c. Documents, if any, in support thereof;

    The above should be sent to the following email address – beasmoitra@apeejaygroup.com; and helpdesk.evoting@cdslindia.com.

16. **INSTRUCTIONS FOR CREDITORS ATTENDING THE MEETING THROUGH VC/OAVM ARE AS UNDER:**

    (i) Creditors will be provided with a facility to attend the meeting through VC/OAVM through the CDSL e- Voting system. Creditors may access the same at https://www.evotingindia.com under creditors login by using the remote e-voting credentials. The link for VC/OAVM will be available in creditors login where the EVSN of Company will be displayed.

    (ii) Creditors are encouraged to join the Meeting through Laptops / IPads for better experience. Further, Creditors will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

    (iii) 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 respectivenetwork. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

(iv) Creditors who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request mentioning their name, email id, mobile number at beasmoitra@apeejaygroup.com. The creditors who do not wish to speak during the meeting but have queries may send their queries prior to meeting mentioning their name, email id, mobile number at beasmoitra@apeejaygroup.com.

17. **INSTRUCTIONS FOR CREDITORS FOR E-VOTING DURING THE MEETING ARE AS UNDER: -**

(i) The procedure for e-Voting on the day of the meeting is same as the instructions mentioned above for Remote e-voting.

(ii) Only those CREDITORS, who are present in the meeting 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 meeting.

(iii) If any Votes are cast by the Creditors through the e-voting available during the meeting and if the same Creditors have not participated in the meeting through VC/OAVM facility, then the votes cast by such Creditors shall be considered invalid as the facility of e-voting during the meeting is available only to the Creditors attending the meeting.

(iv) Creditors who have voted through Remote e-Voting will be eligible to attend the meeting and form part of the quorum of the meeting. However,they will not be eligible to vote at the meeting.

If you have any queries or issues regarding attending meeting & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25^{th} 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 on 022-23058542/43.

18. The Tribunal has appointed Mr. Anil Kumar Dubey, PCS as the Scrutinizer to scrutinize the voting process, both through Remote E-Voting and E-Voting at the Tribunal Convened Meeting. The Scrutinizer will submit its report to the Chairperson of the Tribunal Convened Meeting after completion of the scrutiny of the votes cast by the Secured Creditors of the Company, in a fair and transparent manner. The Scrutinizers decision on the validity of the vote(s) shall be final.

19. During the Tribunal Convened Meeting, the Chairperson of the Tribunal Convened Meeting shall, after response to the questions raised by the Secured Creditors in advance or as a speaker at the Tribunal Convened Meeting, formally propose to the Secured Creditors participating through VC/OAVM Facility to vote on the resolutions as set out in this Notice and announce the start of the casting of vote through the E-Voting system. After the Secured Creditors participating through VC/OAVM Facility, eligible and interested to cast votes, have cast the votes, the E-Voting will be closed with the formal announcement of closure of the Tribunal Convened Meeting.

20. Since the Tribunal Convened Meeting will be held through Video Conferencing or Other Audio-Visual Means, route map of venue of the Tribunal Convened Meeting and admission slip is not attached to this Notice.

Explanatory Statement under Sections 102, 230(3), 232 of the Companies Act, 2013 read with rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions:

1. A Composite Scheme of Arrangement ("Scheme") is proposed wherein demerger of the Real Estate & Investment Undertaking (Demerged Undertaking) of Flurys Swiss Confectionery Private Limited (Demerged Company/Transferor Company 1) into Great Eastern Stores Private Limited (Resulting Company) and merger of the Remaining Business of Flurys Swiss Confectionery Private Limited (Demerged Company/Transferor Company 1) and Fusion Beverages Private Limited (Transferor Company 2) with Apeejay Tea Limited (Transferee Company) respectively on a going concern basis with effect from 1st April, 2019 being the "Appointed Date".

2. A copy of the Scheme setting out the terms and conditions of the Scheme is attached to this Explanatory Statement herewith.

3. Pursuant to Order dated 4th June 2021 passed by the Hon'ble National Company Law Tribunal, Kolkata Bench, in the Company Application CA (CAA) No. 74/KB/2021, meeting of the Secured Creditors of the Transferee Company is being convened through Video Conferencing on the 26th July 2021 at 2.00 P.M. (IST) for the purpose of considering and, if thought fit, approving with or without modification(s), the Scheme between the Demerged/Transferor Company 1, Transferor Company 2, Resulting Company and Transferee Company and their respective shareholders and creditors. The copy of Order of Hon'ble NCLT dated 4th June 2021 is annexed with this notice and also available for inspection.

4. The Scheme, if approved by the required number of creditors, shall be operative from the Appointed Date.

5. **Background**

a. **Details of Demerged Company/Transferor Company 1**

1. Flurys Swiss Confectionery Private Limited, is a private limited company incorporated on 15th day of May 1946, having CIN- U15137WB1946PTC013793 and PAN- AAACF3760D.

2. The Registered Office of Demerged Company/Transferor Company 1 is situated 18 Park Street Kolkata- 700071 within the jurisdiction of this Hon'ble Tribunal.

3. **Details of Promoters – N.A.**

4. **Details of Directors**

Sl. No.	Name of Director	Address
1	Ashok Kumar Jain	155, Park Street, Circus Avenue, Kolkata - 700017
2	Atul Khosla	53, Sahyog Apartments, Mayur Vihar Ph-1, Preet Vihar, East Delhi - 110091
3	Shouvik Mandal	119, Hazra Road, Kalighat, Kolkata – 700026

5. The Company does not have a website and the shares of the company are not listed on any stock exchange.

6. During the last five years, there has been no change in the name, registered office and main objects (which are summarized below) of the Demerged/Transferor Company 1. However, the following clause has been inserted in the Memorandum of Association of Demerged/Transferor Company 1, vide Special Resolution passed by Members of the Company at the Extra-Ordinary General Meeting held on 20th March, 2020, which is as follows:

   "To amalgamate with any other company or body corporate or to enter into partnership or into any arrangement for sharing profits or into any union on interest, joint venture, reciprocal concession or otherwise with any person or company or other forms of organization carrying on or engaged in or about to carry on or be engaged in any business or transaction which this Company is authorized to carry on or conduct or capable of being carried on or be conducted so as directly or indirectly to benefit the company or otherwise to assist any such person or company and to take, acquire or exchange shares or other securities of any such company and to hold, sell or otherwise deal with the same."

7. The objects for which Demerged/Transferor Company 1 has been established are set out in its Memorandum of Association. Some of the relevant objects of Transferor Company are, *inter alia*, as follows:

a. *To carry on the business of bakers, confectioners, butchers, milksellers, buttersellers, dairymen, grocers, poulterers, greengrocers, farmers, ice merchants.*

b. *To carry on the business of refreshment rooms proprietors and refreshment caterers and contractors in all its respective branches. To manufacture, buy, sell, refine prepare, grow, import, export and seal in provisions of all kinds, both wholesale and retail and whether solid or liquid. To establish and provide all kinds of convenience and attraction for customers and others, and in particulars reading, writing and smoking rooms safe deposits, telephones, radios, clubs, stores, shops, lodging and lavatories etc.*

c. *To carry on the business of hotel, restaurant, café, tavern, beer house, refreshment room and lodging house keepers, licensed victuallers, wine, beer and spirit merchants importers and manufacturers of aerated, mineral and artificial waters and other drinks, purveyors, caterers for the public generally, carriage taxi, motor car and motor lorry proprietors, dairymen, ice merchants , importers and brokers of food, live and dead stock and foreign produce of all descriptions, hairdressers, perfumes, chemists, proprietors of clubs, baths, dressing rooms, laundries, reading, writing and newspaper rooms, libraries grounds and place of amusements, recreation, sport, entertainment and instruction of all kinds, tobacco, cigar and cigarette merchants, agents for railways and shipping companies and carriers, theatrical and operator office proprietors and general agents and other business which can conveniently be carried on in connection therewith.*

d. *To manufacture, import, export, buy, sell, exchange, alter, repair, improve, manipulate, prepare for market and otherwise deal in all kinds of plant, machinery, apparatus tool and utensils.*

8. The authorized share capital of the Demerged/Transferor Company 1 is Rs. 3,00,000 (Rupees Three Lakhs only) divided into 300 equity shares of Rs. 1000/- each. The issued, subscribed, and paid-up share capital is Rs. Rs. 1,10,000 (Rupees One Lakh Ten Thousand only) divided into 110 equity shares of Rs. 1000/- each.

9. Shortly after the incorporation, the Demerged/Transferor Company 1 commenced its business inter-alia and continually carries on the same.

b. **Details of Transferor Company 2**

1. Fusion Beverages Private Limited, is a private limited company incorporated on 5th day of April 2018, having CIN- U15100WB2018PTC225495 and PAN- AADCF3626R

2. The Registered Office of Transferor Company 2 is situated at Apeejay House, 15, Park

Street, Kolkata-700016 within the jurisdiction of this Hon’ble Tribunal.

3. **Details of Promoters – N.A.**

4. **Details of Directors**

Sl. No.	Name of Director	Address
1	Shouvik Mandal	119, Hazra Road, Kalighat, Kolkata – 700026
2	Swagata Sengupta	A3, Titas Apartment, Hatiara Main Road, Jyangra, Baguiati - 700059

5. The Company does not have a website and the shares of the company are not listed on any stockexchange.

6. During the last five years, there has been no change in the name, registered office and main objects(which are summarized below) of the Transferor Company 2.

7. The objects for which Transferor Company 2 has been established are set out in its Memorandum ofAssociation. Some of the relevant objects of Transferor Company are, *inter alia*, as follows:

   a. *To establish, run, own, operate, to carry out the business of franchisor, franchisee or maintain beverage centres, chain food stores, fast food centres, food parks, food plazas, food courts, restaurants, cha-bars, cafeterias, eateries, ice cream parlours, branded food product shops, frozen foods, spices, condiments, oils and to buy, sell, cook, mix, supply and distribute all other or similar food and beverage items.*

   b. *To carry on the business of manufacturers, makers, importers, exporters, buyers, sellers, suppliers, stockists, dealers, distributors, agents, merchants and concessionaires of cake, pastry, patties, cornflakes, breads, biscuits, chocolates, confectionery items, sweets, sugar, glucose, chewing gums, milk cream, ice, ice cream, aerated or mineral waters, fruits, fruit drops, fruit juices and pulps; wines, liquors and other alcoholic drinks/ beverages, fermentation products, canned fruit products, malted food products, cigarettes, cigars, protein foods, milk, butter, ghee, cheese and other dairy products, pickles, jam, jellies, sausages, cider, condensed milk, honey, fresh and dehydrated vegetables, coffee, tea, cocoa, seeds, permitted additive colours and flavours, preservatives, concentrates, other like items of human consumption and all other kinds of processed foods as well as materials required or used for preparation of food articles.*

8. The authorized share capital of the Transferor Company 2 is Rs. 10,00,000 (Rupees Ten Lakhs only) divided into 1,00,000 equity shares of Rs. 10/- each. The issued, subscribed and paid-up share capital is Rs. 1,00,000 (Rupees One Lakh Only) divided into 10,000 equity shares of Rs. 10/- each.

9. Shortly, after the incorporation, the Transferor Company 2 commenced its business inter-alia and continually carries on the same.

c. **Details of Resulting Company**

1. Great Eastern Stores Private Limited, is a private limited company incorporated on 2nd day of May 1917, having CIN- U51909WB1917PTC002830 and PAN- AABCG0060G

2. The registered office of the Resulting Company is situated at Apeejay House, 15 Park Street Kolkata-700016 within the jurisdiction of this Hon'ble Tribunal.

3. **Details of Promoters – N.A.**

4. **Details of Directors**

Sl. No	Name of Director	Address
1	Ashok Kumar Jain	155, Park Street, Circus Avenue, Kolkata - 700017
2	Narayan Das Chowdhury	Bijoli Apt., F No. 3C, 512, Purbapara Road, Thakurpukur – 700063
3	Joydev Banerjee	51/15A, M.M Block, Vidyasagar Sarani, Purba Barisha – 700008

5. The Company does not have a website and the shares of the company are not listed on any stock exchange.

6. During the last five years, there has been no change in the name, registered office and main objects(which are summarized below) of the Resulting Company.

7. The objects for which Resulting Company has been established are set out in its Memorandum ofAssociation. Some of the relevant objects of Transferor Company are, *inter alia*, as follows:

   a. *To acquire by lease grant assignment, transfer or otherwise any tea gardens or plantations and premises from any person or persons firm Syndicate or Corporation Government or Municipality in India to perform and fulfil the conditions thereof and in particular to adopt and carry into effect with or without modifications the Agreement referred to in Clause 3 of the Company's Articles of Association.*

   b. *To carry on the business of planters growers and manufacturers of tea, coffee, cinchona, cocoa and other natural products of any kind, ship-owners, bankers, engineers and merchants in all their branches and any other business which can conveniently be carried on in connection with such business or any of them including the purchasing and selling of timber and the manufacture and sale of tea boxes and other articles and the clearing planting irrigation and cultivation of lands the making of roads, railways, tramways, canals and aqueducts for the development of the*

Company's property and the convenient carrying on of their business and acquisition and working of locomotives vessels and means of transport and the acting as carriers by land or water and the erection and working of electrical plant machinery and appliances.

c. *To buy sell trade and deal in tea, coffee and other plants and seed and rice and other food and requisites for labourers and others employed in estates and generally to trade and deal in any way in the production manufacturer and purchase and sale of tea, coffee and other products whether in the raw or manufactured state or any other goods produce wares merchandise articles and things of any kind.*

8. The authorized share capital of the Resulting Company is Rs. 10,00,000 (Rupees Ten Lakhs only) divided into 10,000 equity shares of Rs. 100/- each. The issued, subscribed and paid-up share capital is Rs.2,48,400 (Rupees Two Lakh Forty-Eight Thousand Four Hundred only) divided into 2484 equity shares of Rs. 100/- each.

9. Shortly, after the incorporation, the Resulting Company commenced its business inter-alia and continually carries on the same.

d. **Details of Transferee Company**

1. Apeejay Tea Limited is a public limited company incorporated on 27th day of April 1995, having CIN- U27108WB1995PLC071253 and PAN- AAECA1925D.

2. The registered office of the Transferee Company is situated at 15 Park Street Kolkata-700016 within the jurisdiction of this Hon'ble Tribunal.

3. **Details of Promoters**

Sl. No.	**Name of Promoter**	**Address**
1	Mrs. Shirin Paul	2, Aurangzeb Lane, New Delhi- 110011
2	Mr. Karan Paul	13A, Alipore Road, Kolkata- 700027
3.	Ms. Priti Paul	2, Aurangzeb Lane, New Delhi- 110011

4. **Details of Directors**

Sl. No.	**Name of Director**	**Address**
1	Karan Paul	13A, Alipore Road, Kolkata- 700027
2	Ashoke Ghosh	234, Jodhpur Park, 3rd Floor, Kolkata- 700068
3	Priti Paul	2, Aurangzeb Lane, New Delhi- 110011
4	Golam Momen	5, Dover Park, Kolkata- 700019
5	Debanjan Mandal	93/3A/2, Acharya Prafulla Chandra Road, Kolkata- 700009
6	Ashok Kumar Jain	155, Park Street, Circus Avenue, Kolkata - 700017
7	Shirin Paul	2, Aurangzeb Lane, New Delhi- 110011

5. The Company does not have a website and the shares of the company are not listed on any stock exchange.

6. During the last five years, there has been no change in the name, registered office and main objects (which are summarized below) of the Transferee Company.

7. The objects for which Transferee Company has been established are set out in its Memorandum of Association. Some of the relevant objects of Transferor Company are, *inter alia*, as follows:

   a. *To act as consultants and to advise and assist on all aspects of corporate commercial and industrial management or activity including production manufacturing, personnel, advertising and public relations, public welfare marketing, taxation, technology, insurance, purchasing, sales, quality control, computer applications, software, productivity, planning, research and development, organisation, feasibility studies, project reports, forecasts and surveys and to give expert advice and suggest ways and means for improving efficiency in trades, plantations, business organisations, registered or cooperative societies, partnership or proprietary concerns and industries of all kinds in India and elsewhere in the world and improvement of business management, office organisation and export management; to supply to and provide, maintain and operate services, facilities, conveniences, bureau and the like for the benefit of any company; to recruit and /or advice on the recruitment of staff for any company.*

   b. *To apply for, purchase or otherwise acquire and protect , prolong and renew in any part of the world, any patent, patent rights, brevets invention, trademarks, design, licenses, protections, concessions, and the like conferring any exclusive or non-exclusive or limited right to their use or any secret or other information as to any invention, process or privilege which may seem calculated directly or indirectly to benefit the company and use, exercise, develop or grant license or privileges in respect of or otherwise turn to account the property, rights and information so acquired and to carry on any business in any way connected therewith.*

   c. *To carry on the business of buyers, sellers, suppliers, stockists, stores, agents, concessionaries, distributors, dealers, merchants, marketers, importers, exporters, planters, cultivators, growers, manufacturers, brand owners, producers , processors, blenders, testers, curers, packers, packagers, dryers, freezers, heaters, wrappers & markers of all type of tea, coffee, cocoa, crinchona, clones, seeds, herbs, orchids, timber, tea boxes, match boxes and other natural products of any kind; cleaning, clearing, planting, replanting, irrigation and cultivation of lands, making, constructing, building, developing and maintaining of canals, roadways, carriageways and aqueducts etc. for convenience of transportation of natural produces; acquire, purchase, lease, hire, own, develop land buildings, hereditaments, estates, tea/coffee gardens, farms, orchards, groves, plantations, markets, godown etc. and any right or interest therein.*

8. The authorized share capital of the Transferee Company is Rs. 16,00,00,000 (Rupees Sixteen Crores only) divided into 1,60,00,000 equity shares of Rs. 10/- each. The issued, subscribed and paid-up share capital is Rs. 5,04,800 (Rupees Five Lakh Four Thousand Eight Hundred Only) divided into 50,480 equity shares of Rs. 10/- each.

9. Shortly, after the incorporation, the Transferee Company commenced its business inter-alia and continually carries on the same.

6. **Salient features and Rationale for the Scheme**

a. Apeejay Group ('the Group') is amongst India's most renowned and admired corporate houses. The applicant companies under this composite Scheme of Arrangement are a part of the said group. Each of the several businesses carried on by the Group by itself and through its subsidiaries and affiliate companies and through strategic investments in other companies have significant potential for growth. Each of the businesses have tremendous growth and profitability potential and are at a stage where they require focused leadership and management attention.

b. The Demerged Company / Transferor Company 1 is inter alia engaged in multiple businesses and activities including real estate, rental of properties, long-term investments in other companies, businesses of operating restaurants, confectionary outlets, and consultancy relating thereto.

c. To segregate the businesses of the Demerged Company, it is intended to demerge the real estate and investment undertaking on a going concern basis into a separate entity being the Resulting Company i.e. Great Eastern Stores Private Limited. The Resulting Company is presently engaged in the business of real estate business.

d. On completion of the aforesaid demerger, Flurys Swiss Confectionery Private Limited ("Transferor Company 1") and Fusion Beverages Private Limited ("Transferor Company 2") shall be merged with Apeejay Tea Limited ("Transferee Company"). This shall strengthen the balance sheet of the Transferee Company and create a larger and financially stronger entity, which will have better resources for business growth and expansion. The scheme of arrangement would also infuse additional business to the Transferee Company which has growth potential and hence there is significant synergy for consolidation of all the entities.

e. Further, the amalgamation would create economies in administrative and managerial costs by consolidating operations and would reduce duplication of administration responsibilities and multiplicity of records and legal and regulatory compliances.

f. It is believed that the proposed restructuring would result in better and efficient control by the management and promote their growth. It will create enhanced value for shareholders and allow a focused strategy in operations, which would be in the best interest of Apeejay Group, its shareholders, creditors, and all persons connected with the Group. The proposed restructuring will enable investors to separately hold investments in businesses with different investment characteristics thereby enabling them to select investments which best suit their investment strategies and risk profiles. The scheme of arrangement will also provide scope for independent collaboration and expansion without committing the existing organization in its entirety.

7. **Corporate Approvals**

The proposed Scheme of Arrangement has been approved by the respective Board of Directors of the Demerged/Transferor Company 1, Transferor Company 2, Resulting Company and Transferee Company at its meeting held on the 9th day of October 2020.

All the Directors present at the meeting voted in favour of the Scheme. None of the directors attending the meeting voted against the Scheme.

8. **Details of the Scheme**

The Composite Scheme of Arrangement provides for the demerger of the Real Estate & Investment Undertaking (Demerged Undertaking) of Flurys Swiss Confectionery Private Limited (Demerged Company/Transferor Company 1) into Great Eastern Stores Private Limited (Resulting Company) and merger of the Remaining Business of Flurys Swiss Confectionery Private Limited (Demerged Company/Transferor Company 1) and Fusion Beverages Private Limited (Transferor Company 2) with Apeejay Tea Limited (Transferee Company) respectively as a going concern with effect from 1st April, 2019 being the "Appointed Date" under Section 230-232 and other applicable provisions of the Companies Act, 2013 including any rules or regulations made there under and also including any statutory modification or re-enactments thereof for the time being in force;

a. "Act" means the Companies Act, 2013 and shall include the provisions of the Companies Act, 1956 to the extent the corresponding provisions in the Companies Act, 2013 have not been modified.

b. "Applicable Laws" means any statute, law, regulation, ordinance, rule, judgement, rule of law, order, decree, ruling, by-law, approval of any governmental authority, directive, guideline, policy, clearance, requirement or other governmental restriction or any similar form of decision or determination by, or any interpretation or administration having the force of law of any governmental authority having jurisdiction over the matter in question, whether in effect as of the date of the Scheme or at any time thereafter.

c. "Appointed Date" for the purpose of this Scheme and for the Income Tax Act, 1961 means 1st April 2019.

d. "Board of Directors" or "Board" means the board of directors respectively of the Transferor Companies or the Transferee Company or the Resulting Company and shall include a duly constituted committee thereof.

e. "Demerged Company" or "Transferor Company 1" shall mean Flurys Swiss Confectionary Private Limited.

f. "Demerged Undertaking" means the business of Real Estate & Investment Undertaking, together with all the related assets, liabilities, and employees on a going concern basis.

Without prejudice and limitation to the generality of the above, the Demerged Undertaking shall mean and include:

(i) all the property and assets of the Demerged Undertaking, wherever situated, whether movable or immovable, leasehold or freehold, owned or leased, tangible or intangible, including all computers and accessories, software and related data, leasehold improvements, plant and machinery, office equipment, electricals, appliances, accessories, pertaining to or relatable to the Demerged Undertaking.

(ii) all rights and licenses, all assignments and grants thereof, all permits, clearances and registration whether under Central, State or other laws, (including rights/ obligations under agreement(s) entered into with various persons including independent consultants, subsidiaries/ associate companies).

(iii) Long-term Investment in subsidiaries, associates and other companies.

g. "Effective Date" means the last of the dates on which the certified or authorized copies of the Order of the National Company law Tribunal sanctioning the Scheme are filed with the Registrar of Companies by the Transferor Companies and the Transferee Company. Any reference in this Scheme to the date of "coming into effect of this Scheme" or "effectiveness of this Scheme" or "Scheme taking effect" shall mean the Effective Date.

h. "Encumbrance" means any options, pledge, mortgage, lien, security, interest, claim, charge, pre-emptive right, easement, limitation, attachment, restraint or any other encumbrance of any kind or nature whatsoever, and the term "encumber" or "encumbered" shall be construed accordingly.

i. "Governmental Authority" shall mean any national, state, provincial, local or similar government, governmental, statutory, regulatory or administrative authority, government department, agency, commission, board, branch, tribunal or court or other entity authorized to make Laws, rules, regulations, standards, requirements, procedures or to pass directions or orders having the force of Law, or any non-governmental regulatory or administrative authority, body or other organization to the extent that the rules, regulations and standards, requirements, procedures or orders of such authority, body or other organization have the force of law, or any stock exchange of India or any other country.

j. “National Company Law Tribunal” or “NCLT” means the National Company Law Tribunal, or any other judicial forum prescribed under the provisions of the Companies Act, 2013 or any other applicable law for approving any Scheme of arrangement, compromise or reconstruction of companies under Sections 230 to 240 of the Companies Act, 2013.

k. “Remaining Business” means all the undertakings, businesses, activities, operations, assets, and liabilities of the Transferor Company 1 other than the Demerged Undertaking.

l. “Resulting Company” means Great Eastern Stores Private Limited (GESPL)

m. “Scheme” or “the Scheme” or “the Composite Scheme” means this Composite Scheme of Arrangement in its present form or with any modification(s) made or as approved or directed by the NCLT.

n. “Transferor Company 2” means Fusion Beverages Private Limited (FBPL)

o. “Transferee Company” means Apeejay Tea Limited (ATL)

p. “Tax” or “Taxes” shall mean all taxes on net income, gross income, gross receipts, sales, use, services, ad valorem, value-added, capital gains, corporate income tax, minimum alternate tax, buyback distribution tax, dividend distribution tax, transfer, franchise and profits, withholding tax, property tax, water tax, any tax payable in representative capacity, goods and service tax, service tax, value added tax, duties of custom and excise, octroi duty, entry tax, stamp duty, other governmental charges or duties or other taxes or statutory payments in relation to contact labour and/or other contractors and/or sub-contractors, statutory pension or other employment benefit plan contribution, fees, assessments or charges of any kind whatsoever, including any surcharge or cess thereon, together with any interest and any penalties, additions to tax or additional amount with respect thereto; and taxation will be construed accordingly.

q. All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the 2013 Act and other applicable laws, rules, regulations, bye-laws as the case may be or any statutory modifications or re-enactment thereof from time to time.

r. The rationale for the present Arrangement has been provided in the Scheme itself which is accompanying the present notice of the meeting and shall be read part and parcel of the present notice and this explanatory statement.

s. Upon the coming into effect of this Scheme, and in consideration of the transfer and vesting of the Demerged Undertaking of the Demerged Company in the Resulting Company, the Resulting Company shall, without any further application, act, instrument or deed, issue and allot to all the shareholders of the Demerged Company, whose names appear in the register of members as on the Record Date, fully paid up equity shares of the Resulting Company in the following share entitlement ratio:

"10(Ten) equity shares of Rs.100/- (Rupees hundred only) each of Great Eastern Stores Private Limited for every fully paid up equity shares of Rs. 1000/-(Rupees thousand only) each held in Flurys Swiss Confectionery Private Limited"

In case any shareholder's holding in Demerged Company is such that such shareholder becomes entitled to a fraction of any share, the Resulting Company shall not issue fractional share certificates to such shareholders. Any fraction equal to or more than 0.5 arising out of such allotment shall be rounded off to the next higher integer and fraction less than 0.5 shall be rounded off to the earlier lower integer.

t. Upon the coming into effect of this Scheme, and in consideration of the transfer and vesting of the Transferor Company 1 (after the demerger of the Demerged Undertaking comprising of the Remaining Business) and Transferor Company 2 in the Transferee Company, the Transferee Company shall, without any further application, act, instrument or deed, issue and allot to all the shareholders of the Transferor Company 1 and Transferor Company 2, whose names appear in the register of members as on the Record Date, fully paid up equity shares of the Transferee Company in the following share entitlement ratio-

"100 (One hundred) equity shares of Rs. 10/- (Rupees Ten only) each of Apeejay Tea Limited for every 1 (One) fully paid up equity shares of Rs. 1000/- (Rupees Thousand only) each held in Flurys Swiss Confectionery Private Limited.

"1 (One) equity shares of Rs. 10/- (Rupees Ten only) each of Apeejay Tea Limited for every 435 (Four hundred and thirty five) fully paid up equity shares of Rs. 10/- (Rupees Ten only) each held in Fusion Beverages Private Limited.

u. There is no likelihood that the shareholders, creditors (secured and unsecured) or any other stakeholders of the Company will be prejudiced as a result of the proposed Scheme being sanctioned.

v. The present Scheme is not a Scheme of Corporate Debt Restructuring as envisaged under Section 230(2) (c) of the Act.

w. The features set out above being only the salient features of the scheme of arrangement, the concerned secured creditors are requested to read the entire text of the scheme of arrangement to get themselves fully acquainted with the provisions thereof. The copy of the said scheme is already annexed with this notice.

x. The total amount due to Secured Creditors of the Transferee Company as per list of Secured Creditors as on 31st May 2021 duly certified by Sen Mazumder & Co., Chartered Accountants was Rs. 6,69,53,32,316/- (Rupees Six Hundred and Sixty Nine Crores Fifty Three Lakhs Thirty Two Thousand Three Hundred and Sixteen Only).

9. **Investigation or proceedings, if any, pending against the company under the Act**

No investigation or proceeding under Sections 206 to 229 of the Companies Act, 2013 and/or under Sections 235 to 251 of the erstwhile Companies Act, 1956 is pending against the Demerged/Transferor Company 1, Transferor Company 2, Resulting Company and Transferee Company involved in the present Scheme of Arrangement.

10. **Details of approval from regulatory authorities**

A copy of the Scheme along with the necessary statement under Section 230 read with Rules 6 and Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 is also being forwarded to the Central Government through the office of Regional Director (Eastern Region), Ministry of Corporate Affairs, Kolkata, The Registrar of Companies, West Bengal; Official Liquidator; and Concerned Income Tax Authority along with the Chief Commissioner of Income Tax.

The other details required as per Rule 6(3) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 have been provided in the Scheme itself which has been annexed hereto along with the notice of this Meeting and shall be construed as part and parcel of the present statement.

11. **Inspection**

The following documents will be available for inspection or for obtaining extracts from or for making or obtaining copies of, by the Secured Creditors at the registered office of Resulting Company i.e. Apeejay House, 15, Park Street Kolkata-700016 on any working day of the concerned Company from the date of this notice till the date of meeting between 11.00 A.M. to 6.00 P.M.:

a. The Memorandum and Articles of Association.

b. Certified copy of the Order passed by the Hon'ble National Company Law Tribunal, Kolkata Bench, Kolkata dated 4th June 2021 directing the Transferee Company to convene the Tribunal Convened Meeting.

c. Copies of the latest audited financial statements for the financial year ended 31st March 2020.

d. Copy of the proposed Scheme as approved by the Board of Directors of Demerged/Transferor Company 1, Transferor Company 2, Resulting Company and Transferee Company at their respective meeting held on 9th October 2020.

e. Register of Directors and Key Managerial Personnel and their Shareholding as on the date of this notice.

f. The certificates issued by the Statutory Auditors of the Demerged/Transferor Company 1 dated 9th November 2020, Resulting Company dated 16th October 2020, Transferor Company 2 dated 16th October 2020 and Transferee Company dated 25th January 2021 to the effect that the accounting treatment proposed in the Scheme of Arrangement is in conformity with the Accounting Standards prescribed under Section 133 of the Act.

g. List of Secured Creditors of the Transferee Company as on 31st May 2021 duly certified by Sen Mazumdar & CO, Chartered Accountants.

h. Proof of service of notice of meeting along with copy of the Scheme and Explanatory Statement to Regional Director, Eastern Region; Ministry of Corporate Affairs, Kolkata; Registrar of Companies, West Bengal; Official Liquidator and concerned Income tax authorities.

12. **Effect of the Scheme**

Key Managerial Personnel	The Scheme does not affect the Key Managerial Personnel of the Demerged / Transferor Companies, Resulting Companies and Transferee Company.
Directors	The Scheme does not affect the Directors of the Demerged /Transferor Company 1, Transferor Company 2, Resulting Company and Transferee Company except as mentioned hereinafter. The Directors of the Transferor Company shall continue to hold their position as Director on the Board of the Transferee Company.
Promoters	The promoters of the Applicant Companies shall continue to remain the promoters even after the effectiveness of the Scheme.
Non-Promoter Members	The non-promoter members, if any, of the respective companies will be issued shares pursuant to the Composite Scheme of Arrangement as per the fair exchange ratio determined by the Registered Valuer.
Depositors	Not Applicable. The Applicant Company does not have any Depositors.
Creditors	The rights and interests of creditors (secured and unsecured) of the Demerged / Transferor Company 1, Transferor Company 2, Resulting Company and Transferee Company are not likely to be prejudicially affected as the Applicant Company is a company with a huge Net Worth and of sound financial background. Further no compromise is offered to any of the creditors of the Transferee Company, nor their rights are sought to be modified in any manner and the Applicant Company undertakes to meet with all such liabilities in the regular course of business.
Debenture Holders	Not Applicable. The Transferee Company does not have any Debenture Holders.

Deposit Trustee and Debenture Trustee	Not Applicable. The Transferee Company does not have any Deposit Trustee and Debenture Trustee.
Employees of the Company	Under the Scheme, no rights of the staff and employees of the Applicant Company are being affected.

You are requested to read the entire text of the Scheme to get fully acquainted with the provisions thereof. The aforesaid are only some of the salient extracts thereof.

Place: Kolkata
Date: 21st June 2021

Sd/-
Mr. Amit Shyamsukha
Chairperson appointed for the meeting

Registered Office:
Apeejay Tea Limited
CIN: U27108WB1995PLC071253
15 Park Street Kolkata, 700016
Email:beasmoitra@apeejaygroup.com
Website: www.apeejaygroup.com

COMPOSITE SCHEME OF ARRANGEMENT

AMONGST

FLURYS SWISS CONFECTIONERY PRIVATE LIMITED

AND

FUSION BEVERAGES PRIVATE LIMITED

AND

GREAT EASTERN STORES PRIVATE LIMITED

AND

APEEJAY TEA LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

UNDER SECTION 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

PREAMBLE

This Composite Scheme of Arrangement (*as defined hereinafter*) is presented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and provides for the transfer by way of demerger of the Real Estate Investment Undertaking (*as defined hereinafter*) of **Flurys Swiss Confectionery Private Limited** (Demerged Company/ Transferor Company 1) (*as defined hereinafter*) and vesting of the same into **Great Eastern Stores Private Limited** (Resulting Company) (*as defined hereinafter*) and consequent issue of equity shares by the Resulting Company to the shareholders of the Demerged Company and amalgamation of **Flurys Swiss Confectionery Private Limited** (Transferor Company 1) comprising of the Remaining Business (*as defined hereinafter*) and **Fusion Beverages Private Limited** (Transferor Company 2) (*as defined hereinafter*) with **Apeejay Tea Limited** (Transferee Company) (*as defined hereinafter*) and consequent issuance of equity shares by the Transferee Company to the equity shareholders of the Transferor Company 1 and the Transferor Company 2; and for matters consequential, supplemental and/or otherwise integrally connected therewith.

A. BACKGROUND

i. **Flurys Swiss Confectionery Private Limited (FSCPL)** is a Company incorporated on 15th May 1946 having its registered office at 18 Park Street Kolkata, 700071 (hereinafter referred to as the "Demerged Company" / "Transferor Company 1"). The main objects of the Company are outlined below –

a. *To carry on the business of bakers, confectioners, butchers, milksellers, buttersellers, dairymen, grocers, poulterers, greengrocers, farmers, ice merchants.*

b. *To carry on the business of refreshment rooms proprietors and refreshment caterers and contractors in all its respective branches. To manufacture, buy, sell, refine prepare, grow, import, export and seal in provisions of all kinds, both wholesale and retail and whether solid or liquid. To establish and provide all kinds of convenience and attraction for customers and others, and in particulars reading, writing and smoking rooms safe deposits, telephones, radios, clubs, stores, shops, lodging and lavatories etc.*

c. *To carry on the business of hotel, restaurant, café, tavern, beer house, refreshment room and lodging house keepers, licensed victuallers, wine, beer and spirit merchants importers and manufacturers of aerated, mineral and artificial waters and other drinks, purveyors, caterers for the public generally, carriage taxi, motor car and motor lorry proprietors, dairymen, ice merchants , importers and brokers of food, live and dead stock and foreign produce of all descriptions, hairdressers, perfumes, chemists, proprietors of clubs, baths, dressing rooms, laundries, reading, writing and newspaper rooms, libraries grounds and place of amusements, recreation, sport, entertainment and instruction of all kinds, tobacco, cigar and cigarette merchants, agents for railways and shipping companies and carriers, theatrical and operator office proprietors and general agents and other business which can conveniently be carried on in connection therewith.*

d. *To manufacture, import, export, buy, sell, exchange, alter, repair, improve, manipulate, prepare for market and otherwise deal in all kinds of plant, machinery, apparatus tool and utensils.*

ii. **Fusion Beverages Private Limited (FBPL)** is a Company incorporated on 5th April 2018 having its registered office at Apeejay House, 15, Park Street, Kolkata 700016 (hereinafter referred to as the "Transferor Company 2"). The main objects of the Company are outlined below –

a. *To establish, run, own, operate, to carry out the business of franchisor, franchisee or maintain beverage centres, chain food stores, fast food centres, food parks, food plazas, food courts, restaurants, cha-bars, cafeterias, eateries, ice cream parlours, branded food product shops, frozen foods, spices, condiments, oils and to buy, sell, cook, mix, supply and distribute all other or similar food and beverage items.*

b. *To carry on the business of manufacturers, makers, importers, exporters, buyers, sellers, suppliers, stockists, dealers, distributors, agents, merchants and concessionaires of cake, pastry, patties, cornflakes, breads, biscuits, chocolates, confectionery items, sweets, sugar, glucose, chewing gums, milk cream, ice, ice cream, aerated or mineral waters, fruits, fruit drops, fruit juices and pulps; wines, liquors and other alcoholic drinks/ beverages, fermentation products, canned fruit products, malted food products, cigarettes, cigars, protein foods, milk, butter, ghee, cheese and other dairy products, pickles, jam, jellies, sausages, cider, condensed milk, honey, fresh and dehydrated vegetables, coffee, tea, cocoa, seeds, permitted additive colours and flavours, preservatives, concentrates, other like items of human consumption and all other kinds of processed foods as well as materials required or used for preparation of food articles.*

iii. **Great Eastern Stores Private Limited (GESPL)** is a Company incorporated on 2nd May 1917 having its registered office at Apeejay House, 15, Park Street, Kolkata 700016 (hereinafter referred to as the "Resulting Company"). The main objects of the Company are outlined below-

a. *To acquire by lease grant assignment transfer or otherwise any tea gardens or plantations and premises from any person or persons firm Syndicate or Corporation Government or Municipality in India to perform and fulfil the conditions thereof and in particular to adopt and carry into effect with or without modifications the Agreement referred to in Clause 3 of the Company's Articles of Association.*

b. *To carry on the business of planters growers and manufacturers of tea, coffee, cinchona, cocoa and other natural products of any kind, ship-owners, bankers, engineers and merchants in all their branches and any other busines which can conveniently be carried on in connection with such business or any of them including the purchasing and selling of timber and the manufacture and sale of tea boxes and other articles and the clearing planting irrigation and cultivation of lands the making of roads, railways, tramways, canals and aqueducts for the development of the Company's property and the convenient carrying on of their business and acquisition and working of locomotives vessels and means of transport and the acting as carriers by land or water and the erection and working of electrical plant machinery and appliances.*

c. *To buy sell trade and deal in tea, coffee and other plants and seed and rice and other food and requistes for labourers and others employed pm esttaes and generally to trade and deal in any way in the production manufacturer and purchase and sale of tea,* *coffee and other products whether in the raw or manufactured state or any other goods produce wares merchandise articles and things of any kind.*

iv. **Apeejay Tea Limited (ATL)** is a Company incorporated on 27th April 1999 having its registered office at Apeejay House, 15, Park Street, Kolkata 700016 (hereinafter referred to as the "Transferee Company"). The main objects of the Company are outlined below –

a. *To act as consultants and to advise and assist on all aspects of corporate commercial and industrial management or activity including production manufacturing, personnel, advertising and public relations, public welfare marketing, taxation, technology, insurance, purchasing, sales, quality control, computer applications, software, productivity, planning, research and development, organisation, feasibility studies, project reports, forecasts and surveys and to give expert advice and suggest ways and means for improving efficiency in trades, plantations, business organisations, registered or cooperative societies, partnership or proprietary concerns and industries of all kinds in India and elsewhere in the world and improvement of business management, office organisation and export management; to supply to and provide, maintain and operate services, facilities, conveniences, bureau and the like for the benefit of any company; to recruit and /or advice on the recruitment of staff for any company.*

b. *To apply for, purchase or otherwise acquire and protect , prolong and renew in any part of the world, any patent, patent rights, brevets d'invention, trademarks, design, licenses, protections, concessions, and the like conferring any exclusive or non-exclusive or limited right to their use or any secret or other information as to any invention, process or privilege which may seem calculated directly or indirectly to benefit the company and use, exercise, develop or grant license or privileges in respect of or otherwise turn to account the property, rights and information so acquired and to carry on any business in any way connected therewith.*

c. *To carry on the business of buyers, sellers, suppliers, stockists, stores, agents, concessionaries, distributors, dealers, merchants, marketers, importers, exporters, planters, cultivators, growers, manufacturers, brand owners, producers , processors, blenders, testers, curers, packers, packagers, dryers, freezers, heaters, wrappers & markers of all type of tea, coffee, cocoa, crinchona, clones, seeds, herbs, orchids, timber, tea boxes, match boxes and other natural products of any kind; cleaning, clearing, planting, replanting, irrigation and cultivation of lands, making, constructing, building, developing and maintaining of canals, roadways, carriageways and aqueducts etc. for convenience of transportation of natural produces; acquire, purchase, lease, hire, own, develop land buildings, hereditaments, estates, tea/coffee gardens, farms, orchards, groves, plantations, markets, godown etc. and any right or interest therein.*

B. RATIONALE

a. Apeejay Group ('the Group') is amongst India's most renowned and admired corporate houses. The applicant companies under this composite Scheme of Arrangement are a part of the said group. Each of the several businesses carried on by the Group by itself and through its subsidiaries and affiliate companies and through strategic investments in other companies have significant potential for growth. Each of the businesses have tremendous growth and profitability potential and are at a stage where they require focused leadership and management attention.

b. The Demerged Company / Transferor Company 1 is *inter alia* engaged in multiple businesses and activities including real estate, rental of properties, long-term investments in other companies, businesses of operating restaurants, confectionary outlets, and consultancy relating thereto.

c. To segregate the businesses of the Demerged Company, it is intended to demerge the real estate and investment undertaking on a going concern basis into a separate entity being the Resulting Company i.e. Great Eastern Stores Private Limited. The Resulting Company is presently engaged in the business of real estate business.

d. On completion of the aforesaid demerger, Flurys Swiss Confectionery Private Limited ("Transferor Company 1") and Fusion Beverages Private Limited ("Transferor Company 2") shall be merged with Apeejay Tea Limited ("Transferee Company"). This shall strengthen the balance sheet of the Transferee Company and create a larger and financially stronger entity, which will have better resources for business growth and expansion. The scheme of arrangement would also infuse additional business to the Transferee Company which has growth potential and hence there is significant synergy for consolidation of all the entities.

e. Further, the amalgamation would create economies in administrative and managerial costs by consolidating operations and would reduce duplication of administration responsibilities and multiplicity of records and legal and regulatory compliances.

f. It is believed that the proposed restructuring would result in better and efficient control by the management and promote their growth. It will create enhanced value for shareholders and allow a focused strategy in operations, which would be in the best interest of Apeejay Group, its shareholders, creditors, and all persons connected with the Group. The proposed restructuring will enable investors to separately hold investments in businesses with different investment characteristics thereby enabling them to select investments which best suit their investment strategies and risk profiles. The scheme of arrangement will also provide scope for independent collaboration and expansion without committing the existing organization in its entirety.

C. PARTS OF THE SCHEME

This Scheme of Arrangement is divided into the following parts –

- Part I – of the Scheme deals with definitions and interpretations and sets out the share capital of all the Companies which are parties to this Scheme.

- Part II – of the Scheme deals with the demerger of the Demerged Undertaking of Demerged Company into Resulting Company

- Part III – Amalgamation of Transferor Company 1 (after demerger of the Demerged Undertaking comprising of the remaining business) and Transferor Company 2 with the Transferee Company with effect from Appointed date.

- Part IV – deals with general terms and conditions applicable to this Composite Scheme

This Scheme also provides for various other matters consequential, incidental, or otherwise integrally connected therewith.

Part I – DEFINITIONS, DATE OF TAKING EFFECT AND SHARE CAPITAL

1. Definitions

In this Scheme, the following words and expressions shall, unless the context requires otherwise, have the following meanings ascribed to them:

1.1. "Act" means the Companies Act, 2013 and shall include the provisions of the Companies Act, 1956 to the extent the corresponding provisions in the Companies Act, 2013 have not been modified.

1.2. "Applicable Laws" means any statute, law, regulation, ordinance, rule, judgement, rule of law, order, decree, ruling, by-law, approval of any governmental authority, directive, guideline, policy, clearance, requirement or other governmental restriction or any similar form of decision or determination by, or any interpretation or administration having the force of law of any governmental authority having jurisdiction over the matter in question, whether in effect as of the date of the Scheme or at any time thereafter.

1.3. "Appointed Date" for the purpose of this Scheme and for the Income Tax Act, 1961 means 1st April 2019.

1.4. "Board of Directors" or "Board" means the board of directors respectively of the Transferor Companies or the Transferee Company or the Resulting Company and shall include a duly constituted committee thereof.

1.5. "Demerged Company" or "Transferor Company 1" shall mean Flurys Swiss Confectionary Private Limited.

1.6. "Demerged Undertaking" means the business of **Real Estate & Investment Undertaking**, together with all the related assets, liabilities, and employees on a going concern basis.

Without prejudice and limitation to the generality of the above, the Demerged Undertaking shall mean and include:

(i) all the property and assets of the Demerged Undertaking, wherever situated, whether movable or immovable, leasehold or freehold, owned or leased, tangible or intangible, including all computers and accessories, software and related data, leasehold improvements, plant and machinery, office equipment, electricals, appliances, accessories, pertaining to or relatable to the Demerged Undertaking.

(ii) all rights and licenses, all assignments and grants thereof, all permits, clearances and registration whether under Central, State or other laws, (including rights/ obligations under agreement(s) entered into with various persons including independent consultants, subsidiaries/ associate companies).

(iii) Long-term Investment in subsidiaries, associates and other companies.

1.7. “Effective Date” means the last of the dates on which the certified or authorized copies of the Order of the National Company law Tribunal sanctioning the Scheme are filed with the Registrar of Companies by the Transferor Companies and the Transferee Company. Any reference in this Scheme to the date of “coming into effect of this Scheme” or “effectiveness of this Scheme” or “Scheme taking effect” shall mean the Effective Date.

1.8. “Encumbrance” means any options, pledge, mortgage, lien, security, interest, claim, charge, pre-emptive right, easement, limitation, attachment, restraint or any other encumbrance of any kind or nature whatsoever, and the term “encumber” or “encumbered” shall be construed accordingly.

1.9. “Governmental Authority” shall mean any national, state, provincial, local or similar government, governmental, statutory, regulatory or administrative authority, government department, agency, commission, board, branch, tribunal or court or other entity authorized to make Laws, rules, regulations, standards, requirements, procedures or to pass directions or orders having the force of Law, or any non-governmental regulatory or administrative authority, body or other organization to the extent that the rules, regulations and standards, requirements, procedures or orders of such authority, body or other organization have the force of law, or any stock exchange of India or any other country.

1.10. “National Company Law Tribunal” or “NCLT” means the National Company Law Tribunal or any other judicial forum prescribed under the provisions of the Companies Act, 2013 or any other applicable law for approving any Scheme of arrangement, compromise or reconstruction of companies under Sections 230 to 240 of the Companies Act, 2013.

1.11. “Remaining Business” means all the undertakings, businesses, activities, operations, assets, and liabilities of the Transferor Company 1 other than the Demerged Undertaking.

1.12. “Resulting Company” means Great Eastern Stores Private Limited (GESPL)

1.13. “Scheme” or “the Scheme” or “the Composite Scheme” means this Composite Scheme of Arrangement in its present form or with any modification(s) made or as approved or directed by the NCLT.

1.14. “Transferor Company 2” means Fusion Beverages Private Limited (FBPL)

1.15. “Transferee Company” means Apeejay Tea Limited (ATL)

1.16. “Tax” or “Taxes” shall mean all taxes on net income, gross income, gross receipts, sales, use, services, ad valorem, value-added, capital gains, corporate income tax, minimum alternate tax, buyback distribution tax, dividend distribution tax, transfer, franchise and profits, withholding tax, property tax, water tax, any tax payable in representative capacity, goods and service tax, service tax, value added tax, duties of custom and excise, octroi duty, entry tax, stamp duty, other governmental charges or duties or other taxes or statutory payments in relation to contact labour and/or other contractors and/or sub-contractors, statutory pension or other employment benefit plan contribution, fees, assessments or charges of any kind whatsoever, including any surcharge or cess thereon, together with any interest and any penalties, additions to tax or additional amount with respect thereto; and taxation will be construed accordingly.

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the 2013 Act and other applicable laws, rules, regulations, bye-laws as the case may be or any statutory modifications or re-enactment thereof from time to time.

2. SHARE CAPITAL

2.1. The Share Capital of Flurys Swiss Confectionery Private Limited (Demerged Company/ Transferor Company 1) as per the audited Balance Sheet as on March 31, 2019 is as under:

Description	In ₹ Actual
Authorised Share Capital	
300 Equity Shares of ₹1000/- Each	3,00,000
Issued, Subscribed and Paid-up Share Capital	
110 Equity Shares of ₹1000/- Each	1,10,000

2.2. The Share Capital of Fusion Beverages Private Limited (Transferor Company 2) as per the audited Balance Sheet as on March 31, 2019 is as under:

Description	In ₹ Actual
Authorised Share Capital	
1,00,000 Equity Shares of ₹10/- Each	1,000,000
Issued, Subscribed and Paid-up Share Capital	
10,000 Equity Shares of ₹10/- Each	1,00,000

2.3. The Share Capital of Great Eastern Stores Private Limited (Resulting Company) as per the audited Balance Sheet as on March 31, 2019 is as under:

Description	In ₹ Actual
Authorised Share Capital	
10,000 Equity Shares of ₹100/- Each	1,000,000
Issued, Subscribed and Paid-up Share Capital	
2,484 Equity Shares of ₹100/- Each	248,400

2.4. The Share Capital of Apeejay Tea Limited (Transferee Company) as per the audited Balance Sheet as on March 31, 2019 is as under:

Description	In ₹ Actual
Authorised Share Capital	
16,000,000 Equity Shares of ₹10/- Each	16,00,00,000
Issued, Subscribed and Paid-up Share Capital	
50,480 Equity Shares of ₹10/- Each	5,04,800

Subsequent to the Appointed Date, there has been no change in the Authorized, Issued, Subscribed and Paid-up share capital of the Demerged/ Transferor Company 1, Transferor Company 2, Resulting Company and the Transferee Company.

3. **Treatment of the Scheme for the purposes of Income Tax Act, 1961**

The provisions of this Scheme have been drawn up to comply with the conditions relating to "Amalgamation" and "Demerger" as defined under section 2(1B) and 2(19AA) of the Income Tax Act, 1961, respectively. If, at a later date, any of the terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of section 2(1B) and 2(19AA) of the Income Tax Act, 1961, including as a result of an amendment of law or enactment of new legislation or any other reason whatsoever, the provisions of section 2(1B) and 2(19AA) of the Income Tax Act, 1961, or a corresponding provisions of any amended or newly enacted law, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with sections 2(1B) and 2(19AA) of the Income Tax Act, 1961. Such modifications will, however, not affect the other provisions of the Scheme.

Part II – TRANSFER AND VESTING OF DEMERGED UNDERTAKING FROM THE DEMERGED COMPANY INTO THE RESULTING COMPANY.

4. **Transfer of Demerged Undertaking**

4.1. Upon the coming into effect of this Scheme and with effect from the Appointed Date, subject to the provisions of this Scheme, the Demerged Undertaking shall, under the provisions of Sections 230 to 232 of the Act and also in accordance with Section 2(19AA) of the IT Act and all other applicable provisions, if any, of the Act, without any further act or deed, stand transferred on a going concern basis to and vested in and / or deemed to be transferred to and vested in the Resulting Company.

4.2. In respect of such of the assets of the Demerged Undertaking as are movable in nature and/or otherwise capable of transfer by manual or constructive delivery of possession and/or by endorsement and delivery, the same shall be so transferred by the Demerged Company to the Resulting Company, upon the coming into effect of this Scheme, without requiring any deed or instrument of conveyance for transfer of the same, and shall become the property of the Resulting Company, absolutely and forever.

4.3. In respect of the movable assets other than those dealt with in Clause 4.2 above, including but not limited to sundry debts, actionable claims, earnest monies, receivables, bills, credits, loans, advances and deposits with any Governmental Authority and any other authorities and bodies and/or customers, if any, whether recoverable in cash or in kind or for value to be received, bank balances, etc. the same shall stand transferred to and vested in the Resulting Company without any notice or other intimation to any Person so that the right of the Demerged Company to recover or realise the same stands transferred to the Resulting Company. Resulting Company shall, at its sole discretion but without being obliged, give notice in such form as it may deem fit and proper, to such Person, as the case may be, that the said debt, receivable, bill, credit, loan, advance or deposit stands transferred to and vested in the Resulting Company and that appropriate modification should be made in their respective books/records to reflect the aforesaid changes.

4.4. All immovable properties of the Demerged Undertaking, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of Demerged Company, whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto shall stand vested in and/or be deemed to have been vested in the Resulting Company, by operation of law pursuant to the sanctioning of the Scheme and upon the Scheme becoming effective. Such assets shall stand vested in the Resulting Company and shall be deemed to be and become the property as an integral part of the Resulting Company by operation of law. The Resulting Company shall upon the NCLT Orders sanctioning the Scheme and upon this Scheme becoming effective, be always entitled to all the rights and privileges attached in relation to such immovable properties and shall be liable to pay appropriate rent, rates and taxes and fulfil all obligations in relation thereto or as applicable to such immovable properties. Upon this Scheme becoming effective, the title to such properties shall be deemed to have been mutated and recognised as that of the Resulting Company and the mere filing thereof with the appropriate registrar or sub-registrar or with the relevant Government Authority shall suffice as record of continuing titles with the Resulting Company and shall be constituted as a deemed mutation and substitution thereof. The Resulting Company shall subsequent to Scheme becoming effective be entitled to the delivery and possession of all documents of title to such immovable property in this regard. It is hereby clarified that all the rights, title and interest of the Demerged Undertaking in any leasehold properties shall without any further act, instrument or deed, be vested in or be deemed to have been vested in the Resulting Company.

4.5. All the other assets, rights, title, interests and investments of the Demerged Company in relation to the Demerged Undertaking shall also without any further act, instrument or deed stand transferred to and vested in and be deemed to have been transferred to and vested in the Resulting Company upon the coming into effect of this Scheme.

4.6. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is expressly clarified that upon the coming into effect of this Scheme, all permits, licenses, permissions, right of way, Governmental Approvals, clearances, Consents, benefits, registrations, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, concessions, issued to or granted to or executed in favour of the Demerged Company pertaining to the Demerged Undertaking, shall be transferred to and vested in the Resulting Company.

4.7. Any third party or Governmental Authority required to give effect to any provisions of this Scheme, shall take on record the NCLT Orders sanctioning the Scheme on its file and duly record the necessary substitution or endorsement in the name of Resulting Company as successor in interest with respect to the Demerged Undertaking, pursuant to the sanction of this Scheme by the NCLT, and upon this Scheme becoming effective. For this purpose, Resulting Company shall file certified copies of such NCLT Order(s) and if required file appropriate applications or forms with relevant authorities concerned for statistical and information purposes only and there shall be no break in the validity and enforceability of Governmental Approvals, Consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licences (including the licences granted by any Governmental Authorities for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature with respect to the Demerged Undertaking.

4.8. Upon the coming into effect of this Scheme, all debts, duties, obligations and liabilities of the Demerged Company pertaining to the Demerged Undertaking shall without any further act, instrument or deed be and stand transferred to the Resulting Company and shall thereupon become the debts, duties, obligations and liabilities of the Resulting Company and it shall not be necessary to obtain the Consent of any third party or other Person, who is a party to any contract or arrangement by virtue of which such debts, obligations, duties and liabilities have arisen in order to give effect to the provisions of this Clause.

4.9. The transfer and vesting of the Demerged Undertaking, as aforesaid shall be subject to the existing securities, charges, mortgages and other Encumbrances, if any, subsisting over in respect of the property and assets or any part thereof relatable to the Demerged Undertaking.

4.10. Resulting Company shall, at any time after this Scheme coming into effect, in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, execute appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement pertaining to the Demerged Undertaking in relation to which Demerged Company have been a party, including any filings with the regulatory authorities, in order to give formal effect to the above provisions.

5. Treatment of Taxes

5.1. With effect from the Appointed date and upon the scheme becoming effective, all taxes and duties payable by the Demerged Company, accruing and relating to the operations of the Real Estate and Investment Undertaking from the appointed date onwards, including all advance tax payments, tax deducted at source, any refund and claims shall, for all purposes, be treated as advance tax payments, tax deducted at source or refunds and claims, as the case may be, of the Resulting Company.

5.2. Upon the Scheme becoming effective, the Demerged Company and the Resulting Company are expressly permitted to revise, their financial statements and returns along with prescribed forms, filings and annexures under the Income Tax Act 1961, goods and services tax, central sales tax, applicable state value added tax, service tax laws, excise duty laws and other tax laws, and to claim refunds and/or credit for taxes paid and for matters incidental thereto, if required to give effect to the provisions of the Scheme.

5.3. All tax assessment proceedings, appeals of whatsoever nature by or against the Demerged Company pending and/or arising at the Appointed Date and relating to the Real Estate & Investment Undertaking shall be continued and/ or enforced until the Effective date by the Demerged Company. In the event of the Demerged Company failing to continue or enforce any proceeding/ appeal, the same may be continued or enforced by the Resulting Company, at the cost of the Resulting Company. As and from the effective date, the tax proceedings shall be continued and enforced by or against the Resulting Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Demerged Company.

5.4. Any refund, under the Income tax Act 1961, goods and service tax laws, excise duty laws, central sales tax, applicable state value added tax laws or other applicable laws/ regulations dealing with taxes/ duties/ levies due to the Real Estate and Investment Undertaking of the Demerged Company consequent to the assessment made on the Demerged Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Resulting Company upon this Scheme becoming effective.

5.5. The tax payments (including, without limitation, income tax, goods and service tax, excise duty, central sales tax, applicable state value added tax, etc) whether by way of tax deducted at source, advance tax, all earnest monies, security deposits provisional payments, payments under protests or otherwise howsoever, by the Demerged Company with respect to the Real Estate and Investment Undertaking after the Appointed Date, shall be deemed to be paid by the Resulting Company and shall, in all proceedings, be dealt with accordingly.

5.6. Further, any tax deducted at source by the Demerged Company/ Resulting Company with respect to the Real Estate and Investment Undertaking on transactions with the Demerged Company / Resulting Company, if any (from the Appointed Date to Effective Date) shall be deemed to be advance tax paid by the Resulting Company and shall in all proceedings, be dealt with accordingly.

5.7. Obligation for deduction of tax at source on any payment made by or to be made by the Demerged Company shall be made or deemed to have been made and duly complied with by the Resulting Company.

5.8. Upon the Scheme becoming effective, all existing and future incentives, un-availed credits and exemptions, benefits, benefit of carried forward losses (if available under law) and other statutory benefits, including in respect of income tax (including MAT), prepaid taxes i.e. TDS, advance tax and self-assessment tax, exercise (including MODVAT/ CENVAT), customs, VAT, sales tax, service tax, GST, etc relating to the Real Estate and Investment Undertaking to which to the Demerged Company is entitled to shall be available to and vest in the Resulting Company.

6. Consideration

6.1. Upon the coming into effect of this Scheme, and in consideration of the transfer and vesting of the Demerged Undertaking of the Demerged Company in the Resulting Company, the Resulting Company shall, without any further application, act, instrument or deed, issue and allot to all the shareholders of the Demerged Company, whose names appear in the register of members as on the Record Date, fully paid up equity shares of the Resulting Company in the following share entitlement ratio-

"10 (Ten) equity shares of Rs. 100/- (Rupees hundred only) each of Great Eastern Stores Private Limited for every fully paid up equity shares of Rs. 1000/- (Rupees thousand only) each held in Flurys Swiss Confectionery Private Limited"

6.2. In case any shareholder's holding in Demerged Company is such that such shareholder becomes entitled to a fraction of any share, the Resulting Company shall not issue fractional share certificates to such shareholders. Any fraction equal to or more than 0.5 arising out of such allotment shall be rounded off to the next higher integer and fraction less than 0.5 shall be rounded off to the earlier lower integer.

6.3. The Shares issued and allotted by the Resulting Company, in terms of Clause 6.1 above, shall be subject to the provisions of the Memorandum and Articles of Association of the Resulting Company and shall rank pari passu in all respects with the then existing equity shares of the Resulting Company. Further, the Resulting Company shall, if required, take all necessary steps for increase of authorized share capital for issue of Shares pursuant to Clause 6.1 above.

6.4. It is clarified that upon the approval of this Scheme by the shareholders of the Demerged Company and Resulting Company under Sections 230 to 232 of the Act, the shareholders shall be deemed to have approved this Scheme under Sections 13, 14, 42, 62, 180(1)(c), 186, 188 and any other applicable provisions under the Act and that no separate approval from the shareholders to that extent shall be required to be sought for the matters specified in this Scheme.

6.5. Pursuant to the Scheme, the shares, if any, held by the Demerged Company/ Transferor Company 1 in the Resulting Company shall without any further application, act, instrument, or deed, be deemed to have been automatically cancelled.

6.6. Unless otherwise determined by the Board of Directors, or any committee thereof, of the Demerged Company and the Board of Directors, or any committee thereof, of the Resulting Company, allotment of shares in terms of this Scheme shall be done within 90 days from the Effective Date.

6.7. On allotment of shares by the Resulting Company in terms of Clause 6.1 above, the existing shareholding of the Demerged Company, in the Resulting Company shall be cancelled as an integral part of this Scheme in accordance with provisions of Section 66 of the Act and the order of the Tribunal sanctioning the Scheme shall be deemed to be also the Order under Section 66 of the Act for the purpose of confirming the cancellation and reduction. The cancellation and reduction would not involve either a diminution of liability in respect of unpaid share capital or payment of paid-up share capital and hence the provisions of Section 66 of the Act will not be applicable. Further, the Resulting Company shall not be required to add the words "and reduced" as a suffix to its name consequent upon such reduction.

7. Accounting Treatment

In the books of the Demerged Company

7.1. The difference between the book value of assets and liabilities transferred pursuant to the Scheme shall be adjusted in the books of Demerged Company, in the manner decided by Board of Directors of the Demerged Company, to the extent required from Surplus as per Profit & Loss Account.

In the books of the Resulting Company

7.2. With effect from the Appointed Date, all the assets and liabilities of the Demerged Undertaking shall be recorded at their book value by the Resulting Company.

7.3. The Resulting Company shall credit its Share Capital Account with the aggregate face value of the equity shares issued to the shareholders of Demerged Company pursuant to Clause 6.1 of this Scheme.

7.4. The amount representing the surplus of assets over liabilities of the Demerged Undertaking and the aggregate face value of the share capital issued by the respective Resulting Company to the shareholders of the Demerged Company and after taking into effect the cancellation of shares held by the Demerged Company in the Resulting Company, shall be credited by the Resulting Company to Capital Reserve.

In case of deficit the same shall be treated as goodwill and shall be dealt in any manner as may be determined by the Board of Directors of the Resulting Company.

7.5. In case of any differences in the accounting policies between Demerged Company as compared to Resulting Company , the impact of the same till the Appointed Date will be quantified and the same shall be appropriately adjusted against the Reserves of the

Resulting Company and reported in accordance with applicable Accounting Standard (AS) 5, Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies prescribed under section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules, 2014.

8. Contracts, Deeds and Other Instruments

8.1. Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, understandings whether written or oral and other instruments, if any, of whatsoever nature, in relation to the Demerged Undertaking, to which the Demerged Company is a party or to the benefit of which the Demerged Company may be eligible and which are subsisting or having effect on the Appointed Date, without any further act, instrument or deed, shall be in full force and effect against or in favour of the Resulting Company, as the case may be, and may be enforced by or against the Resulting Company as fully and effectively as if, instead of the Demerged Company, the Resulting Company had been a party or beneficiary or obligee thereto.

8.2. Without prejudice to other provisions of this Scheme and notwithstanding the fact that the vesting of the Demerged Undertaking occurs by virtue of this Scheme itself, the Resulting Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any Applicable Law or otherwise, execute deeds of confirmation in favour of any party to any contract or arrangement to which the Demerged Company is a party as may be necessary to be executed in order to give formal effect to the above provisions. Resulting Company shall be deemed to be authorised to execute any such writings on behalf of the Demerged Company and to carry out or perform all formalities or compliances required for the purposes referred to above on the part of the Demerged Company.

9. Legal Proceedings

9.1. Upon the coming into effect of this Scheme, if any suit, appeal or other proceeding of whatsoever nature by or against Demerged Company be pending in each case relating to the Demerged Undertaking, the same shall not abate or be discontinued or be in any way prejudicially affected by reason of the transfer of the Demerged Undertaking or anything contained in this Scheme, but the said suit, appeal or other proceedings shall be continued, prosecuted and enforced, as the case may be, by or against the Resulting Company in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against the Demerged Company, if this Scheme had not been made.

10. Staff, Employees & Workmen

10.1. Upon the coming into effect of this Scheme, all the employees of the Demerged Company engaged in or in relation to the Demerged Undertaking shall become the employees of Resulting Company without any break or interruption of service and with the benefit of continuity of service on terms and conditions which are not less favourable than the terms and conditions as were applicable.

10.2. Resulting Company agrees that the service of all employees engaged in or in relation to the Demerged Undertaking immediately prior to the Effective Date shall be taken into account for the purpose of all retirement benefits to which they may be eligible in Demerged Company immediately prior to the Effective Date. Resulting Company further agrees that for the purpose of payment of any retrenchment compensation, gratuity or other terminal benefits, such past service with the Demerged Company, shall also be taken into account and agrees and undertakes to pay the same as and when payable.

10.3. Upon the coming into effect of this Scheme, Resulting Company shall make all the necessary contributions for such transferred employees engaged in or in relation to the Demerged Undertaking and deposit the same in provident fund, gratuity fund or superannuation fund or any other special fund or staff welfare scheme or any other special scheme. Resulting Company will also file relevant intimations to the statutory authorities concerned who shall take the same on record and substitute the name of Resulting Company for Demerged Company.

10.4. In so far as the existing provident fund, gratuity fund and pension and /or superannuation fund/trusts, retirement funds or employees state insurance schemes or pension scheme or employee deposit linked insurance scheme or any other benefits, if any, created by Demerged Company for employees engaged in or in relation to the Demerged Undertaking, shall be transferred to the necessary funds, schemes or trusts of Resulting Company and till the time such necessary funds, schemes or trusts are created by Resulting Company, all contribution shall continue to be made to the existing funds, schemes or trusts of Demerged Company.

11. Remaining Business

11.1. The Remaining Business and all the assets, properties, rights, liabilities and obligations relating thereto shall continue to belong to and be vested in the Demerged Company/ Transferee Company and the Resulting Company shall have no right, claim or obligation in relation to the Remaining Business.

11.2. All legal, taxation or other proceedings whether civil or criminal (including before any statutory or quasi-judicial authority or tribunal) by or against the Demerged Company under any statute, whether relating to the period prior to or after the Appointed Date and whether pending on the Appointed Date or which may be instituted at any time thereafter, relating to the Remaining Business (including those relating to any property, right, power, liability, obligation or duties of the Demerged Company in respect of the Remaining Business) shall be continued and enforced by or against the Demerged Company/ Transferee Company after the Effective Date.

11.3. With effect from the Appointed Date and up to, and beyond the Effective Date, the Demerged Company:

11.3.1. shall be deemed to have been carrying on and to be carrying on all the business and activities relating to the Remaining Business for and on behalf of the Transferee Company; and

11.3.2. all profits accruing to the Demerged Company thereon or losses arising or incurred by it relating to the Remaining Business shall for all purposes be treated as the profits or losses, as the case may be, of the Transferee Company.

12. Saving of Concluded Transactions

12.1. Subject to the terms of the Scheme, the transfer and vesting of the Demerged Undertaking and continuance of proceedings by or against the Resulting Company, as provided herein, shall not affect any transactions or proceedings already concluded by the Demerged Company before the Effective Date, to the end and intent that the Resulting Company accepts and adopts all acts, deeds and things done and executed by and/or on behalf of the Demerged Company in relation to the Demerged Undertaking as acts, deeds and things done and executed by and on behalf of the Resulting Company.

PART III – MERGER OF TRANSFEROR COMPANY 1 AND TRANSFEROR COMPANY 2 WITH THE TRANSFEREE COMPANY.

13. Amalgamation of the Transferor Company 1 (after demerger of the Demerged Undertaking comprising the Remaining Business) with the Transferee Company

13.1. Upon the coming into effect of this Scheme and with effect from the Appointed Date, subject to the provisions of this Scheme, the Transferor Company 1 (after demerger of the Demerged Undertaking comprising the Remaining Business) as defined in clause 11 shall, under the provisions of Sections 230 to 232 of the Act and also in accordance with Section 2(1B) of the IT Act and all other applicable provisions, if any, of the Act, without any further act or deed, stand transferred on a going concern basis to and vested in and / or deemed to be transferred to and vested in the Transferee Company.

As on the Appointed date the Remaining Business of the Transferor Company 1 is *inter alia* comprised of multiple businesses and activities including operating restaurants, confectionary outlets, and consultancy relating thereto. Subsequent to the Appointed date, Flurys Swiss Confectionery Private Limited ("Transferor Company 1") had entered and executed a Business Transfer Agreement with Apeejay Surrendra Park Hotels Limited for the sale of the Confectionery Business. The Confectionery Business was agreed to be transferred by Flurys Swiss Confectionery Private Limited and acquired by Apeejay Surrendra Park Hotels Limited on a slump sale basis for a lump sum consideration and on the other terms and conditions as specified in the Agreement. Proceeds from transfer of said business were deployed as loans and advances to group companies, which business also forms part of the Remaining Business of the Transferor Company 1 as on the Appointed Date.

13.2. In respect of such of the assets of the Remaining Business as are movable in nature and/or otherwise capable of transfer by manual or constructive delivery of possession and/or by endorsement and delivery, the same shall be so transferred by the Transferor Company 1 to the Transferee Company, upon the coming into effect of this Scheme, without requiring any deed or instrument of conveyance for transfer of the same, and shall become the property of the Transferee Company, absolutely and forever.

13.3. In respect of the movable assets other than those dealt with in Clause 13.2, including but not limited to sundry debts, actionable claims, earnest monies, receivables, bills, credits, loans, advances and deposits with any Governmental Authority and any other authorities and bodies and/or customers, if any, whether recoverable in cash or in kind or for value to be received, bank balances, etc. the same shall stand transferred to and vested in the Transferee Company without any notice or other intimation to any Person so that the right of the Transferor Company 1 to recover or realise the same stands transferred to the

Transferee Company. Transferee Company shall, at its sole discretion but without being obliged, give notice in such form as it may deem fit and proper, to such Person, as the case may be, that the said debt, receivable, bill, credit, loan, advance or deposit stands transferred to and vested in the Transferee Company and that appropriate modification should be made in their respective books/records to reflect the aforesaid changes.

13.4. All immovable properties of the Remaining Business, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of Transferor Company 1, whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto shall stand vested in and/or be deemed to have been vested in the Transferee Company, by operation of law pursuant to the sanctioning of the Scheme and upon the Scheme becoming effective. Such assets shall stand vested in the Transferee Company and shall be deemed to be and become the property as an integral part of the Transferee Company by operation of law. The Transferee Company shall upon the NCLT Orders sanctioning the Scheme and upon this Scheme becoming effective, be always entitled to all the rights and privileges attached in relation to such immovable properties and shall be liable to pay appropriate rent, rates and taxes and fulfil all obligations in relation thereto or as applicable to such immovable properties. Upon this Scheme becoming effective, the title to such properties shall be deemed to have been mutated and recognised as that of the Transferee Company and the mere filing thereof with the appropriate registrar or sub-registrar or with the relevant Government Authority shall suffice as record of continuing titles with the Transferee Company and shall be constituted as a deemed mutation and substitution thereof. The Transferee Company shall subsequent to Scheme becoming effective be entitled to the delivery and possession of all documents of title to such immovable property in this regard. It is hereby clarified that all the rights, title and interest of the Remaining Business in any leasehold properties shall without any further act, instrument or deed, be vested in or be deemed to have been vested in the Transferee Company.

13.5. All the other assets, rights, title, interests and investments of the Transferor Company 1 (after demerger of the Demerged Undertaking comprising the Remaining Business) shall also without any further act, instrument or deed stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme.

13.6. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is expressly clarified that upon the coming into effect of this Scheme, all permits, licenses, permissions, right of way, Governmental Approvals, clearances, Consents, benefits, registrations, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, concessions, issued to or granted to or executed in favour of the Transferor Company 1 (after demerger of the Demerged Undertaking comprising the Remaining Business), shall be transferred to and vested in the Transferee Company.

13.7. With effect from the Appointed Date and upon the Scheme becoming effective, the entitlement to various benefits under incentive schemes and policies, if any, in relation to Transferor Company 1 (after demerger of the Demerged Undertaking comprising the Remaining Business) shall stand vested in and/or be deemed to have been vested in the Transferee Company together with all benefits, entitlements and incentives of any nature whatsoever. Such entitlements shall include (but shall not be limited to) income-tax, sales tax exemption / deferment, value added tax, turnover tax, excise duty, service tax, good and service tax, customs, export benefits and other incentives in relation to Transferor Company 1 to be claimed by the Transferee Company with effect from the Appointed Date as if the Transferee Company were originally entitled to all such benefits under such incentive scheme and/or policies, subject to continued compliance by the Transferee Company of all the terms and conditions subject to which the benefits under such incentive schemes were made available to the Transferor Company 1. The Transferee Company shall be entitled to such benefits in its name, without any additional liabilities or expenses whatsoever.

13.8. Any tax liability under the Income-tax Act, 1961, Customs Act 1962, Central Excise Act, 1944, Goods and Services Tax Act, 2017, State Value Added Tax laws, Central Sales Tax Act, 1956 or other applicable laws/ regulations dealing with taxes/ duties/ levies (herein referred to as 'Tax Laws') of the Transferor Company 1 to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date related to Transferor Company 1 (after demerger of the Demerged Undertaking comprising the Remaining Business) shall be vested with the Transferee Company.

13.9. All taxes (including income tax including advance taxes paid, TDS deducted on behalf of the Transferor Company 1 (after demerger of the Demerged Undertaking comprising the Remaining Business), goods and services tax, sales tax, excise duty, service tax, VAT etc.) paid or payable by the Transferor Company 1 (after demerger of the Demerged Undertaking comprising the Remaining Business) in respect of the operations and/ or the profits of Transferor Company 1 (after demerger of the Demerged Undertaking comprising the Remaining Business) before the Appointed Date shall be on account of the Transferor Company 1 and in so far as it relates to the tax payment (including, without limitation, sales tax, goods and services tax, excise duty, custom duty, income tax, service tax, VAT etc.) whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company 1 (after demerger of the Demerged Undertaking comprising the Remaining Business) in respect of the profits or activities or operations of Transferor Company 1 (after demerger of the Demerged Undertaking comprising the Remaining Business) after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall in all proceedings be dealt with accordingly.

13.10. On and from the Appointed Date, if any Certificate for Tax Deducted at Source or any other tax credit certificate relating to Transferor Company 1 (after demerger of the Demerged Undertaking comprising the Remaining Business) is received in the name of the Transferor Company 1, it shall be deemed to have been received by the Transferee Company, which alone shall be entitled to claim credit for such tax deducted or paid.

13.11. On and from the Appointed Date, the benefit of all balances relating to CENVAT or GST or Service Tax or VAT being balances pertaining to Transferor Company 1 (after demerger of the Demerged Undertaking comprising the Remaining Business), if any, shall stand vested in the Transferee Company as if the transaction giving rise to the said balance or credit was a transaction carried out by the Transferee Company. The liabilities of Transferor Company 1 (after demerger of the Demerged Undertaking comprising the Remaining Business) as on the Appointed Date shall stand vested in the Transferee Company, save as otherwise in respect of the liabilities which were met by the Transferor Company 1 during the Transition period, which shall be construed to have been met by the Transferee Company as if the transaction giving rise to the said liability was a transaction carried out by the Transferee Company.

13.12. Any third party or Governmental Authority required to give effect to any provisions of this Scheme, shall take on record the NCLT Orders sanctioning the Scheme on its file and duly record the necessary substitution or endorsement in the name of Transferee Company as successor in interest with respect to the Remaining Business, pursuant to the sanction of this Scheme by the NCLT, and upon this Scheme becoming effective. For this purpose, Transferee Company shall file certified copies of such NCLT Order(s) and if required file appropriate applications or forms with relevant authorities concerned for statistical and information purposes only and there shall be no break in the validity and enforceability of Governmental Approvals, Consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licences (including the licences granted by any Governmental Authorities for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature with respect to the Remaining Business.

13.13. Upon the coming into effect of this Scheme, all debts, duties, obligations and liabilities of the Transferor Company 1 (after demerger of the Demerged Undertaking comprising the Remaining Business) shall without any further act, instrument or deed be and stand transferred to the Transferee Company and shall thereupon become the debts, duties, obligations and liabilities of the Transferee Company and it shall not be necessary to obtain the Consent of any third party or other Person, who is a party to any contract or arrangement by virtue of which such debts, obligations, duties and liabilities have arisen in order to give effect to the provisions of this Clause.

13.14. The transfer and vesting of the Remaining Business, as aforesaid shall be subject to the existing securities, charges, mortgages and other Encumbrances, if any, subsisting over in respect of the property and assets or any part thereof relatable to the Remaining Business.

13.15. The Transferee Company shall, at any time after this Scheme coming into effect, in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, execute appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to which Transferor Company 1 (after demerger of the Demerged Undertaking comprising the Remaining Business) have been a party, including any filings with the regulatory authorities, in order to give formal effect to the above provisions.

14. Amalgamation of the Transferor Company 2 with the Transferee Company

14.1. With effect from the Appointed Date and upon the Scheme becoming effective, the Transferor Company 2 as a going concern, along with all assets, liabilities, contracts, employees, licences, records, approvals, etc. being integral parts of the Transferor Company 2 shall, without any further act, instrument or deed, stand amalgamated with and be vested in or be deemed to have been vested in the Transferee Company as a going concern so as to become as and from the Appointed Date, the undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.

14.2. Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, upon this Scheme becoming effective and with effect from the Appointed Date:

14.2.1. All its properties and assets of Transferor Company 2, tangible or intangible, balance in bank, cash or investments and other assets of whatsoever nature and tax credits including under GST law, quotas, rights, consents, entitlements, licenses, certificates, permits, and facilities of every kind and description whatsoever for all intents and purposes, permissions under income tax and/or any other statutes,\incentives, if any, without any further act or deed so as to become the business, properties and assets of the Transferee Company.

14.2.2. All the movable assets of Transferor Company 2 or assets otherwise capable of transfer by manual delivery or by endorsement and delivery, including cash in hand, shall be physically handed over by manual delivery or by endorsement and delivery, to the Transferee Company to the end and intent that the property therein passes to the Transferee Company on such manual delivery or endorsement and delivery, without requiring any deed or instrument of conveyance for the same and shall become the property of the Transferee Company accordingly.

14.2.3. All other movable properties of the Transferor Company 2, including investments in shares, mutual funds, bonds and any other securities, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, pursuant to the orders of this Scheme becoming effective and by operation of law become the properties of the Transferee Company, and the title thereof together with all rights, interests or obligations therein shall be deemed to have been mutated and recorded as that of the Transferee company. All investments of the Transferor Company 2 shall be recorded in the name of the Transferee Company by operation of law as transmission in favour of the Transferee Company as a successor in interest and any documents of title in the name of the Transferor Company 2 shall also be deemed to have been mutated and recorded in the name of the Transferee Company to the same extent and manner as originally held by the Transferor Company and enabling the ownership, right, title and interest therein as if the Transferee Company was originally the Transferor Company 2. The Transferee Company shall subsequent to this Scheme becoming effective be entitled to the delivery and possession of all documents of title of such movable property in this regard;

14.2.4. If and to the extent required, the Transferor Company 2 shall give notice in such form as it deems fit to such persons, that pursuant to this Scheme becoming effective, the said outstanding balances would be paid or made good to or held on account of, the Transferee Company, and the rights of the Transferor Company 2 will vest with the Transferee Company upon this Scheme becoming operative.

14.2.5. All debts, liabilities, contingent liabilities, duties, taxes (including any advance taxes paid, TDS deducted on behalf of the Transferor Company 2 etc.), GST liabilities, and obligations of Transferor Company 2, as on the Appointed Date, whether provided for or not, in the books of accounts of the Transferor Company 2, and all other liabilities which may accrue or arise after the Appointed Date but which relates to the Transition period, shall, pursuant to this Scheme becoming effective as per the order of the NCLT or such other competent authority, as may be applicable under Section 232 and other applicable provisions of the Act, and without any further act or deed, be vested or deemed to be vested in and be assumed by the Transferee Company, so as to become as from the Appointed Date the debts, liabilities, contingent liabilities, taxes, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company 2.

14.2.6. The Transferee Company, may, at any time after this Scheme coming into effect, if required under law or otherwise, execute deeds of confirmation in favour of any other party with which the Transferor Company 2 has a contract or arrangement, or give any such writing or do any such things, as may be necessary, to give effect to the above.

14.2.7. Insofar as loans and borrowings of the Transferor Company 2 pertaining to the loans and liabilities, which are to be vested to the Transferee Company shall, without any further act or deed, become loans and borrowings of the Transferee Company, and all rights, powers, duties and obligations in relation thereto shall be and stand vested in and shall be exercised by or against the Transferee Company as if it had entered into such loans and incurred such borrowings. Thus, the primary obligation to redeem or repay such liabilities upon the Scheme becoming effective shall be that of the Transferee Company. However, without prejudice to such vesting of liability amount, where considered necessary for the sake of convenience and towards facilitating single point creditor discharge, the Transferee Company may discharge such liability (including accretions thereto) by making payments on the respective due dates to the Transferor Company 2, which in turn shall make payments to the respective creditors.

14.2.8. The vesting of the assets comprised in Transferor Company 2 to the Transferee Company under this Scheme shall be subject to the mortgages and charges, if any, affecting the same as hereinafter provided.

14.2.9. The existing securities, mortgages, charges, encumbrances or liens or those, if any, created by the Transferor Company 2 after the Appointed Date and in terms of this Scheme, over the assets comprised in Transferor Company 2, or any part thereof, shall be vested in the Transferee Company by virtue of this Scheme, and the same shall , continue to relate and attach to such assets or any part thereof to which they relate and are vested with the Transferee Company, and such Encumbrances shall not relate or attach to any of the other assets, of the Transferor Company 2.

14.2.10. In so far as the existing Encumbrances of Transferor Company 2, if any, in respect of the loans, borrowings, debts, liabilities, is concerned, such Encumbrance shall, without any further act, instrument or deed be modified and shall be extended to and shall operate only over the assets comprised in Transferor Company 2 which have been Encumbered in respect of the transferred liabilities as transferred to the Transferee Company pursuant to this Scheme. Provided that if any of the assets comprised in Transferor Company 2 which are being transferred to the Transferee Company pursuant to this Scheme have not been Encumbered in respect of the transferred liabilities, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. The absence of any formal amendment which may be required by a lender or third party shall not affect the operation of the above.

14.2.11. In so far as the existing security in respect of the loans or borrowings of the Transferor Company 2 and other liabilities relating to the Transferor Company 2 are concerned, such security shall, without any further act, instrument or deed be continued with the Transferee Company. The Transferor Company 2 and the Transferee Company shall file necessary particulars and/or modification(s) of charge, with the Registrar of Companies to give formal effect to the above provisions, if required.

14.2.12. The foregoing provisions insofar as they relate to the vesting of liabilities with the Transferee Company shall operate, notwithstanding anything to the contrary contained in any deed or writing or the terms of sanction or issue or any security documents, all of which instruments shall stand modified and/or superseded by the foregoing provisions.

14.2.13. With effect from the Appointed Date and upon the Scheme becoming effective, the entitlement to various benefits under incentive schemes and policies, if any, in relation to Transferor Company 2 shall stand vested in and/or be deemed to have been vested in the Transferee Company together with all benefits, entitlements and incentives of any nature whatsoever. Such entitlements shall include (but shall not be limited to) income-tax, sales tax exemption / deferment, value added tax, turnover tax, excise duty, service tax, good and service tax, customs, export benefits and other incentives in relation to Transferor Company 2 to be claimed by the Transferee Company with effect from the Appointed Date as if the Transferee Company were originally entitled to all such benefits under such incentive scheme and/or policies, subject to continued compliance by the Transferee Company of all the terms and conditions subject to which the benefits under such incentive schemes were made available to the Transferor Company 2. The Transferee Company shall be entitled to such benefits in its name, without any additional liabilities or expenses whatsoever.

14.2.14. Any tax liability under the Income-tax Act, 1961, Customs Act 1962, Central Excise Act, 1944, Goods and Services Tax Act, 2017, State Value Added Tax laws, Central Sales Tax Act, 1956 or other applicable laws/ regulations dealing with taxes/ duties/ levies (herein referred to as 'Tax Laws') of the Transferor Company 2 to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date related to Transferor Company 2 shall be vested with the Transferee Company.

14.2.15. All taxes (including income tax (including advance taxes paid, TDS deducted, etc. on behalf of the Transferor Company 2, goods and services tax, sales tax, excise duty, service tax, VAT etc.) paid or payable by the Transferor Company 2 in respect of the operations and/ or the profits of Transferor Company 2 before the Appointed Date shall be on account of the Transferor Company 2 and in so far as it relates to the tax payment (including, without limitation, sales tax, goods and services tax, excise duty, custom duty, income tax, service tax, VAT etc.) whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company 2 in respect of the profits or activities or operations of Transferor Company after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall in all proceedings be dealt with accordingly.

14.2.16. On and from the Appointed Date, if any Certificate for Tax Deducted at Source or any other tax credit certificate relating to Transferor Company 2 is received in the name of the Transferor Company 2, it shall be deemed to have been received by the Transferee Company, which alone shall be entitled to claim credit for such tax deducted or paid.

14.2.17. On and from the Appointed Date, the benefit of all balances relating to CENVAT or GST or Service Tax or VAT being balances pertaining to Transferor Company 2, if any, shall stand vested in the Transferee Company as if the transaction giving rise to the said balance or credit was a transaction carried out by the Transferee Company. The liabilities of Transferor Company 2 as on the Appointed Date shall stand vested in the Transferee Company, save as otherwise in respect of the liabilities which were met by the Transferor Company 2 during the Transition period, which shall be construed to have been met by the Transferee Company as if the transaction giving rise to the said liability was a transaction carried out by the Transferee Company.

14.2.18. Upon the coming into effect of the Scheme, and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, Schemes, arrangements and other instruments of whatsoever nature in relation to the Transferor Company 2, to which the Transferor Company is a party or to the benefit of which the Transferor Company 2 may be eligible, and which are subsisting or have effect before the Appointed Date, shall continue in full force and effect on or against or in favour, as the case may be, of the Transferee Company and may be enforced as fully and effectually as if instead of the Transferor Company 2, the Transferee Company had been a party or beneficiary or obligee thereto or thereunder. All liabilities arising from all such contracts, deeds, bonds, agreements, Schemes, arrangements and other instruments of whatsoever nature in relation to the Transferor Company 2, to which the Transferor Company 2 is a party or to the benefit of which the Transferor Company 2 may be eligible, and which are subsisting or have effect immediately before the Appointed Date, shall be on account of the Transferor Company 2 and after the Appointed Date, the same shall be on account of the Transferee Company and shall, in all proceedings, be dealt with accordingly.

14.2.19. If any assets (including estate, claims, rights, title, interest in or authorities relating to any asset) or any contracts, deeds, bonds, agreements, Schemes, arrangements or other instruments of whatsoever nature which the Transferor Company 2 owns or to which the Transferor Company 2 is a party to, cannot be transferred to the Transferee Company for any reason whatsoever, the Transferor Company 2 shall hold such assets, contracts, deeds, bonds, agreements, Schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of the Transferee Company, insofar as it is permissible so to do, till such time as the transfer is affected.

14.2.20. It is hereby clarified that the vesting of Transferor Company 2 in the Transferee Company shall be on a going concern basis.

15. Consideration

15.1. Upon the coming into effect of this Scheme, and in consideration of the transfer and vesting of the Transferor Company 1 (after the demerger of the Demerged Undertaking comprising of the Remaining Business) and Transferor Company 2 in the Transferee Company, the Transferee Company shall, without any further application, act, instrument or deed, issue and allot to all the shareholders of the Transferor Company 1 and Transferor Company 2, whose names appear in the register of members as on the Record Date, fully paid up equity shares of the Transferee Company in the following share entitlement ratio-

"100 (One hundred) equity shares of Rs. 10/- (Rupees Ten only) each of Apeejay Tea Limited for every 1 (One) fully paid up equity shares of Rs. 1000/- (Rupees Thousand only) each held in Flurys Swiss Confectionery Private Limited.

"1 (One) equity shares of Rs. 10/- (Rupees Ten only) each of Apeejay Tea Limited for every 435 (Four hundred and thirty five) fully paid up equity shares of Rs. 10/- (Rupees Ten only) each held in Fusion Beverages Private Limited.

15.2. The shares of the Transferee Company shall be issued in dematerialized form to those shareholders who hold shares of the Transferor Company 1 and Transferor Company 2 in dematerialised form, in to the account in which the Transferor Company shares are held or such other account as is intimated by the shareholders to the Transferor Company 1 and Transferor Company 2 and / or its Registrar. All those shareholders who hold shares of the Transferor Company 1 and Transferor Company 2 in physical form shall also have the option to receive the equity shares in the Transferee Company, in dematerialised form provided the details of their account with the Depository Participant are intimated in writing to the Transferor Company and/ or its Registrar. If not so notified, they would be issued equity shares in physical form.

15.3. In case any shareholder's holding in Transferor Company 1 and Transferor Company 2 is such that such shareholder becomes entitled to a fraction of any share, the Transferee Company shall not issue fractional share certificates to such shareholders. Any fraction equal to or more than 0.5 arising out of such allotment shall be rounded off to the next higher integer and fraction less than 0.5 shall be rounded off to the earlier lower integer.

15.4. The Shares issued and allotted by the Transferee Company, in terms of Clause 15.1 above, shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company and shall rank pari passu in all respects with the then existing equity shares of the Transferee Company. Further, the Transferee Company shall, if required, take all necessary steps for increase of authorized share capital for issue of Shares pursuant to Clause 15.1 above.

15.5. It is clarified that upon the approval of this Scheme by the shareholders of the Transferor Company 1 and Transferor Company 2 and Transferee Company under Sections 230 to 232 of the Act, the shareholders shall be deemed to have approved this Scheme under Sections 13, 14, 42, 62, 180(1)(c), 186, 188 and any other applicable provisions under the Act and that no separate approval from the shareholders to that extent shall be required to be sought for the matters specified in this Scheme.

15.6. In the event of there being any pending share transfer, whether lodged or outstanding, of any shareholder of the Transferor Company 1 and Transferor Company 2, the Board of Directors or any committee thereof of the Transferor Company 1 and Transferor Company 2 shall be empowered even subsequent to the Effective Date, to effectuate such transfer as if such changes in the registered holder were operative from the Effective Date, in order to remove any difficulties arising to the transfer of shares after the Scheme becomes effective.

15.7. The Authorized Share Capital of the Transferor Companies shall get merged to form new Authorized Share Capital of the Transferee Company and thereafter, the Authorised Share Capital of the Transferee Company shall stand increased to that extent without any further act or deed. The filing fee and stamp duty already paid by the Transferor Companies on their authorised share capital shall be deemed to have been so paid by the Transferee

Company and shall be set-off against any stamp duty and fees payable by the Transferee Company on any increase in the authorized share capital of the Transferee Company pursuant to the Scheme. Any difference arising in such fees or charges or stamp duty after set-off against any stamp duty and fees shall be duly payable by the Transferee Company. If the resultant authorised share capital of the Transferee Company is insufficient to issue shares to the shareholders of the Transferor Companies in pursuance to the terms of the Scheme, it will further increase the requisite authorised capital subject to sanction of the Scheme.

15.8. The Transferee Company shall after the merger of authorised share capital shall to the extent necessary increase its authorised share capital to facilitate the issue of equity shares.

16. Accounting Treatment in the Books of the Transferee Company

16.1. Notwithstanding anything to the contrary contained in any other clause in the Scheme, the Transferee Company shall give effect to the amalgamation in its books of account in accordance with the Indian Accounting Standard (Ind AS) 103 Business Combinations and other principles prescribed under the accounting standard specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and on the date determined in accordance with Ind AS.

17. Contracts, Deeds and Other Instruments

17.1. Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, understandings whether written or oral and other instruments, if any, of whatsoever nature, in relation to the Remaining Business of the Transferor Company 1 and Transferor Company 2 is a party or to the benefit of which the Transferor Company 1 and Transferor Company 2 may be eligible and which are subsisting or having effect on the Appointed Date, without any further act, instrument or deed, shall be in full force and effect against or in favour of the Transferee Company, as the case may be, and may be enforced by or against the Transferee Company as fully and effectively as if, instead of the Transferor Company 1 and Transferor Company 2, the Transferee Company had been a party or beneficiary or obligee thereto.

17.2. Without prejudice to other provisions of this Scheme and notwithstanding the fact that the vesting of the Remaining Business of the Transferor Company 1 and Transferor Company 2 occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any Applicable Law or otherwise, execute deeds of confirmation in favour of any party to any contract or arrangement to which the Transferor Company 1 and Transferor Company 2 is a party as may be necessary to be executed in order to give formal effect to the above provisions. Transferee Company shall be deemed to be authorised to execute any such writings on behalf of the Transferor Company 1 and Transferor Company 2 and to carry out or perform all formalities or compliances required for the purposes referred to above on the part of the Transferor Company 1 and Transferor Company 2.

18. Legal Proceedings

18.1. Upon the coming into effect of this Scheme, if any suit, appeal or other proceeding of whatsoever nature by or against Transferor Company 1 (in relation to the Remaining

Business) and Transferor Company 2 be pending in each case relating to the Transferor Company 1 (in relation to the Remaining Business) and Transferor Company 2, the same shall not abate or be discontinued or be in any way prejudicially affected by reason of the transfer of the Transferor Company 1 and Transferor Company 2 or anything contained in this Scheme, but the said suit, appeal or other legal proceedings shall be continued, prosecuted and enforced, as the case may be, by or against the Transferee Company in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against the Transferor Company 1 and Transferor Company 2, if this Scheme had not been made.

19. Staff, Employees & Workmen

19.1. Upon the coming into effect of this Scheme, all the employees (after demerger of the Demerged Undertaking comprising the Remaining Business) of Transferor Company 1 and Transferor Company 2 shall become the employees of Transferee Company without any break or interruption of service and with the benefit of continuity of service on terms and conditions which are not less favourable than the terms and conditions as were applicable.

19.2. Transferee Company agrees that the service of all employees engaged in or in relation to the Transferor Company 1 (after demerger of the Demerged Undertaking comprising the Remaining Business) and Transferor Company 2 immediately prior to the Effective Date shall be taken into account for the purpose of all retirement benefits to which they may be eligible in Transferor Company 1 and Transferor Company 2 immediately prior to the Effective Date. Transferee Company further agrees that for the purpose of payment of any retrenchment compensation, gratuity or other terminal benefits, such past service with the Transferor Company 1 and Transferor Company 2, shall also be taken into account and agrees and undertakes to pay the same as and when payable.

19.3. Upon the coming into effect of this Scheme, Transferee Company shall make all the necessary contributions for such transferred employees engaged in or in relation to the (after demerger of the Demerged Undertaking comprising the Remaining Business) of Transferor Company 1 and Transferor Company 2 and deposit the same in provident fund, gratuity fund or superannuation fund or any other special fund or staff welfare scheme or any other special scheme. Transferee Company will also file relevant intimations to the statutory authorities concerned who shall take the same on record and substitute the name of Transferee Company for Transferor Company 1 and Transferor Company 2.

19.4. In so far as the existing provident fund, gratuity fund and pension and /or superannuation fund/trusts, retirement funds or employees state insurance schemes or pension scheme or employee deposit linked insurance scheme or any other benefits, if any, created by Transferor Company 1 and Transferor Company 2 for employees engaged, shall be transferred to the necessary funds, schemes or trusts of Transferee Company and till the time such necessary funds, schemes or trusts are created by Transferee Company, all contribution shall continue to be made to the existing funds, schemes or trusts of Transferor Company 1 and Transferor Company 2.

20. Saving of Concluded Transactions

20.1. Subject to the terms of the Scheme, the transfer and vesting of the Transferor Company 1 and Transferor Company 2 and continuance of proceedings by or against the Transferee Company, as provided herein, shall not affect any transactions or proceedings already concluded by the Transferor Company 1 and Transferor Company 2, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by and/or on behalf of the Transferor Company 1 and Transferor Company 2 as acts, deeds and things done and executed by and on behalf of the Transferee Company.

PART IV- GENERAL TERMS & CONDITIONS

21. Application to NCLT

21.1. Necessary applications and / or petitions by the Transferor Company 1 / Demerged Company, Transferor Company 2, Transferee Company and the Resulting Company shall be made for the sanction of the Composite Scheme of Arrangement to the NCLT, for sanctioning of this Scheme under the provisions of law and obtain all approvals as may be required under the law.

22. Modification or Amendment to the Scheme

22.1. Subject to approval of NCLT, the respective Boards or the respective authorized representative appointed by the Board of the Transferor Company 1 / Demerged Company, Transferor Company 2, Transferee Company and the Resulting Company may make modifications or assent to any modifications, alterations or amendments of this Scheme or any conditions which the NCLT and / or any other competent authority may deem fit to direct or impose and the said respective Boards and after dissolution of the Transferor Company 1 and Transferor Company 2, the Board of the Transferee Company and the Resulting Company may do all such acts, things and deeds necessary in connection with or to carry out the Scheme into effect and take such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any order of the NCLT or any directions or order of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and / or matters concerned or connected therewith.

22.2. The Transferor Company 1/ Demerged Company, Transferor Company 2, Transferee Company, and the Resulting Company may withdraw the Scheme prior to the Effective Date at any time.

23. Scheme Conditional on Approvals/ Sanctions

The Scheme is conditional upon and subject to:

23.1. The approval by the requisite majorities of the respective members and / or creditors (including but not limited to secured and unsecured) of the Transferor Company 1/ Demerged Company, Transferor Company 2, Transferee Company and the Resulting Company, as required under the Act and directed by the NCLT.

23.2. The sanction of the Tribunal being obtained under Sections 230 to 232 of the Act in favour of the respective Parties and the necessary order(s) under Section 232 of the Act, being obtained;

23.3. Any other sanction or approval of the Appropriate Authorities concerned, as may be considered necessary and appropriate, by the respective Boards of the Parties being obtained and granted in respect of any of the matters for which such sanction or approval is required; and

23.4. The requisite orders of the NCLT being obtained for sanctioning the Scheme under Section 230 read with Section 232 of the Act being filed with the concerned Registrar of Companies.

24. Operative Date of the Scheme

24.1. This Scheme shall be effective from the last of the dates on which certified copies of order of the Tribunal under Sections 230 and 232 of the Companies Act, 2013, are filed in the office(s) of the concerned Registrar of Companies. Such date is called as the Effective Date.

24.2. Though this Scheme shall become effective from the Effective Date, the provisions of this Scheme shall be applicable and come into operation from the Appointed Date.

25. Binding Effect

25.1. Upon the Scheme becoming effective, the same shall be binding on the Transferor Company 1 / Demerged Company, Transferor Company 2, Transferee Company and the Resulting Company and all concerned parties without any further act, deed, matter or thing.

26. Effect of Non-Receipt of Approvals

26.1. In the event any of the said approvals or sanctions referred to above not being obtained or conditions enumerated in the Scheme not being complied with, or for any other reason, the Scheme cannot be implemented, the Boards of Directors or committee empowered thereof of the Transferor Company 1 / Demerged Company, Transferor Company 2, Transferee Company and the Resulting Company shall by mutual agreement waive such conditions as they consider appropriate to give effect, as far as possible, to this Scheme and failing such mutual agreement, the Scheme shall become null and void and shall stand revoked, cancelled and be of no effect and each party shall bear and pay their respective costs, charges and expenses in connection with the Scheme.

27. Giving Effect to the Scheme

27.1. For the purpose of giving effect to the Scheme, the Board of Directors of the Transferor Company 1/ Demerged Company, Transferor Company 2, Transferee Company and the Resulting Company or any Committee thereof, is authorized to give such directions as may be necessary or desirable and to settle as they may deem fit, any question, doubt or difficulty that may arise in connection with or in the working of the Scheme and to do all acts, deeds and things necessary for carrying into effect the Scheme.

28. Costs

28.1. All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by the Transferor Company 1/ Demerged Company, Transferor Company 2, Transferee Company and the Resulting Company as decided by the Board or any committee constituted thereof of respective companies, by mutual decision.

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF APEEJAY TEA LIMITED IN ACCORDANCE WITH SECTION 232(2)(c) OF THE COMPANIES ACT, 2013 IN ITS MEETING HELD ON FRIDAY, 9TH OCTOBER, 2020, AT APEEJAY HOUSE, 15 PARK STREET, KOLKATA – 700016 AT 12:00 P.M.

1. **Background**

1.1. The proposed Composite Scheme of Arrangement ("Scheme") under the provisions of Section 230-232 of the Companies Act, 2013 ("Act") provides for demerger of the Real Estate & Investment Undertaking (Demerged Undertaking) of Flurys Swiss Confectionery Private Limited (Demerged Company/Transferor Company 1) into Great Eastern Stores Private Limited (Resulting Company) and merger of the Remaining Business of Flurys Swiss Confectionery Private Limited (Demerged Company/Transferor Company 1) and Fusion Beverages Private Limited (Transferor Company 2) with Apeejay Tea Limited (Transferee Company) respectively on a going concern basis with effect from 1st April, 2019 being the "Appointed Date".

1.2. The provisions of Section 232(2)(c) of the Act requires the Directors to adopt a report explaining the effect of the Scheme on Shareholders, Key Managerial Personnel ("KMP"), Promoter and Non-Promoter Shareholders, laying out the share exchange ratio and specifying any special valuation difficulties. The said report is required to be circulated along with the notice convening the meeting of the shareholders/creditors as the case may be.

Having regard to the aforesaid provisions, following was discussed by the Board of Directors of the Company:

1.3. For the Scheme, the Valuation Report was obtained by Mr. Rajesh Chhaparia, Registered Valuer, having Registration Number – IBBI/RV/06/2019/11913, where the following share exchange ratio was recommended –

In the consideration of the transfer of and vesting of the Demerged Undertaking of the Demerged Company in the Resulting Company, the Resulting Company shall, without any further application, act, instrument or deed, issue and allot to all the shareholders of the Demerged Company, whose names appear in the register of members as on the Record Date, fully paid up equity shares of the Resulting Company in the following share entitlement ratio:

"10(Ten) equity shares of Rs.100/- (Rupees hundred only) each of Great Eastern Stores Private Limited for every fully paid up equity shares of Rs. 1000/- (Rupees thousand only) each held in Flurys Swiss Confectionery Private Limited"

In case any shareholder's holding in Demerged Company is such that such shareholder becomes entitled to a fraction of any share, the Resulting Company shall not issue fractional share certificates to such shareholders. Any fraction equal to or more than 0.5 arising out of

such allotment shall be rounded off to the next higher integer and fraction less than 0.5 shall be rounded off to the earlier lower integer.

In consideration of the transfer and vesting of the Transferor Company 1 (after the demerger of the Demerged Undertaking comprising of the Remaining Business) and Transferor Company 2 in the Transferee Company, the Transferee Company shall, without any further application, act, instrument or deed, issue and allot to all the shareholders of the Transferor Company 1 and Transferor Company 2, whose names appear in the register of members as on the Record Date, fully paid up equity shares of the Transferee Company in the following share entitlement ratio-

"100 (One hundred) equity shares of Rs. 10/- (Rupees Ten only) each of Apeejay Tea Limited for every 1 (One) fully paid up equity shares of Rs. 1000/- (Rupees Thousand only) each held in Flurys Swiss Confectionery Private Limited.

"1 (One) equity shares of Rs. 10/- (Rupees Ten only) each of Apeejay Tea Limited for every 435 (Four hundred and thirty five) fully paid up equity shares of Rs. 10/- (Rupees Ten only) each held in Fusion Beverages Private Limited.

2. **Effects of the Scheme on the stakeholders – the Company**

Key Managerial Personnel	The Scheme does not affect the Key Managerial Personnel of the Demerged / Transferor Companies, Resulting Companies and Demerged / Transferee Company
Directors	The Scheme does not affect the Directors of the Demerged /Transferor Company 1, Transferor Company 2, Resulting Company and Transferee Company except as mentioned hereinafter. The Directors of the Transferor Company shall continue to hold their position as Director on the Board of the Transferee Company.
Promoters	The promoters of the Applicant Company shall continue to remain the promoters even after the effectiveness of the Scheme.
Non-Promoter Members	The non-promoter members, if any, of the respective companies will be issued shares pursuant to the Scheme of Arrangement as per the fair exchange ratio determined by the Registered Valuer.
Depositors	Not Applicable. The Applicant Company does not have any Depositors.

Creditors	The rights and interests of creditors (secured and unsecured) of the Transferor Companies, Resulting Companies and Demerged / Transferee Company are not likely to be prejudicially affected as the Applicant Company is a company with a huge Net Worth and of sound financial background. Further no compromise is offered to any of the creditors of the Transferee Company, nor their rights are sought to be modified in anymanner and the Applicant Company undertakes to meet with all such liabilities in the regular course of business.
Debenture Holders	Not Applicable. The Transferee Company does not have any Debenture Holders
Deposit Trustee and Debenture Trustee	Not Applicable. The Transferee Company does not have any Deposit Trustee and Debenture Trustee
Employees of the Company	Under the Scheme, no rights of the staff and employees of the Applicant Company are being affected

3. **Adoption of the report by the Board of Directors of Apeejay Tea Limited**

The Directors of the Company have adopted this Report after noting and considering the information set forth in this Report. The Board is entitled to make relevant modifications to this Report, if required, and such modifications or amendments shall be deemed to form part of this Report.

For Apeejay Tea Limited

sd/-	sd/-
Ashok Ghosh	**Ashok Kumar Jain**
Director	**Director**
DIN: 00051311	**DIN: 00886324**

Date: 09.10.2020
Place: Kolkata

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF FLURYS SWISS CONFECTIONERY PRIVATE LIMITED

Report on the Audit of the Financial Statement

Opinion

We have audited the accompanying financial statements of **FLURYS SWISS CONFECTIONERY PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss and the Statement of cash flows for the year then ended, and a summary of significance accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit and its cash flows for the year ended on that date.

Basis for Opinion

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

Key audit matters

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

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Report of the Directors but does not include the financial statements and our auditor's report thereon.

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

Sen Mazumder & Co. KOLKATA Chartered Accountants

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

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or 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 Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue and 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 decision of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatements 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 Act, 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.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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.

Emphasis of Matter

Attention is drawn towards Note 25(v) wherein pending receipt of entire consideration and necessary approval within the mutually agreed extended date, the net assets of Confectionery Business of the company has been accounted for as 'Assets held for Sale' at their carrying values.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (II) of section 143 of the Companies Act, 2013, we give in the "Annexure I" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. 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 purpose 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 and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

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(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the act read with Rule 7 of the Companies (Accounts) Rules, 2014

(e) On the basis of the written representations received from the Directors as on 31st March 2020 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2020 from being appointed as a Director in terms of section 164(2) of the act.

(f) Pursuant to Notification dated 13th June, 2017 and General Circular No. 08/2017 dated 25th July 2017 issued by the Ministry of Corporate Affairs, provisions of Section 143(3)(i) relating to adequacy of Internal Financial Controls and its operating effectiveness are not applicable in the Company.

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

(h) The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements as referred to in Note no. 29.5a to the Financial Statements.

(i) The Company did not have any long term contracts including derivative contracts as at March 31, 2020 for which there were any material foreseeable losses.

(j) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year.

For
Sen Mazumder & Co.
Chartered Accountants

(P.K. Dhar)
Proprietor
Membership Number: 051492
F.R. No. 302128E
UDIN: 21051492AAAABH1751

Place: Kolkata
Date: The 16th day of November, 2020

Sen Mazumder & Co. * Chartered Accountants * KOLKATA

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Annexure A to the Independent Auditors' Report for the year ended 31st March, 2020

The Annexure referred to in Our Report of even date to the members of FLURYS SWISS CONFECTIONERY PRIVATE LIMITED on the accounts of the Company for the year ended 31st March, 2020, we report that:

1. In respect of Property, Plant & Equipment :

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(b) As explained to use, these Property, Plant & Equipment were physically verified during the year by the Management in a phased programme which in our opinion provides for physical verification of all the Property, Plant and Equipment at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanation given to us and on the basis of our examination of the records of the company, the Title Deeds of Immoveable properties are held in the name of the Company.

2. In respect of its inventories :

(a) As explained to us, the inventory of the Company (excluding stocks with third parties) has been physically verified during the year by the management. In respect of stock lying with third parties, those have substantially been confirmed by them. In our opinion, the frequency of such verification is reasonable.

(b) In our opinion, and according to information and explanations given to us, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) In our opinion, and according to information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.

3. The Company has not granted any loans, secured or unsecured to Companies, Firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Hence, clause 3 (iii) (a), (b) & (c) of the order is not applicable to the Company.

4. In our opinion and according to the information and explanation given to us, guarantees and there are no securities granted in respect of which provisions of Section 185 and Section 186 of the Companies Act, 2013 are applicable, hence not commented upon.

5. The Company has not accepted any deposits from the public, hence the clause 3(v) of the order is not applicable to the Company.

6. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013 for any of the services rendered by the Company, hence the clause 3(vi) of the order is not applicable to the Company.

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7. (a) According to the information and explanations given to us, in our opinion, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Goods and Service Tax, Cess and any other statutory dues as applicable to it.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Goods and Service Tax, Cess and any other statutory dues were outstanding as at March 31, 2020 for a period of more than six months from the date they became payable.

8. In our opinion and according to the information and the explanations given to us, the Company has not defaulted in repayment of dues to any banks or financial institutions at the Balance Sheet date. The Company has neither any outstanding debenture nor has it issued any debenture during the year.

9. The Companies has not raised money by the way of initial public offer or further public offer (including debt instruments) and term loans during the year. Hence clause 3 (ix) of the Order is not applicable to the Company.

10. During the course of examination of the books and records of the company and according to the information and explanation given to us, we have neither come across any instances of material fraud on or by the company or its officer or employees being noticed or reported during the year, or have we been informed of any such case.

11. As the Company is a Private Limited Company, provision of Section 197 of the Companies Act, 2013 and clause 3 (xi) of the Order is not applicable to the Company.

12. The Company is not a Nidhi Company as per the provision of Section 406(I) of the Companies Act, 2013, hence the Clause 3 (xii) of the Order is not applicable to the Company.

13. According to the records of the Company examined by us and information and explanation given by the management, all transactions with the related parties are in compliance with Section 188 of the Companies Act, 2013 are applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

14. The Company has not made private placement of shares during the year under review and hence, clause 3(xiv) of the Order is not applicable to the Company.

15. The Company has not entered into any non-cash transactions with Directors or persons connected with him, hence the clause 3(xv) is not applicable to the Company.

16. The Company is not required to register itself under Section 45-1A of the Reserve Bank of India Act, 1934.

For
Sen Mazumder & Co.
Chartered Accountants

PKDhar

Sen Mazumder & Co. KOLKATA Chartered Accountants

(P.K. Dhar)
Proprietor
Membership Number: 051492
F.R. No. 302128E
UDIN: 21051492AAAABH1751

Place: Kolkata
Date: The 16th **day of** November**, 2020**

FLURYS SWISS CONFECTIONERY PVT. LIMITED.
18 Park Street, Kolkata - 700 071
BALANCE SHEET AS AT 31st March'2020

		Note No.	For the year ended 31st March , 2020	As at 31st March, 2019
				Rs.
A	**EQUITY AND LIABILITIES**			
1	**Shareholders' Funds**			
	(a) Share Capital	2	110,000	110,000
	(b) Reserves and Surplus	3	219,396,385	196,283,879
			219,506,385	**196,393,879**
2	**Non-Current Liabilities**			
	(b) Long-term borrowings	4	-	610,915
	(b) Long-term provisions	5		3,379,088
			-	**3,990,003**
3	**Current Liabilities**			
	(a) Trade Payables	6		12,346,461
	(b) Other Current Liabilities	7	401,825,887	5,306,033
	(c) Short-Term Provisions	8	2,673,744	4,965,622
			404,499,632	**22,618,116**
	TOTAL		**624,006,017**	**223,001,998**
B	**ASSETS**			
1	**Non-Current Assets**			
	(a) Property, Plant & Equipment			
	(i) Tangible Assets	9	1,731,873	43,575,485
	(ii) Intangible Assets			1,745,296
	(iii) Capital Work in Progress			
			1,731,873	**45,320,781**
	(b) Non-Current Investments	10	5,085,065	5,085,065
	(c) Deferred Tax Assets (net)	11		2,976,292
	(d) Long-Term Loans and Advances	12	55,600	18,627,088
			5,140,665	**26,688,445**
2	**Current Assets**			
	(a) Current Investment	13	7,156,606	83,098,504
	(b) Inventories	14		3,991,532
	(c) Trade Receivables	15	1,433,651	15,918,500
	(d) Cash and Cash Equivalents	16	2,211,175	16,241,829
	(e) Short-Term Loans and Advances	17	463,670,048	30,410,308
	(f) Other Current Asset	18	142,661,999	1,332,099
			617,133,479	**150,992,772**
	TOTAL		**624,006,017**	**223,001,998**
	Significant Accounting Policies	1		
	Notes on Financial Statements	2 to 30	0	(0)

As per our Report of even date attached

Notes

For and behalf of
Sen Mazumder & Co.
Chartered Accountants
Firm Registration No: 302128E

Sen Mazumder & Co. KOLKATA Chartered Accountants

51492
P.K. Dhar

Place : Kolkata
Date : 16.11.2020

For and on behalf of the Board

AkJain
[Director] DIN 00886324

Atul Khosla
[Director] DIN 01009784

FLURYS SWISS CONFECTIONERY PVT. LIMITED.
18 Park Street, Kolkata - 700 071

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2020

		Note No.	For the year ended 31st March, 2020	For the year ended 31 March, 2019
				Rs.
	REVENUE			
1	**Revenue from Operations (Gross)**	19	122,664,092	254,618,026
	Less: Discount on sales			
	Revenue from Operations (Net)		122,664,092	254,618,026
2	**Other Income**	20	11,643,528	8,328,262
3	**Total Revenue (1+2)**		134,307,620	262,946,288
4	**EXPENSES**			
	(a) Cost of Raw Materials Consumed	21	25,982,870	77,254,695
	(b) Employee Benefits Expense	22	31,302,452	46,949,732
	(c) Finance Cost	23	45,794	68,653
	(d) Depreciation and Amortisation Expense	9	4,055,731	10,731,440
	(e) Other Expenses	24	44,235,052	51,614,880
	Total Expenses		105,621,898	186,619,400
5	**Profit Before Taxation (3 - 4)**		28,685,722	76,326,888
			28,685,722	76,326,888
6	**Tax Expense:**			
	(a) Current Tax		8,500,000	21,500,000
	(b) Deferred Tax (Credit)		2,976,292	(940,423)
	(c) Short/ excess provision of earlier years		2,887,784	
			14,364,076	20,559,577
7	**Profit After Taxation (5-6)**		14,321,646	55,767,311
	Basic and diluted Earning per Share (in Rs.)		130,197	506,976
	Significant Accounting Policies	1		
	Notes on Financial Statements	2 to 28		

As per our Report of even date attached. Notes

For and behalf of
Sen Mazumder & Co.
Chartered Accountants
Firm Registration No: 302128E

P.K.DHAR
51492

Place : Kolkata
Date : 16.11.2020

Sen Mazumder & Co. KOLKATA Chartered Accountants

For and on behalf of the Board

AkJain
[Director] DIN 00886324

Atul Khosla
[Director] DIN 01009784

FLURYS SWISS CONFECTIONARY PVT. LIMITED.

Cash Flow Statement for the year ended 31 March, 2020

PARTICULARS	For the Year ended 31st March, 2020 (Rs.)		For the Year ended 31st March, 2019 (Rs.)	
CASH FLOW FROM OPERATING ACTIVITIES				
Net profit before Taxation		2,86,85,722		7,62,98,197
Adjustment for Depreciation	40,55,731		1,07,31,440	
Dividend Income	(13,35,384)		(31,17,711)	
Interest & Finance charges	45,794		68,653	
Other non operating income	1,03,08,144		(52,02,112)	
Interest on security deposit	-	1,30,74,284	(8,439)	24,71,831
Operating Profit before working Capital Changes		4,17,60,006		7,87,70,028
Decrease / (Increase) in Trade & Other Receivables	(53,75,41,771)		-60,13,500	
(Decrease) / Increase in Trade and Other Payables	37,73,66,845	-16,01,74,926	37,52,667	-22,60,833
Cash Generated from Operation		-11,84,14,920		7,65,09,195
Direct Tax (Paid) / Refund		(96,39,733)		(2,05,08,285)
Net Cash from Operating Activities (A)		(12,80,54,653)		5,60,00,910
CASH FLOW FROM INVESTING ACTIVITIES				
Transfer of Fixed Assets	45628284		(2,63,69,552)	
Transfer of Intangible assets	1472370		(18,52,400)	
Sale of Mutual Fund	7,59,41,898		(2,81,17,711)	
Other non operating income	(1,03,08,144)		52,02,112	
Interest on security deposit	-		8,439	
Dividend Income	13,35,384		31,17,711	
Net Cash from Investing Activities (B)		11,40,69,793		(4,80,11,401)
CASH FLOW FROM FINANCING ACTIVITIES				
Interest paid	(45,794)		(68,653)	
Net Cash from Financing Activities (C)		(45,794)		(68,653)
Net Increase / (Decrease) in Cash & Cash Equivalents (A + B + C)		(1,40,30,654)		79,20,856
CASH & CASH EQUIVALENTS				
Opening Cash & Cash Equivalents as on 01.04.2019		1,62,41,829		83,20,973
Closing Cash & Cash Equivalents as on 31.03.2020		22,11,175		1,62,41,829
Changes in Cash & Cash Equivalents - Increase/ (Decrease)		(1,40,30,654)		79,20,856

Note: Cash and Cash Equivalents comprise of Cash in hand and Balance with Banks.

This is the Cash flow statement referred to in our report of even date

For and behalf of
Sen Mazumder & Co.
Chartered Accountants
Firm Registration No: 302128E

Sen Mazumder & Co. * KOLKATA * Chartered Accountants

(P.K.DHAR)

Membership No. 51492

Place :Kolkata

Date : 16.11.2020

For and on behalf of the Board

AK Jain
Director
DIN 00886324

Atul Khosla
Director
DIN 01009784

FLURYS SWISS CONFECTIONERY PVT. LIMITED
NOTES TO THE FINANCIAL STATEMENTS

Note 1: Significant Accounting Policies

(i) Basis of preparation of financial statements

The financial statements have been prepared on a going concern and accrual basis under the historical cost convention in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) and comply in all material aspects with the applicable Accounting Standards notified under rule 7 of the Companies (Accounts) Rules ,2014 and the provisions of section 133 of the Companies Act,2013.

All the assets and liabilities have been classified as current or non-current as per company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act ,2013

The financial statements are prepared in Indian Rupee, which is the Company's functional currency.

(ii) Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities (including contingent liabilities) on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. The Management believes that the estimates and assumptions used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates and the differences between the actual results and the estimates will be recognised in the periods in which the results are known/materialise.

(iii) Property, Plant & Equipment

Property, Plant and Equipment are stated at the cost of acquisition less accumulated depreciation and impairment loss if any. All cost relating to acquisition and installation of Property Plant and Equipment is capitalised and include borrowing cost directly attributable to acquisition of Tangible Assets upto the date the asset is put to use.

(iv) Impairment of Assets

Sen Mazumder & Co. Chartered Accountants KOLKATA

Loss on account of Impairment of Assets is to be recognised if and when the carrying amount of the Fixed Assets exceeds the recoverable amount, i.e. higher of net selling price and value in use.

(v)Intangible Fixed assets

Cost incurred on intangible assets, comprising computer software resulting in future economic benefits are capitalised as intangible assets. Intangible Assets are stated at cost, net of accumulated amortization.

(vi) Depreciation/Amortization

a) Depreciation is provided on 'Written Down Value Method' on the basis of useful life of the Property, Plant & Equipment as specified in Schedule II of the Companies Act 2013.

b) Depreciation on additions to Property, Plant & Equipment is provided on pro rata basis from the month following the month of purchase.

c) Depreciation on Property, Plant & Equipment sold, discarded or demolished is provided upto the month preceeding the month, in which such Property, Plant & Equipment are sold, discarded or demolished.

d) Intangible Assets are amortised over there estimated useful life on straight line basis (genreally 5 years) or over the licence period (whereever applicable) whichever is lower.

(vii) Revenue Recognition

a) Sales represent the Invoice value of Goods supplied less Sales Tax/ Value added tax.

b) Interest income on deposits is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

c) Profit/loss on sale of Property, Plant & Equipment and Investments is recognized at the time of actual sale/redemption.

Sen Mazumder & Co. KOLKATA Chartered Accountants

d) Rent is recognized on accrual basis as per agreement.

e) Dividend Income is recognized when the Company's right to received dividend is established by the reporting date.

(viii) Investments

Investments are classified into Non Current and Current Investment.

Non Current Investments are stated at cost. Provision for diminution, if any, is made to recognize a decline, other than temporary, in the value of Non Current Investments.

Current Investments are stated at lower of cost and fair value.

(ix) Inventories

Inventories are valued at lower of cost or net realisable value, after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges.

Work-in--progress and Finished goods include appropriate proportion of overheads and, where applicable, excise duty.

(x) Employee benefits:

a) The company contributes to Provident Fund and Employee State Insurance which is considered as a Defined Contribution Plan and the contributions are charged to the Profit & Loss Account of the year when the contributions are due. The Contributions are made to the Government Administered Provident Fund and State Plan namely Employee State Insurance Fund towards which the Company has no further obligations beyond it's monthly contributions.

b) Gratuity is considered as a Defined Benefit Plan and is unfunded. The company accounts for gratuity based on an independent external actuarial valuation determined on the

Sen Mazumder & Co. KOLKATA Chartered Accountants

basis of projected unit cost method carried out annually. Actuarial gains and losses are recognized immediately in the Profit and Loss Account.

c) Leave Encashment is considered as a Defined Benefit Plan and is unfunded. The liability is determined annually on the basis of an independent external actuarial valuation and charged to the Profit & Loss Account.

(xi) <u>Income Tax:</u>

Current Tax is the expected tax payable on the taxable income for the year, using tax rates and tax laws
enacted or substantively enacted by the end of the reporting period and includes adjustment on account of tax in respect of earlier years.

Deferred Tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date.
Deferred tax asset is recognised and carried forward only to the extent that there is virtual certainty that the asset will be realised in future.

(xii) <u>Provisions and Contingent Liabilities</u>

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

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

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Note 2: Share Capital

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Number of shares	Rs.	Number of shares	Rs.
(a) Authorised				
300 Equity shares of Rs.1000/- each	300	300,000	300	300,000
(b) Issued , Subscribed and fully paid up				
110 Equity shares of Rs.1000/- each, Fully Paid Up	110	110,000	110	110,000
Total	110	110,000	110	110,000

2(a) **Reconciliation of the Number of Shares Outstanding :**

Particulars	As at 31st March, 2020	As at 31st March, 2019
Equity Shares at the beginning of the year		
- Number of shares	110	110
- Amount (Rs.)	110000	110000
-Add/(Less) changes during the year	-	-
Equity Shares at the end of the year		
- Number of shares	110	110
- Amount (Rs.)	110	110

2(b) **The Details of Shares held by each Shareholder holding more than 5% shares:**

Name of Shareholder	As at 31st March, 2020		As at 31st March, 2019	
	Number of shares held	% held	Number of shares held	% held
Apeejay Surrendra Trust	88	80	88	80
Apeejay House Pvt. Ltd	22	20	22	20
Total	**110**	**100**	**110**	**100**

2(c) **Rights ,Preferences and restrictions attached to Equity Shares**

The Equity shares of the Company having a par value of RS.1000/- each rank pari passu in all respects including voting rights and entitlement to dividend

Mazumder & Co. KOLKATA Chartered Accountants

Note 3 :Reserves and Surplus

Particulars	As at 31st March, 2020	As at 31st March, 2019
	Rs.	Rs.
(a) Securities Premium Reserve		
Opening balance	1,526,042	1,526,042
Closing balance	1,526,042	1,526,042
(b) Surplus in the Statement of Profit and Loss		
Opening balance	194,757,837	138,990,526
Add: Profit for the year	14,321,646	55,767,311
Add:-WDV to SLM Adjustment (Note)	8,790,860	
Closing balance	217,870,343	194,757,837
Total (a+b)	219,396,385	196,283,879

Note:- The Company has Changed its method of calculating depreciation on Property , Plant & Equipment(Tangible Asset) from Written down value method to Straight Line Method (Refer Note 25 (V))

Amount of Rs. 8790860 has been adjusted in the opening balance of Reserve & Surplus on account of this adjustment, impact for the same is not material.

Note 4 :Long Term Borrowings

Particulars	As at 31st March, 2020	As at 31st March, 2019
	Rs.	Rs.
Term Loan From Banks		
Secured		
Others		
From Kotak(Note)	-	256,210
From Kotak(Note)	-	354,705
Total	-	610,915

Note:-

Nature of Security : Secured by hypothetication of vechile against which loan has been taken

Etios

Original Amount of Borrowing : Rs. 707900/-

Terms of Repayment : 36 Monthly Installments

Interest Rate : 8.5% p.a. on Reducing Balance

Last Installment Due :- 05/02/2021

	(Rs.)
Balance Outstanding as on 31/03/19	492,758
Less:- Current Maturities of Long Term Debt	236,548
	256,210

b) Note:-

Nature of Security : Secured by hypothetication of vechile against which loan has been taken

Issuzu

Original Amount of Borrowing : Rs. 643930/-

Terms of Repayment : 36 Monthly Installments

Interest Rate : 8.5% p.a. on Reducing Balance

Last Installment Due :- 01/11/2021

	(Rs.)
Balance Outstanding as on 31/03/19	555,087
Less:- Current Maturities of Long Term Debt	200,382
	354,705

Sen Mazumder & Co. KOLKATA Chartered Accountants

Note 5 :Long-Term Provisions

Particulars	As at 31st March, 2020	As at 31st March, 2019
	Rs.	Rs.
(a) Provision for Employee Benefits:		
i) Provision for Gratuity	-	2,712,051
ii) Provision For Leave Encashment	-	667,037
Total	-	**3,379,088**

Note 6 :Trade Payables

Particulars	As at 31st March, 2020	As at 31st March, 2019
	Rs.	Rs.
Dues to Micro, Medium and Small Enterprises	-	-
Dues to Others	-	12,346,461
Total	-	**12,346,461**

In absence of any specific information available with the Company from suppliers regarding their status under the Micro Small and Medium Enterprise Development Act, 2006, no disclosure have been considered necessary in this regard as at 31st March, 2019.

Note 7 :Other Current Liabilities

Particulars	As at 31st March, 2020	As at 31st March, 2019
	Rs.	Rs.
i)Statutory Liabilities	130,954	941,452
ii)Outstanding Liability	315,000	3,298,584
iii)Retention Money	-	629,067
iv) Current Matuirty Of Car Loan	-	436,930
v) Advances Recd	400,000,000	
vi) Liability Oxford	1,379,934	
Total	**401,825,887**	**5,306,033**

Note 8: Short-Term Provisions

Particulars	As at 31st March, 2020	As at 31st March, 2019
	Rs.	Rs.
(a) Provision for Income Tax:	2,673,744	2,149,077
(a) Provision for Employee Benefits:		
i) Provision for LTA	-	858,743
ii) Provision for Bonus	-	1,301,687
iii) Provision for Leave Encashment	-	29,751
iv) Provision for Gratuity	-	626,364
Total	**2,673,744**	**4,965,622**

Sen Mazumder & Co. * Chartered Accountants * KOLKATA

FLURYS SWISS CONFECTIONERY PVT LTD

Details of Intangible Assets as at 31st March'20

Description of assets	Original Cost				Depreciation/Amortisation					Net Block	
	Balance as at 1st April,2019	Additions during the period	Adjustment*	Balance as at 31st March, 2020	Balance as at 1st April,2019	For the period	Depreciation for Assets sold/ written off during the period	Adjustment*	Balance as at 31st March, 2020	Balance as at 31st March, 2020	Balance as at 31st March, 2019
Design & Graphics	5,108,986	487,806	5,565,646	31,146	3,143,367	527,249	-	3,639,470	31,146	-	1,738,496
									-		
Goodwill	34,000	-	34,000	-	27,200	1,700	28,900		-	-	6,800
									-		
Total	*5,142,986*	*487,806*	*5,599,646*	*31,146*	*3,170,567*	*528,949*	*28,900*	*3,639,470*	*31,146*	-	*1,745,296*

*Refer Note 25(V)

FLURYS SWISS CONFECTIONERY PVT LTD

Details of Capital Work in progress as at 30th September,2019

Description of assets	Original Cost			
	Balance as at 1st April,2019	Additions during the period	Adjustment*	Balance as at 31st March, 2020
Capital Work in Progress	-	1,081,336	1,081,336	-
Project Cost		1,022,660	1,022,660	-
Total	-	*2,103,996*	*2,103,996*	-

*Refer Note 25(V)

Grand Total	*127,433,309*	*54,182,694*	*178,588,193*	*3,027,810*	*74,332,267*	*4,348,000*	*79,484*		*1,295,937*	*1,731,871*	*45,320,781*

Note 10 :Non-Current Investment		
Particulars	As at 31st March 2020	As at 31st March, 2019
	Rs.	Rs.
Trade Investments (At Cost)		
Unquoted Fully Paid Up :		
A) Investment in Subsidiary Companies :		
No: of Shares / **Particulars**		
445803 Artistery House Ltd.	0	0
(445803) (Equity Shares alloted of Rs. 10/- each)	0	0
(alloted against consideration other than cash)		
B) Investment in Associates		
No: of Shares / **Particulars**		
52,50,000 Apeejay - Surrendra Park Hotels Ltd.	42,80,000	42,80,000
(52500000) (Equity Shares of Rs. 1/- each)		
C) Other Investments (At Cost)		
Unquoted Fully Paid Up :		
In Shares		
No. of Shares / **Particulars**		
1) 5 Becon Co-op Premises Society Ltd.	250	250
(5) (Equity Shares of Rs. 50/- each)		
2) 86,230 Apeejay Global Industrial and Logistic Park Ltd.	8,04,815	8,04,815
(86230) (Equity Shares of Rs. 10/- each)		
TOTAL	**50,85,065**	**50,85,065**
Aggregate Book Value of Unqouted Investments	50,85,065	50,85,065

Sen Mazumder & Co. KOLKATA Chartered Accountants

Note 11 :Deferred Tax Assets

Particulars	As at 31st March, 2020	As at 31st March, 2019
	Rs.	Rs.
(a)Deferred Tax Assets		
Difference Between Book Balance and Income Tax Depreciation	-	2,721,088
Disallowance under Section 43 B of the Income Tax Act,1961	-	255,204
Total		2,976,292

Note 12 :Long-term Loans and Advances

Particulars	As at 31st March, 2020	As at 31st March, 2019
	Rs.	Rs.
Unsecured considered Good		
Security Deposit	55,600	17,051,898
Advance to Suppliers (Capital Advance)	-	1,405,607
Deposit to Central Excise	-	169,583
Total	55,600	18,627,088

Sen Mazumder & Co. KOLKATA Chartered Accountants

Note 13 : Current Investment

Particulars	As at 31st March, 2020	As at 31st March, 2019
	Rs.	Rs.
Units of Mutual Fund (Unquoted)		
755.73 Unit of HDFC Liquid Fund Direct Plan Dividend	7,84,876	5,44,15,214
18692.99 Unit of Kotak Liquid Fund Direct Plan Dividend	63,71,730	2,86,83,290
Total	**71,56,606**	**8,30,98,504**
Agreegrate Book Value of Unquoted Investment	71,56,606	8,30,98,504

Note 14 :Inventories

Particulars	As at 31st March, 2020	As at 31st March, 2019
	Rs.	Rs.
At lower of cost and net realizable value		
Raw Materials (for production)	-	39,91,532
Total		**39,91,532**

Note 15 :Trade receivables

Particulars	As at 31st March, 2020	As at 31st March, 2019
	Rs.	Rs.
Unsecured considered Good		
a) Over Six months from the date they were due for payment		
- Considered Good	-	28,35,640
b) Others	14,33,651	1,30,82,860
- Considered Good		
Total	**14,33,651**	**1,59,18,500**

Sen Mazumder & Co. * KOLKATA * Chartered Accountants *

Note 16: Cash and Cash Equivalents

Particulars	As at 31st March, 2020	As at 31st March, 2019
	Rs.	Rs.
Cash in hand	-	785,133
Balances with Banks in Current Accounts	2,211,175	15,456,696
Total	2,211,175	16,241,829

Note 17 :Short-Term Loans and Advances

Particulars	As at 31st March, 2020	As at 31st March, 2019
	Rs.	Rs.
(Unsecured, Considered Good)		
Prepaid Expenses	-	1,297,311
Staff Advance	-	55,489
Advance to Suppliers (Revenue Advance)	-	29,057,508
Loan to related parties	455,747,943	-
Advances to Related Party	7,922,105	-
Total	463,670,048	30,410,308

Note 18 :Other Current Asset

Particulars	As at 31st March, 2020	As at 31st March, 2019
	Rs.	Rs.
(Unsecured, Considered Good)		
Input Tax Credit (including taxes paid in advance)	-	1,332,099
Assets Held for Sale	142,661,999	-
Total	142,661,999	1,332,099

Note 19 :Revenue from Operations

Particulars	As at 31st March, 2020	As at 31st March, 2019
	Rs.	Rs.
Sale of Products Comprises:-		
Finished Goods		
a)Bread	3,123,759	14,910,207
b)Cakes, Confectionery, Chocoloate Etc.	94,098,131	182,280,973
Other Operating Revenue		
a)Restaurant Food Sales	25,442,202	57,426,846
Revenue From Operation	122,664,092	254,618,026

Sen Mazumder & Co. Chartered Accountants KOLKATA

Note 20 :Other Income

Particulars	As at 31st March, 2020	As at 31st March, 2019
	Rs.	Rs.
Interest Income :		
Interest Income on Security Deposit		8,439
Dividend Income		
Dividend From HDFC Liquid Fund	369,661	1,760,902
Dividend From KOTAK Liquid Fund	965,723	1,356,809
Other Non- Operating Income:		
a) Rent	4,270,230	4,290,936
b) Royalty Income	1,120	12,153
c) Interest on Loan	5,890,409	263,430
d) Miscellaneous Receipts	146,385	635,593
Total	**11,643,528**	**8,328,262**

Note 21 :Cost of Raw Materials Consumed

Particulars	As at 31st March, 2020	As at 31st March, 2019
	Rs.	Rs.
Food & Confectionery items*		
Opening Stock of Raw Materials	3,991,532	4,243,980
Add : Purchases of Raw Materials	40,034,499	77,002,247
	44,026,031	81,246,227
Adjustments (Refer Note 25 (V)	18,043,161	3,991,532
Total	**25,982,870**	**77,254,695**

* All Indigenous

Note 22 : Employee Benefits Expense

Particulars	As at 31st March, 2020	As at 31st March, 2019
	Rs.	Rs.
a) Salaries & Wages		
- Salaries, Wages, leave encashment and Bonus	27,122,549	39,592,121
b) Contribution to Provident and other Funds		
- Contribution to Gratuity	745,067	928,684
- Contribution to Employees State Insurance	397,312	871,165
- Contribution to Provident Fund	1,609,098	2,149,328
c) Staff Welfare Expenses	1,428,426	3,408,434
Total	31,302,452	**46,949,732**

Sen & Co. KOLKATA Chartered Accountants

Note 23 : Finance Cost

Particulars	As at 31st March, 2020 Rs.	As at 31st March, 2019 Rs.
Interest on Car Loan	45,794	68,653
Total	45,794	68,653

Note 24 :Other Expenses

Particulars	As at 31st March, 2020 Rs.	As at 31st March, 2019 Rs.
Rent	5,600,862	9,068,661
Rates &Taxes	968,120	2,181,550
Electricity & Generator Charges	6,741,674	10,235,138
Fire, Fuel & Gas	1,027,515	2,314,988
Hire Charges	525,379	970,869
Repairs and Maintenance	590,327	911,182
Service & Maintenance	9,979,769	7,960,646
Washing & Cleaning Charges	9,253,715	6,190,831
Insurance	981,400	676,947
Brokerage & Commission Paid	355,078	1,463,866
Travelling & Conveyance	852,899	568,468
Printing & Stationery	751,459	1,023,822
Telephone Charges	254,508	492,990
Audit Fees :	-	
-Statutory Audit Fees	40,000	40,000
-Tax Audit Fees	5,000	5,000
Legal & Professional Charges	754,392	1,359,898
Bank & Other Charges	1,548,802	1,479,963
Car Expenses	997,306	1,571,865
Sales Promotional Expenses	1,184,500	1,581,729
General Maintenance Expenses	196,097	317,092
Bad Debt	595,368	
Miscellaneous Expenses	1,030,883	1,199,375
Total	44,235,052	51,614,880

Sen Mazumder & Co. KOLKATA Chartered Accountants

FLURYS SWISS CONFECTIONERY PVT. LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2020

Note 25: Additional Information to the Financial Statements

(i) Computation of Earnings per share (EPS):

	As at 31 March 2020 Rs.	As at 31 March 2019 Rs.
Profit/ (Loss) after Taxation	1,43,21,646	5,57,67,311
Number of participating Equity Shares of Rs. 1000/- each	110	110
Earnings per Share	1,30,197	5,06,976

(ii) Related Party Disclosures:

A) List of Related Parties and their relationship:

1) **Subsidiary**

Artistery House Pvt. Ltd.

2) **Associates**

Apeejay Surrendra Park Hotels Limited,

3) **Parties having substantial interest**

Apeejay House Pvt. Ltd

4) **Key Management Personnel** – NIL

Note: Related party relationships have been identified by the company and relied upon by the Statutory Auditors'.

Sen Mazumder & Co. KOLKATA Chartered Accountants

(B) Particulars of Transactions between the Company and related parties and status of outstanding balance as on 31st March 2020 referred to in item A(1)2(2) above:

Nature of Transaction	Associates (Rs.)	Parties having substantial interest (Rs.)	TOTAL (Rs.)
Sale of Goods	- (54,09,682)	-	- (54,09,682)
Royalty Received	- (14340)	-	- (14340)
Rent	-	- (2,12,400)	- (2,12,400)
Reimbursement of Expenses Paid/Payable	- (16,14,607)	- (45,96,209)	- (62,10,814)
Outstanding Balance as on 31st March			
i)Amount Receivable	- (53,41,664)	-	- (53,41,664)
ii)Amount Payable	- (25,56,325)	- (1,03,26,626)	- (1,28,82,951)

Note: - Previous year's figures are mentioned in the brackets below the current year's figures.

(C) Details of transaction/balances with related parties in excess of 10% of total transaction value of the same type.

Nature of Transaction	2019-20 (Rs.)	2018-19 (Rs.)
Sale of Goods Apeejay Surrendra Park Hotels		54,09,682
Purchase Consideration Apeejay Surrendra Park Hotels	52,12,30,237	
Loan Apeejay House Pvt. Ltd Apeejay Tea Ltd	5,44,65,751 40,12,82,192	
Royalty Received Apeejay Surrendra Park Hotels		14,340
Rent Apeejay House Pvt. Ltd		2,12,400
Reimbursement of Expenses Paid/Payable i) Apeejay House Pvt. Ltd ii) Apeejay Surrendra Park Hotels		45,96,209 16,14,607
Outstanding Balance as on 31st March		
i)Amount Receivable Apeejay Surrendra Park Hotels Apeejay House Pvt. Ltd Apeejay Tea Ltd	52,12,30,237 5,44,65,751 40,12,82,192	53,41,664

Sen Mazumder & Co. KOLKATA Chartered Accountants

ii)Amount Payable Apeejay House Pvt. Ltd Apeejay Surrendra Park Hotels Ltd		1,03,26,626 25,56,325

(iii) Employee Benefit Plans

a) Defined Contribution Plan

The company has recognized the following amounts in the profit and loss account under the head employees Benefit expenses.

	For the Year Ended 31st March'20	For the Year Ended 31st March'19
	Rs	Rs
Contribution to Employee State Insurance	3,97,312	8,71,165
Contribution to Provident Fund	16,09,098	21,49,328

b)Defined Benefit Plan:

The disclosure required under Accounting Standard 15 (Revised) are given below:-

1. Reconciliation of opening and closing balances of the Present Value of Defined Benefit Obligation(DBO)

		For the year ended 31st March,2020		For the year ended 31st March,2019	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
		Unfunded	Unfunded	Unfunded	Unfunded
		Rs.	Rs.	Rs.	Rs.
1.	Present Value of DBO at the Beginning of Period	33,38,416	6,96,788	28,25,958	6,69,481
2.	Current Service Cost	3,14,868	83	4,60,838	1,63,088
3.	Interest Cost	1,19,474	24,973	2,01,574	50,287
4.	Plan Amendments Cost/(Credit)	-	-	0	0
5.	Actuarial Gains / (Losses)	3,10,724	3,37,801	2,66,871	-1,53,273
6.	Benefits Paid	57,750	10,010	4,16,226	32,795
7.	Adjustment(Refer Note 25(V))	-40,25,733	-10,49,636		
8.	Present value of DBO at the end of Period	0	0	33,38,416	6,96,788

Sen Mazumder & Co. Chartered Accountants KOLKATA

2. Expenses charged to the Statement of Profit and Loss

Components of Employer Expense

		For the year ended 31st March,2020		For the year ended 31st March,2019	
		Gratuity	**Leave Encashment**	**Gratuity**	**Leave Encashment**
		Unfunded	**Unfunded**	**Unfunded**	**Unfunded**
		Rs.	**Rs.**	**Rs.**	**Rs.**
1.	Current Service Cost	3,14,868	83	4,60,838	1,63,088
2.	Interest Cost	1,19,474	24,973	2,01,574	50,287
3.	Expected Return on Plan Assets	-	-	0	0
4.	Past Service Cost	-	-	0	0
5.	Actuarial Gains / (Losses)	3,10,725	3,37,801	2,66,271	-1,53,273
6.	Total expense recognised in the statement of Profit & Loss Account	7,45,067	3,62,857	9,28,684	60,102

Gratuity have been recognised in 'Contribution to Provident Fund and Other Fund' and Leave Encashment in Salaries, Wages, Leave Encashment and Bonus, etc under Note – 22.

3. Principal Actuarial Assumptions

		For the year ended 31st March,2020		For the year ended 31st March,2019	
		Gratuity	**Leave Encashment**	**Gratuity**	**Leave Encashment**
		Unfunded	**Unfunded**	**Unfunded**	**Unfunded**
1.	Discount Rate (%)	7.22%	7.22%	7.70%	7.70%
2.	Expected Return on Plan Assets (%)	-	-	0	0
3.	Mortality Table (IALM)	2006-08	2006-08	2006-08	2006-08
4.	Rate of escalation in salary (per annum) (%)	5%	5%	5%	5%

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4. Experience Adjustment - Leave Encashment (Unfunded)

	For the year ended 31st March,2020	For the year ended 31st March,2019	For the year ended 31st March,2018	For the year ended 31st March,2017	For the year ended 31st March,2016
	Rs	Rs	Rs	Rs	Rs
Defined Benefit Obligation at the end of the year	10,49,636	6,96,788	6,69,481	5,22,404	4,69,376
Plan Assets at the end of the year	-	NIL	NIL	NIL	NIL
Fund Status-Surplus/(Deficit)	(10,49,636)	(6,96,788)	(6,69,481)	(5,22,404)	(4,69,376)
Experience Adjustment on Plan Liabilities – Gain/(Loss)	3,62,858	60,102	1,95,649	118562	(29,212)

5. Experience Adjustment - Gratuity (Unfunded) (Amount in Rs.)

	For the year ended 31st March,2020	For the year ended 31st March,2019	For the year ended 31st March,2018	For the year ended 31st March,2017	For the year ended 31st March,2016
	Rs	Rs	Rs	Rs	Rs
Defined Benefit Obligation at the end of the year	40,25,733	33,38,416	28,25,958	26,75959	29,18,922
Plan Assets at the end of the year	-	NIL	NIL	NIL	NIL
Fund Status-Surplus/(Deficit)	(40,25,733)	(33,38,416)	(28,25,958)	(26,75,959)	(29,18,922)
Experience Adjustment on Plan Liabilities – Gain/(Loss)	7,45,067	9,28,684	12,59,009	-64403	26,709

(v) Pursuant to the Business Transfer Agreement entered between the company & Apeejay Surrendra Park Hotels Ltd on 19th December 2019, the company has agreed to transfer the identified assets and liabilities pertaining to the Confectionery Business under slump sale agreement with effect from 1st October 2019, subject to the terms and conditions stated therein. Pending receipt of total agreed consideration and the necessary approvals within the mutually agreed extended date, effect of the transfer has not been taken into this account and the net assets of the Business are classified as "Assets held for sale" at their carrying values.

Sen Mazumder & Co. Chartered Accountants KOLKATA

For and On behalf of the Board

AK Jain	**Atul Khosla**
Director	Director
DIN 00886324	DIN 01009784

Date: 16.11.2020

Place: Kolkata

SEN MAZUMDER & CO.
CHARTERED ACCOUNTANTS

Phone: 033 2230-5796
MERCANTILE BUILDINGS
BLOCK - 'A', 2nd Floor
9, LALBAZAR STREET
KOLKATA - 700 001

INDEPENDENT AUDITOR'S REPORT

The Members of
FUSION BEVERAGES PVT LTD.
Kolkata

Report on the Financial Statements

We have audited the accompanying financial statements of Fusion Beverages Pvt. Ltd. which comprise the Balance Sheet as at **March 31, 2020** and the Statement of Profit & Loss for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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Sen Mazumder & Co. KOLKATA Chartered Accountants

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place and adequate internal financial controls system over financial reporting and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the 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 state of affairs of the Company as at March 31, 2020 and its loss for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, since the Company is a private limited company, not being a subsidiary or holding company of a public company, having a paid up capital and reserves and surplus not more than Rupees one crore as on March 31, 2020 and does not have total borrowings exceeding Rupees one crore from any bank or financial institution at any point of time during the financial year and does not have a total revenue as disclosed in Schedule III to the Companies Act, 2013 (including revenue from discontinuing operations) exceeding rupees ten crore during the financial year as per the financial statements, we are not giving the Annexure, a statement on the matters specified in the paragraph 3 and 4 of the order.

2. As required by Section 143 (3) of the Act, we report that:
   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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KOLKATA

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, and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e. On the basis of the written representations received from the directors as on 31st March, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

f. Since the Company's turnover is less than Rs. 50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs. 25 Crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls as required under section 143(3)(i) of the Companies Act, 2013 vide MCA notification dated June 13, 2017.

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

   i. The Company does not have pending litigations which would impact its financial position.

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

   iii. No amounts were required to be transferred to the Investor Education and Protection Fund by the Company.

For and on behalf of
Sen Mazumder & Co.
Chartered Accountants
FRN: 302128E

Sen Mazumder & Co. KOLKATA Chartered Accountants

(CA PRADIP KUMAR DHAR)
Proprietor
M.No. 051492

Place: Kolkata
Date: 30th December'2020

"**Annexure-1**"

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 Fusion Beverages Pvt. Ltd. ("the Company") as of **March 31, 2020** in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance 168 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 judgement 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, 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 and on behalf of
Sen Mazumder & Co.
Chartered Accountants
FRN: 302128E

Sen Mazumder & Co. KOLKATA Chartered Accountants

(CA PRADIP KUMAR DHAR)
Proprietor

M.No. 051492

Place: Kolkata
Date: 30th December'2020

Fusion Beverages Private Limited
(CIN: U15100WB2018PTC225495)

NOTES TO ACCOUNTS & SIGNIFICANT ACCOUNTING POLICIES: Annexed to and forming part of the Balance Sheet as at March 31, 2020

1. Basis of preparation of financial statements

   The accounts have been prepared on the basis of `HISTORICAL COST CONVENTION' in accordance with the generally accepted Accounting policies.

2. Fixed Asset

   Fixed asset are stated at cost, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

3. Depreciation/ Amortization on Fixed Assets

   Depreciation on Fixed Assets has been provided on the Straight Line Method as per useful life of the asset or the rate prescribed in schedule II of the Companies Act 2013.

4. Impairment

   The carrying amount of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's net selling price and value in use, which is determined by the present value of the estimated future cash flow.

5. Investments

   Long term / Non-Current Investment are stated at cost less write down for any diminution, other than temporary, in carrying amount. Current Investment i.e. investment which are expected to be liquidated within one year are valued at lower of cost and fair value.

6. Inventories

   Inventories are valued at cost or net realizable value. The cost are ascertained under first in first out formula.

7. Revenue

   Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the reliably measured.

Sen & Co. KOLKATA Chartered Accountants

8. Other Income

Other Charges, Interest on Fixed Deposit, Interest on IT Refund and Training is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

9. Borrowing Costs

The company has no borrowing during the current year

10. Employee Benefit

The company has no permeant employee during the current year.

11. Cash and Cash Equivalent

The company has no cash in hand during the current year.

12. Earnings Per share

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

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

13. In the opinion of the Board of Directors, the current Assets, Loans and Advances are approximate of the value started of realization, in the ordinary course of business, unless otherwise stated.

14. Related Party Disclosure (AS-18)

Key Management Personnel

Shouvik Mandal	Director
Swagata Sengupta	Director

KOLKATA Chartered Accountants

Balances of related parties as on 31.03.2020

S.No	Name of the Party	Nature of Relation	Nature of Transaction	Amount (Rs.) as on 31.03.2020	Amount (Rs.) as on 31.03.2019
1	Apeejay Oxford Bookstores Pvt. Ltd	Enterprises over which key Management Personnel are able to exercise Significant Influence	Supply of Goods-Sales	19,15,190/-	3,72,137/-
2	Apeejay Oxford Bookstores Pvt. Ltd	Enterprises over which key Management Personnel are able to exercise Significant Influence	Supply of Goods-Purchase	(7,47,239)/-	12,31,501/-
3	Apeejay Oxford Bookstores Pvt. Ltd	Enterprises over which key Management Personnel are able to exercise Significant Influence	Expenses	29,99,859/-	86,393/-

Sen & Co. KOLKATA Chartered Accountants

Fusion Beverages Private Limited
(CIN: U15100WB2018PTC225495)
BALANCE SHEET AS AT 31ST MARCH, 2020

(Amount in Rupees)

PARTICULARS	NOTE NO.	31/03/2020	31/03/2019
I EQUITY AND LIABILITIES			
(1) SHAREHOLDERS' FUNDS			
(a) Share Capital	2	100,000	100,000
(b) Reserves & Surplus	3	716,727	(49,550)
		816,727	50,450
(2) NON-CURRENT LIABILITIES			
(a) Long Term Borrowings	4	-	-
(b) Long Term Provisions	5	660,500	-
(C) Deffered Tax Liability (Net)		7,420	
		667,920	-
(3) CURRENT LIABILITIES			
(a) Short Term Borrowings	6	200,000	200,000
(b) Trade Payables	7		
(i) Total outstanding of creditors other than micro enterprises and small enterprises		3,155,785	1,670,076
(c) Other Current Liabilities	8	420,403	58,615
(d) Short Term Provisions	9	-	-
		3,776,188	1,928,691
TOTAL		5,260,835	1,979,141
II ASSETS			
(1) NON-CURRENT ASSETS			
(a) Property, Plant and Equipments	10		
(i) Tangible Assets		49,551	57,961
(ii) Capital Work-In-Progress		-	-
		49,551	57,961
(b) Long-Term Loans And Advances	11	200,000	51,800
		249,551	109,761
(2) CURRENT ASSETS			
(a) Inventories	12	559,157	1,034,506
(b) Trade Receivables	13	3,538,104	327,377
(c) Cash And Bank Balances	14	899,023	383,085
(d) Short-Term Loans And Advances	15	15,000	124,411
(e) Other Current Assets	16	-	-
		5,011,284	1,869,379
TOTAL		5,260,835	1,979,140
SIGNIFICANT ACCOUNTING POLICIES	1		
Accompanying notes form integral part of the financial statements			

As per our report of even date attached
For Sen Mazumder Co.
Chartered Accountants
FRN: 302128E

P K Dhar

CA PRADIP KUMAR DHAR
Proprietor
Membership No: 051492
Place: Kolkata
Date: The 30th December, 2020

UDIN: 21051492AAAAAW6170

Sen Mazumder & Co. KOLKATA

For and on behalf of the Board

Shouvik Mandal

SHOUVIK MANDAL
Director
DIN: 02706233

Swagata Sengupta

SWAGATA SENGUPTA
Director
DIN: 08196272

Fusion Beverages Private Limited

(CIN: U15100WB2018PTC225495)

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

(Amount in Rs.)

S. N	PARTICULARS	NOTE NO.	31/03/2020	31/03/2019
I	INCOME:			
	Revenue From Operations (Net)	17	3,765,998	4,549,107
	Other Income	18	4,044,772	51,670
	Total Revenue (I)		**7,810,771**	**4,600,777**
II	EXPENSES:			
	Purchase of Traded Goods	19	3,303,884	4,249,858
	Changes in Inventories of Stock - in - trade	20	475,349	(1,034,506)
	Employee Benefits Expense	21	-	-
	Finance Costs	22	472	-
	Depreciation and Amortization Expense	10	8,410	6,565
	Other Expenses	23	2,921,982	1,423,409
	Total Expenses (II)		**6,710,097**	**4,645,326**
III	**PROFIT/(LOSS) BEFORE TAX & EXCEPTIONAL ITEMS (I - II)**		**1,100,674**	**(44,550)**
IV	Amortization of Preliminary Expense U/s 35D	24	(5,000)	(5,000)
V	Prior Period Income		338,523	-
VI	**PROFIT/(LOSS) BEFORE TAX (III+IV+V)**		**1,434,197**	**(49,550)**
	Current Tax		**660,500**	-
	MAT Credit Entitlement			-
	Earlier Years' Tax			-
	Deferred Tax		**7,420.00**	-
VII	**PROFIT/(LOSS) FOR THE YEAR**		**766,277**	**(49,550)**
	Earnings Per Equity Share [Nominal Value of Share - Rs. 10/-]			
	Basic & Diluted	25	**76.63**	**(4.95)**
	SIGNIFICANT ACCOUNTING POLICIES	1		
	Accompanying notes form integral part of the financial statements			

As per our report of even date attached
For Sen Mazumder Co.
Chartered Accountants
FRN: 302128E

CA PRADIP KUMAR DHAR
Proprietor
Membership No: 051492
Place: Kolkata
Date: The 30th December, 2020

UDIN: 21051492AAAAAW6170

KOLKATA

For and on behalf of the Board

Shouvik Mandal

SHOUVIK MANDAL
Director
DIN: 02706233

SWAGATA SENGUPTA
Director
DIN: 08196272

Fusion Beverages Private Limited
(CIN: U15100WB2018PTC225495)
NOTES TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT 31ST MARCH, 2020

NOTE 2 - SHARE CAPITAL

	(Amt. in Rs.) 31/03/2020	(Amt. in Rs.) 31/03/2019
Authorised		
100,000 Equity Shares of Rs.10 each	1,000,000	1,000,000
	1,000,000	**1,000,000**
Issued, Subscribed and Paid-up		
10,000 Equity Shares of Rs. 10 each fully paid up	100,000	100,000
	-	-
	100,000	**100,000**

a) There has been no movement of shares during the year 2019-20

b) **Terms/Rights attached to Equity Shares**
The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share.
In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the share holders.

c) **Shares held by Holding Company**

d) **Details of the shareholders holding more than 5% shares in the Company**

	31/03/2020 (Amt. in Rs.)		31/03/2019 (Amt. in Rs.)	
	No. of Shares	% holding	No. of Shares	% holding
Equity shares of Rs.10 each fully paid				
Apeejay Private Ltd.	25,000	25.00%	25,000	25.00%
Apeejay Oxford Bookstores Pvt. Ltd.	25,000	25.00%	25,000	25.00%
Apeejay House Pvt. Ltd.	25,000	25.00%	25,000	25.00%
Artistery House Pvt Ltd	25,000	25.00%	25,000	25.00%
	100,000	**100.00%**	**100,000**	**100.00%**

NOTE 3 - RESERVES AND SURPLUS

	(Amt. in Rs.) 31/03/2020	(Amt. in Rs.) 31/03/2019
Deficit (Balance in the Statement of Profit & Loss)		
Balance as per last Financial Statement	(49,550)	
Profit/(Loss) for the year	766,277	(49,550)
	716,727	**(49,550)**

NOTE 4 - LONG TERM BORROWINGS

	(Amt. in Rs.) 31/03/2020	(Amt. in Rs.) 31/03/2019
(Unsecured)		
	-	-

Sen Mazumder & Co. Chartered Accountants KOLKATA

NOTE 5 - LONG-TERM PROVISIONS

	(Amt. in Rs.) 31/03/2020	(Amt. in Rs.) 31/03/2019
Provision for Income Tax	660,500	-
	660,500	-

NOTE 6 - SHORT TERM BORROWINGS

	(Amt. in Rs.) 31/03/2020	(Amt. in Rs.) 31/03/2019
Loans and Advance from a Customer (Unsecured)		
Security Deposit	200,000	200,000
	200,000	200,000

NOTE 7 - TRADE PAYABLES

	(Amt. in Rs.) 31/03/2020	(Amt. in Rs.) 31/03/2019
Dues to Others		
For Goods/Supplies	(259,824)	1,551,683
For Expenses	3,415,609	118,393
	3,155,785	1,670,076

NOTE 8 - OTHER CURRENT LIABILITIES

	(Amt. in Rs.) 31/03/2020	(Amt. in Rs.) 31/03/2019
Statutory Dues Payable-GST	420,403	-
TDS Payable	-	58,615
	420,403	58,615

NOTE 9 - SHORT-TERM PROVISIONS

	(Amt. in Rs.) 31/03/2020	(Amt. in Rs.) 31/03/2019

NOTE 11 - LONG TERM LOANS AND ADVANCES

(Unsecured, considered good)

	(Amt. in Rs.) 31/03/2020	(Amt. in Rs.) 31/03/2019
Income Tax Payments	200,000	51800
	200,000	51800

NOTE 12 - INVENTORIES

	(Amt. in Rs.) 31/03/2020	(Amt. in Rs.) 31/03/2019
Foods & Beverages	559,157	1,034,506
	559,157	1,034,506

NOTE 13 - TRADE RECEIVABLES

(Unsecured, Considered Good)

	(Amt. in Rs.) 31/03/2020	(Amt. in Rs.) 31/03/2019
SUNDRY DEBTORS - FRANCHISE	244,911	142,139
SUNDRY DEBTORS - INSTITUTIONAL SALES	1,915,190	80,839
SUNDRY DEBTORS - OTHERS	1,378,003	104,400
	3,538,104	327377

Mazumder & Co. KOLKATA

NOTE 14 - CASH AND BANK BALANCES

	(Amt. in Rs.) 31/03/2020	(Amt. in Rs.) 31/03/2019
Cash & Cash Equivalents		
(a) Cash In Hand (as certified)		
(b) Balances With Banks		
In Current Accounts*	699,023	383,085
Other Bank Balances		
Fixed Deposit with HDFC Bank	200,000	
	899,023	383,085

NOTE 15 - SHORT-TERM LOANS & ADVANCES

(Unsecured, considered good)

	(Amt. in Rs.) 31/03/2020	(Amt. in Rs.) 31/03/2019
Prepaid Expenses	15,000	20,000
	15,000	124,411

NOTE 16 - OTHER CURRENT ASSETS

(Unsecured, considered good)

	(Amt. in Rs.) 31/03/2020	(Amt. in Rs.) 31/03/2019
Statutory Dues Receivable-GST	-	104,411
	-	104,411

NOTE 17 - REVENUE FROM OPERATIONS

	(Amt. in Rs.) 31/03/2020	(Amt. in Rs.) 31/03/2019
Retail Sale of Products		
Food & Beverages	3,765,998	3,428,821
	3,765,998	3,428,821
Other operating revenue		
Franchaisee Fee	-	701,000
Income from organising of events and promotional activity	-	90,000
Royalty Fee	-	329,286
	-	1,120,286
	3,765,998	4,549,107

NOTE 18 - OTHER INCOME

	31/03/2020	31/03/2019
Other operating revenue		
Franchaisee Fee	3,500,000	-
Income from organising of events and promotional activity	-	-
Royalty Fee	439,454	-
	3,939,454	-

OTHER INCOME NON OPERATING INCOME

	(Amt. in Rs.) 31/03/2020	(Amt. in Rs.) 31/03/2019
Interest on Fixed Deposit	3,130	51,300
Interest on IT Refund	2,330	-
Other Charges	59,358	-
Training	40,500	-
	105,318	51300.00
	4,044,772	51,300

KOLKATA

NOTE 19 - PURCHASE OF TRADED GOODS

	(Amt. in Rs.) 31/03/2020	(Amt. in Rs.) 31/03/2019
Purchase of trading goods - retail merchandise		
Food & Beverages	3,303,884	4,249,858
	3,303,884	**4,249,858**

NOTE 20 - CHANGES IN INVENTORIES OF STOCK - IN - TRADE

	(Amt. in Rs.) 31/03/2020	(Amt. in Rs.) 31/03/2019
Opening Inventory	1,034,506	-
Closing Inventory	559,157	1,034,506
(Increase) / Decrease	475,349	1,034,506

NOTE 21 - EMPLOYEE BENEFITS EXPENSE

	(Amt. in Rs.) 31/03/2020	(Amt. in Rs.) 31/03/2019
	-	-

NOTE 22 - FINANCE COSTS

	(Amt. in Rs.) 31/03/2020	(Amt. in Rs.) 31/03/2019
Bank Charges	472	
	472	**-**

NOTE 23 - OTHER EXPENSES

	(Amt. in Rs.) 31/03/2020	(Amt. in Rs.) 31/03/2019
Other Expense	-	1,115
Advertisement Expense	-	5,900
Auditors Remunaration	20,000	20,000
Bank Charges	-	472
Brokerage Charges	875,000	-
Carriage Outward	111,800	99,800
Communication Expense	-	200
Consultancy Charges	100,000	598,153
Discount Allowed	-	126,555
Electrical Charges	-	1,350
Filing Fees	2,800	-
Fine, Interest	28,568	
GST ITC Reversed	206,778	-
License Fees	30,970	26,800
Manpower Cost	1,379,934	-
Office Expense/Legal Compliance Expense	-	2,100
Postage & Courier	-	8,036
Printing & Stationery	-	300
Professional Service	160,000	57,500
Rent	-	318,000
P. Tax Enrolment Fee	5,000	-
Rounding Off A/C	-	(86)
Sundry Balance Written Off	(19)	(284)
Sundry Charge	650	141,372
Incentive	500	-
	2,921,982	**1,407,283**

KOLKATA

	(Amt. in Rs.) 31/03/2020	(Amt. in Rs.) 31/03/2019
a) Auditors' Remuneration:		
i) As Auditor		
ii) As Tax Auditor	20,000	20,000
iii) For Other Matters		
	20,000	**20,000**

Note 24 - Exceptional Items	(Amt. in Rs.) 31/03/2020	(Amt. in Rs.) 31/03/2019
Priliminary Expense Written Off	(5,000)	(5,000)
	(5,000)	**(5,000)**

NOTE 25 - EARNINGS PER SHARE

PARTICULARS	31/03/2020	31/03/2019
Weighted average number of Equity Shares outstanding during the year	10,000	10,000
Profit after Tax attributable to Equity Shareholders (Rs.)	766,277	(49,550)
Nominal Value of Equity Shares (Rs.)		
Earnings Per Share (Basic and Diluted) (Rs.)	76.63	(4.96)

Note: For the purpose of computation of dilutive EPS for the year ended 31 March 2020, potential equity shares that could arise in dilution of EPS.

NOTE 26

In the opinion of the Board of Directors, the Current Assets, Loans & Advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the accounts. Adequate provisions have been made for all known losses and liabilities.

NOTE 27

Trade Payables and advances for goods/ supplies are subject to confirmation. In view of confirmations not obtained from the parties, Trade Payables for goods/ supplies are net of debit balances and the balances under these heads have been shown as per the books of accounts. These are subject to reconciliation and adjustments, if any and on completion of the said process, the net result of loss/ profit would be accounted.

NOTE 28 - DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES

There are no Micro, Small and Medium Enterprises to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March 2020. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

NOTE 29 - EMPLOYEE BENEFITS

Disclosure pursuant to Accounting Standard- 15 (Revised) " Employee Benefits" :

(a) Contribution to Defined Contribution Plan, recognized as expense for the year is as under:

	31/03/2020	31/03/2019
Employer's Contribution to Provident and Other Funds	-	-

KOLKATA

NOTE 30 - SEGMENT REPORTING

Based on the synergies, risks and returns associated with business operations and in terms of Accounting Standard-17, the Company is predominantly engaged in a single reportable segment of trading of Food & Beverage and allied services during the year. There is no separate geographical segment.

NOTE 31 - RELATED PARTY DISCLOSURE

i) Name of the related party where control exists or under common control:

Apeejay Private Limited	Common Control
Apeejay House Pvt. Ltd.	Common Control
Apeejay Oxford Bookstores Pvt. Ltd	Common Control
Artistary House Pvt Ltd	Common Control

ii) Names of other related parties with whom transactions have taken place during the year:

Key Managerial Personnel

Mr. Swagat Sengupta	Director
Mr. Shouvik Mandal	Director

Debit Notes for reimbursements:

Nature of Expense	Party	31/03/2020	31/03/2019
Supply of Goods-Sales	Apeejay Oxford Bookstores Pvt Ltd	1,543,053	372,137
Supply of Goods-Purchase	Apeejay Oxford Bookstores Pvt Ltd	3,217,733	1,231,501
Statutory Dues-TDS	Apeejay Oxford Bookstores Pvt Ltd	-	6,300
Office/Legal Compliance Expenses	Apeejay Oxford Bookstores Pvt Ltd	-	2,100
Asset Purchase	Apeejay Oxford Bookstores Pvt Ltd	-	23,550
Communication Expense	Apeejay Oxford Bookstores Pvt Ltd	-	200
Rent	Apeejay Oxford Bookstores Pvt Ltd	-	-
Manpower Expense	Apeejay Oxford Bookstores Pvt Ltd	1,379,934	-
Other Expense	Apeejay Oxford Bookstores Pvt Ltd		54,243

Balances at year-end:

Nature	Party	3/31/2020	3/31/2019
Unsecured Loans		-	-
Debenture issued and outstanding		-	-
Trade Receivables	Apeejay Oxford Bookstores Pvt Ltd	1,915,190	372,137
Trade Payables	Apeejay Oxford Bookstores Pvt Ltd	2,252,620	1,317,894

There are no foreign currency transaction during the year

NOTE 33

The financial statements have been prepared on a going concern basis, notwithstanding the accumulated losses resulting in complete erosion of its net worth, as the holding company provides such financial support as necessary, to enable the Company to continue its operations and to meet its liabilities as and when they fall due. Accordingly, these financial statements do not include any adjustments relating to the recoverability and classifications of carrying amount of assets or the amounts and classification of liabilities that may be necessary if the entity is unable to continue as a going concern.

Fusion Beverages Private Limited
(CIN: U15100WB2018PTC225495)
NOTES TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT 31ST MARCH, 2020

NOTE 10 - PROPERTY, PLANT AND EQUIPMENTS

Tangible Assets

	Furniture & Fixtures	Inverter	Office Equipment	Computers	Software	Total
Gross Block						
As at 31st March, 2019	3,690	21,065	1,953	-	31,253	57,961
Additions				-	-	-
Disposals	-	-	-			
As at 31st March, 2020	3,690	21,065	1,953	-	31,253	57,961
Charge for the year	380	2,137	193		5,700	8,410
Deductions	-	-	-	-	-	-
As at 31st March, 2020	380	2,137	193	-	5,700	8,410
Net Block						
As on 31st March, 2019	3,690	21,065	1,953	-	31,253	57,961
As on 31st March, 2020	3,310	18,928	1,760	-	25,553	49,551

SEN MAZUMDER & CO.
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

To

The Members of **GREAT EASTERN STORES PVT LTD**

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of **GREAT EASTERN STORES PVT. LTD.** ("the Company"), which comprise the balance sheet as at March 31, 2020, and the Statement of Profit and Loss 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 financial statements give the information required by the **Companies Act, 2013** ('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 state of affairs of the Company as at March 31, 2020, its Profit for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing 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 financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

We believe that the audit evidence 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 judgment, were of most significance in our audit of the financial statements of the current period. These matters

Sen Mazumder & Co. KOLKATA Chartered Accountants

were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

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

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

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

Management's responsibility for the financial statements

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless

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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 financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 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

The provisions of the **Companies (Auditor's Report) Order, 2016** ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 is not applicable to the Company since

(a) It is not a subsidiary or holding company of a public company;

(b) Its paid-up capital and reserves and surplus are not more than Rs.1 Crores as at the balance sheet date;

(c) Its total borrowings from banks and financial institutions are not more than Rs.1 Crores at any time during the year; and

(d) Its turnover for the year is not more than Rs.10 Crores during the year.

As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The balance sheet and the statement of profit and loss, dealt with by this report are in agreement with the books of account;

KOLKATA

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(d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the **Companies (Accounts) Rules, 2014**;

(e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) Since the Company's turnover as per last audited financial statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.25 Crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls vide notification dated June 13, 2017; and

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

a. The Company does not have any pending litigations which would impact its financial position;

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For
SEN MAZUMDER & CO.
Chartered Accountants

(P. K. Dhar)
Proprietor
Membership No. 051492
F.R. No. 302128E
UDIN: 20051492AAAADU 6415

Place: Kolkata
Dated: The 7th day of December 2020

GREAT EASTERN STORES PRIVATE LIMITED

Balance Sheet as at 31st March,2020

(Amount In Rs.)

	Particulars	Note No.	As at 31.03.2020	As at 31.03.2019
I.	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	2	2,48,400	2,48,400
	(b) Reserves and surplus	3	65,26,510	64,20,392
2	Current liabilities			
	Other current liabilities	4	2,45,555	4,15,400
	TOTAL		70,20,465	70,84,192
II.	ASSETS			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	5	28,06,081	29,13,986
	(b) Investments	6	16,670	16,670
	(b) Long-term loans and advances	7	1,89,086	1,71,170
2	Current assets			
	(a) Trade receivables	8	12,05,508	17,508
	(b) Cash and cash equivalents	9	30,120	30,735
	(c) Short term Loans and Advances	10	27,73,001	39,34,123
	TOTAL		70,20,465	70,84,192

Significant Accounting Policies 1

Accompanying notes to the financial statements 2-16

In terms of our report of even date attached

For Sen Mazumder & Co.
Chartered Accountants

P.K.Dhar
PROPRIETOR
Membership No.51492
F.R.No:302128E
Place : Kolkata
Date: 07-12-2020

Sen Mazumder & Co. KOLKATA Chartered Accountants

For and on behalf of the Board

(A. K. Jain) Director DIN : 00886324

(N.D.Chowdhury) Director DIN : 03146289

GREAT EASTERN STORES PRIVATE LIMITED

Profit and loss statement for the year ended 31st March,2020

(Amount in Rs.)

	Particulars	Note No.	For the year ended 31 March 2020	For the year ended 31 March 2019
	Income			
	Revenue from operations	11	13,20,000	1,22,626
	Other income		-	-
I.	Total Revenue		13,20,000	1,22,626
II.	Expenses:			
	Depreciation and Amortisation Expenses	5	1,07,905	1,14,635
	Other expenses	12	11,05,976	7,16,750
				-
	Total expenses		12,13,881	8,31,385
III.	Profit before tax (I- II)		1,06,119	(7,08,759)
IV.	Tax expense:			
	(1) Current Tax (MAT)		(16,554)	-
	(2) Income Tax for Earlier Year			
	MAT Credit entitlement		16,554	
V.	Profit/(loss) after tax (III-IV)		1,06,119	(7,08,759)
XVI	Earnings per equity share:			
	(1) Basic		42.72	(285.33)

Significant Accounting Policies 1

Accompanying notes to the financial statements 2-16

In terms of our report of even date attached

For and on behalf of the Board

For Sen Mazumder & Co.
Chartered Accountants

P.K.Dhar
PROPRIETOR
Membership No.51492
F.R.No:302128E
Place : Kolkata
Date: 07-12-2020

(A. K. Jain)
Director
DIN : 00886324

(N.D.Chowdhury)
Director
DIN : 03146289

Sen Mazumder & Co. KOLKATA Chartered Accountants

GREAT EASTERN STORES PVT LTD

NOTES TO AND FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH 2020

NOTE: 1

Significant Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements are prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under section 133 of the Companies Acr,2013 read with Rule 7 of the Companies(Accounts) Rules,2014 and the relevant provisions of the Companies Act,2013("the2013 Act")/Companies Act("the 1956 Act")as applicable. The financial statements have been prepared on accrual basis under historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

1.2 Use of Estimates

The preparation of the financial statements in conformity with the Generally Accepted Accounting Principles in India requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period in which the results are known / materialized.

1.3 Revenue Recognition

(a) Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

(b) Income is recognized when it results from rendering of services and is measured by the charges made to customers for the services furnished to them.

(c) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

1.4 Fixed Assets and Depreciation

(a) Fixed Assets are stated at cost, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

(b) Depreciation on Fixed Assets has been provided on the Straight Line Method as per useful life of the asset or the rate and manner prescribed in Schedule II of the Companies Act, 2013.

(c) The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's net selling price and value in use, which is determined by the present value of the estimated future cash flow.

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GREAT EASTERN STORES PVT LTD

NOTES TO & FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2020

1.5 Borrowing Costs

Borrowing costs directly attributable to the acquisition of qualifying assets are capitalized for the period until the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use.

Other Borrowing costs are recognized as expense in the period in which they are incurred.

1.6 Taxes on Income

Tax expense comprises of Current Tax, and Deferred Tax.

(a)Current income tax is measured at the amount expected to be paid to the tax authorities, computed in accordance with the applicable tax rates and tax laws.

(b)Deferred Tax arising on account of "timing differences" between taxable and accounting income that originate in one period and are capable of reversal in one or more subsequent periods is recognized, using the tax rates and tax laws that are enacted or substantively enacted as on the Balance Sheet Date. The deferred tax is recognized and carried forward only to the extent there is reasonable certainty with respect to reversal of the same in future years as a matter of prudence.

1.7 Earning per Share (EPS)

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

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

1.8 Provisions & Contingent Liabilities

A provision is recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

Contingent Liabilities are not provided for in the accounts and are shown separately in the Notes on Accounts.

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Chartered Accountants

GREAT EASTERN STORES PRIVATE LIMITED

Notes to and forming part of the accounts as at 31st March,2020

Note No.

2

Share Capital	As at 31 March 2020		As at 31 March 2019	
	Number	Rs	Number	Rs
Authorised				
Equity Shares of ` 100 each	10,000	10,00,000	10,000	10,00,000
Issued				
Equity Shares of ` 100 each	2,484	2,48,400	2,484	2,48,400
Subscribed & Paid up				
Equity Shares of ` 100 each	2,484	2,48,400	2,484	2,48,400

2(a) **Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

Particulars	Equity Shares	
	Number	`
Shares outstanding at the beginning of the year	2,484	2,48,400
Shares Issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	2,484	2,48,400

2(b) **Terms/Rights attached to equity shares**

The company has only one class of equity shares having a par value of Rs.100 per share.Each holder of of equity shares is entitled to one vote per share.

In the event of liquidation of the company,the holders of equity shars will be entitled to receive remaining assets of the company after distribution of all prefential amount.The distribution will be in proportion to the number of equity shares held by the share holders.

2(c) **Details of shareholders holding more than 5%**

Name of Shareholder	As at 31 March 2020		As at 31 March 2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Ashoke Ghosh Trustee Apeejay Surendra Trust	2,483	99.96%	2,483	99.96%

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GREAT EASTERN STORES PRIVATE LIMITED

Notes to and forming part of the accounts as at 31st March,2020

Note No.

(Amounts in Rs.)

3

Reserves & Surplus	As at 31 March 2020	As at 31 March 2019
Surplus/(Deficit)		
Opening balance	64,20,392	71,29,150
(+) Net Profit/(Net Loss) For the current year	1,06,119	(7,08,759)
Closing Balance	65,26,510	64,20,392

4

Other Current Liabilities	As at 31 March 2020	As at 31 March 2019
Deposit from Customers	69,000	69,000
Other Payable :		
For Expenses	1,69,786	3,10,401
Statutory Dues	6,769	35,999
Total	2,45,555	4,15,400

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Chartered Accountants

GREAT EASTERN PRIVATE LIMITED

Notes to and forming part of the accounts as at 31st march,2020

(Amount Rs.)

NOTE 5 - TANGIBLE ASSETS

	Tangible Assets				
	Freehold land	Building	Plant & Machinery	Furniture & Fixtures	Total
Gross Block					
As at 1st April, 2018	7,15,205	32,53,100	9,845	39,301	40,17,451
Additions	-				-
Disposals	-	-	-	-	-
As at 31st March, 2019	7,15,205	32,53,100	9,845	39,301	40,17,451
Additions			-	-	-
Disposals		-	-	-	-
As at 31st March, 2020	7,15,205	32,53,100	9,845	39,301	40,17,451
Depreciation & amortisation					
Upto 1st April, 2018	-	9,47,762	8,139	32,950	9,88,851
Charge for the year		1,12,039	219	2,357	1,14,615
Deductions / Adjustments	-	-	-	-	-
As at 31st March, 2019	-	10,59,801	8,358	35,306	11,03,465
Charge for the year		1,06,594	205	1,106	1,07,905
Deductions / Adjustments		-	-		-
As at 31st March, 2020	-	11,66,395	8,564	36,412	12,11,370
Net Block					
As at 31st March, 2019	7,15,205	21,93,299	1,487	3,995	29,13,986
As at 31st March, 2020	7,15,205	20,86,705	1,281	2,889	28,06,081

Sen Mazumder & Co.
KOLKATA
Chartered Accountants

GREAT EASTERN STORES PRIVATE LIMITED

Notes to and forming part of the accounts as at 31st March,2020

Note No.

(Amounts in Rs.)

6

Investments	As at 31 March 2020	As at 31 March 2019
Investment in Shares	16,670	16,670
	16,670	16,670

7

Long term loans and advances	As at 31 March 2020	As at 31 March 2019
Unsecured and considered good		
Security Deposit with CESC	39,600	39,600
Security Deposit with collector of Excise	16,920	16,920
Advance Paid to Sales Tax	1,08,000	1,08,000
GST Input Credit	24,566	5,400
Prepaid Expenses	-	1,250
	1,89,086	1,71,170

8

Trade Receivables	As at 31 March 2020	As at 31 March 2019
More than 6 months	17,508	17,508
Less than 6 months	11,88,000	-
(Unsecured considered good)		
	12,05,508	17,508

9

Cash and cash equivalents	As at 31 March 2020	As at 31 March 2019
Balances with banks-		
HDFC Bank	30,024	30,639
Allahabad Bank	96	96
	30,120	30,735

10	Short Term Loans and Advances	As at 31 March 2020	As at 31 March 2019
		₹	₹
	Income Tax(net of provision)	1,15,446	5,361
	Advances to related parties	26,24,747	39,12,509
	Advances to Suppliers	11,106	11,106
	Mat Credit Receivable Account	21,702	5,148
		27,73,001	39,34,124

GREAT EASTERN STORES PRIVATE LIMITED

Notes to and forming part of the accounts as at 31st March,2020

Note No:

(Amounts in Rs.)

11

Revenues from operations	For the year ended 31 March 2020	For the year ended 31 March 2019
	-	-
Income from Operations	13,20,000	1,20,400
Miscellaneous Receipts	-	2,226
Total	13,20,000	1,22,626

12

Other Expenses	For the year ended 31 March 2020	For the year ended 31 March 2019
Bank Charges	127	304
Insurance Premium	10,528	10,696
Donation Paid	-	4,402
Service Charges	81,614	32,931
Repair & Maintenance	6,38,365	2,02,342
Statutory Audit Fees	10,000	10,000
Corporation Tax	26,643	24,261
Electric Charges	7,400	7,750
Professional Tax	2,500	2,500
Security Charges	2,12,971	84,337
Miscelleneous Expenses	3,985	-
Legal expenses	1,06,482	3,34,594
Printing & Stationery	-	613
Staff Amenities	-	2,020
Sundry Balances written off	5,361	
Total	11,05,976	7,16,750

GREAT EASTERN STORES PVT LTD

NOTES TO & FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2020

13. In the opinion of the management, Current Assets, Loans & advances have a value on realization at least equal to the amount at which they are stated in the Balance Sheet. Adequate provisions have been made for all known losses and liabilities.

14. Related party disclosures as per AS 18 is as follows :

a. **List of related parties with whom transactions have taken place during the year**

1.Apeejay Private Limited
2.Artistry House Private Ltd
3.Apeejay Industries Private Ltd
4. Martidale Pharmaceuticals Pvt. Ltd.

Transactions carried out with related parties referred to in above, in the ordinary course of business, are as under:

	2019-20	2018-19
	(In Lacs)	
Parties referred to in (a) above :		
Net Transaction during the year		
i) Loans & Advances given/(received)		
1.Apeejay Private Limited	(16.94)	3.53
2.Artistry House Private Ltd	-	(5.00)
3.Apeejay Industries Private Ltd	-	-
4. Martidale Pharmaceuticals Pvt. Ltd.	4.06	2.00
ii) Income from Operations		
Apeejay Private Limited	13.20	-
iii) Recovery of expenses		
Martidale Pharmaceuticals Pvt. Ltd.	4.06	-
Closing Balance		
i) Loans & Advances		
1.Apeejay Private Limited	7.47 Dr	24.41 Dr
2.Artistry House Private Ltd	0.23 Dr	0.23 Dr
3.Apeejay Industries Private Ltd	2.06 Cr	2.06 Cr
4. Martidale Pharmaceuticals Pvt. Ltd.	21.07 Dr	17.01 Dr
ii) Sundry Debtors		
Apeejay Private Limited	11.88 Dr.	-

15.**Earnings Per Share**

	As on 31st March, 2020	As on 31st March, 2019
Number of Shares considered as weighted average shares for calculation of Basic EPS	2484	2484
Number of shares considered as weighted average shares and potential shares for calculation of diluted EPS	-	-
Profit after tax attributable to Equity Shareholders	106119	(708759)
Nominal Value of Equity Shares (Rs.)	100	100
Earnings Per Share : Basic (in Rs.) Diluted (in Rs.)	42.72	(285.33)

16. The previous year figures have been re-grouped or re-arranged wherever so required to make them confirm to this year classification.

For Sen Mazumder & Co.
Chartered Accountants

(P.K.Dhar)
Proprietor
Membership No..051492
F.R.No:302128E
Dated: 07-12-2020
Place: Kolkata

Sen Mazumder & Co. KOLKATA Chartered Accountants

For and on behalf of the Board

(A. K. Jain) (N.D.Chowdhury)

Director **Director**
DIN : 00886324 **DIN : 03146289**

LODHA
&CO
Chartered Accountants

14 Government Place East, Kolkata 700 069, India
Telephone : 033-2248-1111/1507/40400000
Telefax : 033-2248-6960
Email : cal@lodhaco.com

INDEPENDENT AUDITORS' REPORT

To the Members of
Apeejay Tea Limited
Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of Apeejay Tea Limited ("the Company"), which comprises the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory notes for the year ended on that date (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standard prescribed under section 133 of the Act read with the Companies (Indian Accounting Standard) rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditors' Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and 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 financial statement.

Information Other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available, and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

LODHA & CO KOLKATA Chartered Accountants

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 based on these standalone financial statements.

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

a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

b) 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 Company has adequate internal financial controls system with reference to financial statement in place and the operating effectiveness of such controls;

c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

d) 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 auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern;

LODHA & CO
KOLKATA
Chartered Accountants

e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we based on our examination give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. Further to our comments in the annexure referred to in the paragraph above, as required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

   d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

   e) On the basis of the written representations received from the Directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appoint ed as a director in terms of Section 164 (2) of the Act;

   f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control with reference to financial statements of the Company.

LODHA & CO. KOLKATA Chartered Accountants

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

   i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements --Refer Note 44 to the financial statements;

   ii. The Company did not have any long-term contracts, however it has made provisions, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on derivative contracts;

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

4. With respect to the reporting under section 197(16) of the Act to be included in the Auditors' Report, in our opinion and according to the information and explanations given to us, no remuneration has been paid by the Company to its Directors during the current year except directors' sitting fees. The directors' sitting fees paid are in accordance with the provisions of section 197 of the Act.

For LODHA & CO
Chartered Accountants
Firm Registration Number: 301051E

LODHA & CO. KOLKATA Chartered Accountants

Indranil Chaudhuri
Partner
Membership Number: 058940
UDIN: 20058940AAAAAC3076

Place: Kolkata
Date: December 22, 2020

Annexure "A" to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on other Legal and Regulatory Requirements' section of our report to the members of Apeejay Tea Limited of even date)

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.

(b) The Property, Plant and Equipment of the Company are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable to the size of the Company and nature of its assets. The said verification even though carried out to certain extent could not be completed amidst lock down due to COVID-19 pandemic so that to cover all the assets as per the said programme of verification. We have been informed that the said programme will be revised to cover for all the assets including those which could not be verified as above will be covered in due course of time. According to information and explanation given to us, no material discrepancies have been noticed on such verification.

(c) According to the information, explanations and representation provided to us and based on our verification of the records of the company produced to us, in our opinion, the title deeds of immovable properties, are held in the name of the Company, as at balance sheet date. For the above purpose, lease deed has been taken as the basis for verification in respect of leasehold land as well as self-constructed building thereupon.

ii. As per the information and explanation provided to us and as per the records of the Company reviewed by us, the physical verification of inventory had been conducted at reasonable intervals by the Management during the year. However, no such verification at the tea estates as well as at company's warehouses and those lying with third parties could be undertaken at the yearend due to lock down amidst COVID-19 pandemic. The inventories as on March 31, 2020 have been arrived at by rolling back the receipts, issues and dispatches after the year end and verifying these with evidence relating to subsequent receipts, issues, dispatches and collection thereagainst. The inventory of finished goods and stores at the subsequent date with respect to which yearend stock were arrived were not material. The discrepancies noticed on physical verification of inventory as compared to book records to the extent verified during the year were not material and the same has been properly dealt with in the books of account.

iii. According to the information, explanation and representations provided to us we are of the opinion that the Company has not granted any loan secured or unsecured, to Companies, Firms, Limited Liability Partnerships or other parties as covered and recorded in the register maintained under Section 189 of the Act. Therefore, the provisions of clauses 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

iv. In our opinion, and according to the information and explanations given to us, the Company has not granted any loan to parties covered under sections 185 of the Companies Act, 2013 during the year. The Company has complied with the provisions of the Act, in respect of the loans and investments made, and guarantees and security provided by it.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the Rules framed there under to the extent notified.

LODHA & CO. ★ KOLKATA ★ Chartered Accountants

vi. Pursuant to the Rules made by the Central Government of India, the Company is required to maintained cost records as specified under Section 148 (1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the said records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us, during the year, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Duty of Custom, Cess and other material statutory dues as applicable to it. There are no other dues outstanding as on March 31, 2020 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of duty of customs and duty of excise which have not been deposited on account of any dispute except as given below:

Name of the Statute	Nature of Dues	Amount (Rupees in Lakhs)	Period to which the amount relates	Forum Where dispute is Pending
West Bengal Sales Tax Act, 1994	Sales Tax	6.62	2003-04	Sr. Joint Commissioner (Appeals), Kolkata
	Sales Tax	10.32	2000-01, 2001-02, 2003-04 & 2004-05	Commercial Tax Officer, Kolkata
	Sales Tax	7.65	1997-98	Appellate and Revisional Board, Kolkata
Central Sales Tax	Sales Tax	3.23	2001-02, 2003-04 & 2004-05	Commercial Tax Officer, Kolkata
	Sales Tax	0.97	2003-04	Sr. Joint Commissioner (Appeals), Kolkata
	Sales Tax	0.01	2008-09	Appellate and Revisional Board, Kolkata
West Bengal VAT Act, 2003	Value Added Tax	0.60	2008-09	Appellate and Revisional Board, Kolkata
Finance Act, 1994	Service Tax	258.00	2004-05 to 2008-09	Customs, Excise and Service Tax Appellate Tribunal
	Service Tax	337.74	2009-10 to 2010-11	Customs, Excise and Service Tax Appellate Tribunal
Assam Agricultural Income Tax Act, 1961	Income Tax	50.00	1988-89	Deputy Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	52.00	2008-09	Income Tax Appellate Tribunal

viii. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to any bank as at the Balance Sheet date. The Company does not have any loans or borrowings from Government, financial institution nor has it issued any debentures as at the balance sheet date.

ix. In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which they were raised.

LODHA & CO. KOLKATA Chartered Accountants

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. With respect to the reporting under section 197(16) of the Act to be included in the Auditors' Report, in our opinion and according to the information and explanations given to us, no remuneration has been paid by the Company to its Directors during the current year except director's sitting fees. The directors' sitting fees paid is in accordance with the provisions of section 197 of the Act.

xii. As the Company is not a Nidhi Company and hence, paragraph 3 (xii) of the order is not applicable.

xiii. According to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Ind AS 24, Related Party Disclosures specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. As per the information and explanations provided to us by the management, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For LODHA & CO,
Chartered Accountants
Firm Registration Number: 301051E

LODHA & CO. KOLKATA Chartered Accountants

Indranil Chaudhuri
Partner
Membership Number: 058940
UDIN: 20058940AAAAAC3076

Place: Kolkata
Date: December 22, 2020

Annexure "B" to the Independent Auditors' Report

(Referred to in paragraph 2(f) under 'Report on other Legal and Regulatory Requirements' section of our report to the members of Apeejay Tea Limited of even date)

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

We have audited the internal financial controls with reference to financial statements of **Apeejay Tea Limited** ("the Company") as at March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements 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 ('the Guidance Note') 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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 with reference to financial statements.

LODHA & CO. KOLKATA Chartered Accountants

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020, based on the internal control with reference to financial statements 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 LODHA & CO,
Chartered Accountants
Firm Registration Number: 301051E

LODHA & CO. ★ KOLKATA ★ Chartered Accountants

Indranil Chaudhuri
Partner
Membership Number: 058940
UDIN: 20058940AAAAAC3076

Place: Kolkata
Date: December 22, 2020

Apeejay Tea Limited
CIN: U27108WB1995PLC071253
Balance Sheet as at 31 March 2020

All amounts in INR lacs, unless otherwise stated

Particulars	Note	As at 31 March 2020	As at 31 March 2019
ASSETS			
(1) Non-current assets			
Property, plant and equipment	4(a)	89,432.22	90,951.95
Capital work-in-progress	4(b)	3,323.38	2,628.85
Investment properties	5	-	24.35
Intangible assets	6	54.78	77.91
Financial assets			
(i) Investments	7	464.15	408.74
(ii) Other financial assets	8	6,551.83	1,326.85
Non-current tax assets (net)	9	1,213.42	956.07
Other non-current assets	10	111.70	342.98
Total non-current assets		**1,01,151.48**	**96,615.70**
(2) Current assets			
Inventories	11	3,594.91	5,194.97
Biological assets other than bearer plants	12	-	161.24
Financial assets			
(i) Investments	13	0.54	0.44
(ii) Trade receivables	14	5,416.19	7,428.05
(iii) Cash and cash equivalents	15	559.96	2,416.09
(iv) Bank Balance Other than Note 15	16	204.15	83.00
(v) Loans	17	4,032.42	9,206.43
(vi) Other financial assets	18	1,140.16	332.86
Other current assets	19	2,290.55	2,399.96
Total current assets		**17,238.88**	**27,223.84**
Total assets		**1,18,390.36**	**1,23,839.54**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	20	5.05	5.05
Other equity	21	33,419.16	46,670.85
Total equity		**33,424.21**	**46,675.90**
Liabilities			
(1) Non-current liabilities			
Financial liabilities			
- Borrowings	22	24,532.34	33,103.84
Provisions	23	4,190.03	1,165.03
Deferred tax liabilities (net)	24	-	-
Other non current liabilities	25	711.89	517.80
Total non-current liabilities		**29,434.26**	**34,786.67**
(2) Current liabilities			
Financial liabilities			
(i) Borrowings	26	34,518.67	21,063.96
(ii) Trade payables	27		
(a) Total outstanding dues of micro enterprises and small enterprises		-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		7,261.76	8,100.65
(iii) Other financial liabilities	28	9,541.65	10,878.97
Other current liabilities	29	3,223.21	1,337.30
Provisions	30	130.92	160.41
Current tax liabilities (net)	31	835.68	835.68
Total current liabilities		**55,531.89**	**42,376.97**
Total equity and liabilities		**1,18,390.36**	**1,23,839.54**

Significant Accounting Policy and other accompanying Notes 1 to 59 are an integral part of the Financial Statements

As per our report on even date
For Lodha & Co.
Chartered Accountants
Firm ICAI Registration No: 301051E

INDRANIL CHAUDHURI
Partner
Membership No: 058940

Place: Kolkata
Date: 22 December 2020

LODHA & CO.
KOLKATA
Chartered Accountants

Karan Paul
Chairman
(DIN:00007240)

Beas Moitra
Company Secretary

Ashoke Ghosh
Director
(DIN:00051311)

Apeejay Tea Limited
CIN: U27108WB1995PLC071263
Statement of Profit and loss for the year ended 31 March 2020

All amounts in INR lacs, unless otherwise stated

Particulars	Note	For the Year ended 31 March 20	For the Year ended 31 March 19
Revenue from operations	32	40,801.34	46,206.41
Other income	33	9,760.70	7,080.00
Total income (A)		**50,562.04**	**53,286.41**
Expenses			
Cost of materials consumed	34	2,126.22	2,870.67
Purchases of stock-in-trade	35	1,793.33	3,329.79
Changes in inventories of finished goods, work-in-progress and stock-in-trade	36	1,367.28	1,982.22
Changes in Fair value of biological assets	12	161.24	44.02
Employee benefits expense	37	29,777.97	28,304.05
Finance costs	38	7,584.27	5,408.35
Depreciation and amortisation expenses	39	3,287.15	2,231.51
Other expenses	40	15,240.38	16,520.04
Total expenses (B)		**61,337.84**	**61,380.55**
Loss before tax (C)= (A)-(B)		**(10,775.80)**	**(8,094.14)**
Income tax expense			
- Current tax	42	-	-
- Deferred tax		754.65	-
Total tax expense (D)		**754.65**	-
Loss for the year (E)=(C)-(D)		**(11,530.45)**	**(8,094.14)**
Other comprehensive income			-
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		(2,475.89)	(427.29)
Income tax relating to items that will not be reclassified to profit or loss		754.65	-
Other comprehensive income for the year, net of tax (F)		**(1,721.24)**	**(427.29)**
Total comprehensive income for the year (E)+(F)		**(13,251.69)**	**(8,521.43)**
Earnings per equity share: [Nominal value per share Rs.10 (Previous year- Rs. 10)]			
Basic & Diluted (Rs.per share)	43	(22,841.62)	(16,034.35)

Significant Accounting Policy and other accompanying Notes 1 to 59 are an integral part of the Financial Statements

As per our report on even date
For Lodha & Co.
Chartered Accountants
Firm ICAI Registration No: 301051E

INDRANIL CHAUDHURI
Partner
Membership No: 058940

KOLKATA
Chartered Accountants

Karan Paul
Chairman
(DIN:00007240)

Beas Moitra
Beas Moitra
Company Secretary

Ashoke Ghosh
Director
(DIN:00051311)

Place: Kolkata
Date: 22 December 2020

Apeejay Tea Limited
CIN: U27108WB1995PLC071253
Statement of changes in equity for the year ended 31 March 2020

All amounts in INR lacs, unless otherwise stated

A. Equity share capital

Particulars	Amount
As at 31 March 2018	**5.05**
Changes during the year	-
As at 31 March 2019	**5.05**
Changes during the year	-
As at 31 March 2020	**5.05**

B. Other equity

Particulars	Reserve and surplus			Total other equity
	Amalgamation reserve	General reserve	Retained earnings	
Balance as at 31 March 2018	2,687.23	12,385.00	40,120.05	55,192.28
Loss for the year			(8,094.14)	(8,094.14)
Remeasurements of post-employment benefit obligations		-	(427.29)	(427.29)
Total comprehensive income for the year	-	-	**(8,521.43)**	**(8,521.43)**
Balance as at 31 March 2019	**2,687.23**	**12,385.00**	**31,598.62**	**46,670.85**
Balance as at 31 March 2019	2,687.23	12,385.00	31,598.62	46,670.85
Loss for the year			(11,530.45)	(11,530.45)
Remeasurements of post-employment benefit obligations			(1,721.24)	(1,721.24)
Total comprehensive income for the year	-	-	**(13,251.69)**	**(13,251.69)**
Balance as at 31 March 2020	**2,687.23**	**12,385.00**	**18,346.93**	**33,419.16**

Significant Accounting Policy and other accompanying Notes 1 to 59 are an integral part of the Financial Statements

As per our report on even date
For Lodha & Co.
Chartered Accountants
Firm ICAI Registration No: 301051E

INDRANIL CHAUDHURI
Partner
Membership No: 058940

Place: Kolkata
Date: 22 December 2020

LODHA & CO. KOLKATA Chartered Accountants

Karan Paul
Chairman
(DIN:00007240)

Ashoke Ghosh
Director
(DIN:00051311)

Beas Moitra
Beas Moitra
Company Secretary

Apeejay Tea Limited
CIN: U27109WB1995PLC071253
Statement of cash flows for the year ended 31 March 2020

All amounts in INR lacs, unless otherwise stated

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
A. Cash flow from operating activities		
Loss before tax	(10,775.80)	(8,094.14)
Adjustments for:		
Depreciation and amortisation expenses	3,287.15	2,231.51
Dividend income	(0.03)	(5.79)
Finance costs	7,584.27	5,155.35
Interest income	(1,234.66)	(659.23)
Liabilities no longer required written back	(281.87)	(44.39)
Profit on disposal/ discard of investment properties (refer Note 5 (i))	(78.51)	-
Provision for expected credit loss on financial assets- written Back	(7,383.66)	(5,795.71)
Provision for interest payable on dividend distribution tax	-	253.03
Loss on disposal/discard of property, plant and equipment	126.84	128.94
Unrealised exchange (gain)/ loss	(146.02)	130.39
Gain on investments classified as fair value through profit or loss	0.62	(3.04)
Net fair value (gain)/ loss on derivatives not designated as hedges	16.45	(304.43)
Operating loss before working capital changes	**(8,885.22)**	**(7,007.51)**
Adjustments for:		
Non-current/ current financial and other assets	2,155.29	827.30
Inventories and biological assets	1,761.30	1,607.18
Non-current/ current financial and other liabilities	1,720.41	2,369.00
Cash used in operations	**(3,248.22)**	**(2,204.03)**
Taxes refund/ (paid)	(355.30)	360.00
Net cash flow from /(used in) operating activities	**(3,603.82)**	**(1,844.03)**
B. Cash flow from investing activities		
Purchase of property, plant and equipment (Net)	(2,367.95)	(4,545.53)
Sale of investments	101.63	
Loans (given to)/ recovered from body corporate	4,649.38	(7,315.00)
Loans recovered from Related Party	7,072.36	6,288.00
Purchase of investments	(0.21)	(1.00)
Sale of investments	81.47	-
Funds invested in term deposit with bank	(5,490.23)	(376.82)
Interest received	710.97	1,843.01
Dividend received	0.03	5.79
Net cash flow from/ (Used in) investing activities	**5,557.45**	**(4,101.55)**
C. Cash flow from financing activities		
Long term borrowings - Proceeds	41.33	30,559.84
Short term borrowings - Proceeds	91,004.15	49,250.00
Long term borrowings - Repayments	(10,167.84)	(4,644.77)
Short term borrowings - Repayments	(76,201.89)	(66,228.00)
Proceeds from cash credit and packing credit (Net)	(1,493.74)	3,721.27
Finance cost paid	(6,992.07)	(4,603.12)
Net cash flow from financing activities	**(3,810.06)**	**8,055.22**
Net increase/(decrease) in cash and cash equivalents	(1,856.13)	2,109.64
Cash and cash equivalents at the beginning of the year	2,416.09	306.45
Cash and cash equivalents at the end of the year (Refer Note No. 16)	**559.96**	**2,416.09**
Cash and cash equivalents comprise:		
Cash in hand (including remittance in transit)	205.52	36.22
Balance with Bank - Current accounts	354.44	1,040.95
Balance with Bank - Fixed deposit accounts	-	3.51
Balance with Bank- Cash credit account	-	1,335.41
	559.96	**2,416.09**

The Statement of Cash Flow has been prepared under the indirect method as set out in the Ind AS 7 on Statement of Cash Flows.

Significant Accounting Policy and other accompanying Notes 1 to 58 are an integral part of the Financial Statements.

As per our report on even date
For Lodha & Co.
Chartered Accountants
Firm ICAI Registration No: 301051E

INDRANIL CHAUDHURI
Partner
Membership No 058940

KOLKATA

Karan Paul
Chairman
(DIN:00007240)

Beas Moitra
Company Secretary

Ashoke Ghosh
Director
(DIN:00051311)

Place: Kolkata
Date: 22 December 2020

1. CORPORATE AND GENERAL INFORMATION

Apeejay Tea Limited (the "Company") is a public limited company having its registered office at Apeejay House, 15, Park Street, Kolkata – 700 016. The Company is primarily engaged in cultivation, manufacturing, purchasing and selling of bulk and packaged tea. The Company caters to both domestic and international markets. The Company's shares are not listed on any stock exchanges within India or outside

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

2.1. Statement of Compliance

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

Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard (Ind AS) is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

2.2. Application of new and revised standards

Effective April 1, 2019, the Company has applied Ind AS 116 'Leases' which establishes the criteria to determine the contracts having lease component within them. Ind AS 116 replaces Ind AS 17 'Leases'.

2.3. Recent accounting pronouncements

On 24th July, 2020, Ministry of Corporate Affairs ("MCA") has issued Companies (Indian Accounting Standards) Amendment Rules, 2020 notifying amendment to Ind AS 1 'Presentation of Financial Statements', Ind AS 8 'Accounting Policies, Changes in Estimates and Errors', Ind AS 10 'Events after the Reporting Period', Ind AS 34 'Interim Financial Reporting', Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets', Ind AS 103 'Business Combinations', Ind AS 107 'Financial Instruments: Disclosures', Ind AS 109 'Financial Instruments', Ind AS 116 'Leases'. These amendments have been made effective for the period beginning on or after 1st April, 2020.

a. Ind AS 1 has been modified to redefine the term 'Material' and consequential amendments have been made in Ind AS 8, Ind AS 10, Ind AS 34 and Ind AS 37.

b. Ind AS 103 dealing with 'Business Combinations' has defined the term 'Business' to determine whether a transaction or event is a business combination.

c. Amendment to Ind AS 107 and 109 relate to exception relating to hedging relationship directly affected by Interest Rate Benchmark reforms.

d. Ind AS 116 has been modified to provide for the treatment on account of concession in rent consequent to COVID-19 pandemic which does not have any impact in the financial statements of the company.

Presently, the Company is evaluating the impact with respect to above, as these amendments are either not applicable or not likely to have any material impact on the financial statement of the company.

2.4. Historical Cost Convention

The Company maintains accounts on accrual basis following the historical cost convention excluding certain assets and liabilities i.e., leasehold land and bearer plant that have been fair valued to be deemed cost on the date of transition to Ind AS i.e., April 1, 2016, And:

a. Certain Financial Assets and Liabilities are measured at Fair value/ Amortised cost; and
b. Defined Benefit Plans – plan assets are measured at actuarial valuation.

2.5. Functional and Presentation Currency

The items included in the financial statements (including notes thereon) are measured using the currency of the primary economic environment in which the Company operates ("the functional currency") and are therefore, presented in Indian Rupees ("INR" or "Rupees" or "Rs."). All amounts disclosed in the financial statements including notes thereon have been rounded off to the nearest Lacs.

KOLKATA
Chartered Accountants

2.6. Use of Estimates and Judgements

The preparation of financial statements in conformity with Ind AS requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Revision to accounting estimates are recognized in the period in which the estimates are revised.

2.7. Current and non-current classification

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

2.8. Measurement of Fair Values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

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

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

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

The Company has an established control framework with respect to the measurement of fair value. This includes a finance team headed by Chief Financial Officer who has overall responsibility for overseeing all significant fair value measurements who regularly reviews significant unobservable inputs, valuation adjustments and fair value hierarchy under which the valuation should be classified.

3. SIGNIFICANT ACCOUNTING POLICIES

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

3.1. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment, are stated in the balance sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any). Cost of an item of property, plant and equipment includes its cost of acquisition, construction and subsequent improvements thereto including taxes and duties (net of credits, if any), freight and other incidental expenses related to acquisition and installation.

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

In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of directly attributable overheads, directly attributable borrowing costs incurred in bringing the item to working condition for its intended use, and estimated cost of dismantling and removing the item and restoring the site on which it is located. The costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling items produced while bringing the asset to that location and condition are also added to the cost of self-constructed assets.

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

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Costs incurred for infilling including block infilling are generally recognized in the Statement of Profit and Loss unless there is a significant increase in the yield of the sections, in which case such costs are capitalized and depreciated over the remaining useful life of the respective sections.

Profit or loss arising on the disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

Capital work in progress (CWIP) includes nurseries, young tea plantation, assets & equipment to be constructed/ installed. Cost for assets & equipment under construction includes expenses incurred during construction period and other expenses incurred in connection with the same. Cost for young tea plantation includes the cost of land preparation, new planting and maintenance of newly planted bushes until maturity. Finance Cost on amount borrowed and attributable to the above assets and period is also capitalized.

Depreciation and Amortization:

Depreciation, except on bearer plant, is calculated using written down value method to allocate their cost, net of their residual values on the basis of useful lives prescribed in Schedule II to the Companies Act, 2013 with the exception of plant and equipment and bearer plant whose useful lives have been determined based on technical evaluation done by management which are different than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets.

Depreciation on bearer plant is provided under straight line method over their balance estimated useful lives on the basis of technical evaluation carried out by management.

Particulars	Estimated Useful Life (in years)
Bearer Plants	80 years
Plant & Equipment	15 to 60 years

In respect of spares for specific machinery, cost is amortized over the useful life of the related machinery as estimated by the management.

Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed of).

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

3.2. INTANGIBLE ASSETS

Intangible Assets (acquired computer software) are stated at cost on initial recognition and subsequently measured at cost less accumulated amortization and accumulated impairment loss, if any.

Intangible assets are amortized over a period of five years.

The amortization period and the amortization method are reviewed at least at the end of each financial year and adjusted if appropriate.

3.3. Investment Properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs.

Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of the investment property is replaced, the carrying amount of the replaced part is derecognized.

Investment properties are depreciated using the written down value method over their estimated useful lives as prescribed in Schedule II to the Companies Act, 2013. Investment properties generally have a useful life of 60 years.

3.4. Biological Assets

Biological assets of the company comprise of un-harvested green tea leaves and expenditure incurred on such assets is measured on initial recognition and at the end of each reporting period at its fair value less costs to sell. The gain or loss arising from a change in fair value less cost to sell of biological assets is included in Statement of Profit and Loss for the period in which it arises.

The Company recognizes biological assets when, and only when, the Company controls the assets as a result of past events, it is probable that future economic benefits associated with such assets will flow to the company and the fair value or cost of the assets can be measured reliably.

3.5. Impairment of Non-Financial Assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful lives of the assets.

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (Cash Generating Units – CGU).

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

3.6. LEASES

Determining whether an arrangement contains a lease

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

Company as a Lessee

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

Right of Use Assets (ROU Assets)

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

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

Lease Liabilities

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

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. Lease liability and ROU assets are separately presented in the Balance Sheet and lease payments are classified as financing cash flows.

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Short Term Leases and leases of low value assets

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

Company as a Lessor

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

3.7. **FINANCIAL INSTRUMENTS**

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

3.7.1. **Financial Assets**

Recognition and Initial Measurement:

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

Classification and Subsequent Measurement:

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

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

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

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

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

Measured at FVTOCI: A financial asset is measured at the FVTOCI if both the following conditions are met:

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

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

Measured at FVTPL: FVTPL is a residual category for financial assets. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition, the company may elect to designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Financial Assets included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss. Equity instruments which are, held for trading are classified as at FVTPL.

Equity Instruments designated at FVTOCI: For equity instruments, which has not been classified as FVTPL as above, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. In case the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. Profit or loss arising on sale thereof is also taken to OCI and the amount accumulated in this respect is transferred within the Equity.

Cash & Cash Equivalents

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

Derecognition:

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

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

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

Impairment of Financial Assets:

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

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

In case of trade receivables or contract assets that result in relation to revenue from contracts with customers, the company measures the loss allowance at an amount equal to lifetime expected credit losses.

3.7.2. Equity & Financial Liabilities

Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument

3.7.2.1. Equity Instruments

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

3.7.2.2. Financial Liabilities

Recognition and Initial Measurement:

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

Subsequent Measurement:

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

Financial Guarantee Contracts:

Financial guarantee contracts issued by the company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirement of Ind AS 109 and the amount recognized less cumulative amortization.

Derecognition:

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

3.7.3. Offsetting financial instruments

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

3.7.4. Derivative financial instruments:

Derivative financial instruments such foreign exchange forward contracts are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value (mark to market) at the end of each reporting period. The Company enters derivative contracts to hedge risks which are not designated as hedges. The resulting gain or loss is recognised in profit or loss immediately.

3.8. BORROWING COSTS

Borrowing costs include interest, other costs incurred in connection with borrowing and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to the interest cost. General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Premium in the form of fees paid on refinancing of loans are accounted for as an expense over the life of the loan using effective interest rate method. All other borrowing costs are recognised in the Statement of profit and loss in the period in which they are incurred.

3.9. INVENTORIES

Raw Materials including harvested tea leaves, produced from own gardens, purchased tea leaves, black tea (packaged tea), are measured at lower of cost and net realizable value. Cost of harvested tea leaves being the fair value less cost to sell at the point of harvest of tea leaves.

Stores & spares parts and finished goods are stated at lower of cost and net realizable value.

Cost of finished goods comprised direct material, direct labour and appropriate portion of variable and fixed overhead expenditure. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of weighted average method.

NRV is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary for bringing the inventory to sale.

3.10. FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currency are recorded at daily exchange rates prevailing on the date of the transactions. Monetary assets and liabilities related to foreign currency are restated at the year-end at the exchange rate prevailing on the Balance Sheet date. Foreign currency non-monetary items carried in terms of historical cost are reported using the exchange rate on the date of transactions. Exchange differences arising on restatement or settlement are recognised in the statement of profit and loss in the period in which they arise.

3.11. Revenue Recognition

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

Sale of Goods/ Services

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The revenue from sales is recognized when control over a product or service has been transferred and/or products/ services are delivered/ provided to the Customers. Delivery occurs when the product has been shipped or delivered to the specific location as the case may be and the customer has either accepted the product in accordance with the contract or the Company has sufficient evidence that all the criteria for acceptance has been satisfied. Returns, discount and rebates as determined/ estimated based on sales volume or otherwise are deducted from sales.

Interest Income

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

Dividend Income

Dividend income from investments is recognized when the Company's right to receive payment has been established.

Rental Income

Rental income from investment properties and subletting of properties is recognized on a straight line basis over the term of the relevant leases.

3.12. TAXES ON INCOME

Income Tax comprises current and deferred tax.

3.12.1. Current Tax:

Current tax in the Statement of Profit & Loss is provided as the amount of tax payable in respect of taxable income for the period using applicable tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

3.12.2. Deferred Tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities and the corresponding amounts used for taxation purposes (i.e., tax base) at the tax rates and tax laws enacted or substantively enacted. Deferred tax is also recognized in respect of carry forward unused tax losses and unused tax credits.

Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that future taxable profits will be available against which the deductible temporary differences can be utilized.

Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in other comprehensive income or in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

3.13. GOVERNMENT GRANTS

Government grants are recognised at their fair value, where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. The Government grants related to income is recognised in statement of profit and loss on a systematic and rational basis over the periods over which the related costs, for which it is intended to compensate, are expensed. The same is presented under "Other Operating Revenue".

The Government grants relating to the acquisition/ construction of an item of property, plant and equipment are treated as deferred income and are credited to statement of profit and loss on a systematic basis over the expected useful life of the related asset to match them with the costs for which they are intended to compensate and presented within "Other Operating Revenue".

3.14. EMPLOYEE BENEFITS

3.14.1. Short Term Benefits

The undiscounted amount of Short-term Employee Benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the service.

3.14.2. Other Long Term Employee Benefits (Compensated Absences)

Accumulated compensated absences which are expected to be availed or encashed within twelve months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences which are expected to be availed or encashed beyond twelve months from the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit Method) at the end of each year. Actuarial loss/gains are recognised in the Statement of Profit and Loss in the year in which they arise. The Company presents the entire leave as a current liability in the Balance Sheet, since it does not have a unconditional right to defer its settlement for twelve months after the reporting date.

3.14.3. Post Employment Benefits

The Company operates the following post employment schemes:

Defined Contribution Plan

Payments to defined contribution plans are charged as an expense as they fall due. Payments made to state managed retirement benefit schemes are dealt with as payments to defined contribution schemes where the Company's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit scheme.

Defined Benefit Plans

A defined benefit plan is a post employment benefit plan other than a defined contribution plan. The cost of providing defined benefits is determined using the Projected Unit Credit Method with actuarial valuations being carried out at each balance sheet date.

Remeasurement of the net defined benefit obligation, which comprises actuarial gains and losses, are recognized in other comprehensive income. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the statement of profit and loss.

Net interest and changes in the present value of defined benefit obligation resulting from plan amendments or curtailments are recognised in profit or loss.

Past service cost is recognized as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognized whichever is earlier. The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of any economic benefit available in the form of refunds from the plan or reductions in future contributions to the plan.

3.15. Provisions, Contingent Liabilities and Contingent Assets

3.15.1. Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

3.15.2. Contingent Liabilities

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

3.15.3. Contingent Assets

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

3.16. Operating Segment

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors. The CODM of the Company is responsible for allocating resources and assessing performance of the operating segments and accordingly is identified as the chief operating decision maker.

The Company has identified two reportable segments "Bulk Tea" & "Packaged Tea" based on the information reviewed by the CODM.

3.17. Earnings Per Share

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period.

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

3A CRITICAL ACCOUNTING JUDGMENTS, ASSUMPTIONS AND KEY SOURCES OF ESTIMATION AND UNCERTAINTY

The preparation of the financial statements in conformity with the measurement principle of Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognized in the year in which the results are known / materialized and, if material, their effects are disclosed in the notes to the financial statements.

Application of accounting policies that require significant areas of estimation, uncertainty and critical judgments and the use of assumptions in the financial statements have been disclosed below. The notes provide an overview of the areas that involved a high degree of judgement or complexity and of items which are likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant note together with information about basis of calculation of each affected line item in the financial statements. The key assumptions concerning the future and other key sources of estimation/assumptions at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities and related revenue impact within the next financial year are discussed below:

Recognition of Deferred Tax Assets: The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.

Useful lives of depreciable/ amortizable assets (tangible and intangible): Management reviews its estimate of the useful lives of depreciable/ amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.

Impairment of the Tangible and Intangible Assets: The company reviews the carrying value of its Tangible and Intangible Assets whenever there is objective evidence that the assets are impaired. The required level of impairment losses to be made is estimated by reference to the estimated value in use or recoverable amount. In such situation Assets' recoverable amount is estimated which is higher of asset's or cash generating units (CGU) fair value less cost of disposal and its value in use. In assessing value in use the estimated future cash flows are discounted using pre-tax discount rate which reflect the current assessment of time value of money. In determining fair value less cost of disposal, recent market realisations are considered or otherwise in absence of such transactions appropriate valuations are adopted.

Classification of Leases: The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

Defined Benefit Obligation (DBO): Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.

Provisions and Contingencies: The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.

Impairment of Financial Assets: The Company reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication of impairment. If recoverable amount is less than its carrying amount, the impairment loss is accounted for.

Allowances for Doubtful Debts: The Company makes allowances for doubtful debts through appropriate estimations of irrecoverable amount. The identification of doubtful debts requires use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.

Fair value measurement of financial Instruments: When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The input to these models are taken from observable markets where possible, but where this not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

Fair value of Biological Assets: The fair value of Biological Assets is determined based on recent transactions entered into with third parties or available market price. Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company.

Apeejay Tea Limited
CIN: U27109WB1996PLC071283
Notes forming part of the Financial Statements as at and for the year ended 31 March 2020

All amounts in INR lacs, unless otherwise stated

Note 4(a): Property, plant and equipment

Particulars	Gross carrying amount				Accumulated depreciation				Impairment Loss		Net carrying amount	
	As at 31 March 2019	Additions during the year	Deletion during the year	As at 31 March 2020	As at 31 March 2019	Charge during the year	Deletion during the year	As at 31 March 2020	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Leasehold land (Refer note (a) & (b))	55,400.00	-	-	55,400.00	-	-	-	-	-	-	55,400.00	55,400.00
Buildings (Refer note (c))	15,735.63	309.60	70.00	15,975.23	9,916.62	1,592.71	32.18	11,477.14	-	-	4,501.05	5,822.01
Plant and equipment	18,065.75	1,210.91	3.91	19,269.85	11,597.02	1,065.35	3.82	12,648.65	-	-	6,621.20	6,468.73
Furniture and fixtures	273.77	3.86	0.68	276.74	226.10	12.78	0.65	238.23	-	-	38.51	47.67
Vehicles	1,951.51	35.85	172.63	1,814.73	1,656.48	99.28	163.90	1,591.85	2.00	2.00	220.88	293.13
Office equipment	457.17	55.74	-	512.91	422.42	23.07		445.49	-	-	67.42	34.75
Bearer plants (refer note (e))	24,224.29	305.69	173.57	24,356.31	1,338.63	464.33	27.77	1,775.19	-	-	22,581.12	22,885.66
Total	1,16,111.22	1,920.35	422.80	1,17,608.77	25,157.27	3,247.41	230.13	28,174.55	2.00	2.00	89,432.22	90,951.95

Particulars	Gross carrying amount				Accumulated depreciation				Impairment Loss		Net carrying amount	
	As at 31 March 2018	Additions during the year	Deletion during the year	As at 31 March 2019	As at 31 March 2018	Charge during the year	Deletion during the year	As at 31 March 2019	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
Leasehold land	55,400.00	-	-	55,400.00	-	-	-	-	-	-	55,400.00	55,400.00
Buildings	14,260.04	1,475.59	-	15,735.63	9,087.99	828.63	-	9,916.62	-	-	5,822.01	5,173.05
Plant and equipment	16,957.70	2,143.84	45.84	18,065.75	10,854.68	785.68	43.34	11,597.02	-	-	6,468.73	5,113.08
Furniture and fixtures	276.38	12.68	15.29	273.77	228.88	11.77	14.53	226.10	-	-	47.67	45.82
Vehicles	1,862.41	89.20	-	1,951.61	1,557.58	98.90	-	1,656.48	2.00	2.00	293.13	303.83
Office equipment	449.75	7.42	-	457.17	402.94	19.48	-	422.42	-	-	34.75	46.81
Bearer plants	23,628.54	731.24	135.49	24,224.29	895.40	452.86	9.62	1,338.63	-	-	22,885.66	22,734.74
Total	1,11,844.87	4,462.97	196.62	1,16,111.22	23,027.45	2,187.51	67.69	25,157.27	2.00	2.00	90,951.95	88,817.41

a) The Company has 17 tea estate land in State of Assam for which lease(patta) has been granted for carrying out the plantation activity against payment of Land Revenue. The Company's Lease right for plantation is not for a specified lease term against lease payments (other than land revenue) and not expected to be withdrawn or discontinued in foreseeable future and as such perpetual in nature. Capitalisation of costs thereof as required in terms of Ind AS 116 and amortisation over the lease terms has therefore not considered in this respect.

b) Leasehold land represent valuation at deemed cost on the date of transition i.e 01st April 2016 in terms of Ind AS 101 on " First time Adoption of Indian Accounting Standards"

c) Gross carrying amount and accumulated depreciation includes building on rented land amounting to Rs. 46.01 (31 March 2019: Rs. 48.01) and Rs 33.10 (31 March 2018: Rs. 31.51) respectively.

d) First pari-passu charge is yet to be created on all movable properties, both present and future and on five tea estates of the Company for standby letter of credit issued in favour of its subsidiary (refer note44). For other charges on tangible assets refer note 23 and 28.

e) Gross carrying amount of Bearer Plants includes Rs. 4,982 being element of fair value in deemed cost on the date of transition i.e. 1st april, 2016 in terms of Ind AS 101 on first time adoption of Indian accounting standards

Note 4 (b): Capital work-in-progress

Particulars	As at 1st April, 2019	Additions	Disposals	Capitalised	As at 31st March, 2020
Bearer plants (Refer notes below)	2,624.79	1,004.28	-	305.69	3,323.38
Others	4.06	-	-	4.06	-
Total	2,628.85	1,004.28	-	309.75	3,323.38

Particulars	As at 1st April, 2018	Additions	Disposals	Capitalised	As at 31st March, 2019
Bearer plants (Refer notes below)	1,958.37	1,397.77	-	731.25	2,624.79
Others	254.00	-	-	249.94	4.06
Total	2,212.27	1,397.77	-	981.19	2,628.85

a) Details of Pre-Operative Expenses capitalized during the year

Particulars	As at 31st March, 2020	As at 31st March, 2019
Finance Cost	45.78	57.14
Employees Benefit Expenses	635.44	1,014.30
Other Expenses	219.56	200.66
Total	901.58	1,272.10

b) The Company has capitalised borrowing cost incurred on general funds borrowed and used for the purpose of bearer plant, amounting to Rs.45.78 (31 March 2019: Rs.57.14) [Refer Note 38]

All amounts in INR lacs, unless otherwise stated

Note 5: Investment properties

Particulars	As at 31 March 2020	As at 31 March 2019
Gross carrying amount		
Opening balance	30.27	30.27
Addition	-	-
Disposal	(30.27)	-
Closing balance	-	**30.27**
Accumulated depreciation		
Opening balance	5.92	4.09
Depreciation charge	1.23	1.83
balance on Disposal	(7.15)	
Closing accumulated depreciation	-	**5.92**
Net carrying amount	-	**24.35**

(i) Amounts recognised in profit or loss for investment properties

Particulars	As at 31 March 2020	As at 31 March 2019
(a) Rental income	-	-
(b) Profit on sale of investment property	78.51	-
(c) Direct operating expenses (including repairs and maintenance) arising from investment property that generated rental income during the period	-	-
(d) Direct operating expenses (including repairs and maintenance) arising from investment property that did not generate rental income during the period	0.64	4.76
Profit/(Loss) from investment properties before depreciation	**77.87**	**(4.76)**
Depreciation	1.23	1.83
Profit /(Loss) from investment properties	**76.64**	**(6.59)**

(ii) Fair value

	31 March 2020	31 March 2019
Investment properties	-	140.00

All amounts in INR lacs, unless otherwise stated

Note 6: Intangible assets

Particulars	Gross carrying amount				Accumulated amortisation				Net carrying value	
	As at 31 March 2019	Additions during the year	Deletion during the year	As at 31 March 2020	As at 31 March 2019	Charge during the year	Deletion during the year	As at 31 March 2020	As at 31 March 2020	As at 31 March 2019
Computer software	136.84	15.38	-	152.22	58.93	38.51	-	97.44	54.78	77.91
Total	136.84	15.38	-	152.22	58.93	38.51	-	97.44	54.78	77.91

Particulars	Gross carrying amount				Accumulated amortisation				Net carrying value	
	As at 31 March 2018	Additions during the year	Deletion during the year	As at 31 March 2019	As at 31 March 2018	Charge during the year	Deletion during the year	As at 31 March 2019	As at 31 March 2019	As at 31 March 2018
Computer software	132.10	4.74	-	136.84	25.00	33.93	-	58.93	77.91	107.10
Total	132.10	4.74	-	136.84	25.00	33.93	-	58.93	77.91	107.10

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All amounts in INR lacs, unless otherwise stated

Note 7: Investments

Particulars	As at 31 March 2020	As at 31 March 2019
Unquoted		
Investment in equity instruments of Subsidiary at cost		
Apeejay Tea (Panama) Inc - 3,692 Nos.(31 March 2019: 3,692 Nos.) Common shares of GBP 1 each fully paid up	3.07	3.07
Investment in equity instruments designated at FVTPL - Others		
a) Apeejay Surrendra Management Services Private Limited - 19,990 Nos. (31 March 2019: 19,990 Nos.) equity shares of Rs. 10 each fully paid up	25.10	25.80
b) Jalpaiguri Club Limited - 90 Nos.(31 March 2019: 90 Nos.) equity shares of Rs. 10 each fully paid up	0.01	0.01
c) ABC Tea Workers Welfare Services - 18,000 Nos. (31 March 2019: 18,000 Nos.) equity shares of Rs. 10 each fully paid up	1.80	1.80
Investment in preference shares of Subsidiary at amortised cost		
Apeejay Tea (Panama) Inc. - 5,000,000 Nos.(31 March 2019: 5,000,000 Nos.) 12 months GBP LIBOR+ 2.50% Cumulative redeemable preference shares of GBP 1 each fully paid up	4,673.00	4,533.50
Less: Provision for expected credit loss [Refer Note- 50 (A) (ii)]	(4,239.08)	(4,239.08)
	433.92	294.42
Investment in debenture instruments at amortised cost		
a) Shillong Club Limited - 83 Nos.(31 March 2019: 83 Nos.) 5% Redeemable debentures of Rs. 100 each fully paid	0.07	0.07
b) East India Clinic Limited - 220 Nos.(31 March 2019: 220 Nos.) 5% Non-redeemable debentures (refer Note 7.2 below)	0.18	0.18
Quoted		
Investment in units of mutual fund at FVTPL		
UTI Hybrid Equity Fund-Regular Growth Plan - Nil units (31 March 2019- 47,884 units)	-	81.39
Total non-current investments	**464.15**	**406.74**
(a) Aggregate amount of unquoted investments	464.15	406.74
(b) Aggregate amount of impairment in the value of investments	4,239.08	4,239.08

7.1 Particulars of Investment as requried in terms of Section 186(4) of the Companies Act , 2013 have been disclosed under note 7 above.

7.2 Woodland Multispeciality Hospital Limited (erstwhile East India Clinic Limited) had issued equity shares to the parties holding debentures in East India Clinic Limited. Pending complete information and legal formalities, the Company has continued to present the debentures at amortised cost.

All amounts in INR lacs, unless otherwise stated

Note 8: Other financial assets- non current

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured considered good		
Security deposits	845.77	989.87
Deposits with National Bank for Rural and Agricultural Development	3.85	3.85
Fixed Deposit with Banks (having maturity of more than 12 months from the year end) **	5,702.21	333.13
	6,551.83	**1,326.85**

** kept as lien against Standby Letter of Credit from Bank

Note 9: Non-current tax assets (net)

Particulars	As at 31 March 2020	As at 31 March 2019
Advance tax and agricultural income tax [Net of provision of Rs. Nil (31 March 2019: Rs.Nil)	1,213.42	856.07
	1,213.42	**856.07**

Note 10: Other non-current assets

Particulars	As at 31 March 2020	As at 31 March 2019
Capital advances	88.92	337.10
Advances other than capital advances:		
Prepayment of lease rentals	22.78	5.88
	111.70	**342.98**

Note 11: Inventories (Valued at lower of cost or net realisable value)

Particulars	As at 31 March 2020	As at 31 March 2019
Raw materials	300.93	426.34
Work-in-progress	42.67	30.31
Finished goods	1,004.99	2,231.63
Stock-in-trade	-	153.09
Stores and spares	2,246.32	2,353.60
	3,594.91	**5,194.97**

Note 12: Biological assets other than bearer plants

Particulars	As at 31 March 2020	As at 31 March 2019
Fair value of biological assets other than bearer plants (Unharvested tea leaves)	-	161.24
	-	**161.24**

Note: Weighted average quantity of Unharvested tea leaves on bushes as at 31 March 2020 was Nil # (31 March 2019 - 9,78,282 kgs)

Due to COVID 19 pandemic, operations at tea estates in Assam were disrupted and there were no usable green leaves on the tea bushes as on 31 March 2020

All amounts in INR lacs, unless otherwise stated

Note 13: Investments

Particulars	As at 31 March 2020	As at 31 March 2019
Investment in mutual fund at FVTPL		
HDFC Floating Rate Income Fund-Short Term Plan - Wholesale Option Regular Plan-Dividend Reinvestment Daily - 5456.131 units (31 March 2019: 5097.53units)	0.54	0.44
	0.54	**0.44**

Note 14: Trade receivables

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured		
Considered good	5,416.19	7,428.85
Credit impaired	504.57	574.01
Less: Impairment allowance Refer Note 50 (A) (i)	(504.57)	(574.01)
	5,416.19	**7,428.85**

Note 15: Cash and cash equivalents

Particulars	As at 31 March 2020	As at 31 March 2019
Balance with Bank:		
In Current accounts	354.44	1,040.95
In Fixed deposit accounts with original maturity of less than 3 months	-	3.51
In Cash credit account	-	1,335.41
Cash on hand	205.52	36.22
	559.96	**2,416.09**

Note 16: Bank Balance Other than Note 15

Particulars	As at 31 March 2020	As at 31 March 2019
Fixed Deposit with Banks (maturing within 12 months from the year end) [Under lien Rs.89.64 (31 March 2019: Rs.83.00)]**	204.15	83.00
	204.15	**83.00**

** Kept as lien against Term Loan from Bank

Note 17: Loans -current

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured considered good, unless otherwise stated		
Loans given to bodies corporate (Refer Note 51 c)	3,212.63	7,862.00
Loans to related party-Subsidiary (Refer Note 51 c)		
Considered good	819.79	1,345.43
Credit impaired	-	7,314.73
Less: Impairment allowance Refer Note 50 (A) (ii)	-	(7,314.73)
	4,032.42	**9,206.43**

17.1 For Loan to bodies corporate u/s 186 (4) refer note 53
17.2 For Expected Credit Loss movement refer Note-50(A) (ii)

All amounts in INR lacs, unless otherwise stated

Note 18: Other financial assets-current

Particulars	As at 31 March 2020	As at 31 March 2019
Security deposits	162.64	54.90
Earnest money deposit	7.96	7.96
Interest receivable from related party- Subsidiary:		
Considered good	244.44	39.15
Credit impaired	563.67	563.67
Less: Impairment allowance Refer Note 50 (A) (ii)	(563.67)	(563.67)
Interest receivable from Others	304.35	55.01
Interest receivable from FD	69.06	-
Rent receivable from Others	351.71	175.84
	1,140.16	**332.86**

Note 19: Other current assets

Particulars	As at 31 March 2020	As at 31 March 2019
Advances other than capital advances		
Accrued duty exemption benefits pertaining to exports	213.29	222.48
Subsidies receivable	466.21	307.97
Advance to suppliers, service providers, etc.	176.66	399.17
Advance to employees	104.45	112.60
Advance for employee benefits	44.68	45.12
Prepaid expenses	87.38	204.13
Balances with government authorities		
Considered good	1,169.22	1,100.74
Prepayment of lease rentals	28.66	7.75
	2,290.55	**2,399.96**

LODHA & CO. KOLKATA Chartered Accountants

Apeejay Tea Limited
CIN: U27108WB1995PLC071253
Notes forming part of the Financial Statements as at and for the year ended 31 March 2020

All amounts in INR lacs, unless otherwise stated

Note 20: Equity share capital

Authorised equity share capital

Particulars	Face Value (Rs.)	Number of shares	Amount
As at 31 March 2018	10	1,60,00,000	1,600.00
Changes during the year		-	-
As at 31 March 2019	**10**	**1,60,00,000**	**1,600.00**
Changes during the year		-	-
As at 31 March 2020	**10**	**1,60,00,000**	**1,600.00**

Issued, subscribed and fully paid up equity share capital

Particulars	Face Value (Rs.)	Number of shares	Amount
As at 31 March 2018	10	50,480	5.05
Changes during the year		-	-
As at 31 March 2019	**10**	**50,480**	**5.05**
Changes during the year		-	-
As at 31 March 2020	**10**	**50,480**	**5.05**

(a) Rights, preference and restrictions attached to shares

The Company has only one class of equity share having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors,if any,is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(b) Shares held by the Holding Company

Particulars	As at 31 March 2020 [No of shares]	As at 31 March 2019 [No of shares]
Kathua Steel Works Private Limited	29,600	29,600

(c) Shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at 31 March 2020 [No of shares]	As at 31 March 2019 [No of shares]
Kathua Steel Works Private Limited	29,600	29,600
	(58.64%)	(58.64%)
Assam Frontier Tea Holdings Limited	13,058	13,058
	(25.87%)	(25.87%)
Apeejay House Private Limited	3,308	3,308
	(6.55%)	(6.55%)

All amounts in INR lacs, unless otherwise stated

Note 21: Other equity

Reserves and surplus

Particulars	As at 31 March 2020	As at 31 March 2019
Amalgamation reserve	2,687.23	2,687.23
General reserve	12,385.00	12,385.00
Retained earnings	18,346.93	31,598.62
Total reserves and surplus	**33,419.16**	**46,670.85**

(i) Amalgamation reserve

Particulars	As at 31 March 2020	As at 31 March 2019
Opening balance	2,687.23	2,687.23
Movement during the year	-	-
Closing balance	**2,687.23**	**2,687.23**

(ii) General reserve

Particulars	As at 31 March 2020	As at 31 March 2019
Opening balance	12,385.00	12,385.00
Movement during the year	-	-
Closing balance	**12,385.00**	**12,385.00**

(iii) Retained earnings

Particulars	As at 31 March 2020	As at 31 March 2019
Opening balance	31,598.62	40,120.05
Net loss for the year	(11,530.45)	(8,094.14)
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-employment benefit obligation, net of tax	(1,721.24)	(427.29)
Closing balance	**18,346.93**	**31,598.62**

Nature and purpose of other reserves

Amalgamation reserve

Amalgamation reserve has arisen on amalgamation pursuant to Scheme of Arrangement approved by Hon'ble High Court of Kolkata on 17 September 2008 and Hon'ble High Court of Delhi on 18 December 2008.

General reserve

The general reserve is created from time to time by appropriating profits from retained earnings at the discretion of the company.

Retained earnings

Retained earnings represent accumulated profits earned by the Company and remaining undistributed after deducting therefrom the losses as on that date and remeasurement of defined benefit plans, changes in value of certain Property Plant and Equipment being fair valued to deemed cost and financial instruments being valued at fair value in terms of the requirement of Ind AS.

Lodha & Co. Chartered Accountants

Financial liabilities (Non-current)

Note 22: Borrowings

Particulars	As at 31 March 2020	As at 31 March 2019
Secured:		
a) Special Purpose Tea Fund from Tea Board [*Refer I (a) below*]	89.35	135.92
b) Term loan from Banks		
Rupee loan [Refer I (b) below]	24,407.26	32,924.26
Vehicle loans [Refer I (c) below]	35.73	43.65
	24,532.34	**33,103.84**

I. Nature of security

a) Term Loans from Tea Board have been secured by way of equitable mortgage over eight Tea Estates and by way of hypothecation of tea crop both belonging to the Empire and Singlo Tea Division and ranking subsequently to security created in favour of bank.

b) Rupee Term Loan is secured by first pari passu charge over the moveable and immoveable fixed assets of certain tea estates of the company (both present and future).

c) Vehicle loans have been secured by way of hypothecation of vehicles financed.

d) The securities given herein above are also applicable for Current maturities of the above term loans included under note 28

II. Terms of repayment

a) Term loans from Tea Board amounting to Rs. 50.36 Lacs (31st March, 2019- Rs. 75.55) is repayable in four (31st March, 2019- six) equal half yearly instalments and in respect of loan amounting to Rs. 85.55 Lacs (31st March, 2019- Rs. 107) repayable in eight (31st March, 2019- ten) equal half yearly instalments. Interest is payable on monthly basis at 8.91% p.a. (31st March,2019- 8.91% p.a)

b)(i)Rupee Term Loan from HDFC Bank amounting to Rs.1200 Lacs(31st March, 2019- Rs.2000) is repayable in six (31st March, 2019- ten) equal quarterly installments. Interest is payable on monthly basis at 8.95% p.a.(31st March,2019- 9.65%) and
(ii)Rupee Term Loan from Yes Bank amounting to Rs.4177.25 Lacs (31st March, 2019- Rs 5000) is repayable in nine (31st March, 2019- ten) equal half-yearly installments. Interest is payable on monthly basis at 9.70% p.a.(31st March,2019- 9.95%)
and
(iii)Rupee Term Loan from Yes Bank amounting to Rs.13691.5 Lacs (31st March, 2019- Rs 13900) is repayable in 31(31st March, 2019- 36) quarterly installments starting after 6 months from the date of first disbursements. Interest is payable on monthly basis at 11.40 % p.a.(31st March,2019- 11.35%).
and
Rupee Term Loan from IndusInd Bank amounting to Rs.9400 Lacs (31st March, 2019- Rs 15000) is repayable in 28 equal quarterly installments (31st March 2019- 40) starting after 3 months from the date of first disbursements. Interest is payable on monthly basis at 11% p.a.(31st March,2019- 11).

c) Vehicle Loans amounting to Rs. 0.00 (31st March, 2019 - Rs. 28.70) and Rs. 0.00 (31st March, 2019 - Rs 8.53) and Rs 43.65 Lacs (31st March 2019- Rs50.9) repayable in 84 monthly instalments respectively from the date of disbursement of respective loans. Interest is payable on monthly basis and at the rate ranging from 8.5% to 11.5%

d) The amount stated in the footnotes (a) to (c) are inclusive of amounts disclosed under current maturities of Long Term Debts, if any, in Note 28 .

e) All repayment schedules as above are at unamortised cost.

Note 23: Provisions (Non-current)

Particulars	As at 31 March 2020	As at 31 March 2019
Provision for Employee Benefits		
Gratuity	2,502.77	1,078.02
Pension [Refer note 41 (b) and (c)]	1,687.26	87.01
	4,190.03	**1,165.03**

All amounts in INR lacs, unless otherwise stated

Note 24: Deferred tax liabilities (net)

Particulars	As at 31 March 2020	As at 31 March 2019
The balance comprises temporary differences attributable to:		
Deferred tax liabilities		
Property, plant and equipment and capital work-in-progress	2,235.90	2,594.13
	2,235.90	**2,594.13**
Deferred tax assets		
Disallowances of employee benefits allowable for tax purpose on payment	1,645.08	739.28
Provision for doubtful debts and advances	225.32	1,431.91
Derivatives	11.86	23.95
Unabsorbed depreciation	309.76	398.99
Others	43.88	-
	2,235.90	**2,594.13**
Deferred tax (assets) / liabilities	-	-

Significant component of net deferred tax liability and assets for the year ended 31 March 2020 are as follows

Particulars	As at 31 March 2019	Recognised through PL	Recognised through OCI	As at 31 March 2020
Deferred tax liablities				
Property, plant and equipment and capital work-in-progress	2,594.13	(358.23)		2,235.90
Deferred tax assets				
Disallowances of employee benefits allowable for tax purpose on payment	739.28	151.15	754.65	1,645.08
Provision for doubtful debts and advances	1,431.91	(1,206.59)		225.32
Derivatives	23.95	(12.09)		11.86
Unabsorbed depreciation	398.99	(89.23)		309.76
Others	-	43.88		43.88
Net Deferred Tax Liability	-	**(754.65)**	**754.65**	-

Particulars	As at 31 March 2018	Recognised through PL	Recognised through OCI	As at 31 March 2019
Deferred tax liabilities				
Property, plant and equipment and capital work-in-progress	2,408.76	185.37		2,594.13
Others	106.00	(106.00)		-
Deferred tax assets				
Disallowances of employee benefits allowable for tax purpose on payment	355.78	383.50		739.28
Provision for doubtful debts and advances	1,206.52	225.39		1,431.91
Derivatives	116.74	(92.79)		23.95
Unabsorbed depreciation	835.22	(436.23)		398.99
Net Deferred Tax Liability	-	-	-	-

24.1 The amount of deductible temporary difference, unused tax losses, and unused tax credits for which no deferred tax asset is recognised in the balance sheet is disclosed in Note no 42 (c),(d),(e)

24.2 The ultimate realisation of the deferred tax assets, carry forward losses and unused tax credits is dependent upon the generation of future taxable income. Deferred tax assets including MAT credit entitlement is recognised on management's assessment of reasonable certainty for reversal/ utilisation thereof against future taxable income. Accordingly deferred tax assets has been recognised only to the extent of liability thereagainst and differential amount pertaining to the items given herein above has not been considered.

All amounts in INR lacs, unless otherwise stated

Note 25: Other Non-Current Liability

Particulars	As at 31 March 2020	As at 31 March 2019
Deferred Government Grant	711.89	517.80

25.1 Movement in Deferred Government Grant

	As at 31 March 2020	As at 31 March 2019
Opening balance	540.82	424.71
Grants received during the year	239.70	140.85
Less: Released to profit or loss	(35.58)	(24.74)
	744.94	**540.82**

Note 26: Borrowings

Particulars	As at 31 March 2020	As at 31 March 2019
Secured-From Banks		
Repayable on demand- Cash credit (Refer note 26.1)	7,913.51	8,069.83
Short term loans from Banks	8,175.00	4,875.00
Export packing credit from banks (Refer note 26.1)	1,933.85	3,271.28
Unsecured:		
Short Term Loans from Banks	-	2,500.00
Acceptances	654.41	707.85
Loans taken from body corporates	15,841.89	1,640.00
	34,618.67	**21,063.96**

26.1 Nature of security

The above loans from Banks are secured by way of hypothecation over current assets, subservient to existing charge holders, first and exclusive floating charge over certain moveable fixed assets of the Company, both present and future and also secured by way of equitable mortgage over immoveable properties of certain tea estate of the Company.

26.2 Terms of Repayment

The short term loans are repayable within 12 months from the date of disbursement.

Financial liabilities (Current)

Note 27: Trade payables

Particulars	As at 31 March 2020	As at 31 March 2019
(a) Total outstanding dues of micro enterprises and small enterprises [Refer Note 27.1 below]	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	7,281.76	8,100.65
	7,281.76	**8,100.65**

27.1 There are no dues to Micro and Small Enterprises as at March 31, 2019. This information as required to be disclosed under The Micro Small and Medium Enterprise Development Act ,2006 has been determined to the extent such parties have been identified on the basis of information available with the Company

Description	Trade Payables	Payable to suppliers of capital goods	Total
The principal amount remaining unpaid to suppliers as at the end of accounting year *	-	-	-
The interest due thereon remaining unpaid to suppliers as at the end of accounting year	-	-	-
The amount of interest paid by the Company in terms of section 16, of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the suppliers beyond the appointed day during the year	-	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-	-
The amount of interest accrued during the year and remaining unpaid at the end of the accounting year**	-	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-

All amounts in INR lacs, unless ot

Financial liabilities (Current)

Note 28: Other financial liabilities-current

Particulars	As at 31 March 2020	As at 31 March 2019
Current maturities of long-term debt [refer note 28.1]	3,294.74	4,849.75
Interest accrued but not due on borrowings	370.74	238.51
Interest payable to Body Corporate	679.40	219.43
Dues to Employees	4,750.93	5,062.20
Liabilities for Capital Goods		
Total outstanding dues of micro enterprises and small enterprises (refer Note 27.1)		-
Total outstanding dues of creditors other than micro enterprises and small enterprises	293.17	344.87
Derivative liability		
- Foreign-exchange forward contracts	95.03	59.46
- Foreign currency options	-	19.12
Other Charges	57.64	85.64
	9,541.65	**10,878.97**

28.1 Refer note 22 for security against respective term loans

Note 29: Other current liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
Advances from Customers	34.73	2.57
Deferred Government Grant	33.05	23.01
Statutory dues	2,902.20	1,058.49
Other Liability	253.23	253.23
	3,223.21	**1,337.30**

Note 30: Provisions - Current

Particulars	As at 31 March 2020	As at 31 March 2019
Provision for Employee Benefits		
Compensated absences	69.47	116.88
Pension [Refer note 41 (b) and (c)]	61.45	43.53
	130.92	**160.41**

Note 31: Current tax liability (net)

Particulars	As at 31 March 2020	As at 31 March 2019
Provision for income tax [net of advance tax of Rs. 14,265 (31 March 2019: Rs.14,235)]	695.00	695.00
Provision for fringe benefit tax [Net of Advance Tax Rs. 121 (31 March 2019: Rs.121)]	30.88	30.88
Provision for dividend distribution tax [refer 31.1 below]	109.80	109.80
	835.68	**835.68**

31.1 According to the Order dated 28 July 2006 of Hon'ble High Court at Calcutta, the Company was liable to pay dividend tax under Section 115O of the Income-tax Act, 1961 on 40% of the dividend declared/ paid instead of on the entire amount of dividend. The said decision was however subsequently denied in September, 2017 by Hon'ble Suprement Court of India.The said court pursuant to a review petition filed in this respect, has upheld its earlier judgement and therefore the differential amount required to be provided in this respect has been recognised.

Apeejay Tea Limited
CIN: U27108WB1995PLC071253
Notes forming part of the Financial Statements as at and for the year ended 31 March 2020

All amounts in INR lacs, unless otherwise stated

Note 32: Revenue from operations

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Sale of products		
Manufactured items		
Bulk tea	35,268.75	39,226.25
Packaged tea (including fruit infusion Rs.77 (31 March 2019: Rs.78)	2,638.66	2,811.14
Others	108.78	205.82
Trading items		
Black tea	2,189.36	3,506.40
	40,205.55	**45,749.61**
Other operating revenue		
Income from government grant		
- Subsidy on Orthodox tea	280.94	186.75
- Replantation subsidy	5.71	4.28
- Transport subsidy	42.52	13.99
- Accrued duty exemption entitlement and other benefits relating to exports or premium on sale thereof	236.76	231.32
- Others	29.86	20.46
	595.79	**456.80**
	40,801.34	**46,206.41**

32.1 For disaggregation of revenue refer Note-54

Note 33: Other income

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest income from financial assets at amortised cost		
- Unwinding of discount on security deposits	28.98	30.88
- Inter-corporate loans	450.64	657.20
- Bank deposits	784.02	0.82
- Other deposits	-	1.20
Dividend income from investments measured at fair value through profit or loss	0.03	5.79
Rental income (refer Note- 46)	341.63	233.10
Profit on disposal/ discard of investment properties (refer Note 5.(i))	78.51	-
Liabilities/Provision no longer required written back	281.87	44.39
Reversal of impairment allowance on financial assets [Refer Note- 50 (A) (i) and (ii)]	7,383.66	5,795.71
Insurance claims	48.77	86.69
Net gain on financial assets measured at fair value through profit or loss	(0.62)	3.04
Net (loss)/gain on foreign currency transaction and translation	254.06	(64.18)
Miscellaneous income	109.15	285.36
	9,760.70	**7,080.00**

Note 34: Cost of materials consumed

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Opening stock	426.34	134.43
Add: Purchases	2,000.81	3,162.48
Less: Closing stock	(300.93)	(426.34)
	2,126.22	**2,870.57**

All amounts in INR lacs, unless otherwise stated

Note 35: Purchase of stock-in-trade

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Purchase of trading items - Black tea	1,793.33	3,329.79
	1,793.33	**3,329.79**

Note 36: Change in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Finished goods		
Opening stock	2,231.540	4,014.61
Less: Closing stock	(1,004.990)	(2,231.54)
	1,226.55	**1,783.07**
Work-in-progress		
Opening stock	30.310	23.79
Less: Closing stock	(42.670)	(30.31)
	(12.36)	**(6.52)**
Stock-in-trade		
Opening stock	153.090	358.76
Less: Closing stock	-	(153.09)
	153.09	**205.67**
Net (increase)/ decrease in inventories	**1,367.28**	**1,982.22**

Note 37: Employee benefits expense

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Salary, wages and bonus	23,443.36	22,265.23
Contribution to provident and other funds	3,370.95	3,612.35
Workmen and staff welfare expenses	2,963.66	3,116.47
	29,777.97	**28,994.05**

Refer Note- 41 for disclosures pertaining to employee benefit obligations.

Note 38: Finance costs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest expense on:		
-Bank borrowings	6,723.78	4,586.10
-Intercorporate loans	821.33	433.95
Other costs	84.94	445.44
Less: Amount capitalised [refer (a) below]	(45.78)	(57.14)
	7,584.27	**5,408.35**

(a) The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the entity's general borrowing during the year, in this case is 10.70%, (31 March 2019: 9.41%) which is capitalised and carried forward in Capital Work in Progress [refer note 4 (a)]

Note 39: Depreciation and amortisation expenses

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Depreciation on property plant and equipment	3,248.64	2,197.58
Amortisation of intangible assets	38.51	33.93
	3,287.15	**2,231.51**

All amounts in INR lacs, unless otherwise stated

Note 40: Other expenses

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Consumption of stores and spare parts	2,966.44	3,189.58
Power and fuel	5,274.97	5,388.57
Cess on green leaf	-	358.52
Repairs to buildings	252.85	336.31
Repairs to machinery	587.80	700.96
Repairs to others	256.74	227.58
Royalty	353.68	455.27
Rent	354.58	374.05
Rates and taxes	91.60	172.49
Insurance	269.19	265.07
Brokerage and other sale charges	1,331.77	1,255.03
Freight, transport and delivery	733.57	989.72
Advertisement, selling expenses and business promotion	970.06	1,010.15
Directors' fees	1.40	1.50
Payment to auditors:		
As Auditor:		
Audit fee	12.00	11.88
Other matters (Certificates, etc.)**	1.10	13.00
Reimbursement of expenses		1.00
Bad debt and advances written off	4.85	1.84
Net fair value (gain)/ loss on derivatives not designated as hedges	16.45	(304.43)
Loss on disposal/ discard of property, plant and equipment	126.84	128.94
Loss on sale of current investment	3.71	6.07
Miscellaneous expenses (refer (a) below)	1,630.78	1,936.94
	15,240.38	**16,520.04**

** Previous Year amount includes certification charges paid to erstwhile auditors amounting to Rs. 9 lacs

(a) Miscellaneous expenses includes expenditure on research and evelopment amounting to Rs. 53.97 (31 March 2019 - Rs. 66.55), which represents subscription to Tea Research Association.

All amounts in INR lacs, unless otherwise stated

Note 41: Employee benefit obligations

(i) Leave obligations

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

(ii) Post-employment obligations

a) Defined contribution plans

Provident fund: The Company contributes to provident fund for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards such defined contribution plan is Rs. 2,681.82 (31 March 2019 – Rs. 2,579.53)

Superannuation fund: The Company provides for superannuation benefit to certain employees wherein 15% of basic salary is funded with Life Insurance Corporation of India. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards such defined contribution plan is Rs.53.81 (31 March 2019 – Rs. 61.66)

a) Defined benefit plans

Gratuity: The Company provides for gratuity, a defined benefit retirement plan covering eligible employees as per the Payment of Gratuity Act, 1972 and is administered through trust funds under group administration plan. The gratuity trust fund makes payment to vested employees at retirement, death/ disability, withdrawal of an amount based on the respective employee's eligible salary for specified number of days depending upon the tenure of service subject to a maximum of Rs 20 (Rs.20 till 31 March 2019). Vesting occurs upon completion of five years of service. Liability with regard to the aforesaid gratuity plan is determined by actuarial valuation as set out in Note 2.18 based upon which the Company makes contribution to gratuity fund.

Staff pension- Type A (Funded): The Company's Staff Pension Scheme – Type A, a defined benefit plan, is administered through a trust fund and covers certain categories of employees. Investments of the fund are managed by insurance companies/trustees themselves. Pursuant to the Scheme, monthly pension is paid to the vested employee or his/her nominee upon retirement, death/ disablement or cessation of service at a percentage (varying from 15.33% to 27.50%) of basic pay of the respective employee depending upon the tenure of employment subject to a limit on the period of payment in case of nominee. Vesting occurs upon completion of twenty years of service. Liabilities with regard to the Staff Pension Plan are determined by actuarial valuation as set out in Note 2.18 based upon which, the Company makes contribution to Pension Fund.

Staff pension- Type B (Unfunded): The Company's Staff Pension Scheme – Type B, a defined benefit plan, covers certain categories of employees. Pursuant to the Scheme, vested employee or his/her nominee upon retirement, death/ disablement or cessation of service due to medical incapacity, provided he / she has completed a minimum of twenty years of service with the Company is entitled to a maximum pension of 33.3% of the employees' basic salary and dearness allowance at the time of retirement from service depending upon the tenure of employment subject to a limit on the period of payment in case of nominee. Vesting occurs upon completion of thirty years of service. Liabilities with regard to the Scheme are determined by actuarial valuation as set out in Note 2.18

(iii) Balance sheet amounts

a) *Gratuity*

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

Particulars	Present value of obligation	Fair value of plan assets	Net amount
1 April 2018	6,570.68	6,468.54	103.14
Current service cost	430.87	-	430.87
Interest expense	482.44		482.44
Interest income		497.45	497.45
Past service cost - plan amendments			
Amount recognised in profit or loss (net)	913.31	497.45	415.87
Remeasurement			
Return on plan assets, excluding amounts included in interest expense/(income)	-	116.64	(116.64)
Actuarial (gain)/loss from change in financial assumptions	10.58	-	10.58
Actuarial (gain)/loss from unexpected experience	773.07	-	773.07
Amount recognised in other comprehensive income (net)	784.65	116.64	668.01
Employer contributions/ premium paid	-	110.00	(110.00)
Benefit payments	592.15	592.15	-
31 March 2019	7,677.49	6,599.47	1,078.02

Particulars	Present value of obligation	Fair value of plan assets	Net amount
1 April 2019	7,677.49	6,599.47	1,078.02
Current service cost	487.08	-	487.08
Interest expense	564.17		564.17
Interest income		481.26	481.26
Past service cost - plan amendments	-	-	-
Amount recognised in profit or loss (net)	1,051.24	481.26	569.98
Remeasurement			
Return on plan assets, excluding amounts included in interest expense/(income)	-	68.01	(68.01)
Actuarial (gain)/loss from change in financial assumptions	726.85	-	726.85
Actuarial (gain)/loss from unexpected experience	195.92	-	195.92
Amount recognised in other comprehensive income (net)	922.77	68.01	854.76
Employer contributions/ premium paid	-	-	-
Benefit payments	681.16	681.16	-
31 March 2020	8,970.35	6,467.58	2,502.77

Note 41: Employee benefit obligations

Significant estimates: actuarial assumptions
The significant actuarial assumptions were as follows:

	As at 31 March 2020	As at 31 March 2019
Discount rate	6.75%	7.71%
Salary growth rate	5.00%	5.00%
Attrition rate	1.00%	1.00%
Mortality rate	IALM (2006-08) (modified) Ultimate	IALM (2006-08) (modified) Ultimate

Sensitivity analysis
The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is: Rs. In Lacs

Particulars	Impact on defined benefit obligation			
	As at 31 March 2020		As at 31 March 2019	
	Increase	Decrease	Increase	Decrease
Discount rate (-/+ 0.5%)	(400.97)	436.06	(327.20)	355.67
Salary growth rate (-/+ 0.5%)	441.54	(409.33)	361.09	(334.72)
Attrition rate (-/+ 0.5%)	66.31	(70.77)	6.88	(6.80)
Mortality rate (-/+ 10%)	4.25	(4.28)	20.34	(20.36)

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

The major categories of plan assets are as follows:

Particulars	As at 31 March 2020	As at 31 March 2019
Investment in mutual fund	97.22%	96.51%
Bank fixed deposits	2.43%	1.81%
Others including bank balances	0.36%	1.69%

b) Staff Pension- Type A
The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows: Rs. In Lacs

Particulars	Present value of obligation	Fair value of plan assets	Net amount
1 April 2018	1,581.38	1,124.67	456.71
Current service cost	78.28		78.28
Interest expense	111.86		111.86
Interest income		83.23	83.23
Past service cost - plan amendments	-	-	
Amount recognised in profit or loss (net)	**190.14**	**83.23**	**106.91**
Remeasurement			
Return on plan assets, excluding amounts included in interest expense/(income)	7.13	(9.92)	17.05
Actuarial (gain)/loss from unexpected experience	(353.36)	-	(353.36)
Amount recognised in other comprehensive income (net)	**(346.23)**	**(9.92)**	**(336.31)**
Employer contributions/ premium paid	-	473.77	(473.77)
Benefit payments	139.00	139.00	-
31 March 2019	**1,286.22**	**1,532.66**	**(246.44)**

Particulars	Present value of obligation	Fair value of plan assets	Net amount
1 April 2019	1,286.22	1,532.66	(246.44)
Current service cost	54.46		54.46
Interest expense	86.03		86.03
Interest income		104.67	104.67
Past service cost - plan amendments	-		-
Amount recognised in profit or loss (net)	**140.49**	**104.67**	**35.82**
Remeasurement		-	-
Return on plan assets, excluding amounts included in interest expense/(income)	205.70	43.22	162.48
Actuarial (gain)/loss from unexpected experience	1,217.73	-	1,217.73
Amount recognised in other comprehensive income (net)	**1,423.44**	**43.22**	**1,380.21**
Employer contributions/ premium paid	-	-	-
Benefit payments	247.35	238.42	10.93
31 March 2020	**2,602.80**	**1,444.13**	**1,158.67**

Significant estimates: actuarial assumptions
The significant actuarial assumptions were as follows:

Particulars	As at 31 March 2020	As at 31 March 2019
Interest rate	6.75%	7.40%
Salary growth rate	5.00%	5.00%
Attrition rate	1.00%	1.00%
Mortality rate	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate

Note 41: Employee benefit obligations

Sensitivity analysis

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

Particulars	Impact on defined benefit obligation			
	As at 31 March 2020		As at 31 March 2019	
	Increase	Decrease	Increase	Decrease
Discount rate (-/+ 0.5%)	66.70	71.23	20.40	21.24
Salary growth rate (-/+ 0.5%)	57.61	55.15	21.61	20.91
Attrition rate (-/+ 0.5%)	20.60	21.18	0.37	0.37
Mortality rate (-/+ 10%)	1.88	1.80	3.52	3.52

The major categories of plans assets are as follows:

Particulars	As at 31 March 2020	As at 31 March 2019
Investment in mutual fund	53.49%	59.36%
Investment with private insurance companies	46.42%	40.58%
Others including bank balances	0.09%	0.06%

c) Staff Pension - Type B

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

Particulars	Present value of obligation
1 April 2018	390.25
Current service cost	-
Interest expense	20.82
Total amount recognised in profit or loss	**20.82**
Remeasurement	
Actuarial (gain)/loss from unexpected experience	93.59
Total amount recognised in other comprehensive income	**93.59**
Benefit payments	37.68
31 March 2019	**376.98**

Particulars	Present value of obligation
1 April 2019	376.98
Current service cost	-
Interest expense/ (income)	25.91
Total amount recognised in profit or loss	**25.91**
Remeasurement	
Actuarial (gain)/loss from unexpected experience	240.91
Total amount recognised in other comprehensive income	**240.91**
Employer contributions/ premium paid	-
Benefit payments	53.76
31 March 2020	**590.04**

Significant estimates: actuarial assumptions

The significant actuarial assumptions were as follows:

Particulars	As at 31 March 2020	As at 31 March 2019
Interest Rate	6.75%	7.40%
Mortality rate	Table LICI 9498	Table LICI 9498

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is: Rs. In Lacs

Particulars	Impact on defined benefit obligation			
	As at 31 March 2020		As at 31 March 2019	
	Increase	Decrease	Increase	Decrease
Discount rate (-/+ 0.5%)	22.50	23.89	-	-
Mortality rate (-/+ 10%)	(8.96)	9.96	28.50	27.44

(iv) Risk exposure

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

Investment risk:

If plan is funded, then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

Interest risk:

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

Life expectancy:

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

Salary growth risk:

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

(v) Defined benefit liability and employer contributions

Expected contributions to post-employment benefits plans for the year ending 31 March 2020 is Rs.713.59 for gratuity and Rs. 101.13 for staff pension.

The weighted average duration of the defined benefit obligation is as follows:

a) Gratuity - 11 years (31 March 2019 – 10 years)

b) Staff Pension- Type A - 6 years (31 March 2019 – 9 years)

All amounts in INR lacs, unless otherwise

Note 43: Income tax expense

This note provides an analysis of the Company's income tax expense, shows amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Company's tax positions.

(a) Income tax expense

Particulars	As at 31 March 2020	As at 31 March 2019
(i) Current tax		
Current tax on profits for the year	-	-
(ii) Deferred tax	754.65	
Total deferred tax expense/ (benefit)	**754.65**	**-**
Income tax expense/ (benefit)	**754.65**	**-**

(b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

Particulars	As at 31 March 2020	As at 31 March 2019
Loss before tax	(10,775.80)	(8,094.14)
Tax at the Indian tax rate of 30.48% (2018-19: 30.48%)	**(3,284.46)**	**(2,467.40)**
(i) Additional deductions available in tax	(49.66)	(889.36)
(ii) Permanent difference	3,022.68	505.84
(iii) Exempted income	(43.18)	(30.16)
(iv) Income taxed at different rate	(517.67)	(20.91)
(v) Tax impact on unrecognised carry forward of tax losses	1,644.10	2,250.96
(vi) Items on which deferred tax asset has not been recognised	-	759.42
(vii) Others	(16.96)	(168.39)
Total income tax expense/ (credit)	754.65	-

The Company was subject to agricultural income tax to the extent of 60% of its business income at the rate of 30% in the previous year which has been made exempted from the current financial year 2019-20. The Company has accordingly remeasured the deferred tax expected to be reversed during the exemption period based on the current effective rate of tax applicable i.e., 12.48% against 30.48% applied in the previous year

(c) Details of unrecognised MAT credit balance available with expiry date

Particulars	As at 31 March 2020	As at 31 March 2019
MAT credit entitlement balance (unrecognised)	1,493.67	1,493.67
<u>Expiry</u>		
AY 2025-26	296.95	296.95
AY 2026-27	395.87	395.87
AY 2027-28	245.04	245.04
AY 2028-29	265.99	265.99
AY 2029-30	289.82	289.82

(d) Details of unrecognised carry-forward of tax losses (Central) with expiry date

Particulars	As at 31 March 2020	As at 31 March 2019
Carry-forward of tax losses balance (unrecognised)	15,353.07	8,641.59
<u>Expiry</u>		
AY 2025-26	1,488.89	1,291.59
AY 2026-27	2,314.87	2,086.00
AY 2027-28	5,889.68	5,264.00
AY 2028-29	5,659.42	

(e) The amount of unabsorbed depreciation remaining unrecognized is Rs. 1,582.42

(f) Details of carry-forward of tax losses (Agricultural) balance available with expiry date

Particulars	As at 31 March 2020	As at 31 March 2019
Carry-forward of tax losses balance (unrecognised)		18,413
<u>Expiry</u>		
AY 2020-21	-	4,426
AY 2021-22	-	5,433
AY 2022-23	-	8,554
AY 2023-24	-	-

The Assam government vide notification dated 6th November, 2020 has exempted the Agricultural Income Tax for three years i.e., from financial year 2019-20 to 2021-22. Accordingly all the losses expiring during this period and the current year losses which will not be allowed to carried forward has been discontinued to be disclosed.

All amounts in INR lacs, unless otherwise stated

Note 43: Earnings per equity share

Net profit/ (loss) for the year has been used as the numerator and weighted average number of shares have been used as denominator for calculating the basic and diluted earnings per share.

Particulars	As at 31 March 2020	As at 31 March 2019
(I) Basic & Diluted		
a. Net profit/ (loss) after tax attributable to the equity holders of the Company	(11,530.45)	(8,094.14)
b. (i) Number of equity shares at the beginning of the year	50,480	50,480
(ii) Number of equity shares at the end of the year	50,480	50,480
(iii) Weighted average number of equity shares for computing basic earnings per shares	50,480	50,480
c. Face value of equity share (Rs per Share)	10	10
d. Basic & Diluted earning (Rs per share) [(a)/(b.iii)]	**(22,841.62)**	**(16,034.35)**

Contingent liabilities and Commitments to the extent not provided for

Note 44: Contingent liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
a) Claims against the Company not acknowledged as debts		
(i) Disputed Tax and Duty for which the Company has preferred appeal before appropriate authorities		
Income tax matters	199.00	199.00
Sales tax matters	29.41	29.41
Service tax matters	596.13	596.13
(ii) Claims mainly pertaining to Electricity Board demands and labour related matters (to the extent quantifiable)	398.06	398.06
b) Standby letter of credit given on behalf of Subsidiary	10,981.55	10,549.03
c) Corporate guarantee given on behalf of Subsidiary	9,346.00	9,063.00

In respect of the matters mentioned in (a) above, pending resolution of the disputed matters, it is not practicable for the Company to estimate the timings of the cash outflows, if any.

In respect of matters mentioned in (b) and (c) above, the cash outflows, if any, could generally occur during the validity period of standby letter of credit and corporate guarantee. The Company does not expect any reimbursement in respect of the above contingent liabilities.

Note 45: Commitments

Particulars	As at 31 March 2020	As at 31 March 2019
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advance 31 March 2020 Rs.337; 31 March 2019 Rs. 998)	64.37	293.00

All amounts in INR lacs, unless otherwise stated

Note 46: Lease obligation

Operating lease

The Company has entered into cancellable operating lease arrangements for leasing of office spaces, vehicles, residential accommodation for employees, etc. Tenure of leases generally vary between three and nine years. Terms of such leases include option for renewal on mutually agreed terms, security deposit and term of cancellation, etc.

Related lease rental expense aggregating Rs 324.06 (31 March 2019: Rs. 309) has been debited to the Statement of Profit and Loss.

The Company has sub-leased office spaces under cancellable lease arrangements with tenures of nine years and option for renewal on mutually agreed terms.

Rental income of Rs.233 (31 March 2019: Rs. 233) has been credited to the Statement of Profit and Loss.

Note 47: Capital management

Risk management

The Company's objectives when managing capital are to:

(a) safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

(b) to achieve an optimal weighted average cost of capital while continuing to safeguard the Company's ability to meet its liquidity requirements (including its commitments in respect of capital expenditure) and repay loans as they fall due.

The capital structure of the Company consists of debt, cash and cash equivalents and equity attributable to equity shareholders of the Company which comprises issued share capital and accumulated reserves disclosed in the Statement of Changes in Equity.

Note 48: Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt

Particulars	As at 31 March 2020	As at 31 March 2019
Current borrowings	34,518.67	21,063.96
Non-current borrowings	27,827.08	37,953.59
Net debt*	**62,345.75**	**59,017.55**

*after adjustment of processing cost

Particulars	Liabilities from financing activities	
	Non-current borrowings	**Current borrowings**
Net debt as at 1 April 2019	37,953.59	21,063.96
Add/ less:		
Proceeds from borrowings during the year	41.33	89,510.41
Repayment of borrowings during the year	(10,167.84)	(76,201.89)
Effect of changes in foreign exchange rates and other adjustments	-	146.19
Net debt as at 31 March 2020	**27,827.08**	**34,518.67**

All amounts in INR lacs, unless otherwise stated

Note 49: Fair value measurements

Particulars	31 March 2020		31 March 2019	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
(i) Investments	27.46	434.16	109.30	294.67
(ii) Trade receivables	-	5,416.19	-	7,428.85
(iii) Cash and cash equivalents	-	559.96	-	2,418.10
(iv) Bank balances other than (iii) above	-	204.15	-	83.00
(v) Loans	-	4,032.42	-	9,206.76
(vi) Other financial assets	-	7,691.99	-	1,660.36
Total financial assets	**27.46**	**18,338.87**	**109.30**	**21,088.74**
Financial liabilities				
(i) Borrowings	-	59,051.01	-	54,167.80
(ii) Trade payables	-	7,281.76	-	8,100.65
(iii) Other financial liabilities	95.03	9,446.62	78.58	10,800.40
Total financial liabilities	**95.03**	**75,779.39**	**78.58**	**73,068.85**

(i) Fair value hierarchy

(a) Financial instruments

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

Particulars	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value as at 31 March 2020				
Investments measured at FVTPL	0.54		26.91	**27.45**
Total financial assets	**0.54**	-	**26.91**	**27.45**
Financial liabilities measured at fair value as at 31 March 2020				
Derivative financial liabilities (not designated as hedges)	-	95.03	-	**95.03**
Total financial liabilities	-	**95.03**	-	**95.03**
Financial assets measured at fair value as at 31 March 2019				
Investments measured at FVTPL	81.39		27.61	**109.00**
Derivative financial assets (not designated as hedges)	-	-	-	-
Total financial assets	**81.39**	-	**27.61**	**109.00**
Financial liabilities measured at fair value as at 31 March 2019				
Derivative financial liabilities (not designated as hedges)	-	78.58	-	**78.58**
Total financial liabilities	-	**78.58**	-	**78.58**

(b) Biological assets other than bearer plants

This section explains the judgements and estimates made in determining the fair values of the biological assets other than bearer plants that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its biological assets other than bearer plants into level 3 in the fair value hierarchy.

Biological assets other than bearer plants for which fair value (less cost to sell) are disclosed (refer note no. 12)

	Level 1	Level 2	Level 3
As at 31 March 2020 - Stock of unplucked green leaves	-	-	-
As at 31 March 2019 - Stock of unplucked green leaves	-	-	161.24

All amounts in INR lacs, unless otherwise stated

The following table illustrates the sensitivity to a 5 % variation in each of the significant unobservable inputs used to measure the fair value of the biological assets on 31 March 2020 and 31 March 2019.

Level 1 - Quoted prices in an active market:
This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares and mutual fund. The fair value for all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

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

Level 3 - Fair values determined using valuation techniques with significant unobservable inputs:
This level of hierarchy includes financial assets and financial liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This level of hierarchy includes Company's investment in equity shares which are unquoted or for which quoted prices are not available at the reporting dates.

There are no transfers between levels 1 and 2 during the year.

(ii) Valuation technique used to determine fair value
Specific valuation technique used to determine fair value includes:
- the use of quoted market prices
- the fair value of derivative contracts is determined using derivative exchange rates at the balance sheet date
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.
- Investments carried at fair value are generally based on market price quotations. However in cases where quoted prices are not available the management has involved valuation experts to determine the fair value of the investments. Different valuation techniques have been used by the valuers for different investments. Cost of certain investments in equity instruments have been considered as an appropriate estimate of fair value because of a wide range of possible fair value measuements and cost represents the best estimate of fair value within that range.

(iii) Fair value of Non-Current financial assets and liabilities measured at amortised cost

	31 March 2020		31 March 2019	
Particulars	**Carrying amount**	**Fair value**	**Carrying amount**	**Fair value**
Financial assets				
a) Deposits	849.62	848.38	993.71	990.81
b) Investments (at amortised cost)	434.16	434.16	294.67	294.67
c) Loans	-	-	-	-
Total financial assets	**1,283.78**	**1,281.54**	**1,288.38**	**1,286.47**
Financial liabilities				
Borrowings	24,532.34	24,532.34	33,103.84	33,103.84
Total financial liabilities	**24,532.34**	**24,532.34**	**33,103.84**	**33,103.84**

The carrying amounts of current financial assets and liabilities carried at amortised cost closely approximate to their fair values as the impact of discounting on such financial assets or liabilities is not significant because the instruments are short term in nature.

Fair value of non-current borrowings is estimated by discounting expected future cash flows. The carrying amounts of other borrowings with floating rate of interest are considered to be close to the fair value.

The fair values for non-current loans and security deposits were calculated by discounting expected future cash flows.

All amounts in INR lacs, unless otherwise stated

Note 50: Financial risk management

In the course of its business, the Company is exposed primarily to fluctuations in interest rates, equity prices, liquidity and credit risk, which may adversely impact the fair value of its financial instruments. In order to minimise any adverse affects on the financial performance of the Company, the Company has risk management policies as described below.

(A) Credit risk

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

Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loans receivables, investments and cash and cash equivalents held by the Company. Trade receivables and loans of the Company result in material concentration of credit risk.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was Rs.17726.89 and Rs. 20867.11 as at 31 March 2020 and 31 March 2019 respectively, being the total carrying value of trade receivables, balances with bank, bank deposits, loans and other financial asset"

i) Trade receivables

Customer credit risk is managed by the Company through established policy and procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally carrying 15 to 90 days credit terms. Trade receivable outstanding for more than 180 days (including Rs 3,632.98 for more than a year) is Rs 4,293.43. The Company has a detailed review mechanism of overdue customer receivables at various levels within the organisation to ensure proper attention and focus for realisation. Majority of the trade receivables are from other group companies and hence the credit risk has been considered to be low. The history of defaults has been minimal and outstanding receivables are regularly monitored.
Financial assets are considered to be of good quality and there is no significant increase in credit risk.

The requirement for impairment is analysed at each reporting date. For impairment, individual debtors are identified and assessed specifically. The Company has used Expected Credit Loss (ECL) model for trade receivables to assess impairment loss. The reconciliation of ECL is as follows:

Particulars	**2019-20**	**2018-19**
Opening balance	574.01	613.42
Add: Charge in statement of profit and loss	-	38.69
Less: Reversed on account of receipt of money	(69.44)	(78.10)
	504.57	**574.01**

ii) Other financial instruments and bank deposits

For credit risk on the loans to parties including subsidiary, the Company is assessing the delay risk based on expected credit loss model. Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy.
Balances with banks and deposits are placed only with highly rated banks/ financial institution.

The Company has used Expected Credit Loss (ECL) model for Loans receivable, Interest receivable and Investment in Preference Shares to assess impairment loss. The reconciliation of ECL is as follows:

ECL movement on Investment in Preference Shares in Subsidiary

Particulars	**2019-20**	**2018-19**
Opening balance	4,239.08	4,109.09
Add: Charge in statement of profit and loss	-	129.99
Less: Reversed on account of receipt of money	-	-
	4,239.08	**4,239.08**

ECL movement on Non-Current Loan to Subsidiary

Particulars	**2019-20**	**2018-19**
Opening balance	-	5,078.00
Add: Charge in statement of profit and loss	-	
Less: Reversed on account of receipt of money	-	-
Less Reclassified to Current	-	(5,078.00)
	-	-

Non-Current Loan reclassified to Current and therefore movement of ECL on Non-Current loan reclassified to Current Loan

ECL movement on Current Loan to Subsidiary

Particulars	**2019-20**	**2018-19**
Opening balance	7,314.73	7,164.00
Add: Reclassification from Non-Current	-	5,078.00
Add: Charge in statement of profit and loss	-	-
Less: Reversed on account of receipt of money	(7,314.73)	(4,927.00)
	-	**7,314.73**

ECL movement on Interest Receivable from Subsidiary

Particulars	**2019-20**	**2018-19**
Opening balance	563.67	1,521.19
Add: Charge in statement of profit and loss	-	-
Less: Reversed during the year	-	(957.52)
	563.67	563.67

All amounts in INR lacs, unless otherwise stated

Note 50: Financial risk management

(B) Liquidity risk

Liquidity risk refers to the risk that the Company may encounter difficulty in meeting its financial obligations in accordance with terms of contract. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

Management monitors rolling forecasts of the company's liquidity position (including the undrawn credit facilities extended by banks and financial institutions) and cash and cash equivalents on the basis of expected cash flows. In addition, the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios and reviewing debt financing plans for funding short/long term fund requirements

Maturities of financial liabilities

The tables below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities 31 March 2020	Up to 1 year	1 - 3 years	3 - 5 years	More than 5 years	Total
Non-derivatives					
Borrowings (including interest payable thereon)	25,301.56	11,336.95	10,274.52	13,338.03	60,251.05
Loans taken from body corporates	15,841.89				15,841.89
Trade payables	7,281.76				7,281.76
Other financial liabilities**	5,781.14				5,781.14
Total non-derivatives liabilities	**54,206.35**	**11,336.95**	**10,274.52**	**13,338.03**	**89,156.84**
Derivatives (net settled)					
Foreign-exchange forward contracts	95.03	-	-	-	95.03
Foreign currency options	-	-	-	-	-
Total derivatives liabilities	**95.03**	**-**	**-**	**-**	**95.03**

Contractual maturities of financial liabilities 31 March 2019	Up to 1 year	1 - 3 years	3 - 5 years	More than 5 years	Total
Non-derivatives					
Borrowings (including interest payable thereon)	28,498.61	12,886.91	12,357.29	25,703.15	79,445.96
Loans taken from body corporates	1,640.00				1,640.00
Trade payables	8,100.65				8,100.65
Other financial liabilities**	5,731.25				5,731.25
Total non-derivatives liabilities	**43,969.51**	**12,886.91**	**12,357.29**	**25,703.15**	**94,918.86**
Derivatives (net settled)					
Foreign-exchange forward contracts	59.46	-	-	-	59.46
Interest rate swaps	19.12	-	-	-	19.12
Total derivatives liabilities	**78.58**	**-**	**-**	**-**	**78.58**

** Excludes Derivative Liability and Interest accrued but not due on borrowings

Lodha & Co. Kolkata Chartered Accountants

All amounts in INR lacs, unless otherwise stated

Note 50: Financial risk management

(C) Market risk

(i) Foreign currency risk

The Company undertakes transactions (e.g. sale of goods, foreign currency loan, loan receivable and interest receivable, etc.) denominated in foreign currencies and thus is exposed to exchange rate fluctuations. The Company evaluates its exchange rate exposure arising from foreign currency transactions and manages the same based upon approved risk management policies which inter-alia includes entering into derivative foreign exchange contracts.

a) Foreign currency risk exposure

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR lacs (foreign currency amount multiplied by closing rate), are as follows:

Particulars	31 March 2020		31 March 2019	
	USD	GBP	USD	GBP
Financial assets				
Trade receivables	150.71	4,341.18	891.42	5,719.26
Loans including interest	147.10	664.10	209.19	8,779.90
Derivative assets				
Forward contracts - Sell foreign currency	147.10	3,296.17	134.55	11,307.75
Net exposure to foreign currency risk (assets)	**150.71**	**1,709.11**	**966.06**	**3,191.41**
Financial liabilities				
Trade payables	87.20	108.74	94.98	72.43
Borrowings including interest	1,938.81	-	5,591.85	-
Derivative liabilities				
Forward contracts - Buy foreign currency	-	-	-	-
Options - Buy foreign currency	-	-	2,309.61	-
Net exposure to foreign currency risk (liabilities)	**2,026.01**	**108.74**	**3,377.22**	**72.43**
Net exposure to foreign currency risk	**(1,875.30)**	**1,600.37**	**(2,411.16)**	**3,118.99**

b) Sensitivity

The sensitivity of profit or(loss) to changes in the exchange rates arises mainly from foreign currency denominated financial instruments:

Particulars	Impact on profit before tax		Impact on equity	
	31 March 2020	**31 March 2019**	**31 March 2020**	**31 March 2019**
USD sensitivity				
INR appreciates by 5% *	(93.77)	(120.56)	(65.19)	(83.81)
INR depreciates by 5% *	93.77	120.56	65.19	83.81
GBP sensitivity				
INR appreciates by 5% *	80.02	155.95	55.63	108.42
INR depreciates by 5% *	(80.02)	(155.95)	(55.63)	(108.42)

* *Holding all other variables constant*

(ii) Price risk

The Company's exposure to mutual fund price risk arises from investments held by the Company and classified in the balance sheet at fair value through profit or loss. These investments are not held for trading purposes. The Company's mutual fund investment is publicly traded. The investment in equity securities are strategic investments and also these investments are not publicly traded.

All amounts in INR lacs, unless otherwise stated

Note 50: Financial risk management

(iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. The Company's policy is to maintain its borrowings at fixed rate using interest rate swaps to achieve this when necessary.

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

(a) Interest rate risk exposure on financial liabilities

The exposure of the Company's financial liabilities to interest rate risk is as follows:

Particulars	**31 March 2020**	**31 March 2019**
Fixed rate borrowings	36,048.82	28,082.30
Variable rate borrowings	27,118.18	31,457.99
Total borrowings*	**63,167.00**	**59,540.29**

* before adjustment of prosessing cost

(b) Sensitivity

Profit or loss is sensitive to higher/ lower interest expense from borrowings as a result of changes in interest rates as below:

Particulars	**Impact on profit before tax**		**Impact on equity**	
	31 March 2020	**31 March 2019**	**31 March 2020**	**31 March 2019**
Interest expense rates – increase by 50 basis points (50 bps)*	135.59	157.28	135.59	157.28
Interest expense rates – decrease by 50 basis points (50 bps)*	(135.59)	(157.28)	(135.59)	(157.28)

** Holding all other variables constant*

As the company has incurred losses during the year & has accumlated losses the tax impact has not been considered for sensitivity

All amounts in INR lacs, unless othe

Note 61

The Company has been incurring operating losses for last few years affecting the key financial ratios and parameters over the period of time. The prices and realization of tea have firmed up currently and in view of the management the same is sustainable in near future, resulting in significant improvement in the overall financial position of the Company. The management of the company has undertaken various cost rationalization measures, over and above, obtaining financial support externally from the promoter and promoter companies. Steps have also been taken to amalgamate two promoter companies as referred in Note 57 (a) with the company. Considering the expected profitability based on current tea prices and measures taken, in view of the management going concern assumption is not violated and as such the said assumption have been continued to be maintained for the preparation of the financial statement.

Note 62: Related party

Related party disclosures as identified by the management in accordance with the Indian Accounting Standard (Ind AS) 24 on "Related Party Disclosures" are as follows.

Name	Place of incorporation	Type Ownership interest
a) Apeejay Surrendra Trust	India	Ultimate parent entity
b) Kolhua Steel Works Private Limited	India	Parent entity
c) Apeejay Tea (Panama) Inc.	Republic of Panama	Subsidiary

Other related parties

Name	Relationship
Apeejay Surrendra Management Services Private Limited	Fellow Subsidiary Company
Apeejay Private Limited	Fellow Subsidiary Company
Assam Frontier Employees' Gratuity Fund	Post Employment Benefit Plan
Empire Employee's Gratuity Fund	Post Employment Benefit Plan
Assam Frontier Employees' Pension Fund	Post Employment Benefit Plan
Mr. Animesh Ghosh	Key Management Personnel
Non-executive directors:	
Mr Karan Paul	Key Management Personnel
Ms. Priti Paul	Key Management Personnel
Ms. Shirin Paul	Key Management Personnel
Mr.Debanjan Mandal	Key Management Personnel
Mr Om Kaul*	Key Management Personnel
Mr.Golam Momen	Key Management Personnel

* Mr Om Kaul has resigned from the board of directors wef 27 th January 2020.

These financial statements are separate financial statements. The exemption from consolidation has been used in accordance with paragraph 4(a) of Ind AS 110, and accordingly the Company elects not to prepare consolidated financial statements. Kolhua Steel Works Private Limited, the parent entity, is preparing the consolidated Ind AS financial statements and the same can be obtained from its registered office.

a) The following transactions occurred with related parties:

Particulars	31 March 2020	31 March 2019
(a) Royalty expense (gross of TDS)		
Apeejay Surrendra Management Services Private Limited	353.68	455.27
(b) Reimbursements of expenses		
Apeejay Surrendra Management Services Private Limited	70.21	56.98
(c) Expenses recovered / recoverable		
Apeejay Tea (Panama) Inc.	542.54	196.05
(d) Loan recovered		
Apeejay Private Limited	-	-
Apeejay Tea (Panama) Inc.	8,821.86	5,782.86
(e) Loan given		
Apeejay Private Limited	-	-
Apeejay Tea (Panama) Inc.	438.49	457.00
(f) Interest Income Accrued during the year		
Apeejay Private Limited		
Apeejay Tea (Panama) Inc.	173.49	603.00
(g) Interest Income Received during the year		
Apeejay Tea (Panama) Inc.	-	1,657.00
(h) Rental Income		
Apeejay Surrendra Management Services Private Limited	122.10	122.10
(i) Contribution to post employment benefit plan		
i. Gratuity Fund:		
Assam Frontier Employees' Gratuity Fund	-	10.00
Empire Employee's Gratuity Fund		100.00
ii. Pension Fund		
Assam Frontier Employees' Pension Fund	-	473.77

All amounts in INR lacs, unless oth

Particulars	31 March 2020	31 March 2019
(j) Provision for expected credit loss during the year		
Redeemable preference shares - Apeejay Tea (Panama) Inc.	-	128.00
Loan given - Apeejay Tea (Panama) Inc.	(7,314.73)	(4,927.77)
Interest receivable - Apeejay Tea (Panama) Inc.	-	(957.52)
(k) Sitting fees to key management personnel		
Mr. Karan Paul	0.30	
Ms. Priti Paul	0.10	
Ms. Shirin Paul	0.10	
Mr. Debanjan Mondal	0.20	
Mr. Om Kaul	0.10	
Mr. Golam Momen	0.25	
Mr. Ashoke Ghosh	0.35	

(ii) Outstanding balances

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

Particulars	31 March 2020	31 March 2019
(a) Loans to related parties		
Apeejay Private Limited	-	-
Apeejay Tea (Panama) Inc.:		
- Balance at the end of the year (net)	819.79	1,344.76
- Provisions for doubtful debts related to the amount of outstanding balances	-	7,314.73
(b) Rent receivable (including GST)		
Apeejay Surrendra Management Services Private Limited	98.90	21.98
(c) Trade payable		
Apeejay Surrendra Management Services Private Limited	380.26	95.76
(d) Investment in Equity Shares		
Apeejay Surrendra Management Services Private Limited (carried at FVTPL)	25.10	25.80
Apeejay Tea (Panama) Inc. (carried at cost)	3.07	3.07
(e) Investment in Redeemable Preference Shares		
Apeejay Tea (Panama) Inc.		
- Balance at the end of the year (net)	433.92	294.42
-Expected Credit Loss	4,239.08	4,239.08
(f) Interest receivable		
Apeejay Tea (Panama) Inc.		
- Balance at the end of the year (net)	244.44	39.15
- Balance of Expected credit loss	563.67	563.67
Apeejay Private Limited	0.12	0.12
(g) Outstanding Standby Letter of Credit		
Apeejay Tea (Panama) Inc.	10,981.55	10,640.03
(h) Outstanding guarantee		
Apeejay Tea (Panama) Inc.	9,346.00	9,063.00
(i) Expense recoverable		
Apeejay Tea (Panama) Inc.	816.79	274.16
(j) Payable to Post Employment Benefit Plan (Net)		
I. Gratuity Fund:		
Assam Frontier Employees' Gratuity Fund	1,572.45	661.07
Empire Employee's Gratuity Fund	930.32	416.96
II. Pension Fund		
Assam Frontier Employees' Pension Fund	1,158.67	(246.44)

* Amount is below the rounding off norm adopted by the Company.

a) The Company has given unsecured interest bearing (which is not lower than yield of related Government Security close to the tenure of respective loans) loans to related parties for their business purposes, which are repayable on demand.

b) Post-employment benefit plans are for the benefit of employees of the entity and accordingly as required in terms of Ind AS 24 contributions made to such plans by the entity has been disclosed as related party transaction.

c) The Company has given Standby Letter of Credit of GBP 11.75 million (equivalent Rs. 10,981) [Previous Year- GBP 11.75 million (equivalent Rs. 10,640)] and Corporate Guarantee of GBP 10 million (equivalent Rs. 9,346) [Previous Year- GBP 10 million (equivalent Rs. 9,063)] to a bank in respect of a loan availed/ to be availed by Apeejay Tea Panama Inc (subsidiary) for its business purpose. The Standby Letter of Credit would continue till full repayment of the loan by the subsidiary.

Note 53: Disclosure pursuant to Section 186(4) of The Companies Act 2013:

a) During the year, the Company has given interest bearing (which is not lower than yield of related Government Security close to the tenure of respective loans) loans to following companies for their business purposes, which are repayable on demand:

- Apeejay Oxford Bookstore Pvt Ltd Rs. 460 (31st March, 2019 - Nil) at the year-end and maximum amount outstanding during the year Rs 460 (31st March, 2019 - Nil).

- Apeejay Shipping Limited - Rs.2,752.63 (31st March, 2019 - Rs 7,312.89) at the year-end and maximum amount outstanding during the year Rs. 7,312.89 (31st March, 2019 - Rs. 12,650.00).

All amounts in INR lacs, unless otherwise stated

Note 54: Segment information

(a) Description of segments and principal activities

The chief operating decision maker (CODM), i.e. Board of Directors, has identified two primary business segments viz: Bulk tea and pakaged tea/ infusion. These segments have been identified and reported taking into account the nature of the products/ services, the differing risks and returns, the organisational structure and internal business reporting system:

i. Bulk tea - this part of the business cultivates, manufacture and sells of bulk tea to both domestic and foreign markets

ii. Pakaged tea/ infusion - this part of the business does the packaging and sale of tea sachets/ infusion to both domestic and foreign markets.

iii. All other segments (unallocated) - The results of corporate operations are included in the 'all other segments' column. These are not reportable operating segments, as they are not separately included in the reports provided to the CODM.

b) The Company's segment information is presented below:

Particulars	Bulk tea	Packaged tea/ Infusion	Total
Revenues from external customers	**38,162.68**	**2,638.66**	**40,801.34**
	[43395.27]	[2811.13]	[46206.4]
Inter-segment revenues	**154.46**	-	**154.46**
	[474.54]	[0]	[474.54]
Total segment revenues	**38,317.14**	**2,638.66**	**40,956.00**
	[43869.81]	[2811.13]	[46680.94]
Less: Inter-segment revenue elimination	**154.46**	-	**154.46**
	[474.54]	[0]	[474.54]
Total revenue	**38,162.68**	**2,638.66**	**40,801.34**
	[43395.27]	[2811.13]	[46206.4]
Segment results	**(11,901.70)**	**(286.04)**	**(12,187.74)**
	[-8825.1]	[-55.7]	[-8880.8]
Unallocated corporate income/(expenses) - Net	-	-	**5,256.67**
	[-]	[-]	[5076.58]
Interest cost	-	-	**7,584.27**
	[-]	[-]	[5408.35]
Interest income	-	-	**1,283.63**
	[-]	[-]	[690.11]
Income tax expense/ (income)	-	-	-
	[-]	[-]	[-]
Profit after tax	-	-	**(13,251.69)**
	[-]	[-]	[8521.43]
Segment assets	**1,04,415.24**	**3,598.04**	**1,08,013.27**
	[97886.6]	[3744.81]	[101631.41]
Unallocated corporate assets	-	-	**10,377.09**
	[-]	[-]	[21352.05]
Total assets	-	-	**1,18,390.36**
	[-]	[-]	[122983.46]
Capital expenditure incurred during the year	**3,013.34**	**15.59**	**3,028.93**
	[7299.79]	[15.59]	[6,904]
Depreciation	**3,215.63**	**33.01**	**3,248.64**
	[2192.14]	[39.37]	[2231.51]
Segment liabilities	**36,173.26**	**1,048.07**	**37,221.32**
	[19444.99]	[1056.95]	[20501.94]
Un-allocated corporate liabilities	-	-	**47,744.83**
	[-]	[-]	[55805.61]
Total liabilities	-	-	**84,966.15**
	[-]	[-]	[76307.55]

* other than financial instruments and deferred tax assets

Figures in [ ] represents figures for 31st March 2019

c) The company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below.

Revenue from external customers	31 March 2020	31 March 2019
India	35,764.02	37,728.52
Outside India	5,037.32	8,477.88

Revenue outside India primarily relates to the United Kingdom and other African countries.

d) The entire non-current assets of the Company are located in India.

e) There are no material non-cash items other than depreciation and amortisation.

f) Revenues of approximately Rs. 27,106 (31 March 2019 – Rs. 34,438) are derived from 5 (31 March 2019 - 5) external customers. These revenues are attributed to the bulk tea segment.

Lodha & Co. Chartered Accountants

All amounts in INR lacs, unless otherwise stated

Note 55: Assets pledged as security

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

	As at 31 March 2020	As at 31 March 2019
Current		
Financial assets		
Trade receivables	5,416.19	7,428.85
Cash & Cash Equivalents	559.96	2,416.09
Bank balances	204.15	83.00
Other financial assets	1,140.16	332.86
Loans	4,032.42	9,206.43
Non-financial assets		
Inventory	3,594.91	5,194.97
Biological assets other than bearer plants (unharvested tea leaves)	-	161.24
Other current assets	2,290.55	2,399.96
Total current assets pledged as security	**17,238.34**	**27,222.40**
Non-current		
Non-financial assets		
Plant, plant and equipment	89,432.22	90,951.95
Other financial assets	5,702.21	333.13
Total non-current assets pledged as security	**95,134.43**	**91,285.08**
Total assets pledged as security	**1,12,372.77**	**1,18,507.48**

Note 56

Consequent to the outbreak of COVID-19, which has been declared as a pandemic by World Health Organisations (WHO), Government of India had declared a lock down effective from 24th March, 2020. The Company's operation have been affected due to loss of more than a month's production due to the suspension of the operation, disruption in supply chain and non-availability of personnel during lock down. Though the garden operation have resumed in the month of April 2020, additional costs for upkeep, skiffing of unwanted produce, manuring and other related costs for up bringing of the leaves for plucking has to be incurred, Operations especially at gardens and warehouses were largely affected.

The Company has taken steps towards rationalising it's employee related and other fixed costs. The prices of tea and realisation there against have improved primarily due to supply mismatch in the current situation. Accordingly, the company has revised it's business projections based on internal and external information and possible assumptions and estimates in the given situation and circumstances. In view of management's estimates and assumptions, impact of COVID-19 pandemic including on the carrying value of the current and non-current assets is not expected to be material. This evaluation is however, dependent on future development and any variation due to changes in situation will be appropriately considered.

Note 57: Schemes of amalgamation/ scheme of arrangements

(a) The Board of Directors of the Company, at their meeting held on 09th October 2020, gave in- principle approval for a scheme of arrangement with whereby M/s Flurys Swiss Confectionery Private Limited and M/s Fusion Beverages Private Limited will be amalgamated with the Company.

The scheme in this respect is currently under preparation and the same shall be subject to approval from shareholders and regulatory authorities. No effect has therefore been given in the accounts for the year ended 31st March 2020.

All amounts in INR lacs, unless otherwise stated

(b) Pending completion of the relevant formalities of transfer of certain assets and liabilities acquired pursuant to the Schemes of Arrangement given effect in the earlier years, such assets and liabilities remain included in the books of the Company under the name of the transferor companies (including other companies which were amalgamated with the transferor companies from time to time).

58. Previous Year Figures have been regrouped whereever necessary to confirm with Financial Statements.

59. These Financial Statements have been approved by the Board of Directors of the Company on 22nd December 2020 for issue to the Shareholders for their adoption.

For Lodha & Co.
Chartered Accountants
Firm ICAI Registration No: 301051E

INDRANIL CHAUDHURI
Partner
Membership No: 058940

LODHA & CO. KOLKATA Chartered Accountants

Karan Paul
Chairman
(DIN:00007240)

Ashoke Ghosh
Director
(DIN:00051311)

Beas Moitra
Beas Moitra
Company Secretary

Place: Kolkata
Date: 22 December 2020

Rajesh Chhaparia
Registered valuer – Securities or Financial Assets
Regn. No. IBBI/RV/06/2019/11913

6, Little Russel Street (4th floor) Kolkata- 700071
Contact – 40505856; Email – rchhaparia@gmail.com

STRICTLY PRIVATE AND CONFIDENTIAL

RC/RV/2020-21/1003

Date: The 30th day of September, 2020

To,

The Board of Directors
Flurys Swiss Confectionery Private Limited
18 Park Street
Kolkata- 700071

The Board of Directors
Great Eastern Stores Private Limited
Apeejay House, 15, Park Street
Kolkata- 700016

The Board of Directors
Fusion Beverages Private Limited
Apeejay House, 15, Park Street
Kolkata- 700016

The Board of Directors
Apeejay Tea Limited
15, Park Street
Kolkata- 700016

Dear Sir / Madam,

Sub: Recommendation of Fair Share Exchange Ratio / Swap Ratio for the proposed demerger and amalgamation of identified undertakings/Companies pursuant to the Composite Scheme of Arrangement.

I refer to my engagement letter dated 10th September, 2020 whereby the management of Flurys Swiss Confectionery Private Limited (hereinafter referred to as 'FSCPL'), Fusion Beverages Private Limited (hereinafter referred to as 'FBPL'), Great Eastern Stores Private Limited (hereinafter referred to as 'GESPL') and Apeejay Tea Limited (hereinafter referred to as 'ATL') have collectively engaged me for recommendation of the Fair Share Exchange Ratio / Swap Ratio for the proposed Arrangement in the instant case. FSCPL, FBPL, GESPL and ATL are together referred to as "Companies".

In the following paragraphs, I have summarized my valuation analysis together with the description of the analysis of the methodologies used and limitations on my scope of work. My deliverable for this engagement would be a Fair Share Exchange Ratio Report (hereinafter referred to as the "Report"). The report is intended solely for the purpose and scope mentioned in this Report. Enclosed please find the report containing the detailed analysis.

Rajesh Chhaparia
Registered Valuer – Securities or Financial Assets
Regn. No IBBI/RV/06/2019/11913
Report No. RC/RV/2020-21/1003
Place: Kolkata
UDIN: 21053172AAAAIZ4073

MR. RAJESH CHHAPARIA * IBBI/RV/06/2019/11913 * REGISTERED VALUER * KOLKATA

1. Scope and Purpose of this Report

1.1. I understand that the management of the Companies ('Management') are considering the following proposal with effect from the proposed Appointed Date pursuant to the proposed Composite Scheme of Arrangement ('the Scheme'), to be implemented under the provisions of section 230 read with section 232 and other applicable provisions of the Companies Act, 2013, including rules and regulations made thereunder:

a) Demerger of the "Real Estate & Investment Undertaking" of **Flurys Swiss Confectionery Private Limited** (as defined hereinafter and referred to as Demerged undertaking of the Transferor Company 1) and vesting of the same to the **Great Eastern Stores Private Limited** (hereinafter referred to as 'Resulting Company')
[Demerger of the Real Estate & Investment Undertaking of the Transferor Company 1 into the Resulting Company i.e. First Part];

b) Amalgamation of the Remaining business (as defined hereinafter) of **Flurys Swiss Confectionery Private Limited** (as referred to as 'Transferor Company 1') and **Fusion Beverages Private Limited** (as defined hereinafter and referred to as 'Transferor Company 2') with **Apeejay Tea Limited [Amalgamation of the Remaining Business of Transferor Company 1 and Transferor Company 2 with the Transferee Company i.e. Second Part];**

It is relevant to note that Appointed Date for the proposed arrangement is 1st April 2019

Hereinafter, FSCPL is referred to as 'Transferor Company 1', FBPL is referred to as 'Transferor Company 2', GESPL is referred to as 'Resulting Company' and ATL is referred to as "Transferee Company"

For the aforesaid purposes, in alignment with the draft Composite Scheme of Arrangement, the expression **"Real Estate & Investment Undertaking"** shall mean Real Estate & Investment Undertaking, together with all the related assets, liabilities, and employees on a going concern basis. Without prejudice and limitation to the generality of the above, the Demerged Undertaking shall mean and include:

a) all the property and assets of the Demerged Undertaking, wherever situated, whether movable or immovable, leasehold or freehold, owned or leased, tangible or intangible, including all computers and accessories, software and related data, leasehold improvements, plant and machinery, office equipment, electricals, appliances, accessories, pertaining to or relatable to the Demerged Undertaking.

b) all rights and licenses, all assignments and grants thereof, all permits, clearances and registration whether under Central, State or other laws, rights (including rights/ obligations under agreement(s) entered into with various persons including independent consultants, subsidiaries/associate companies and other shareholders of such.

c) Long-term Investment in subsidiaries, associates and other companies.

Further, "**Remaining Business**" shall mean all the undertakings, businesses, activities, operations, assets, and liabilities of the Transferor Company 1 other than the Demerged Undertaking.

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1.2. In this regard, I have been appointed to submit a report recommending the Fair Share Exchange Ratios ('Report') in connection with the proposed arrangement for the consideration of the Board of Directors of the respective Companies as required under the provisions of section 230 read with 232 and other applicable provisions of the Companies Act, 2013.

1.3. The scope of my services is to

- Conduct a relative (and not absolute) valuation of shares of Real Estate & Investment Undertaking of Transferor Company 1 and Resulting company and recommend a fair share exchange ratio for First Part.

- Conduct a relative (and not absolute) valuation of shares of remaining business of Transferor Company 1, Transferor Company 2 and Transferee Company and recommend a fair share exchange ratio for Second Part.

1.4. I have been provided with the Provisional Financial Statements of the Companies for year ended 31st March 2020 along with undertaking-wise business details of financial position of FSCPL as at 31st March 2020. Material changes, if any, in the financial position of the respective companies/ undertaking-wise position since 31st March 2020 till the report issue date, that might impact the valuation of the respective Undertakings/Companies, have been duly considered while arriving at the fair swap ratio. Further, I have been provided with the draft Composite Scheme of the Arrangement and other relevant financial information in respect of the Companies. The management of the Companies has informed that they do not expect any events which are unusual or not in normal course of business other than the events specifically mentioned in this report. I have relied on the above while arriving at the fair share exchange ratios.

1.5. This Report sets out the findings of my exercise i.e. fair share exchange ratios for the Proposed Composite Scheme of Arrangement, in accordance with ICAI Valuation Standards 2018 issued by Institute of Chartered Accountants of India. For the purpose of this Report, the Valuation Date is considered as **1st September, 2020 ("Valuation date")**. Accordingly, my recommendation is based on the events and circumstances prevailing as on the valuation date, incorporating any change having material impact on the valuation until the report issue date.

1.6. This Report will be placed before the Boards of the respective Companies, as per the relevant provisions of the Companies Act, 2013. This Report may be required to be produced before the judicial, regulatory or government authorities, shareholders in connection with the proposed arrangement under applicable laws.

1.7. This report is subject to the scope, assumptions, exclusions, limitations and disclaimer detailed hereinafter. As such, the report is to be read in totality and not in parts, in conjunction with the relevant documents referred to therein.

2. Brief Background of the Companies

2.1. **Flurys Swiss Confectionery Private Limited** **(FSCPL) (Transferor Company 1)** (CIN U15137WB1946PTC013793) is a private limited company incorporated on 15th May 1946 under the provisions of the Companies Act, 1956 having its registered office at 18 Park Street Kolkata, 700071.
The main objects of the Company, as stated in its Memorandum of Association, inter-alia, includes to to carry on the business of bakers, confectioners, butchers, milksellers, buttersellers, dairymen,

MR. RAJESH CHHAPARIA IBBI/RV/06/2019/11 REGISTERED VALUER KOLKATA grocers, poulterers, greengrocers, farmers, ice merchants and to carry on the business of refreshment rooms proprietors and refreshment caterers, etc. As on the Appointed Date, FSCPL has two identified divisions:

a) Real Estate & Investment Undertaking
b) Remaining Underaking

The authorized, issued and subscribed share capital of FSCPL is as under:

Particulars	Amount (in Rs.)
Authorised Share Capital	
300 Equity Shares of Rs. 1000/- each	3,00,000
Issued, Subscribed and Paid up Share Capital	
110 Equity Shares of Rs. 1000/- each	1,10,000

Complete Shareholding pattern of the Company as on the valuation date is as under-

Sl No.	Name of shareholders	No. of shares	Shareholding %
1.	Apeejay Surrendra Trust	88	80
2.	Apeejay House Pvt. Ltd	22	20
Total		**110**	**100%**

The financial position of FSCPL, as per the audited financial statements as on the Appointed Date is as under:

Sl. No.	Extract of Balance Sheet	Total (in Rs.)
1	Property, Plant & Equipment	4,35,75,485
2	Intangible Assets	17,45,296
3	Non-current investments	50,85,065
4	Deferred Tax Asset (net)	29,76,292
5	Long Term Loans & Advances	1,86,27,088
6	Current Investments	8,30,98,504
7	Inventories	39,91,532
8	Trade Receivables	1,59,18,500
9	Cash & Cash Equivalent	1,62,41,829
10	Short-term loans and advances	3,04,10,308
11	Other Current Assets	13,32,099
	Total of Assets	**22,30,01,998**
12	Shareholder's fund	19,63,93,879
13	Long term Borrowings	6,10,915
14	Long term provisions	33,79,088
15	Current Liabilities	2,26,18,116
	Total of Liabilities	**22,30,01,998**

Sl. No.	Extract of Profit & Loss Statement	Amount (in Rs.)
1	Revenue from Operations	25,46,18,026
2	Other Income	83,28,262
	Total Revenue	**26,29,46,288**
3	Cost of Raw Material consumed	(7,72,54,695)
4	Employee Benefits Expense	(4,69,49,732)

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5	Finance Cost	(68,653)
6	Depreciation and Amortisation Expense	(1,07,31,440)
7	Other Expenses	(5,16,14,880)
	Total Expenses	**(18,66,19,400)**
	PBT	**7,63,26,888**
8	Taxes	(2,05,59,577)
	PAT	**5,57,67,311**

Subsequent to the Appointed date, Flurys Swiss Confectionery Private Limited ("Transferor Company 1") had entered and executed a Business Transfer Agreement with Apeejay Surrendra Park Hotels Limited for the sale of the Confectionery Business. The Confectionery Business was agreed to be transferred by Flurys Swiss Confectionery Private Limited and acquired by Apeejay Surrendra Park Hotels Limited on a slump sale basis for a lump sum consideration and on the other terms and conditions as specified in the Agreement. The sale was recognized by the Company subsequent to 31st March 2020 and prior to report issue date, event being material has been considered for the purpose of computation of fair swap ratio.

2.2. **Great Eastern Stores Private Limited** **(GESPL) (Resulting Company)** (CIN U51909WB1917PTC002830) is a private limited company incorporated on 2nd May, 1917 under the provisions of the Companies Act, 1956 having its registered office at Apeejay House, 15, Park Street, Kolkata 700016.

The main objects of the Company, as stated in its Memorandum of Association, inter-alia, includes to acquire by lease grant assignment transfer or otherwise any tea gardens or plantations and premises from any person or persons firm Syndicate or Corporation Government or Municipality in India to perform and fulfil the conditions thereof and in particular to adopt and carry into effect with or without modifications and to carry on the business of planters growers and manufacturers of tea, coffee, cinchona, cocoa and other natural products of any kind, ship-owners, bankers, engineers and merchants,etc.

The authorized, issued and subscribed share capital of GESPL is as under:

Particulars	Amount (in Rs.)
Authorised Share Capital	
10,000 Equity Shares of ₹100/- Each	1,00,000/-
Issued, Subscribed and Paid up Share Capital	
2,484 Equity Shares of ₹100/- Each	2,48,400/-

Complete Shareholding pattern of the Company as on the valuation date is as under-

Sl No.	Name of shareholders	No. of shares	Shareholding %
1.	Apeejay Surrendra Trust	2,483	99.96%
2.	Aminchand Payarelal Pvt. Ltd.	1	0.04%
	Total	**2,484**	**100%**

The financial position of GESPL, , as per the audited financial statements as on the Appointed Date is as under:

Sl. No.	Extract of Balance Sheet	Amount (in Rs.)
1	Fixed Assets	29,13,986
2	Non Current Investment	16,670
3	Long Term Loans & Advances	1,71,170

4	Trade Receivables	17,508
5	Cash & Cash Equivalent	30,735
6	Short Term Loans & Advances	39,34,124
	Total of Assets	**70,84,192**
7	Shareholder's fund	66,68,792
8	Current Liabilties	4,15,400
	Total of Liabilities	**70,84,192**

Sl. No.	Extract of Profit & Loss Statement	Amount (in Rs.)
1	Revenue from Operations	1,22,626
2	Other Income	-
	Total Revenue	**1,22,626**
3	Depreciation and Amortisation Expense	(1,14,635)
4	Other Expenses	(7,16,750)
	Total Expenses	**(8,31,385)**
	PBT/PAT	**(7,08,759)**

2.3. **Fusion Beverages Private Limited** **(FBPL)** **(Transferor Company 2)** (CIN U15100WB2018PTC225495) is a private limited company incorporated on 5th April, 2018 under the provisions of the Companies Act, 1956 having its registered office at Apeejay House, 15, Park Street, Kolkata 700016.

The main objects of the Company, as stated in its Memorandum of Association, inter-alia, includes to establish, run, own, operate, to carry out the business of franchisor, franchisee or maintain beverage centres, chain food stores, fast food centres, food parks, food plazas, food courts, restaurants, cha-bars, cafeterias, eateries, ice cream parlours, branded food product shops, frozen foods, spices, condiments, oils and to buy, sell, cook, mix, supply and distribute all other or similar food and beverage items, etc.

The authorized, issued and subscribed share capital of FBPL is as under:

Particulars	Amount (in Rs.)
Authorised Share Capital	
1,00,000 Equity Shares of Rs. 10/- each	10,00,000
Issued, Subscribed and Paid up Share Capital	
10,000 Equity Shares of Rs. 10/- each	1,00,000

Complete Shareholding pattern of the Company as on the valuation date is as under-

Sl No.	Name of shareholders	No. of shares	Shareholding %
1.	Apeejay Pvt. Ltd.	2,500	25.00%
2.	Apeejay Oxford Bookstores Pvt. Ltd.	2,500	25.00%
3.	Apeejay House Pvt. Ltd.	2,500	25.00%
4.	Artistery House Pvt Ltd	2,500	25.00%
Total		**10,000**	**100%**

The financial position of FBPL, as per the audited financial statements as on the Appointed Date is as under:

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Sl. No.	Extract of Balance Sheet	Amount (in Rs.)
1	Property,Plant & equipment	57,961
2	Long Term Loans & Advances	51,800
3	Inventories	10,34,506
4	Trade Receivables	3,27,377
5	Cash & Cash Equivalent	3,83,085
6	Short Term Loans & Advances	1,24,411
	Total of Assets	**19,79,140**
7	Shareholder's fund	50,450
8	Short term borrowings	2,00,000
9	Trade Payables	16,70,075
10	Current Liabilties	58,615
	Total of Liabilities	**19,79,140**

Sl. No.	Extract of Profit & Loss Statement	Amount (in Rs.)
1	Revenue from Operations	45,49,107
2	Other Income	51,670
	Total Revenue	**46,00,777**
3	Purchase of Traded Goods	(42,49,858)
4	Changes in Inventories of Stock - in - trade	10,34,506
5	Depreciation and Amortization Expense	(6,565)
6	Other Expenses	(14,23,409)
	Total Expenses	**(46,45,327)**
	PBT before Exceptional items	**(44,550)**
7	Exceptional Items	(5,000)
	PBT/PAT	**(49,550)**

2.4. **Apeejay Tea Limited (ATL) (Transferee Company)** (CIN U27108WB1995PLC071253) is a limited company incorporated on 27th April, 1995 under the provisions of the Companies Act, 1956 having its registered office at Apeejay House, 15, Park Street, Kolkata 700016.

The main objects of the Company, as stated in its Memorandum of Association, inter-alia, includes to act as consultants and to advise and assist on all aspects of corporate commercial and industrial management or activity including production manufacturing, personnel, advertising and public relations, public welfare marketing, taxation, technology, insurance, purchasing, sales, quality control, computer applications, software, productivity, planning, research and development, organisation, feasibility studies, project reports, forecasts and surveys and to give expert advice and suggest ways and means for improving efficiency in trades, plantations, business organisations, registered or cooperative societies, partnership or proprietary concerns and industries of all kinds in India and elsewhere in the world and improvement of business management, office organisation and export management; to supply to and provide, maintain and operate services, facilities, conveniences, bureau and the like for the benefit of any company; to recruit and /or advice on the recruitment of staff for any company.

The authorized, issued and subscribed share capital of ATL is as under:

Particulars	Amount (in Rs.)
Authorised Share Capital	

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16,000,000 Equity Shares of ₹10/- Each	16,00,00,000
Issued, Subscribed and Paid up Share Capital	
50,480 Equity Shares of ₹10/- Each	5,04,800

Complete Shareholding pattern of the Company as on the valuation date is as under-

Sl No.	Name of shareholders	No. of shares	Shareholding %
1	Kathua Steel Works Private Limited	29,600	58.64%
2	Assam Frontier Tea Holdings Limited	13,058	25.86%
3	Apeejay House Private Limited	3,308	6.55%
4	Empire Plantations & Investment Ltd.	1,760	3.48%
5	Singlo Holdings Ltd.	1,408	2.78%
6	Shirin Paul	380	0.75%
7	Apeejay Securities Pvt Ltd	966	1.91%
		50,480	**100%**

The financial position of ATL, as per the audited financial statements as on the Appointed Date is as under:

Sl. No.	Extract of Balance Sheet	Amount (Rs. In Lakhs)
1	Property, Plant and Equipment	90,952
2	Capital work-in-progress	2,629
3	Other Non-Current Assets	3,037
4	Inventories	5,195
5	Biological assets other than bearer plants	161
6	Financial assets	19,469
7	Other Current Assets	2,400
	Total of Assets	**1,23,843**
8	Shareholder's fund	46,678
9	Long Term Borrowings	33,104
10	Other Non-Current Liabilities	1,683
11	Financial Liabilities	40,044
12	Other Current Liabilities	2,334
	Total of Liabilities	**1,23,843**

Sl. No.	Extract of Profit & Loss Statement	Amount (Rs. In Lakhs)
1	Revenue from Operations	46,206
2	Other Income	7,080
3	**Total Revenue**	**53,286**
4	Cost of materials consumed	(2,871)
5	Purchases of stock-in-trade	(3,330)
6	Changes in inventories	(1,982)
7	Changes in Fair value of biological assets	(44)
8	Employee Benefit Expenses	(28,994)
9	Finance Costs	(5,408)
10	Depreciation and Amortization Expense	(2,232)
11	Other Expenses	(16,520)
	Total Expenses	**(61,381)**

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	PBT	**(8,095)**
	Other Comprehensive Income	**(427)**
	Total Comprehensive Income	**(8,522)**

3. Rationale for the Scheme

3.1. Apeejay Group ('the Group') is amongst India's most renowned and admired corporate houses. The applicant companies under this composite Scheme of Arrangement are a part of the said group. Each of the several businesses carried on by the Group by itself and through its subsidiaries and affiliate companies and through strategic investments in other companies have significant potential for growth. Each of the businesses have tremendous growth and profitability potential and are at a stage where they require focused leadership and management attention.

3.2. The Demerged Company / Transferor Company 1 is *inter alia* engaged in multiple businesses and activities including real estate, rental of properties, long-term investments in other companies, businesses of operating restaurants, confectionary outlets, and consultancy relating thereto.

3.3. To segregate the businesses of the Demerged Company, it is intended to demerge the real estate and investment undertaking on a going concern basis into a separate entity being the Resulting Company i.e. Great Eastern Stores Private Limited. The Resulting Company is presently engaged in the business of real estate business.

3.4. On completion of the aforesaid demerger, Flurys Swiss Confectionery Private Limited ("Transferor Company 1") and Fusion Beverages Private Limited ("Transferor Company 2") shall be merged with Apeejay Tea Limited ("Transferee Company"). This shall strengthen the balance sheet of the Transferee Company and create a larger and financially stronger entity, which will have better resources for business growth and expansion. The scheme of arrangement would also infuse additional business to the Transferee Company which has growth potential and hence there is significant synergy for consolidation of all the entities.

3.5. Further, the amalgamation would create economies in administrative and managerial costs by consolidating operations and would reduce duplication of administration responsibilities and multiplicity of records and legal and regulatory compliances.

3.6. It is believed that the proposed restructuring would result in better and efficient control by the management and promote their growth. It will create enhanced value for shareholders and allow a focused strategy in operations, which would be in the best interest of Apeejay Group, its shareholders, creditors, and all persons connected with the Group. The proposed restructuring will enable investors to separately hold investments in businesses with different investment characteristics thereby enabling them to select investments which best suit their investment strategies and risk profiles. The scheme of arrangement will also provide scope for independent collaboration and expansion without committing the existing organization in its entirety.

4. Source of Information

4.1. In connection with this exercise, I have used the following information about the Companies as received from the Management in either oral or in written form and/or gathered from the public domain:

MR. RAJESH CHHAPARIA * IBBI / RV / 06 / 2019 / 11013 * REGISTERED VALUER KOLKATA

a) Complete Shareholding structure of the Companies as on the valuation date;
b) Provisional Financial Statements of FSCPL, FBPL, GESPL and ATL for the Financial Year ended 31^{st} March 2020;
c) Details of undertaking-wise identified business of FSCPL approved by the management of the Company for the Financial Year ended 31^{st} March 2020.
d) Material events/ changes in the financial position of the respective companies/undertakings since 31.03.2020 till report issue date.
e) Draft Composite Scheme of Arrangement of the Companies.
f) Account statements in respect of investments in mutual funds by FSCPL as at the valuation date.

4.2. Further, the management of each of the Companies has informed me that all material information impacting the respective Companies has been disclosed to me.

4.3. During the discussions with the respective managements of the Companies, I have also obtained explanations and information considered reasonably necessary for my exercise in respect of each of the Companies.

4.4. The Companies have been provided with the opportunity to review the draft report as part of our standard practice to make sure that factual inaccuracies/omissions are avoided in the final report.

5. Procedures Adopted

In connection with this exercise, I have adopted the following procedures to carry out the valuation:

5.1. Discussion with the Management to understand the business and fundamental factors that affect its earning-generating capability including strengths, weaknesses, opportunities and threats analysis and historical financial performance.

5.2. Analysis of information shared by the Management.

5.3. Selection of appropriate valuation methodology/ (ies) as considered appropriate by me.

5.4. Arriving at fair share exchange ratio / swap ratio for the Proposed Arrangements.

6. Valuation Methodology

6.1. The draft Scheme contemplates the Proposed Arrangement under section 230 read with section 232 of the Companies Act, 2013 and rules issued thereunder to the extent applicable.

6.2. Arriving at the Fair share exchange ratio for the purpose of the proposed arrangement, in accordance with ICAI Valuation Standards ("IVS") would require determining the relative values of each Company and/ undertaking involved and their shares. These values are to be determined independently but on a relative basis and without considering the effect of the arrangement.

6.3. It is universally recognized that valuation is not an exact science and that estimating values necessarily involves selecting a method or approach that is suitable for the purpose. In this valuation, it is not the absolute values but the relative values which are of concern. My objective is

MR. RAJESH CHHAPARIA IBBI/RV/06/2019/11 REGISTERED VALUER KOLKATA to ascertain the relative valuation of the concerned companies to determine a fair and equitable share exchange ratio.

6.4. It may be noted that the Institute of Chartered Accountants of India (ICAI) on June 10, 2018 has issued the ICAI Valuation Standards ("IVS") effective for all the valuation reports issued on or after July l, 2018. I have given due cognizance to the same in carrying out the valuation exercise.

6.5. IVS 301 on Business Valuations deals with valuation of a business or business ownership interest (i.e. it includes valuation of equity shares).

6.6. IVS 301 specifies that generally, following three approaches are used for valuation of business/business ownership interest:

- ✓ **Market Approach:**
  - Market Price Method;
  - Comparable Companies' Quoted Multiple Method.
- ✓ **Income Approach:**
  - Discounted Cash Flows Method.
- ✓ **Cost Approach:**
  - Replacement Cost Method;
  - Reproduction Cost Method;
  - Net Asset Value Method (Book Value Basis or Realisable Value Basis).

Each of the above approaches of valuation is discussed in the following paragraphs.

6.6.1 **Market Approach:**

The Market Approach indicates the value of a business on a going concern basis, based on a comparison of the business to comparable publicly traded companies and as well as prior business transactions in the industry.

I understand that there are no listed guideline companies in India which are strictly comparable to the companies or the undertakings in terms of business profile and customer concentration. Further, there is no separate market price available for the Companies or the undertakings to be demerged.

Further, the proposed scheme is an arrangement within the companies of Apeejay Group and the substantial shareholding of the companies involved in the Scheme are held directly or indirectly by Apeejay Surrendra Trust.

Accordingly, the Market Approach has not been adopted for the valuation.

6.6.2 **Income Approach - Discounted Cash Flows ("DCF") Method:**

The income approach provides an indication of value by converting future cash flow to a single current value. Under the income approach, the value of an asset is determined by reference to the value of income, cash flow or cost savings generated by an asset. One of the widely used methods under the income approach is Discounted Cash flow (DCF) Method.

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Under the DCF method the projected free cash flows to business are discounted at the weighted average cost of capital. The sum of the discounted value of such free cash flows is the value of the business. An approach based on earnings is relevant in case of companies generating a steady stream of income.

The DCF method places reliance on cash flow projections which are estimated and prepared by the management. The said method cannot be used in absence of cashflow projections of the business of the Companies/undertakings. Further, the process of projecting future cashflows involves a number of assumptions which shall bring in lot of subjectivity in the exercise.

In view of the above, the income approach has not been adopted for the valuation exercise.

6.6.3 **Cost/ Asset Approach**

Cost approach is a valuation approach that reflects the amount that would be required currently to replace the service capacity of an asset. The said valuation technique is based on the value of the underlying net assets of the business either on a book value basis or realizable value basis or replacement cost basis.

It is relevant to understand that application of any particular method of valuation depends on various factors such as the purpose for which the valuation is done, the relative share holding pattern of the Companies and other factors.

In view of the reasons outlined in the preceding paragraphs, we are unable to use the market-based/ income-based approach in view of the paucity of publicly available data on similar transactions in the relevant industry and non-availability of estimation of future cash flows projections. Further, this is a scheme of arrangement involving companies of the same group. Accordingly, cost-based approach comes across as the most suitable method for the instant exercise.

In view of the given scenario, **I have used the Net Asset Value Method under Cost approach** to determine the fair value of the shares of the Companies/undertaking.

This approach involves determining the value per share based on the underlying value of assets and liabilities of the aforesaid undertaking/ Companies. I have considered the latest available provisional financial statement of the Companies and management certified undertaking-wise financial statements of the respective companies involved in the Scheme of arrangement for the year ended 31st March 2020 for the purpose of determining the fair value of shares of respective Companies/Undertaking.

Valuation Approach for the proposed Transactions:

a) **First Part (Demerger of the Real estate & investment undertaking of FSCPL and vesting of the same to GESPL)**

Due consideration is given to the fact that FSCPL and GESPL are part of the same Group and the entire share capital of both the Companies is owned and controlled either directly or indirectly entirely by the Apeejay Surrendra Trust.

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As represented by the Management, terms of the Scheme have been agreed by the shareholders and Board as a part, of commercial and business arrangement for segregation of businesses under separate entities for their independent growth. I understand that the overall objective of the proposed demerger of Real Estate & investment Undertaking of FSCPL into GESPL is to achieve benefits as laid down in Rationale to the Scheme in Section-B of the draft Scheme, reiterated in Para 3 of this report.

Pursuant to, the demerger, it is proposed that the consideration would be discharged by way of issue of Equity shares by GESPL to the shareholders of FSCPL.

In light of the aforesaid, it is imperative to note that the shares of the Transferor Company 1 i.e. FSCPL as well as the resulting Company i.e. GESPL are ultimately held in entirety by Apeejay Surrendra Trust (AST). 80% of the shares of FSCPL are held by AST directly and remaining 20% shares are held by Apeejay House Pvt. Ltd. whose 99.90% shares are held by by Aminchand Payarelel Pvt. Ltd.(APPL), and shares of APPL are held in entirety by AST and 99.96% of the shares of GESPL are held by AST directly and remaining 0.04% shares are held by APPL, the effective ownership of which is ultimately held by AST. On perusal of the shareholding pattern for both the Transferor Company 1 and the Resulting Company, it is understood that the effective ownership of the Real Estate & Investmenst undertaking of FSCPL shall continue to remain same irrespective of the swap ratio determined.

In view of the above, the determination of swap ratio, in the instant case, is at best an internal arrangement between FSCPL, GESPL and the shareholders of the Companies and a detailed valuation of the companies/undertakings to determine the swap ratio would not be relevant in the present case.

b) Second Part (Amalgamation of remaining business of FSCPL and FBPL with ATL).

Remaining Business of FSCPL:

Remaining Business means all the undertakings, businesses, activities, operations, assets, and liabilities of FSCPL other than the Demerged Undertaking as reflected in Para 2.1 of this report.

- For the purpose of my exercise,
  - On perusal of the latest available undertaking-wise financials of FSCPL, it is understood that the significant portion of the asset size of the Company is comprised of Loans & Advances. The said loans and advances have been captured at their respective book values.
  - for ascertaining the fair value of *investments in mutual fund units*, reliance has been placed on account statement reflecting NAV as on 01.09.2020, as made available to me by the management.
  - Further, all *other assets and liabilities* (i.e. land, cash and bank, provisions, loans, other current liabilities) have been considered at their respective book values, based on the management certified undertaking-wise financial statement of FSCPL as at 31.03.2020.
  - The Company had entered and executed a Business Transfer Agreement with Apeejay Surrendra Park Hotels Limited for the sale of the Confectionery Business post the appointed date. The Confectionery Business was agreed to be transferred by

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the Company and acquired by Apeejay Surrendra Park Hotels Limited on a slump sale basis for a lump sum consideration and on the other terms and conditions as specified in the Agreement. The sale was recognized by the Company subsequent to 31st March 2020 and prior to report issue date. The said transaction, being material, has been considered for the purpose of ascertaining the fair value of the Company.

FBPL:

On perusal of the financial statements of the Company, it is observed that significant portion of total assets and liabilities is in the nature of working capital and investments in tangible assets is very meagre. Accordingly, the aforesaid working capital, being realisable / payable within a period of less than 12 months, are appropriately captured at their book values for the exercise, based on the provisional financial statement as at 31.03.2020. The Company neither owns any immovable properties nor have any investments in quoted/unquoted shares/units.

ATL (Transferee Company):

The valuation of ATL is carried out at Adjusted Net Asset Value Method based on the book values of the financial statements as at 31st March 2020 prepared in compliance with Ind AS. It is also relevant to note that the Company is amongst India's oldest and 3rd largest Tea producer Company and the plantations and tea estates owned comprises of the Company's key assets. The said plantations have been valued at the prevailing fair market value at the time of adoption of Indian Accounting Standards (Ind AS) during FY 2017-18 and there has not been significant increase in the market value since then. Further, the Company has been preparing its financial statements in compliance with the Ind AS and the said financial statements have been used in the instant valuation exercise for the purpose of ascertaning the fair value.

It has been represented by the management that there has not been any material change in the financial position of the Company since 31.03.2020 till the valuation date. Further, contingent liabilities have been consideded at 50% of their respective book values reflected in the aforesaid provisional financial statement of the Company.

It is also appropriate to consider the valuation of shares of ATL based on their book values following the cost-based method since both the ownership of the Transferee Company i.e. ATL and the transferor Companies i.e. FSCPL and FBPL are held in entirety by the same Group Companies. Hence, the effective ownership shall continue to remain within the same Group Companies post the Scheme. Upon amalgamation of the remaining business of FSCPL and FBPL with ATL, the shareholders of FSCPL and FBPL would be entitled to equity shares of ATL which is effectively owned by the Apeejay Group itself on the appointed date of the proposed amalgamation. Hence, pursuant to the amalgamation, there would be no change in the effective ownership of the equity shares.

The detailed workings of the computation of fair values of equity shares of the Companies/undertakings are provided in ***Annexure – A to D***

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7. Recommendation of Fair share exchange ratio / Swap Ratio

7.1. The basis of the fair share exchange ratio / swap ratios for the Proposed Arrangement would have to be determined after taking into consideration all the factors and methods mentioned hereinabove. It is, however, important to note that in doing so, I am not attempting to arrive at the absolute values of the Companies, but at their relative values to facilitate the determination of the fair share exchange ratio.

7.2. In light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, the fair share exchange ratios have been arrived at on the basis of a relative equity valuation of the Companies based on the Cost or Asset based approach and market approach.

7.3. The application of any method of valuation depends on the purpose for which the valuation is done. Although different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can arrive at only one value for one purpose. My choice of methodology of valuation has been arrived at, using usual and conventional methodologies, adopted for transactions of a similar nature and my reasonable judgment, in an independent and bona fide manner.

7.4. While I have provided my recommendation of the Fair Share Exchange Ratios based on the information available with me and within the scope and constraints of my engagement, others may have a different opinion as to the Fair Share Exchange Ratio. The final responsibility for the determination of the fair share exchange ratios at which the Proposed Composite Scheme of Arrangement shall be executed will be with the Boards of the Companies who should consider other factors such as their own assessment of the Proposed Arrangement and input of other advisors.

8. Conclusion

First Part (Demerger of the Real Estate & Investment undertaking of FSCPL and vesting of the same to GESPL):

Based on the foregoing, and on consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, I recommend following fair share exchange ratio for the Proposed Composite Scheme of Arrangement. In doing so, I have kept in view the need to avoid fractional allotment of shares of GESPL to the transferor Company.

"10 (Ten) equity shares of Rs. 100/- (Rupees hundred only) each of Great Eastern Stores Private Limited for every fully paid up equity shares of Rs. 1000/- (Rupees thousand only) each held in Flurys Swiss Confectionery Private Limited

Second Part (Amalgamation of remaining business of FSCPL and FBPL with ATL):

Based on the foregoing, and on consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, I recommend following fair share exchange ratio for the Proposed Composite Scheme of Arrangement. In doing so, I have kept in view the need to avoid fractional allotment of shares of ATL to the transferor Companies.

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"100 (One hundred) equity shares of Rs. 10/- (Rupees Ten only) each of Apeejay Tea Limited for every fully paid up equity shares of Rs. 1000/- (Rupees Thousand only) each held in Flurys Swiss Confectionery Private.

"1 (One) equity shares of Rs. 10/- (Rupees Ten only) each of Apeejay Tea Limited for every 435 (Four hundred and thirty five) fully paid up equity shares of Rs. 10/- (Rupees Ten only) each held in Fusion Beverages Private Limited.

9. Scope Limitations, Assumptions, Qualifications, Exclusions and Disclaimers

9.1. This document has been prepared for the purposes stated herein and should not be relied upon for any other purpose. My client is the only authorized user of this report and is restricted for the purpose indicated in the engagement letter. This restriction does not preclude the client from providing a copy of the report to third-party advisors whose review would be consistent with the intended use and the Regulations. I do not take any responsibility for the unauthorized use of this report.

9.2. I owe responsibility to only to the client that has appointed me under the terms of the engagement letter dated 10th September 2020. I will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions or advice given by any other person. In no event shall I be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or wilful default on part of the client or companies, their directors, employees or agents.

9.3. While my work has involved an analysis of financial information and accounting records, our engagement does not include an audit in accordance with generally accepted auditing standards of the client existing business records. Accordingly, I express no audit opinion or any other form of assurance on this information.

9.4. The user to which this valuation is addressed should read the basis upon which the valuation has been done and be aware of the potential for later variations in value due to factors that are unforeseen at the valuation date. Due to possible changes in market forces and circumstances, this valuation report can only be regarded as relevant as at the valuation date.

9.5. The report does not constitute an offer or invitation to any section of the public to subscribe for the preference shares of the Company. Further, the actual market price achieved may be higher or lower than our estimate of value (or value range of value) depending upon the circumstances of the transaction (for example the competitive bidding environment), the nature of the business (for example the purchaser's perception of potential synergies). The knowledge, negotiating ability and motivation of the buyers and sellers and the applicability of a discount or premium for control will also affect actual market price achieved. Accordingly, my valuation conclusion will not necessarily be the price at which actual transaction will take place.

9.6. The client/owner and its management/representatives warranted to me that the information they supplied was complete, accurate and true and correct to the best of their knowledge. I have relied upon the representations of the owners/clients, their management and other third parties concerning the financial data, operational data and maintenance schedule of all plant-machinery-equipment-tools-vehicles, real estate investments and any other investments in tangible assets except as specifically stated to the contrary in the report. I shall not be liable for any loss, damages, cost or expenses arising from fraudulent acts, misrepresentations, or wilful default on part of the companies, their directors, employee or agents.

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9.7. I have relied on data from external sources also to conclude the valuation. These sources are believed to be reliable and therefore, I assume no liability for the truth or accuracy of any data, opinions or estimates furnished by others that have been used in this analysis. Where I have relied on data, opinions or estimates from external sources, reasonable care has been taken to ensure that such data has been correctly extracted from those sources and /or reproduced in its proper form and context.

9.8. The report assumes that the company/business/asset complies fully with relevant laws and regulations applicable in its area of operations and usage unless otherwise stated, and that the companies/business/assets will be managed in a competent and responsible manner. Further, as specifically stated to the contrary, this report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigations and other contingent liabilities that are not recorded/reflected in the balance sheet/fixed assets register provided to me.

9.9. I am fully aware that based on the opinion of value expressed in this report, I may be required to give testimony or attend court / judicial proceedings with regard to the subject assets, although it is out of scope of the assignment, unless specific arrangements to do so have been made in advance, or as otherwise required by law. In such event, the party seeking my evidence in the proceedings shall bear the cost/professional fee of attending court / judicial proceedings and my tendering evidence before such authority shall be under the applicable laws.

9.10. The Fair Value of assets of the company have been performed on the provisional unaudited standalone balance sheet of company provided by management as on 31.03.2020. The management also confirmed that there has not been any material change in the financials of since the said last available financial statements. Hence, due to the lack of financials as on the valuation date and based on representation given by the management , I have considered financials as on 31.03.2020 as the proxy for the financial position as of the valuation date, valuation report may change post availability of such information.

9.11. While I have provided my recommendation of the fair share exchange ratio / swap ratio based on the information available to me and within the scope and constraints of the engagement, others may have a different opinion as to the fair share exchange ratio / swap ratio of the Companies. The final responsibility for the determination of the fair share exchange ratio / swap ratio at which the Proposed Arrangement shall take place will be with the Board of Directors of the Companies who should take into account other factors such as their own assessment of the Proposed Arrangement / Arrangement and input of other advisors.

Yours faithfully,

MR. RAJESH CHHAPARIA
IBBI / RV / 06 / 2019 / 11913
KOLKATA
REGISTERED VALUER

Rajesh Chhaparia
Registered Valuer
IBBI/RV/06/2019/11913
Date: 30th September 2020
Place: Kolkata
UDIN: 21053172AAAAIZ4073

Annexure-A

Amalgamation of the remaining business of Transferor Company 1 and the Transferor Company 2 with the Transferee Company

Basic Information	Transferor Company 1	Transferor Company 2	Transferee Co.
Name	Remaining Business of Flurys Swiss Confectionery Private Limited	Fusion Beverages Private Limited	Apeejay Tea Limited
Authorised Share Capital			
(i) No. of Equity Shares	300	1,00,000	1,60,00,000
(ii) Value per share	1,000	10	10
(iii) Amount (in Rs.)	3,00,000	10,00,000	16,00,00,000
Paid-up Share Capital			
(i) No. of Equity Shares	110	10,000	50,480
(ii) Value per share	1,000	10	10
(iii) Amount (in Rs.)	1,10,000	1,00,000	5,04,800
Networth of the Companies (Book Value)	-	14,99,099	3,34,31,51,225
Networth of the Companies (Fair Value)	74,07,36,623	14,99,099	3,28,20,21,258
Fair Market Value (per share)	67,33,969	150	65,016
Workings	Annexure- B	Annexure- C	Annexure- D
Method adopted for valuation	Adjusted Net Asset Value Method	Adjusted Net Asset Value Method	Adjusted Net Asset Value Method
Calculation of SWAP RATIO	'100 (One hundred) equity shares of Rs. 10/- (Rupees Ten only) each of Apeejay Tea Limited for every fully paid up equity share of Rs. 1000/- (Rupees One thousand only) each held in Flurys Swiss Confectionery Private Limited	'1 (One) equity shares of Rs. 10/- (Rupees Ten only) each of Apeejay Tea Limited for every 435 (Four hundred and thirty five) fully paid up equity share of Rs. 10/- (Rupees Ten only) each held in Fusion Beverages Private Limited	

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Annexure-B

Remaining Businesss of Flurys Swiss Confectionery Private Limited
Computation of Fair Value of equity shares as on the Valuation Date

	Particulars	Book value*	Restated value
	Non-Current Assets		
	Fixed Assets	17,31,873	17,31,873
	Current Assets		
	Non-Current Investments	50,85,065	50,85,065
	Long-term loans and advances	55,600	55,600
	Current Investments	71,56,606	71,56,606
	Trade Receivables	14,33,651	14,33,651
	Cash & cash equivalents	22,11,175	22,11,175
	short-term loans and advances	46,36,70,048	46,36,70,048
	Other Current assets	14,26,61,999	14,26,61,999
I	**Total of Assets**	**62,40,06,017**	**62,40,06,017**
	Current Liabilities		
	Other Current Liabilities	40,18,25,887	40,18,25,887
	Short-Term Provisions	26,73,744	26,73,744
II	**Total of Liabilities**	**40,44,99,631**	**40,44,99,631**
III	**Net Assets (I-II)**	**21,95,06,386**	**21,95,06,386**
IV	Profit arising out of slump sale recognised post 01/04/2020 considered as material event		52,12,30,237
III	Net Assets (III+IV) (considering material events upto the report issue date)		74,07,36,623
IV	No. of equity shares of Rs. 1,000/-each		110
V	Fair value per equity share on a fully diluted basis (**III/ IV**)		**67,33,969.30**
* Taken as per the audited financial statements for the year ended 31st March 2020			

Annexure-C

Fusion Beverages Private Limited

Computation of Fair Value of equity shares as on the Valuation Date

	Particulars	Book value	Restated value	Source Of Information
	Non-Current Assets			
	Fixed Assets (movables assets)	50,475	50,475	Taken at book value based on management certified provisional financial statements as at 31.03.2020
	Long Term Loans & Advances	2,00,000	2,00,000	
	Current Assets			
	Inventories	5,59,157	5,59,157	Taken at book value based on management certified provisional financial statements as at 31.03.2020
	Trade Receivables	35,40,034	35,40,034	
	Cash & Cash Equivalent	8,99,023	8,99,023	
	Short-term loans and advances	15,000	15,000	
	Other Current Assets	3,07,542	3,07,542	
I	**Total of Assets**	**55,71,231**	**55,71,231**	
	Current Liabilities			
	Short Term Borrowings	2,01,735	2,01,735	Taken at book value based on management certified provisional financial statements as at 31.03.2020
	Other Current Liabilities	38,70,397	38,70,397	
II	**Total of Liabilities**	**40,72,132**	**40,72,132**	
III	**Net Assets (I-II)**	**14,99,099**	**14,99,099**	
IV	No. of equity shares of Rs. 10/-each		10,000	
V	Fair value per equity share on a fully diluted basis **(III/ IV)**		**149.91**	

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Annexure-D

Apeejay Tea Limited
Computation of Fair Value of equity shares as on the Valuation Date

	Particulars	Book value*	Restated value
	Non-Current Assets		
	Property, plant and equipment	89,432	89,432
	Capital work-in-progress	3,424	3,424
	Intangible assets	55	55
	Non-Current Investments	464	464
	Other Non-Current assets	7,877	7,877
	Current Assets		
	Inventories	3,578	3,578
	Biological assets other than bearer plants	-	-
	Current Investments	1	1
	Trade receivables	5,416	5,416
	Cash and Bank Balances	758	758
I	**Total of Assets**	**1,18,468**	**1,18,468**
	Non-Current Liabilties		
	Long Term Borrowings	24,532	24,532
	Other Non- Current Liabilities	4,902	4,902
	Current Liabilities		
	Short Term Borrowings	34,519	34,519
	Trade Payables	7,282	7,282
	Other Current Liabilities	13,802	13,802
II	**Total of Liabilities**	**85,036**	**85,036**
III	**Contingent liabilties**		**611**
III	**Net Assets (I-II-III)**	**33,432**	**32,820**
IV	No. of equity shares of Rs. 10/-each		50,480
V	Fair value per equity share on a fully diluted basis **(III/ IV)**		**65,016.27**

*Taken as per the provisional financial statements for the year ended 31st March 2020, as submitted by the management

MR. RAJESH CHHAPARIA
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In the National Company Law Tribunal

Kolkata Bench

CA (CAA) No. 74/KB/2021

In the matter of the Companies Act, 2013 – Section 230(1) read with Section 232(1)

And

In the matter of:

Flurys Swiss Confectionery Private Limited, a company incorporated under the Companies Act, 1913 within the meaning of Companies Act, 2013, having Corporate Identification No. U15137WB1946PTC013793 and its registered office at 18 Park Street, Kolkata 700071, in the state of West Bengal.

And

Fusion Beverages Private Limited, a company incorporated under the Companies Act, 2013, having Corporate Identification No. U15100WB2018PTC225495 and its registered office at Apeejay House, 15, Park Street, Kolkata 700016, in the State of West Bengal.

And

Great Eastern Stores Private Limited, a company incorporated under the Companies Act, 1913 and being a Company within the meaning of the Companies Act, 2013, having Corporate Identification No. U51909WB1917PTC002830 and its registered office at Apeejay House, 15, Park Street, Kolkata 700016, in the State of West Bengal.

And

Apeejay Tea Limited, a company incorporated under the Companies Act, 1956, and being a Company within the meaning of the Companies Act, 2013, having Corporate Identification No. U27108WB1995PLC071253 and its registered office at 15 Park Street, Kolkata 700016

1. Flurys Swiss Confectionery Private Limited
2. Fusion Beverages Private Limited
3. Great Eastern Stores Private Limited
4. Apeejay Tea Limited

. . . . . Applicant(s)

Date of Hearing : 4th June, 2021

Date of Pronouncement: 4th June, 2021

Coram:

Shri Rajasekhar V.K.	:	Member (Judicial)
Shri Harish Chander Suri	:	Member (Technical)

Counsel on Record for the Applicant(s)

1. Ms. Manju Bhuteria, Advocate
2. Mr. Arkodeb Sinha, Advocate
3. Ms. Meenakshi Manot, Advocate
4. Ms. Shreya Jain, For S Jaykishan, Chartered Accountants

ORDER

Per Harish Chander Suri, Member (Technical)

1. The instant application has been filed, in the first stage of the proceedings, under Section 230(1), read with Section 232(1) of the Companies Act, 2013 ("Act"), for orders and directions with regard to dispensation of meetings of shareholders and unsecured creditors of all the applicants and convening meeting of secured creditors of Applicant no. 4, in connection with Composite Scheme of Arrangement amongst Flurys Swiss Confectionery Private Limited, being the Applicant No.1, above named (**"Demerged Company"** or "Transferor Company No.1 " or "Applicant No.1"), Fusion Beverages Private Limited, being the Applicant No. 2, above named (**"Transferor Company 2"** or "**Applicant No. 2"**), Great Eastern Stores Private Limited, being the Applicant

No. 3, above named (**"Resulting Company"** or **Applicant No. 3"**) and Apeejay Tea Limited, being the Applicant No. 4, above named (**"Transferee** Company" or **"Applicant No. 4")** whereby and whereunder the "Demerged Undertaking" of the Demerged Company is proposed to be merged into the Resulting Company and Transferor Companies are proposed to be amalgamated with the Transferee Company from the Appointed Date in the manner and on the terms and Company on the terms and conditions stated in the Scheme of Arrangement ("Scheme"). The Applicant nos. 1, 2 and 3 have no secured creditors.

2. The object of this Application is to ultimately obtain sanction of this Tribunal to the Scheme of Arrangement, by which demerger of the "Real Estate & Investment Undertaking ('Demerged Undertaking') of Flurys Swiss Confectionery Private Limited ('Demerged Company/Transferor Company 1') into Great Eastern Stores Private Limited ('Resulting Company') and merger of the "Remaining Business" of Flurys Swiss Confectionery Private Limited ('Demerged Company/Transferor Company 1) and Fusion Beverages Private Limited ('Transferor Company 2') with Apeejay Tea Limited ('Transferee Company') on a going concern basis, with effect from 1st April, 2019, being the "Appointed Date" and in consideration thereof, issue of equity shares by the Resulting Company to the shareholders of the Demerged Company and by the Transferee Company to the shareholders of the Transferor Company 1 and the Transferor Company 2.

3. It is submitted by Ld. Counsel appearing for the Applicant(s) that the shares of the Applicant No.1, Applicant No.2 , Applicant No. 3 and Applicant No. 4 are not listed. Further, the Applicant(s) have the following classes of shareholders and creditors :

(a) <u>Applicant No. 1</u> : Equity Shareholders and Unsecured Creditors

(b) <u>Applicant No. 2 :</u> Equity Shareholders and Unsecured Creditors

(c) <u>Applicant No. 3</u> : Equity Shareholders and NIL Creditors

(d) Applicant No. 4 : Equity Shareholders, Secured Creditors and Unsecured Creditors

4. It is further submitted that all Equity Shareholders and over 90% in value of Unsecured Creditors of the Applicant No. 1, all Equity Shareholders and over 90% in value of Unsecured Creditors of the Applicant No. 2, all Equity Shareholders of the Applicant No.3 and all Equity Shareholders and over 90% in value of Unsecured Creditors of the Applicant No.4 have already given their consent to the Scheme by way of affidavits which are annexed to the application.

5. The Applicants sought, accordingly, for (a) dispensing with meetings of the Equity Shareholders and Unsecured Creditors who have already given their consent to the Scheme and (b) convening of meetings of the Secured Creditors of Applicant Company No. 4 to consider the Scheme under Section 230(1) [read with Section 232(1)] of the Act.

6. Upon perusing the records and documents in the instant proceedings and considering the submissions made on behalf of the Applicant(s), we allow the instant application and make the following orders :

(a) Meetings dispensed: Meetings of the Equity Shareholders of the Applicants and meetings of Unsecured Creditors of the Applicant No. 1, Applicant No. 2, and Applicant No. 4 are dispensed with under Section 230(1), read with Section 232(1) of the Act.

(b) Meetings to be held | Date and Times: The following meeting shall be convened and held at the following time on 26th July, 2021 for the purpose of considering, and, if thought fit, approving the Scheme, with or without modification :

i. Meeting of Secured Creditors of Applicant No.4 at 2 PM.

(c) Mode of Meeting: The meeting, as above shall be held virtually via video conferencing or other audio-visual mode ("Virtual Mode"). Subject to the directions and matters dealt with herein, such meetings shall be held virtually in accordance with the framework provided therefor in the Ministry of Corporate Affairs General Circular No. 14/2020 dated 8th April, 2020, as clarified / extended from time to time, including by General Circulars bearing No. 17/2020 dated 13th April, 2020, No.22/2020 dated 15th June, 2020, No. 33/2020 dated 28th September, 2020 and No.39/2020 dated 31st December, 2020 ("Virtual Meeting Circulars").

(d) Advertisement : At least 30 (thirty) clear days before the meeting to be held, as aforesaid, an advertisement of the notice of meeting be published once each in the "Financial Express" in English and "Aajkaal", translated in Bengali as per Rule 7 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

(e) Individual Notices : At least 30 (thirty) clear days before the date of the meeting to be held, as aforesaid, notices convening the said meeting, along with all documents required to be sent with the same, including a copy of the Scheme, statement prescribed under the provisions of the Act disclosing necessary details, shall be sent to each of the Secured Creditors of the Applicant No. 4 as per Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, by post or air mail or courier or email or through personal messenger at their respective or last known addresses. The said notices along with accompanying documents shall also be published on the website of the Applicant.

(f) Chairperson : Mr. Amit Shyamsukha, PCA [Mobile No.9331029389], is appointed as the Chairperson of the meeting to be held, as aforesaid. The Chairperson shall be paid a sum of Rs.75,000/- (Rupees seventy-five thousand only) for conducting the aforesaid meeting as Chairperson.

(g) Scrutinizer :, Mr. Anil Kumar Dubey, PCS [Mobile No. 8334984350] is appointed as the Scrutinizer of the meeting to be held, as aforesaid. The Scrutinizer shall be paid a sum of Rs.60,000/- (Rupees sixty thousand only) for acting as Scrutinizer.

(h) Quorum and Attendance: The quorum for the said meeting of the Secured Creditors of Applicant Company No. 4 shall be two (2) persons. For the meeting to be held in Virtual Mode, attendance of such persons in Virtual Mode shall be counted for the purpose of quorum. Attendance at such meeting shall be recorded in the minutes of the meeting, instead of taking physical attendance slips. In the event, no quorum is present within 30 minutes from the commencement of virtual meeting, then in such event the creditors present shall constitute quorum and the Chairperson shall proceed with the meeting.

It is, however, provided that in the event the quorum of the meeting as aforesaid is not available at the scheduled date and time, the Chairperson may adjourn the meeting to the same day in the next week at the same time.

(i) Mode of Voting: Voting in the meetings held in Virtual Mode, shall be by e-voting only. Facility for voting by remote e-voting shall also be provided during the period from 19thJuly, 2021 (9:00 A.M) to 25thJuly, 2021 (5:00 P.M). The facility for remote e-voting shall be disabled at 5:00 P.M on 25thJuly, 2021.

(j) Cut-off date: The cut -off date for determining the eligibility to vote and value of votes shall be 31st May 2021. The value of the votes cast shall be reckoned and scrutinized with reference to the said dates.

(k) Voting procedure: Subject to the directions and matters dealt with herein, the procedure for voting by e-voting and conduct of voting, in so far as the same is prescribed by the Virtual Meeting Circulars and

Companies (Management & Administration) Rules, 2014 ("the said Rules"), and the forms thereunder shall be followed with such variations as required in the circumstances and in relation to the resolution for approval of the Scheme.

(l) Persons who are entitled and have an option to vote on the resolution put to a meeting by (a) remote e-voting or (b) by e-voting at the meeting, as above, may opt to exercise their votes only in one of such modes. If the Secured Creditors have cast their votes by remote e-voting, they shall not be entitled to vote again during the meeting (*via* e-voting). If they do so, the votes so cast by them shall be treated as invalid. It is clarified that such persons choosing to cast their votes by remote e-voting shall nevertheless be entitled to attend, participate and constitute the quorum in the discussions in such meeting but shall not be entitled to vote again at such meeting.

(m) Authorization: If a body corporate choose to vote by remote e-voting or by e-voting at the meeting held in Virtual Mode, a scanned copy of such letter authorizing him/her to attend or vote for such resolution shall be duly sent by email to the Scrutinizer or the Chairperson. The Chairperson/Scrutinizer appointed for the meeting and/ or, the Company is directed to accept such email in this regard.

(n) That the Chairperson appointed for the said meeting or any person authorized by the Chairperson do issue and send the notices of the aforesaid meeting.

(o) The votes cast shall be scrutinized by the Scrutinizer. Votes cast in all the modes shall be consolidated. The Scrutinizer shall prepare and submit the report of the meeting, along with all papers relating to the voting, to the Chairperson of the meeting within 3 days of the conclusion of the meeting. The Chairperson shall declare the result of the meeting based on the report received from the Scrutinizer. The declaration of result by the Chairperson shall also be published on the website of the Applicant and in case Applicant does not have a website, the declaration of result shall be published in the same newspapers in which notice of the meetings were advertised.

(p) The value of each Secured Creditor shall be in accordance with the books and records of the Applicant No. 4 and, where entries in the books are disputed, the Chairperson shall determine the value for purpose of the said meeting.

(q) The resolution for approval of the Scheme of Arrangement put to a meeting shall, if passed by a majority representing three-fourths in value of the respective Secured Creditors casting their votes during the meeting or *via* remote e-voting, as aforesaid, shall be deemed to have been duly passed on the date of such meeting under Section 230(1), read with Section 232(1) of the Companies Act, 2013.

(r) The Chairperson do report to this Tribunal the results of the said meeting within four weeks from the date of the conclusion of the said meeting. Such report shall be in Form No. CAA-4 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, verified by an affidavit.

7. Notice under Section 230(5) of the Companies Act, 2013, along with all accompanying documents, including a copy of the aforesaid Scheme and statement under the provisions of the Companies Act, 2013, shall also be served on the Regional Director, Eastern Region, Ministry of Corporate Affairs, Kolkata; Registrar of Companies with whom the Applicant(s) are registered; Official Liquidator, and Income Tax Department having jurisdiction over the Applicant(s); by sending the same by hand delivery through special messenger or by post or by email forthwith after the notices are sent to the shareholders and creditors, as aforesaid. The notice shall specify that representation, if any, should be filed before this Tribunal within 30 days from the date of receipt of the notice with a copy of such representation being simultaneously sent to the Advocates/ Authorized Representative of the said Applicant(s). If no such representation is received by the Tribunal within such period, it shall be presumed that such authorities have no representation to make on the Scheme of Amalgamation.

Such notice shall be sent, pursuant to Section 230(5) of the Companies Act, 2013, read with Rule 8(2) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, in Form No. CAA3 of the said Rules with necessary variations, incorporating the directions herein.

8. The Applicant(s) to file an affidavit proving service of notices of meeting and publication of advertisements and compliance of all directions contained herein at least a week before the meeting is to be held.

9. The application, being CA(CAA) No. 74/KB/2021, is disposed of accordingly.

Rajasekhar V K

Digitally signed by Rajasekhar V K
Date: 2021.06.11 10:16:08 +05'30'

(Harish Chander Suri) (Rajasekhar V K)

Member(Technical) Member (Judicial)

Signed, this the 4th June, 2021

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