

**THE METHONI TEA COMPANY LIMITED**

**CIN: L15492WB1929PLC006618**

Registered Office: 75C, Park Street, 1st Floor, Kolkata -700 016

Tele Fax No.: 91-33-40076728; E-mail: [methoni@methonitea.com](mailto:methoni@methonitea.com) ;W : [www.methonitea.com](http://www.methonitea.com)

**NOTICE**

NOTICE is hereby given that the 92<sup>nd</sup> Annual General Meeting of the Members of THE METHONI TEA COMPANY LTD., will be held on Tuesday, 28<sup>th</sup> September 2021 at 11.00 A.M. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business::

**ORDINARY BUSINESS**

1. To consider and adopt the audited standalone financial statement of the company for the Financial Year ended March 31, 2021, the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Anita Bubna (DIN No 00180704) who retires by rotation and being eligible, offer herself for re-appointment.

**SPECIAL BUSINESS**

3. To consider if thought fit, to pass with or without modification(s) the following resolution as Special Resolution: Re-appointment of Mr. Rajendra Prasad Bubna (DIN No 00180543) as the Whole-time Director.

**"RESOLVED THAT** pursuant to the provisions of Section 196, 197 and 203 and other applicable provisions of the Companies Act, 2013 read with Schedule V of the said Act (including any statutory modifications or re-enactment thereof for the time being in force) the re-appointment of Mr. Rajendra Prasad Bubna (DIN No 00180543) as the Whole-time Director of the Company for a period of five years with effect from 1<sup>st</sup> day of February, 2021 be and is hereby approved upon the terms and conditions contained in the Agreement approved by a resolution passed by the Board of Directors of the Company and as set out in the Explanatory Statement attached to this notice.

**"RESOLVED FURTHER THAT** the Board be and is hereby authorized to alter and vary the terms and conditions of the said agreement in such manner as may be agreed to by the Board and Mr. Rajendra Prasad Bubna (DIN No 00180543) but so as not to exceed the limits specified in Schedule V of the Companies Act, 2013 or any amendments thereto or enactments thereof, with effect from such date as may be decided by it"

4. To consider and if thought fit to pass with or without modification(s) the following resolution as a Special Resolution: Appointment of Mr. Prahlad Lal Jain (DIN No 00944702) as an Independent Director of the Company.

**"RESOLVED THAT** pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time. Mr. Prahlad Lal Jain (DIN 00944702), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for re-appointment, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of five years with effect from 08<sup>th</sup> October, 2020 to 07<sup>th</sup> October, 2025".

5. To consider and if thought fit to pass with or without modification(s) the following resolution as a Special Resolution: Appointment of Mrs. Sona Goenka (DIN No 07147090) as an Independent Director of the Company.

**“RESOLVED THAT** pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time. Mrs. Sona Goenka (DIN 07147090), a non-executive Director of the Company, who has submitted a declaration that she meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for re-appointment, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of five years with effect from 08<sup>th</sup> October, 2020 to 07<sup>th</sup> October, 2025”.

**Registered Office:**

75C, Park Street (1<sup>st</sup> Floor)  
Kolkata – 700 016.  
Dated: 30<sup>th</sup> day of June, 2021

**CIN: L15492WB1929PLC006618**

By Order of the Board

**RAJENDRA PRASAD BUBNA**  
**DIN No 00180543**  
**WHOLE TIME DIRECTOR**

## THE METHONI TEA COMPANY LIMITED

**CIN: L15492WB1929PLC006618**

Registered Office: 75C, Park Street, 1st Floor, Kolkata -700 016

Tele Fax No.: 91-33-2249-6587; E-mail: [methoni@methonitea.com](mailto:methoni@methonitea.com); W : [www.methonitea.com](http://www.methonitea.com)

### NOTES:

- i. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General circular No. 02/2021 dated 13th January 2021 read with General Circular No. 14/2020 dated 08th April 2020, General Circular No. 17/2020 dated 13th April 2020 and General Circular No. 20/2020 dated 05th May 2020 (collectively referred to as 'MCA Circulars') and Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 12th May 2020 and 15th January 2021, respectively issued by the Securities and Exchange Board of India (collectively referred to as 'SEBI Circulars') permitted the holding of the Annual General Meeting ('AGM') through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ('Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC / OAVM. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.
- ii. Since the AGM is being conducted through VC / OAVM, the facility for appointment of proxies by the Members will not be available for this AGM and hence, the Proxy Form and Attendance Slip are not annexed to this Notice.
- iii. Corporate members are requested to send to the Company, a certified copy of the Board Resolution / Power of Attorney authorizing their representative to attend and vote in the AGM through VC / OAVM on its behalf and to vote through remote e-voting.
- iv. The Register of Members and Transfer Books of the Company will be closed from Wednesday, 22<sup>nd</sup> September, 2021 to Tuesday, 28<sup>th</sup> September, 2021 (both days inclusive).
- v. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting is annexed hereto.
- vi. Members are hereby informed that the Securities & Exchange Board of India (SEBI) in terms of Circular No. CIR/MRD/DP/10/2013 dated 21<sup>st</sup> March, 2013 has made it mandatory for all Listed Companies to make cash payments through electronic modes to the investors. It is further directed that in case of electronic payment is rejected or returned, the Company shall mandatorily print the bank account details of the investor on the company to electronically credit dividend directly in their respective bank account. Members holding shares in demat mode are requested to send correct bank details (including MICR No., IFSC Code, Account Type etc.) to their respective Depository Participant. Members holding shares in physical form are requested to send such bank details along with a cancelled cheque to our Registrars, Maheshwari Datamatics Pvt. Ltd. (MDPL), 23, R. N. Mukherjee Road, 5th Floor, Kolkata 700 001.
- vii. Members are also requested to inform their correct email address, if any, to the Depositories (if shares held in demat form) and to our Registrars Maheshwari Datamatics Pvt. Ltd. (if shares held in physical form) in compliance of Green Initiative as per Circular No.17/2011 dated 21.04.2011 and 18/2011 dated 29.04.2011 issued by Ministry of Corporate Affairs to facilitate the Company to send notice/documents through e-mail.
- viii. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/Maheshwari Datamatics Pvt. Ltd.
- ix. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or MDPL for assistance in this regard.
- x. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or MDPL, the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon.
- xi. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

- xii. Members desirous of getting any information on the accounts or operations of the company are requested to forward their queries to the company at least seven working days prior to the meeting so that the required information may be readily available at the meeting.
- xiii. Section 72 of the companies Act, 2013, extends the nomination facility to individual shareholders of the company. Therefore, the shareholders holding Share certificates in physical form and willing to avail this facility may make nomination in Form SH 13, which may be sent on request. However, in case of demat holdings, the shareholders should approach to their respective depository participant for making nominations.
- xiv. Members are requested to note that dividends that are not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per Section 124 of the Act, be transferred to the Investor Education and Protection Fund (IEPF). Shares on which dividend remains unclaimed for seven consecutive years will be transferred to the IEPF as per Section 124 of the Act, and the applicable rules.
- xv. The relevant details of Directors seeking reappointment under Item No. 2, 3, 4 and 5 above pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 is also annexed hereto.
- xvi. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. The Notice calling the AGM and Annual Report has been uploaded on the website of the Company at <https://www.methonitea.com>. The Notice can also be accessed from the website of the Stock Exchange i.e. The Calcutta Stock Exchange Limited. The AGM Notice is also disseminated on the website of CDSL (agency for providing the VC/ OAVM facility, Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com). For any communication, the shareholders may also send requests to the Company's email id.
- xvii. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode. Members can send an e-mail to [methoni@methonitea.com](mailto:methoni@methonitea.com) requesting for inspection of the Registers.
- xviii. The attendance of the Members attending the AGM through VC / OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- xix. Since the AGM will be held through VC / OAVM, the Route Map is not annexed to this Notice.

**xx. Voting Options :-**

As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies 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 April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. 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 member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

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

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

Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

**I. The instructions of shareholders for remote e-voting and e-voting during AGM/EGM and joining meeting through VC/OAVM are as under:**

- a. The remote e-voting period begins on 25<sup>th</sup> September, 2021 (9.00 A.M) and ends on 27<sup>th</sup> September, 2021 (5.00 P.M). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 21<sup>st</sup> September, 2021, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- b. Shareholders who have already voted prior to the meeting date would not be entitled to vote through e-voting provided during VC / OAVM.
- c. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level. Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders. In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.
- d. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility. Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

<b>Type of Members</b>	<b>Login Method</b>
Individual Members holding securities in Demat mode with <b>CDSL</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> </ol>

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

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

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

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

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

- a. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period
- b. Click on “Shareholders” tab to cast your votes.
- c. Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- d. Next enter the Image Verification as displayed and Click on Login.
- e. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- f. If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form other than individual and Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (e).</li> </ul>

- g. After entering these details appropriately, click on “SUBMIT” tab.
- h. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- i. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- j. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- k. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- l. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- m. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- n. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- o. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- p. If a Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

**III. Process for those Members whose Email Addresses are not Registered with the Depositories for obtaining Login Credentials for E-Voting for the resolutions proposed in this Notice:**

- a. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company email id.
- b. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
- c. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

**IV. Instructions for Members attending the AGM through VC/ OAVM are as under:**

- a) The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for Remote e-voting.
- b) Members will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Members may access the same at <https://www.evotingindia.com> under members login by using the remote e-voting credentials. The link for VC/OAVM will be available in members login where the EVSN of Company will be displayed.
- c) Members are encouraged to join the Meeting through Laptops / IPads for better experience.
- d) Further members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- e) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- f) Members who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [methoni@methonitea.com](mailto:methoni@methonitea.com). The members who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [methoni@methonitea.com](mailto:methoni@methonitea.com). These queries will be replied to by the company suitably by email.
- g) Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- h) Only those members, who are present in the AGM/EGM 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 EGM/AGM.
- i) If any Votes are cast by the members through the e-voting available during the EGM/AGM and if the same members have not participated in the meeting through VC/OAVM facility, then the

votes cast by such members shall be considered invalid as the facility of e-voting during the meeting is available only to the members attending the meeting.

**V. Instructions for Members for E-Voting during the AGM are as under:-**

- a. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- b. Only those members, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- c. If any Votes are cast by the members through the e-voting available during the AGM and if the same members have not participated in the meeting through VC/OAVM facility, then the votes cast by such members shall be considered invalid as the facility of e-voting during the meeting is available only to the members attending the meeting.
- d. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

**VI. Note for Non-Individual Shareholders and Custodians**

- a. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
- b. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- c. After receiving the login details they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- d. The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- e. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- f. Institutional Members/ Bodies Corporate (i.e. other than individuals, HUF; NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote through email at [dhanuka419@yahoo.co.in](mailto:dhanuka419@yahoo.co.in) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) on or before 27<sup>th</sup> September, 2021 upto 5 p.m., without which the vote shall not be treated as valid.

- VII. If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 022-23058542/43. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

**xxi. Other Instructions**

- a. M/s K. C. Dhanuka & Co., Company Secretaries (Membership No. FCS 2204) has been appointed as the Scrutinizer to scrutinize the remote e-voting process as well as Physical voting at the venue of the meeting in a fair and transparent manner.
- b. After dispatch of the notice, any person who acquires shares of the Company and becomes member of the Company as on the cut-off date i.e. 21<sup>st</sup> September, 2021 may obtain the login ID and password by sending an email to [methoni@methonitea.com](mailto:methoni@methonitea.com) or [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) by mentioning their Folio No./DP ID and Client ID No. However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote.
- c. The voting rights of a member shall be in proportion to his shares in the paid-up equity share capital of the Company as on the cut-off date of i.e. 21<sup>st</sup> September, 2021.

- d. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- e. The Results declared along with the report of the Scrutinizer shall be placed on the Company's website [www.methonitea.com](http://www.methonitea.com) and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Calcutta Stock Exchange Limited.

All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

### **Explanatory statement in respect of the special business pursuant to section 102 of the Companies Act, 2013**

#### **Item No 3**

Mr. Rajendra Prasad Bubna (DIN No 00180543) was appointed as Whole-time Director of the Company for a period of 5 years from 01<sup>st</sup> February, 2016 to 31<sup>st</sup> January, 2021 which was approved by the Shareholders in the meeting held on 26<sup>th</sup> September, 2016.

In view of excellent contribution made by Mr. Rajendra Prasad Bubna (DIN No 00180543) towards the growth of the company, the Board of Directors, on the recommendations of the Nomination and Remuneration Committee, at its meeting held on 10<sup>th</sup> February, 2021, have re-appointed him as Whole-time Director for a period of five years with effect from 01<sup>st</sup> February, 2021 to 31<sup>st</sup> January, 2026, subject to the approval of shareholders of the company in the next General Meeting of the Company.

An abstract of the remuneration payable to him as Whole-time Director of the Company under the Agreement is given below:-

- i. **Salary**  
Rs.1,00,000/- (Rupees One Lac only) per month w.e.f. 01.02.2021 till 31.01.2026.
- ii. **Perquisites:** In addition to salary, the Whole Time Director shall be entitled to the following perquisites:
  - a) **Housing:** Rent Free Furnished Accommodation or in lieu thereof House Rent Allowance at 50% of the salary w.e.f. 01.02.2021 till 31.01.2026. Where accommodation is provided by the Company, the expenditure on Gas, Electricity, Water, Furnishings and Other Utilities to be borne/reimbursed by the Company shall be evaluated as per the provisions of the Income Tax Act, 1962 and in the absence of any such provisions, the perquisites shall be evaluated at actual cost.
  - b) **Medical Reimbursement:** The reimbursement of medical expenses incurred by self and family of the Whole Time Director, subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.
  - c) **Leave Travel Concession:** For self and family once in a year.
  - d) **Club Fees:** Fees of clubs subject to a maximum of two clubs.

- (e) **Leave:** One month leave for every eleven months service with full pay and allowance as per Rules of the Company.
- (f) **Medical Insurance:** Premium not to exceed Rs. 50,000/- per annum.
- (g) **Car:** Facility of Company Car with Driver.
- (h) **Telephone:** Provision of telephone at residence.

**Note:** Provision of car with driver for use of on Company's business and telephone will not be considered as perquisites. However, personal long distance calls and use of cars for private purpose shall be billed by the Company.

iii) **Other Benefits:**

In addition to the above perquisites, the Whole Time Director shall also be entitled to the following benefits, which shall not be included in the computation of ceiling on remuneration specified above:

- (a) **Provident Fund:** Company's Contribution towards Provident Fund at the rate of 12% or such rate as per Rules as may be applicable to the employees of the Company.
- (b) **Superannuation Fund:** Company's contribution subject to a maximum of 15% of the salary for every completed year of service.
- (c) **Gratuity:** As per the Payment of Gratuity Act, 1972.
- (d) **Leave Encashment:** At the end of the tenure.

- iv) The Whole Time Director shall be entitled to a minimum remuneration by way of salary and perquisites as specified above in the event of loss or inadequacy of profits in any year.

A copy of the Agreement will be available for inspection by the Members at the Registered Office of the Company on any working day prior to the date of the meeting between 11.00 a.m. and 5.00 p.m. and will also be available at the meeting.

Other than Mrs. Anita Bubna (DIN No 00180704), none of the Directors, Key Managerial Personnel of the company or their relatives are concerned or interested in the aforesaid re-appointment and remuneration.

**Item Nos. 4 & 5**

The Company had, pursuant to the provisions of section 149 of the Companies Act, 2013, appointed Mr. Prahlad Lal Jain (DIN No 00944702) and Mrs. Sona Goenka (DIN 07147090), as Independent directors of the Company.

The Board of directors has recommended the appointment of these directors as Independent Directors, not liable to retire by rotation, for a second term of five years with effect from 08<sup>th</sup> October, 2020 to 07<sup>th</sup> October, 2025.

Mr. Prahlad Lal Jain (DIN No 00944702) and Mrs. Sona Goenka (DIN 07147090), non-executive directors of the company, have given a declaration to the Board that they meet the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, each of these directors fulfill the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and they are independent of the management.

In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of these directors as Independent Directors is now being placed before the Members for their approval.

**Registered Office:**

75C, Park Street (1<sup>st</sup> Floor)  
Kolkata – 700 016.  
Dated: 30<sup>th</sup> day of June, 2021

**CIN: L15492WB1929PLC006618**

By Order of the Board

**RAJENDRA PRASAD BUBNA**  
**DIN No 00180543**  
**WHOLE TIME DIRECTOR**

**DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT**

Pursuance to Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

Name of the Director(s)	RAJENDRA PRASAD BUBNA	ANITA BUBNA	SONA GOENKA	PRAHLAD LAL JAIN
DIN	00180543	00180704	07147090	00944702
Date of Birth	19/04/1957	16/07/1961	09/04/1978	07/05/1939
Qualifications	B Com	B Com	B Com	B Com
Expertise in Specific functional areas	Business. He has an experience of more than 15 years in Tea Industry.	Business. She is having varied experience in Tea and Investment Business.	Business. She is having knowledge and experience in the field of taxation and capital market.	Business. He is having wide knowledge about finance and marketing.
Directorship in the other companies (excluding foreign companies)	1. Unistock Commodities Private Limited 2. M. Prasad and Co Limited 3. Mace Developers Private Limited 4. Sterling Power Ventures Private Limited 5. Montreux Properties Private Limited 6. Daytona Realty Private Limited	1. Unistock Commodities Private Limited 2. M. Prasad and Co Limited 3. Mace Developers Private Limited 4. Sterling Power Ventures Private Limited 5. Montreux Properties Private Limited 6. Daytona Realty Private Limited	1. Kirti Niketan Private Limited 2. M. Prasad and Co. Limited	1. Gyan Traders Limited 2. Kirti Niketan Private Limited
Chairman/Member of the Committees of the Board of Directors of other Companies in which he is a Director (excluding in foreign companies).	NIL	NIL	NIL	NIL
Details of shareholding (both own or held by/for other persons on a beneficial basis), if any, in the Company	83,000	1,65,188	N.A	N.A

## Directors' Report for the Financial Year 2020-21

To  
The Members,

Your Directors have pleasure in presenting their 92<sup>nd</sup> Annual Report on the business and operations of the Company together with the Audited Statement of Accounts for the year ended March, 31, 2021.

### 1. Financial Highlights

Particulars	(Figures in Rs.)	
	2020-21	2019-20
Turnover and other income	19,6455,306	17,69,94,884
Profit/(Loss) before interest and Depreciation	2,51,62,088	92,97,025
Interest	16,56,811	18,26,369
Depreciation	49,45,673	49,26,667
<b>Profit/(Loss) for the year before Exceptional items and tax</b>	<b>1,85,59,604</b>	<b>25,43,989</b>
Exceptional Items	-	-
<b>Profit/(Loss) for the year after Exceptional items and tax</b>	<b>1,85,59,604</b>	<b>25,43,989</b>
<b>Provision for tax</b>		
- Current Tax	-	-
- Deferred Tax	1,97,310	(11,92,424)
- Tax for Earlier Year	-	-
<b>Profit/(Loss) from Operations</b>	<b>1,83,62,294</b>	<b>37,36,413</b>
<b>Other Comprehensive Income</b>	<b>(12,58,893)</b>	<b>(15,66,002)</b>
Total Comprehensive Income for the Year	1,71,03,401	21,70,411

### 2. Performance Review

During the year under review, your Company achieved net Sales of Rs. 1,915.79 Lacs and recorded a Net Profit/(Loss) from operations of Rs. 183.62 Lacs compared to previous year's net Sales of Rs. 1,765.10 Lacs and Net Profit/(Loss) from operations of Rs. 37.36 Lacs .

The total tea manufactured for the year under review was lower at 8.26 Lac Kg as against 8.99 Lac Kg in the previous year .The average sale price realised was higher at Rs. 240.89 per Kg, as against Rs. 198.03 per Kg for the previos year.

### 3. Dividend

Your Directors regret to recommend the declaration of any Dividend for the year in view of carry forward of losses.

### 4. Reserves

Due to carry forward of losses, the Company does not recommend transfer of any amount to reserves.

### 5. Future Prospects

During the year under review, due to National lockdown, all India crop loss was 145 million kgs i.e. 10.5%. Production in our area have been severely affected, but the profits have been significantly better due to substantial improvement in average sales price realization.

Your Directors expect the current year production to be normal. In spite of wage rate increase from Rs. 167 to Rs. 205, we expect favorable year on account of lower cost of production due to increased production. Your Company is taking necessary steps for manufacturing Quality teas. The tea markets have been very buoyant for quality teas which has led to good demands in the domestic market. The outlook for the company in the current year seems optimistic.

**6. Consolidated Financial Statements**

The company does not hold any subsidiary, joint ventures or associates. Hence, the requirement for the Consolidated Financial Statements of the Company is not applicable.

**7. Change in the Nature of Business, if any :**

There was no change in the nature of business of the Company during the year.

**8. Material Changes and Commitments after the Balance Sheet date :**

There had been no material changes & Commitments effecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

**9. Significant and Material Orders Passed by the Regulators or Courts**

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

**10. Deposits**

During the financial year under review, the Company has not accepted any deposits, within the meaning of Section 73 and 76 of the Companies Act, 2013, read together with the Companies (Acceptance of Deposits) Rules, 2014.

**11. Internal control systems and their Adequacy**

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The internal auditor of the company checks and verifies the internal control and monitors them in accordance with policy adopted by the company.

**12. Details of Subsidiary, Joint Venture or Associates**

The Company does not have any subsidiary, associate or joint venture.

**13. Statutory Auditors**

M/s U.S Agarwal & Associates (Firm registration No 314213E), Chartered Accountants, was appointed as statutory Auditors of the Company at the Annual general Meeting held on 22<sup>nd</sup> September, 2017 for period of 5 years subject to ratification by members at every consequent Annual General Meeting. However, Ministry of Corporate Affairs, vide its notification dated May 7, 2018, has done away with the requirement of seeking ratification of appointment of statutory auditors by members at each AGM. Accordingly, no such item has been considered in notice of the 92<sup>nd</sup> AGM.

**14. Auditors' Report**

The observation made in the Auditor's Report were explained in the relevant notes of accounts.

**15. Details of Frauds Reported by the Statutory Auditors**

During the year under review, the Statutory Auditors of the Company have not reported any fraud as required under Section 143(12) of the Companies Act, 2013.

**16. Share Capital**

The Paid-up Equity Share Capital as on March 31, 2021 was Rs.40.80 Lacs. During the year under review the company has not issued any shares or any convertible instruments.

**17. Extract of the Annual Return**

The extract of the Annual Return is prepared in Form MGT-9 as per the provisions of the Companies Act, 2013 and Rule 12 of the Companies Management and Administration) Rules, 2014 and the same is enclosed as **"Annexure-1"** to this Report.

**18. Conservation of energy, technology absorption and foreign exchange earnings and outgo**

Information with respect to conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to Section 134(3)(m) of the Act read with Companies (Accounts) Rules, 2014 is prepared and the same is enclosed as **"Annexure-2"** to this Report.

**19. Directors and Key Management Personnel:**

**(a) Changes among Directors and Key Management Personnel, during the year:**

In accordance with the provisions of Articles of Association of the Company, Mrs. Anita Bubna (DIN No: 00180704), Director of the Company, is liable to retire by rotation and being eligible, offer herself for re-appointment. The Board recommends her appointment with a view to avail her valuable advices and wise counsel.

The existing term of Mr. Rajendra Prasad Bubna, Director (DIN-00180543) has been completed on 31st January, 2021 and based on the recommendations of the Nomination and Remuneration Committee, he has been re-appointed as the Whole-time director of the Company, with effect from 01<sup>st</sup> February, 2021, for a term of 5 years, subject to the approval of the members in the ensuing Annual General Meeting of the Company.

The tenure of appointment of Mr. Prahlad Lal Jain (DIN-00944702) & Mrs Sona Goenka (DIN-07147090) as Independent Directors of the Company, concluded on 7<sup>th</sup> October 2020. Pursuant to the provisions of Section 149 and 152 of the Act and the recommendations of the Nomination and Remuneration Committee, the Board recommends re-appointment of Mr. Prahlad Lal Jain (DIN-00944702) & Mrs Sona Goenka (DIN-07147090), as Independent Directors of the Company for a second term for a period of five (5) years with effect from 08<sup>th</sup> October 2020.

Brief resume of the Directors, nature of their expertise in specific functional areas and details of their directorship and membership/ chairmanship of Board/ committees, as stipulated under SEBI (LODR) Regulations, 2015 have been provided in the Annexure to the Notice of the AGM of the company. The above appointments and re-appointments form a part of the notice of the ensuing AGM and the resolutions are recommended for members' approval.

**(b) Declaration by Independent Directors:**

All the Independent Directors have submitted their declarations of independence pursuant to Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as laid down in section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **(c) Familiarization Programme undertaken for Independent Directors**

The Independent Directors are familiarized with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. On appointment, the Independent Director is issued a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Independent Director is taken through a formal induction program on the Company's operations, marketing, finance and other important aspects.

#### **20. Number of meetings of the Board of Directors**

During the Financial Year 2020-21 the Board met 4 (Four) times on 30<sup>th</sup> June 2020, 13<sup>th</sup> August 2020, 10<sup>th</sup> November 2020 and 10<sup>th</sup> February 2021.

#### **21. Meeting of the Independent Directors**

During the year under review, a meeting of Independent Directors was held on 10<sup>th</sup> November 2020 wherein the performance of the non-independent directors and the Board as a whole was reviewed. The Independent Directors at their meeting also assessed the quality, quantity and timeliness of flow of information between the Company management and the Board of Directors of the Company.

#### **22. Audit Committee**

The Audit Committee comprises of three Directors namely, Mr. Prahlad Lal Jain (DIN-00944702), Chairman, Mrs. Sona Goenka (DIN-07147090), member and Mrs. Anita Bubna (DIN-00180704), member.

The Board has accepted all the recommendations made by the Audit Committee.

#### **23. Nomination and Remuneration**

Remuneration Committee comprises of three Directors namely, Mr. Prahlad Lal Jain (DIN-00944702), Chairman, Mrs. Sona Goenka (DIN-07147090), member and Mrs. Anita Bubna (DIN-00180704), member. The Committee consider, analysis, determine and approve on behalf of the Board and on behalf of the shareholders the remuneration to be paid to the Executive Directors of the Company after considering their qualifications and experience etc.

#### **24. Policy on Directors' Appointment And Remuneration:**

A Nomination and Remuneration Policy has been formulated pursuant to the provisions of Section 178 and other applicable provisions of the Companies Act, 2013 and Rules thereto stating therein the Company's policy on Directors' appointment and remuneration by the Nomination and Remuneration Committee which was approved by the Board of Directors at its meeting held on 30<sup>th</sup> March, 2015. The said Policy is appended as "Annexure-3" to this Report. The Company has placed this policy in its website at [http://methonitea.com/pdf/Nomination\\_&\\_Remuneration\\_policy.pdf](http://methonitea.com/pdf/Nomination_&_Remuneration_policy.pdf).

#### **25. Particulars of loans, guarantees or investments under section 186**

The particulars of loans, guarantee and investments have been disclosed in the financial statement.

#### **26. Secretarial Audit Report**

The provisions of Section 204 and the rules made therein, read with Section 134(3) of the Companies Act, 2013, mandates Secretarial Audit of the Company for the financial year 2020-21 by a Company Secretary in Practice and accordingly the Board have appointed M/s K C Dhanuka & Co Practicing Company Secretaries C.P.No: 1247 as Secretarial Auditor to conduct Secretarial audit of the Company for the Financial year ended on 31st March, 2021.

Secretarial Audit Report issued by M/s K C Dhanuka & Co Practicing Company Secretaries in form MR-3 is enclosed as “Annexure-4” to this Annual Report which is self explanatory.

**27. Corporate Governance Certificate**

Regulation 34(3) read with schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to the Company.

**28. Management Discussion & Analysis Report**

In terms of the provisions of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management’s discussion and analysis is set out in this Annual Report. The said report is appended as “Annexure-5” to this Report

**29. Additional disclosures pursuant to SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015:**

The Business Responsibility Reporting as required by Regulation 34(2) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, is not applicable to your Company for the financial year ending March 31, 2021.

**30. Risk Management Policy**

The Company has identified various risks faced by the Company from different areas. Appropriate structures are present so that risks are inherently monitored and controlled inter alia through strict quality assurance measures. The Company has placed this policy in its website at [http://methonitea.com/pdf/Risk\\_Management.pdf](http://methonitea.com/pdf/Risk_Management.pdf).

The Company has adequate internal control system and procedures to combat risks. The risk management procedure is reviewed by the Audit Committee and Board of Directors on a quarterly basis at the time of review of quarterly financial results of the Company.

**31. Annual evaluation of the Board:**

Evaluation of all Board members is done on an annual basis. The evaluation is done by the Board, Nomination and Remuneration Committee and Independent Directors with specific focus on the performance and effective functioning of the Board and Individual Directors. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board’s functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

**32. Disclosure as required under section 22 of Sexual Harassment of Women at Work Place (Prevention, Prohibition And Redressal) Act, 2013 :**

The Company as an organization is committed to provide a healthy environment to all employees and thus does not tolerate any discrimination and/or harassment in any form. The Company has in place a Prevention of Sexual Harassment Policy in line with the requirement of the Sexual Harassment of Women at work place (Prevention, Prohibition and Redressal) Act, 2013. No complaints were received during the financial year 2020-21.

**33. Directors’ Responsibility Statement**

The Directors’ Responsibility Statement referred to in clause (c) of sub-section 134 of the Companies Act, 2013, shall state that –

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors has selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of

the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **34. Particulars of Employees**

No employee draws remuneration in excess of the limits provided in the Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Company has not issued or provided any Stock Option Scheme to its employees, during the year under review. Hence, no information as per provisions of Section 62(1)(b) of the act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rules 5(1) & 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in "**Annexure-6**" to this Annual Report.

#### **35. Particulars of contracts or arrangements with related parties:**

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis.

A statement of all Related Party Transactions is being presented before the Audit Committee on Quarterly basis specifying the nature, value and terms and conditions of the transactions. A Policy on Related Party Transactions approved by the Board on 12th February, 2016 is uploaded on the Company's website at the web link [http://methonitea.com/pdf/Related\\_Party\\_Transaction.pdf](http://methonitea.com/pdf/Related_Party_Transaction.pdf). Further details required to disclose as per IND AS-24 (as issued & modified by ICAI), form part of the Note 2.29 to the financial statements provided in the annual report.

#### **36. Corporate Social Responsibility (CSR)**

The provisions of section 135 of the Companies Act, 2013 related to corporate social responsibility is not applicable to the company.

#### **37. Environment Safety and Health**

Your Company's framework integrates Safety as a non-negotiable value. The Company provides a safe and healthy workplace for its employees by establishing the right safety culture across the organization. The Company has developed safer systems and procedures for work rolling out up-to-date engineering standards and investing in hardware and safety infrastructure across sites. The Company also ensures implementation of quality systems and manufacturing of high quality products.

The Company continues to conserve resources by taking initiatives for reducing consumption of electrical power, water and paper at the Factories and also at Office premises.

**38. Vigil Mechanism**

The Company has adopted the Whistle-blower Policy pursuant to which employees of the Company can raise their concerns relating to malpractices, inappropriate use of funds or any other activity or event which is against the interest of the Company. Further, the mechanism adopted by the Company encourages the employees to report genuine concerns or grievances, and provides for adequate safeguards against victimization of employees who avail of such a mechanism and also provides for direct access to the Chairperson of the Audit Committee, in exceptional cases.

**39. Acknowledgements**

Your Directors take this opportunity to express their grateful appreciation for the excellent assistance and co-operation received from the commercial banks and other authorities. Your directors also thank the employees of the company for their valuable service and support during the year. Your Directors also grateful acknowledge with thanks the cooperation and support received from the shareholders of the Company.

**R. P. BUBNA** } **Whole Time Director**  
**DIN- 00180543**

**ANITA BUBNA** }  
**DIN- 00180704** }

**PRAHLAD LAL JAIN** } **Directors**  
**DIN-00944702** }

**SONA GOENKA** }  
**DIN-07147090**

Place: Kolkata

Dated: 30<sup>th</sup> Day of June, 2021

**FORM NO. MGT 9**

**EXTRACT OF ANNUAL RETURN**

as on financial year ended on 31.03.2021

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration ) Rules, 2014.

**I REGISTRATION & OTHER DETAILS:**

i	CIN	LI5492WB1929PLC006618
ii	Registration Date	19/12/1929
iii	Name of the Company	THE METHONI TEA CO LTD
iv	Category/Sub-category of the Company	Company Limited by Shares
v	Address of the Registered office & contact details	75-C Park Street, 1st Floor, Kolkata : 700 0016, Tel No 91 33 22293241/7638
vi	Whether listed company	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	M/s Maheshwari Datamatics Pvt Ltd, 23 R Mukherjee Road, 5th Floor, Kolkata 700 001, Ph 2248 -2248,2243-5029

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sl No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Tea	0100	100%

**III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES**

Sl No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION





1) Non resident Individual	558	-	558	0.14	558	-	558	0.14	-
2) Qualified Foreign Investor									
3) Custodian of Enemy Property									
4) Foreign nationals	450	-	450	0.11	450	-	450	0.11	-
3) Investor Education and Protection Fund Authority	14,293	-	14,293	3.50	17,067	-	17,067	4.18	0.68
<b>SUB TOTAL (B)(2):</b>	<b>1,27,862</b>	<b>29,766</b>	<b>1,57,628</b>	<b>38.63</b>	<b>1,29,385</b>	<b>28,243</b>	<b>1,57,628</b>	<b>38.63</b>	<b>(0.00)</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>1,28,236</b>	<b>31,576</b>	<b>1,59,812</b>	<b>39.17</b>	<b>1,29,759</b>	<b>30,053</b>	<b>1,59,812</b>	<b>39.17</b>	<b>(0.00)</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>3,76,424</b>	<b>31,576</b>	<b>4,08,000</b>	<b>100.00</b>	<b>3,77,947</b>	<b>30,053</b>	<b>4,08,000</b>	<b>100.00</b>	<b>-</b>

## (ii) SHARE HOLDING OF PROMOTERS

Sl. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Anita Bubna	1,65,188	40.49	-	1,65,188	40.49	-	-
2	Rajendra Prasad Bubna	83,000	20.34	-	83,000	20.34	-	-
	Total	2,48,188	60.83	-	2,48,188	60.83	-	-

## (ii) CHANGE IN PROMOTERS' SHAREHOLDING ( SPECIFY IF THERE IS NO CHANGE)

Sl. No.	Share holding at the beginning (01/Apr/19)/end of the Year (31/Mar/20)		Cumulative Share holding during the year ( 01/Apr/19 to 31/Mar/20)	
	No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
1	Anita Bubna			
	01/04/2020	1,65,188	40.49	-
	31/03/2021	1,65,188	40.49	1,65,188 40.49
2	Rajendra Prasad Bubna			
	01/04/2020	83,000	20.34	-
	31/03/2021	83,000	20.34	83,000 20.34

## (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters &amp; Holders of GDRs &amp; ADRs)

Sl. No	Share holding at the beginning of the Year	Cumulative Share holding during the year
	For each of the Top 10 Shareholders	

	No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1 Mahendra Girdharilal</b>				
01/04/2020	3883	0.95		
31/03/2021	3883	0.95	3883	0.95
<b>2 BHUBNESH COMMERCIAL PVT. LTD</b>				
01/04/2020	20200	4.95		
31/03/2021	20200	4.95	20200	4.95
<b>3 CONTEMPORARY INDUSTRIES LIMITED</b>				
01/04/2020	4100	1.00		
31/03/2021	4100	1.00	4100	1.00
<b>4 RAM SWAROOP GOENKA</b>				
01/04/2020	7400	1.81		
31/03/2021	7400	1.81	7400	1.81
<b>5 MADHU BOHRA MADHU</b>				
01/04/2020	10099	2.47		
31/03/2021	10099	2.47	10099	2.47
<b>6 Pinakin Chimanlal Shah</b>				
01/04/2020	4272	1.04		
31/03/2021	4272	1.04	4272	1.04
<b>7 Manju Bhalotia Manju</b>				
01/04/2020	18146	4.44		
31/03/2021	18146	4.44	18146	4.44
<b>8 ANUSHREE SARAOGI</b>				
01/04/2020	17974	4.40		
31/03/2021	17974	4.40	17974	4.40
<b>9 Shilpa Rajnikant Sarvaiya</b>				
01/04/2020	1400	0.34		
31/03/2021	1400	0.34	1400	0.34
<b>10 INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY MINISTRY OF CORPORATE AFFAIRS</b>				

01/04/2020	14,293	3.50		
31/12/2020 - Transfer	2,774	0.67	17,067	4.18
31/03/2021	17,067	4.18	17,067	4.18

(v) Shareholding of Directors & KMP

Sl. No	For Each of the Directors & KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Rajendra Prasad Bubna				
	At the beginning of the Year	83,000	20.34		
	31/03/2021	83,000	20.34	83,000	20.34
2	Anita Bubna				
	At the beginning of the Year	1,65,188	40.49		
	31/03/2021	1,65,188	40.49	1,65,188	40.49

V INDEBTEDNESS

Amt In Rs.

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	4,70,982	-	-	4,70,982
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>4,70,982</b>	-	-	<b>4,70,982</b>
<b>Change in Indebtedness during the financial year</b>				
Additions	-	20,79,525	-	20,79,525
Reduction	4,33,107	20,79,525	-	25,12,632
<b>Net Change</b>	-	-	-	-
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	37,875	-	-	37,875
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>37,875</b>	-	-	<b>37,875</b>

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

Amt In Rs.

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager	Total Amount
1	<b>Gross salary</b> (a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	M R P Bubna Whole Time Director	
	(b) Value of perquisites u/s 17(2) of the income tax Act, 1961	13,44,000	13,44,000
		7,80,000	7,80,000

	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961					
2	Stock option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission as % of profit others (specify)	-	-	-	-	-
5	Others, Directors Fees	-	-	-	-	-
	<b>Total (A)</b>	21,24,000	-	-	-	21,24,000

\* Resigned On 20/11/2019

**B. Remuneration to other directors: -**

Amt In Rs.

Sl.No	Particulars of Remuneration	Name of the Directors			Total Amount
1	Independent Directors	Mr Prhlad Lal Jain	Mrs Sona Goenka	Mrs Anita Bubna	
	(a) Fee for attending board committee meetings	4,000	4,000	-	8,000
	(b) Commission	-	-	-	-
	(c) Others, please specify	-	-	-	-
	<b>Total (1)</b>	4,000	4,000	-	8,000
2	Other Non Executive Directors				
	(a) Fee for attending board committee meetings	-	-	4,000	4,000
	(b) Commission	-	-	-	-
	(c) Others, please specify.	-	-	-	-
	<b>Total (2)</b>	-	-	4,000	4,000
	<b>Total (B)=(1+2)</b>	4,000	4,000	4,000	12,000

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD - NIL**

Amt In Rs.

Sl. No.	Particulars of Remuneration	Key Managerial Person			Total
1	Gross Salary	CEO	Company Secretary	CFO	
			Priyanka Mohita	Sumit Bhartia	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	-	2,40,000	8,89,200	11,29,200

	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission]	-	-	-	-	-
	as % of profit					
	others, specify					
5	Others, please specify	-	-	-	-	-
	<b>Total</b>	-	2,40,000.00	8,89,200.00	8,89,200.00	8,89,200.00

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

## **Annexure-2**

### **Annexure to the Directors' Report**

The information under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2021 is given below and forms part of the Directors' Report

#### **A. CONSERVATION OF ENERGY**

- a. Steps taken or impact on conservation of energy: Company's operations involve substantial consumption of energy when compared to the cost of production. Wherever possible energy conservation and efficiency measures have been undertaken. The Company has improved efficiency of own generation by usage of diesel generator only for emergencies and as stand by. The Company has also placed an intensified vigil on wastage/leakage control.
- b. Steps taken by the company for utilising alternate sources of energy: The Company constantly considers upgradation of existing machineries and processes to optimise use of alternate sources of energy for processing of Tea leaves. Availability of natural gas through pipeline or bullet tanker is eagerly awaited, which the Company can readily use at a much lower cost to both the Company and the environment.
- c. Capital investment on energy conservation equipments: For all new equipments purchased, weightage is given to conservation of electrical energy to reduce long term running costs.

#### **B. TECHNOLOGY ABSORPTION**

1. Specific Area in which R&D carried out by the Company:  
The Company subscribes to Tea Research Association which is registered under Section 35(1)(ii) of the Income Tax Act, 1961, to carry out R&D on tea. TRA continues to provide strong scientific support to the tea estate and tea cultivation practices and mechanization of factory which are the thrust areas of research affecting productivity as well as quality. Also, Managerial staff are encouraged to attend seminars and training programme for agricultural practices in the field and manufacturing process in the factories
2. Benefit derived as a result of above R & D
  - a) Improving yields and productivity
  - b) Pruning cycle optimized
  - c) Increase in the quality of tea produced
3. In case of Imported technology (imported during the last 3 years reckoned from the beginning of the financial year) following information may be furnished: None
  - a) Details of Technology Imported
  - b) Year of Import
  - c) Has technology been fully absorbed
  - d) If not full absorbed, areas where they have not taken place, reason and future plan of action.
4. Expenditure on R&D  
The Company contributes for the activities of TRA by way of subscription.
  - a) Capital: NIL
  - b) Recurring: Rs. 2,84,468/- being amount paid to TRA.
  - c) Total R & D Expenditure as percentage of total turnover: 0.15%

**FOREIGN EXCHANGE EARNINGS AND OUTGO**

Foreign Exchange Earnings : **Rs.** 91,05,946/- (Previous year **Rs.** 5,70,918/-)  
Foreign Exchange Outgo : **NIL** (Previous year **NIL**)

**R. P. BUBNA** } **Whole Time Director**  
**DIN- 00180543**

**ANITA BUBNA** }  
**DIN- 00180704** }

**PRAHLAD LAL JAIN** } **Directors**  
**DIN-00944702** }

**SONA GOENKA** }  
**DIN-07147090**

Kolkata,  
Dated: 30th Day of June, 2021

## Annexure-3

### Nomination and Remuneration Policy

#### 1 INTRODUCTION

Section 178 of the Companies Act, 2013 requires every Listed Company and certain other class of Companies to adopt a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees. The Nomination and Remuneration Committee set up, pursuant to above Section is to formulate the criteria for determining qualifications and positive attributes and independence of a Director and recommend to the Board the above Policy for adoption. The Company is also required to disclose the Remuneration Policy in its Annual Report.

In compliance of the above requirements the Board of Directors of **THE METHONI TEA COMPANY LIMITED**, at its meeting held on 30<sup>th</sup> March, 2015, has adopted this Remuneration Policy which would be reviewed at regular intervals by the Nomination and Remuneration Committee of the Board. The role and responsibilities of the Nomination and Remuneration Committee shall be as prescribed in Section 178 of the Companies Act, 2013. Also, the particular of the Policy shall be published in the Report of the Board of Directors in terms of the Companies Act, 2013.

#### 2 OBJECTIVES

The aims and objectives of the Policy may be summarized as under:-

3.1 The Remuneration Policy aims to enable the company to attract, retain and motivate appropriately qualified Persons/Members for the Board and Executive level.

3.2 The Remuneration Policy seeks to enable the Company to provide a well-balanced and performance-related compensation package, taking into account Shareholder interests, industry standards and relevant Indian corporate regulations.

3.3 The Remuneration Policy seeks to ensure that the interests of the Board Members and Executives are aligned with the business strategy and risk tolerance, objectives, values and long-term interests of the Company and will be consistent with the "pay-for performance" principle.

#### 3 PRINCIPLES OF REMUNERATION

**I. Transparency:** The process of remuneration management shall be transparent, unbiased and impartial and conducted in good faith and in accordance with appropriate levels of confidentiality.

**II. Affordability and Sustainability:** The Company shall ensure that the remuneration at various levels is affordable and is capable of being sustained.

**III. Flexibility:** While the remuneration packages at various levels should be standardised, there should be enough scope to make it flexible with a view to reward candidates with exceptional qualities and competence.

**IV. Internal Equity:** The Company shall strive to remunerate the Board Members and other Executives in terms of their roles and responsibilities undertaken within the Organisation. Their contribution and value addition for the growth of the Company shall be counted while fixing their remuneration and subsequent promotion. The same principle shall also be observed for other Executives.

**V. External Equity:** With a review to retain the best talents, the Company shall on a continuous basis procure information relating to market trend of remuneration packages being offered by various Companies in the same sector and try to match the remuneration accordingly.

**VI. Non-Monetary Benefits:** The Company may consider extending certain Non-monetary Benefits with a view to offer social security to the families of the present and the past employees of the Company.

#### 4. REMUNERATION FOR EXECUTIVE DIRECTORS

The Board of Directors subject to the approval of the Shareholders at a General Meeting approves the remuneration payable to the Wholetime Directors and Managing Director ('Executive Directors') based on the recommendation of the Nomination and Remuneration Committee. Executive Directors' remuneration is reviewed annually against performance, keeping in view the size and complexity of business and challenges encountered during the period under review. In determining packages of remuneration, the Committee may consult the Chairman and/or external agencies. The remuneration package of the Executive Directors shall comprise of the following components.

**a) Basic Salary:** The basic salary shall be fixed within a salary grade which allows the Board to grant increments within a time frame of three years.

**b) Perquisites:** The perquisites to be offered to the Executive Directors shall include housing, medical, leave travel concession, club fees, car, leave encashment, Personal Accident Insurance and other perquisites in terms of the Rules framed by the Nomination and Remuneration Committee for the Directors and/or the Rules applicable to the Senior Executives of the Company.

**c) Retiral benefits:** The Executive Directors will be entitled to retiral benefits in terms of the Company's Policy for the Senior Management which will be in accordance with the applicable laws.

**d) Commission:** Subject to the approval of the Members at a General Meeting, the Board may decide to pay commission on net profits to the Executive Directors subject to the ceiling stipulated in the Companies Act, 2013.

**e) Sitting Fees:** The Executive Directors will not be entitled to any fee for attending the Meetings of the Board of Directors and Committees thereof.

## **5. REMUNERATION OF NON- EXECUTIVE DIRECTORS**

**a. Sitting Fees:** The Non-Executive Directors shall be paid Sitting Fees for attending the Board and Committee Meetings as may be approved by the Board based on the recommendation of the Nomination and Remuneration Committee subject to the ceiling fixed in the Articles of Association of the Company and the Companies Act, 2013. They will also be reimbursed travelling and out of pocket expenses on actual basis for attending the meetings.

**b. Commission:** Subject to the approval of the Members at a General Meeting, the Board may decide to pay commission on net profits to the Non- Executive Directors subject to the ceiling stipulated in the Companies Act, 2013.

## **6. REMUNERATION OF KEY MANAGERIAL PERSONNEL AND OTHER EXECUTIVES**

The Human Resource Department of the Company shall follow the principles of remuneration stated hereinabove while deciding on the remuneration structure of the Key Managerial Personnel who are not Directors and for other Executives of the Company.

## **8. SELECTION OF BOARD MEMBERS**

9.1 Nomination of a suitable person for appointment as a Director is a major responsibility of the Nomination and Remuneration Committee. The objective is to ensure that the Company's Board is competent at all points of time to be able to take decisions commensurate with the size and scale of operations and complexities of business. The Committee is to promptly identify candidates in the event of a vacancy being created on the Board on account of retirement, resignation or demise of an existing Board member. Based on the recommendations of the Committee, the Board, after due consideration decides on the selection of the right candidate for appointment.

9.2 While considering nomination of candidates for appointment on the Board, the Nomination and Remuneration Committee will consider candidates not only from the field in which the Company operates but also from other professional areas like management, finance, accountancy, law, banking, merchant banking etc., with the objective of maintenance of Board diversity. The Committee shall also consider the following qualifications like possessing basic academic qualification, requisite knowledge, experience and business skills that will benefit the Company and its business operations.

9.3 At the time of considering the candidates for appointment as Director the criteria for determining positive attributes shall inter alia include the following :- Achiever, constructive, creative, decisive, deliberative, devoted, diligent, disciplined, dynamic, enterprising, focused, result oriented, self-confident, sees the whole picture.

9.4 While considering candidates for appointment as an Independent Director, the Nomination and Remuneration Committee shall consider the criteria for determining independence of a candidate as provided in Section 149(6) of the Companies Act, 2013 and the Rules made thereunder.

## **9. OTHER MATTERS**

Any matter not provided for in this Policy shall be dealt with in accordance with the provisions in the Articles of Association of the Company, relevant state laws and other applicable laws and regulations. The right to interpret this Policy shall vest in the Board of Directors of the Company.

# K.C. DHANUKA & CO

COMPANY SECRETARIES

419, CENTRE POINT  
21 HEMANTA BASU SARANI,  
KOLKATA 700 001  
Mobile : 98300 53619,  
E-mail : dhanuka419@yahoo.co.in

Form No. MR-3

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March, 2021

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

To,  
The Members,  
The Methoni Tea Company Ltd.  
75-C Park Street, First Floor,  
Kolkata-700016

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

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;



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- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- e. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.

We further report that, based on the information provided and the representation made by the Company and also on the review of the compliance reports of Company Secretary/ Chief Executive Officer taken on record by the Board of Directors of the Company, in our opinion, adequate systems and processes exist in the Company to monitor and ensure compliance with provisions of applicable general laws like labour laws and environmental laws etc.

We further report that

The compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have subject to review by statutory financial audit and other designated professionals.

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

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

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

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

We further report that;

Shri Rajendra Prasad Bubna reappointed as the Whole Time Directors of the Company for a term of five consecutive years with effect from 1<sup>st</sup> February 2021, subject to the approval of ensuing General Meeting.



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It is stated that the compliance of all the applicable provisions of the Companies Act, 2013 and other laws is the responsibility of the management. We have relied on the representation made by the company and its Officers for systems and mechanism set-up by the company for compliance under applicable laws. Our examination, on a test-check basis, was limited to procedures followed by the Company for ensuring the compliance with the said provisions. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted its affairs. We further state that this is neither an audit nor an expression of opinion on the financial activities / statements of the Company. Moreover, we have not covered any matter related to any other law which may be applicable to the Company except the aforementioned corporate laws of the Union of India.

Place : Kolkata

Date : 30<sup>th</sup> June, 2021



K. C. DHANUKA & CO.  
Company Secretaries

*K. C. Dhanuka*  
30/06/2021  
K. C. DHANUKA Co.  
Proprietor  
FCS-2204, CP-1247  
Peer Review No.108  
UDIN : F002204C000548123

## Annexure-5

### Management Discussion and Analysis Report

#### Overview:

The Company being a producer of premium quality teas has been able to cater to the needs of its valued customers. With shortage in supply of quality teas in the market, the company is earning high prices for its teas and is expected to perform satisfactorily in the current year.

**Industry Structure & Developments:** India is one of the largest Black Tea producer in the world producing approximately 1255 million kgs during the calendar year 2020. Tea being a common man's drink is consumed widely throughout the country. Tea is the favourite Indian beverage and we continue to see growth across all tiers through up gradation from loose to economy branded tea and movement up the chain to premium and super premium teas. Black tea is the predominant sub-category, with high customer preference for the taste of boiled milk tea. Green tea is estimated to be ~3% of the branded category and is growing at 12.5%. Health & wellness continues to be a strong trend and consumers are also looking at functional benefits from their cup of chai (such as Ayurveda Tea and Tulsi Tea). The Tea manufactured in the country is almost sufficient to meet the internal domestic demands. The weather is of prime importance for the Tea manufacturing industry for achieving/ maintaining the production target for the industry. Due to the vagaries of the weather the production of tea fluctuates within a given range. However, in spite of this scenario the outlook for the tea industry appears to be good, due to its increasing demand and consumption.

**Opportunities & Threats:** The continuous promotional efforts and better marketing and brand building initiatives taken jointly by the Government/Tea Board including TRUSTEA program are likely to benefit the industry in the long term. India is the world's second largest tea consumer and the per capita consumption of teas in India is increasing every year. The customers nowadays prefer quality tea and willing to pay more for quality tea. Increasing consumer awareness for quality, branding and promotion will have positive impact on prices in domestic market. Tea continues to enjoy the status of being the most popular beverage in the World.

The Company has in place systems of Internal Control commensurate with the size of the Company and the nature of its business, which ensures that transactions are recorded, authorized and reported correctly apart from safeguarding its assets against loss from wastage, unauthorized use and removal. The Internal Control System is supplemented by documented policies, guidelines and procedures. An extensive programme of review is carried out by the Company's Management cum Internal Audit team which submits detailed reports periodically to the Management.

The Tea Industry is largely dependent on the vagaries of nature. The Industry is highly labour intensive and is subject to stringent labour laws. The costs of production of tea, comprises of various inputs which are required to be met by the Company as stipulated under various statutes both Central and State including the Plantation Labour Act. Thus, after meeting the various Central and State levies etc the industry is left with a very small margin to meet its other expenses for advertising, marketing and sale of the product. Comparatively high labour costs, high social cost over most other tea producing countries, high infrastructure costs remain the major problems for the Indian Tea Industry. Shortage of labour during peak season is also a cause for concern.

These problems need to be addressed by improved productivity. The Tea Industry both in Assam and in West Bengal have discussed with the Trade Unions and implemented productivity linked wages for the tea workers with a view to regain the Industry's competitiveness in the global market.

The vagaries of monsoon being unpredictable together with increase in wages and input cost could vary the profitability of the Company. Emphasis is to be laid on cost control through newer technologies in cultivation and mechanization.

**Product-wise Performance:** The gist of performance of the division during the financial year 2019-20 is as under:

Tea			
	Production (Lac Kgs.)	Sales (Lac Kgs.)	Average Realisation (PerKg.)
2020-21	8.26	7.95	240.89
2019-20	8.99	8.92	198.03
Change (%)	-8.12%	-10.87%	21.64%

**Outlook:** The Company is continuing its focus on quality and mechanization and expects that the performance to be stable in the current year. The COVID-19 pandemic has resulted in short-term disruptions in the industry, especially for out-of-home consumption. Even for essential products like Tea, there will be supply challenges before things get normalised. In the short term, we will also see consumers getting more value conscious and hence, the growth dynamics will change across the different tiers (economy/premium).

**Risks & concerns:** The rapid spread of Covid 19 pandemic across the world, including India, followed by Lockdowns have impacted the production in few months in the current year. Also, due to Covid 19, production of Tea is adversely affected till date, resulting in loss of revenue, increased cost of production, which would adversely impact the profitability of the company. However, due to lower tea in supply chain, prices have firm up and shall remain buoyant during the year. High Value teas unlikely to witness major spurt in prices as global economies slow down and consistent quality and stalk free tea is an important component towards achieving better averages are the major risks to the industry. Also, the cost of production is substantially higher compared to other tea producing countries due to high labour wage and social cost. Any further increase in wage will substantially hit the bottom line. To mitigate various type of risks that the Company has to face, the Board of Directors of the Company has adopted a Risk Management Policy and implemented the same.

**Discussion on financial performance with respect to operational performance:** The Company's steady progress in making quality teas is attracting premium prices over medium and low quality teas, resulting in to achieving satisfactory performance.

**Key Financial Ratios:**

Details of significant changes (i.e. change of 25% or more as compared to the immediately preceding previous financial year) in key financial ratios or sector specific ratios along with detailed explanations therefor:

Sl. No.	Key Financial Ratios	31.03.2021	31.03.2020	Change (%)
1	Debtors Turnover Ratio	88.81	114.06	-22.1%
2	Inventory Turnover Ratio	14.43	13.96	3.4%
3	Interest Coverage Ratio	15.19	5.09	198.3%
4	Current Ratio	0.87	0.92	-5.6%
5	Debt Equity Ratio	1.27	1.55	-17.8%
6	Net Profit Margin (%)	9.07	1.94	7.1%
7	Return on Net Worth (%)	27.86	4.90	23.0%

Notes on significant changes in financial ratios where change is > 25%: Interest Coverage Ratio has increased as the Company has reported significant increase in the EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) for the year ended 31st March, 2021 as against EBIDTA during 31st March, 2020.

**Internal control Systems and their Adequacy:** The Company has laid down guidelines, procedures and policies for better management control which are periodically tested and supplemented by an extensive internal audit program. Significant findings are placed before the Audit Committee and the corrective measures are recommended for implementation. In the opinion of the management, the existing internal checks & controls are effective and adequate.

**Information regarding Human Resources/Industrial Relations:** The Company has a favorable working environment that motivates performance, customer focus and innovation and adheres to the highest degree of quality and integrity amongst employees. Industrial relations at the Company remain cordial. The total numbers of man power employed as on 31st March, 2021 was 734.

**Cautionary Statement:** *The forward-looking statements and the views expressed in the Management Discussion and Analysis Report are based on certain assumptions. The actual results, performances or achievements may differ materially from those stated therein. The Company would not be held liable, in any manner, if the future turns out to be quite different, even materially.*

**R. P. BUBNA** } **Whole Time Director**  
**DIN- 00180543**

**ANITA BUBNA** }  
**DIN- 00180704** }

**PRAHLAD LAL JAIN** } **Directors**  
**DIN-00944702** }

**SONA GOENKA** }  
**DIN-07147090**

Kolkata,  
Dated: 30th Day of June, 2021

**Annexure-6**

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

1. Ratio of remuneration of each Director to median remuneration of employees, percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year ended on 31st March, 2021 and comparison of the remuneration of the Key Managerial Personnel against the performance of the Company and comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company:

SN	Name of Director and KMP	Remuneration of KMP for the year ended on 31st March, 2021	Ratio of remuneration of each KMP to median remuneration of employees	%age increase in remuneration for the financial year ended on 31st March, 2021
1.	Mr. Rajendra Prasad Bubna Whole time Director (DIN-00180543)	19,44,000/-	31.2:1	No Change
2.	Mr. Sumit Bhartia Chief Financial Officer	8,89,200/-	14.3:1	0.44%
3.	Mrs. Priyanka Mohta Company Secretary	2,40,000/-	3.8:1	No Change

2. In the financial year ended on 31st March, 2021, there has been 2.4% increase in the remuneration of median employees of the company.
3. There were 734 permanent employees on the rolls of the Company as on 31st March, 2021.
4. **Average percentile increase / decrease already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase / decrease in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:** There has been neither any change in the salaries of employees nor managerial personnel. The remuneration payable to the employees is fixed in nature, which depends on his/ her performance.
5. No variable component forms part of the remuneration paid to the Directors of the Company.
6. During the financial year 2020-21, no employees received remuneration in excess of highest paid to Director.
7. The remuneration is paid as per the Nomination and Remuneration Policy of the Company.

**Details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

The Statement containing particulars of top ten employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, for the year ended March 31, 2021:

Sl. No.	Name	Designation / Nature of Duties	Remuneration received p.a. (Rs.)	Qualification	Experience in years	Age in years	Date of commencement of Employment	Last Employment held before joining the Company
1.	Rajendra Prasad Bubna	Whole Time Director	1944000	B Com	14 Years	64 Yrs	13.11.2004	N.A
2.	Mr C J Fernandes	General Manager, Tea Estate	1322250	B Com (H)	27 Years	55 Yrs	13.02.2014	Parkwood farms Pvt Ltd
3.	Mr Sumit Bharlia	CFO	889200	B Com (H)	15 Years	37 Yrs	01.04.2005	N.A
4.	Mr jarry Sheal Fernandes	Assistant, Tea Estate	807600	B Com (H)	6 Years	27 Yrs	13.02.2014	N.A
5.	Mr Bhagwant Singh	Deputy Manager, Tea Estate	725800	B Com (H)	26 Years	52 Yrs	01.02.2011	Mankhawa Tea Co Ltd
6.	A R Hazarika	Sijjuri J V	491998	B Com	37 Years	58 yrs	01.09.1984	N.A
7.	Dr Bodeswar Gogoi	Doctor, Tea Estate	468000	M B B S	36 Years	65 Yrs	01.03.2016	N.A
8.	Bipul kalita	Head Fitter	437702	B Com	28 Years	53 Yrs	01.04.1982	N.A
9.	Bijoy Kumar Minz	Stores Clerk	420674	B Com	29 Years	52 Yrs	21.04.1992	N.A
10.	Sashi Prasad Chafia	Computer Clerk	383065	B Com	25 Years	48 Yrs	16.04.1996	N.A

**Note: 1) None of the employees listed above is a relative of any director of the Company.  
2) Other than Mr. Rajendra Prasad Bubna, none of the employees listed above hold equity share in the Company.**

**R. P. BUBNA** } Whole Time Director  
**DIN- 00180543**

**ANITA BUBNA** }  
**DIN- 00180704** }

**PRAHLAD LAL JAIN** } Directors  
**DIN-00944702** }

**SONA GOENKA** }  
**DIN-07147090**

Kolkata,  
Dated: 30th Day of June, 2021



## INDEPENDENT AUDITORS' REPORT

To the Members of  
THE METHONI TEA COMPANY LIMITED

Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying Ind AS financial statements of **THE METHONI TEA COMPANY LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of the 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 Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its total comprehensive income (comprising of Profit and Other Comprehensive Income), its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, 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.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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



In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained 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 Ind AS Financial Statements**

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 statement, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matter related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Those Board of Director are also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibility**

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, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- 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 entity'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 entity 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.

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 Companies Act, 2013. We enclose in the Annexure A, statement on the matters specified in paragraphs 3 and 4 of the said Order.
- 2) As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
  - c) The balance sheet, statement of profit and loss (including Other Comprehensive Income) and cash flow statement and the Statement of Changes in Equity dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.



- e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; 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:
  - i) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 2.25 to the financial statements.
  - ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
  - iii) The company has transferred unclaimed dividend to Investor Education and Protection Fund.



**CA U S AGARWAL, FCA, PARTNER**

Membership No: 051895

*For and on behalf of*

**U.S Agarwal & Associates**

*Chartered Accountants*

Firm Registration No. 314213E

UDIN:21051895AAAADT1129



Place: Kolkata

Date: 30<sup>th</sup> Day of June 2021

## **“ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT**

The Annexure referred to in our report to the members of the Company for the year ended on 31st March 2021. We report that.

- i. (a) The company maintains the proper records showing full particulars, including quantitative details and situation of fixed assets.  
(b) As per the information and explanation given to us and as verified by us, management has physically verified fixed assets during the year and no material discrepancy was noticed on such verification.  
(c) The title deeds of immovable properties are held in the name of the company.
- ii. As per the information and explanation given to us and as verified by us, the management is verifying inventory at regular intervals, the frequency of verification of which, in our opinion, is reasonable and no material discrepancies were noticed. In respect of inventory lying with third parties, these have been verified with reference to subsequent sale.
- iii. The Company has not granted loans, secured or unsecured, to companies, firms, or other parties covered in the register maintained under section 189 of Companies Act, 2013. Accordingly, the provisions of clause (iii) (a), (b) & (c) of the order are not applicable to the company.
- iv. In our opinion and according to the information and explanation given to us, there are no guaranties, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act, 2013 are applicable. Based on our audit procedures performed and according to information and explanations given by the management, the company has complied with provisions of Section 186 of the Act in respect of loans granted and investments made during the year.
- v. The company has not accepted deposits within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
- vi. We have broadly reviewed the books of account maintained by the company in respect of products where pursuant to the rules made by the Central Government, the maintenance of cost records has been prescribed u/s 148(1) of the Act and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We, however, have not made a detailed examination of such records with a view to determine whether they are accurate and complete.
- vii (a) On the basis of our examination, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees’ state insurance, income tax, sales tax, service tax, Goods and Service Tax, duty of customs, duty of excise, value added tax, cess and other statutory dues, to the extent applicable, with appropriate authorities.  
(b) There were no undisputed amounts payable in respect of Provident Fund, Employees’ State Insurance, Income-tax, Goods and Service Tax, Customs Duty, cess and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.  
(c) Details of disputed Statutory dues which has not been deposited as on 31st March, 2021 on account of matters pending before appropriate authorities are given below:

Assessment Year	Name of the Statute	Nature of Dues	Amount (Rs.)	Forum at which case is Pending
2012-13	Income Tax Act, 1961	Income Tax	7,69,720	CIT(Appeals)



- viii. The company has not defaulted in repayment of loans or borrowings to banks. The Company has not taken any loans and borrowings from financial institutions or Government and has not issued any debentures.
- xi. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- 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 material 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. Managerial remuneration has been paid or provided in accordance with the provisions of section 197 read with Schedule V to the Companies Act.
- xii. The company under review is not a Nidhi Company and accordingly the provisions of clause (xii) of the order are not applicable to the company.
- xiii. All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- 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 and accordingly the provisions of clause (xiv) of the order are not applicable to the company.
- xv. The company has not entered into any non-cash transactions with directors or persons connected with them and accordingly the provisions of clause (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.



**CA U S AGARWAL, FCA, PARTNER**

Membership No: 051895

*For and on behalf of*

**U.S Agarwal & Associates**

*Chartered Accountants*

Firm Registration No. 314213E

UDIN:21051895AAAADT1129



Place: Kolkata

Date: 30<sup>th</sup> Day of June 2021

## **"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT**

*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 THE METHONI TEA COMPANY LIMITED ("the Company") as at 31st March 2021 in conjunction with our audit of the financial statements of the company for the year ended on that date.

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

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

### **Auditors' Responsibility**

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

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

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



## Meaning of Internal Financial Controls over Financial Reporting

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

- (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (ii) 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
- (iii) 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 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.



**CA U S AGARWAL, FCA, PARTNER**

Membership No: 051895

*For and on behalf of*

**U.S Agarwal & Associates**

*Chartered Accountants*

Firm Registration No. 314213E

UDIN:21051895AAAADT1129



Place: Kolkata

Date: 30<sup>th</sup> Day of June 2021

**THE METHONI TEA COMPANY LIMITED**  
**BALANCE SHEET AS AT 31ST MARCH, 2021**

(Figures in Rs.)

Sl. No.	Particulars	Note No.	As at 31st March, 2021	As at 31st March, 2020
<b>I.</b>	<b>ASSETS</b>			
(1)	<b>Non-Current Assets</b>			
	(a) Property Plant and Equipments	2.1	3,28,07,245	2,79,74,403
	(b) Capital Work In Progress	2.1	37,21,209	45,53,127
	(c) Financial Asset			
	(i) Investment	2.2	1,55,17,415	3,250
	(d) Deferred Tax Assets (net)	2.3	64,93,372	59,30,431
	(e) Other Non-Current Assets	2.4	1,56,80,725	1,41,82,995
(2)	<b>Current Assets</b>			
	(a) Inventories	2.5	1,31,39,138	1,23,63,222
	(b) Biological Assets other than Bearer Plants	2.6	2,49,299	-
	(c) Financial Assets			
	(i) Trade Receivables	2.7	12,23,960	31,03,593
	(ii) Cash and Cash Equivalents	2.8	42,86,260	36,84,439
	(iii) Loans and Advances	2.9	3,11,00,000	3,41,00,000
	(d) Other Current Assets	2.10	1,51,62,983	68,42,234
	<b>Total Assets</b>		<b>13,93,81,605</b>	<b>11,27,37,693</b>
<b>II.</b>	<b>EQUITY &amp; LIABILITIES</b>			
(1)	<b>EQUITY</b>			
	(a) Equity Share Capital	2.11	40,80,000	40,80,000
	(b) Other Equity		5,73,20,750	4,02,17,350
	Total Equity		6,14,00,750	4,42,97,350
	<b>LIABILITIES</b>			
(2)	<b>Non-Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	2.12	-	37,875
	(b) Provisions	2.13	6,86,877	6,86,877
	(c) Other Liabilities	2.14	24,15,140	25,38,787
(3)	<b>Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	2.15	2,46,84,699	2,07,26,322
	(ii) Trade Payables	2.16	98,19,853	1,01,61,173
	(b) Other Current Liabilities	2.17	73,05,540	56,62,650
	(c) Provisions	2.18	3,30,68,746	2,86,26,660
	<b>Total Equity &amp; Liabilities</b>		<b>13,93,81,605</b>	<b>11,27,37,693</b>


**Significant Accounting Policies and Notes on Accounts.**

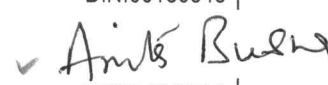
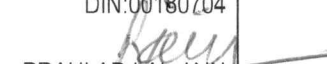
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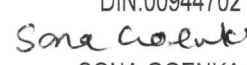
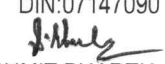
  
**U.S. AGARWAL, FCA, Partner**  
 Membership No : 051895  
 For & On behalf of  
**U.S Agarwal & Associates**  
 Chartered Accountants  
 Registration No. : 314213E

Place : Kolkata  
 Dated : 30th Day of June, 2021



1 & 2  
  
**RAJENDRA PRASAD BUBNA**  
 DIN:00180543 | Whole Time Director

  
**ANITA BUBNA**  
 DIN:00180704  
  
**PRAHLAD LAL JAIN**  
 DIN:00944702 | Directors

  
**SONA GOENKA**  
 DIN:07147090  
  
**SUMIT BHARTIA** | Chief Financial officer

**THE METHONI TEA COMPANY LIMITED**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2021**

(Figures in Rs)

Sl. No.	Particulars	Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(1)	Revenue from Operations	2.19	19,64,55,306	17,69,94,884
(2)	Other Income	2.20	60,66,838	1,56,85,644
	<b>Total Revenue (1+2)</b>		<b>20,25,22,144</b>	<b>19,26,80,528</b>
(3)	<b>Expenses:</b>			
	Cost of materials consumed		67,63,096	57,06,144
	Purchase of Stock in trade		-	7,67,700
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	2.21	(4,91,151)	20,72,806
	Employee benefit expenses	2.22	11,57,46,783	11,93,48,679
	Finance cost	2.23	16,56,811	18,26,369
	Depreciation and amortization expense	2.1	49,45,673	49,26,667
	Other Expenses	2.24	5,53,41,328	5,54,88,174
	<b>Total Expenses</b>		<b>18,39,62,540</b>	<b>19,01,36,539</b>
(4)	<b>Profit/ (Loss) before exceptional items and tax</b>		<b>1,85,59,604</b>	<b>25,43,989</b>
(5)	Exceptional Items		-	-
(6)	<b>Profit/ (Loss) after Exceptional items and before tax</b>		<b>1,85,59,604</b>	<b>25,43,989</b>
(7)	<b>Tax Expense:</b>			
	(1) Current Tax		-	-
	(2) Deferred Tax		1,97,311	(11,92,424)
	(3) Tax for Earlier Years		-	-
(8)	<b>Profit/ (Loss) from Operations</b>		<b>1,83,62,293</b>	<b>37,36,413</b>
	<b>Other Comprehensive Income</b>			
	<u>Items that will not be reclassified to Profit or loss</u>			
	- Remeasurement of Defined Benefit Plan		(26,76,945)	(21,87,153)
	- Changes in Fair Value of FVOCI Equity instruments		6,57,800	-
	- Tax Adjustment for Defined Benefit Plan		7,60,252	6,21,151
	Total - Other Comprehensive Income For the Year		(12,58,893)	(15,66,002)
	<b>Total Comprehensive Income For the Year</b>		<b>1,71,03,400</b>	<b>21,70,411</b>
(9)	Earnings per Equity Share:			
	(1) Basic		45.01	9.16
	(2) Diluted		45.01	9.16
	(refer note no.2.33)			

**Significant Accounting Policies and Notes on Accounts.**

As per our report of even date annexed hereto

1 & 2

*[Signature]*  
**RAJENDRA PRASAD BUBNA**  
 DIN:00180543 | Whole Time Director

**U.S. AGARWAL, FCA, Partner**  
 Membership No : 051895  
 For & On behalf of  
**U.S Agarwal & Associates**  
 Chartered Accountants  
 Registration No. : 314213E

Place : Kolkata  
 Dated : 30th Day of June, 2021



*[Signature]*  
**ANITA BUBNA**  
 DIN:00180704

*[Signature]*  
**PRAHLAD LAL JAIN**  
 DIN:00944702 | Directors

*[Signature]*  
**SONA GOENKA**  
 DIN:07147090

*[Signature]*  
**SUMIT BHARTIA** | Chief Financial officer

*[Signature]*  
**PRIYANKA MOHTA** | Company Secretary

**THE METHONI TEA COMPANY LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED AS ON 31ST MARCH '2021**

Particulars	For the year ended 31 March, 2021		For the year ended 31 March, 2020	
	Rs.	Rs.	Rs.	Rs.
<b>A. Cash flow from operating activities</b>				
Net Profit / (Loss) before extraordinary items and tax		1,85,59,604		25,43,989
<i>Adjustments for:</i>				
Depreciation and amortisation	49,45,673		49,26,667	
Finance costs	16,56,811		18,26,369	
Interest income	(38,09,795)		(4,96,452)	
Biological Assets other than Bearer Plants	(2,49,299)		3,50,968	
Dividend income	(750)		(22,288)	
Profit on Assets discarded	(5,94,381)		(1,76,660)	
(Profit)/ loss on sale of investments	(2,36,889)		(1,46,92,261)	
		17,11,370		(82,83,657)
Operating profit / (loss) before working capital changes		2,02,70,974		(57,39,668)
<i>Adjustments for (increase) / decrease in Assets:</i>				
Inventories	(7,75,916)		25,19,322	
Trade receivables	18,79,633		(31,03,593)	
Current Loan and Advances	30,00,000		(3,41,00,000)	
Other current assets	(83,20,749)		(19,19,540)	
Other non-current assets	(14,97,730)		2,06,375	
<i>Adjustments for increase / (decrease) in Liabilities:</i>				
Trade payables	(3,41,320)		(51,92,926)	
Other current liabilities	17,06,292		(29,81,470)	
Short-term provisions	17,65,141		42,13,807	
Long-Term Provisions	-	(25,84,649)	-	(4,03,58,025)
Cash flow from extraordinary items		-		-
Cash generated from operations		1,76,86,324		(4,60,97,693)
Net income tax (paid) / refunds		-		-
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>1,76,86,324</b>		<b>(4,60,97,693)</b>
<b>B. Cash flow from investing activities</b>				
Capital expenditure on fixed Assets	(83,52,214)		(53,37,205)	
Purchase of Investments	(3,45,66,130)		(1,45,33,036)	
Proceeds from sale of Investments	1,99,46,654		5,67,86,262	
Interest income	38,09,795		4,96,452	
Dividend Income	750		22,288	
<b>Net cash flow from / (used in) investing activities (B)</b>		<b>(1,91,61,145)</b>		<b>3,74,34,761</b>
<b>C. Cash flow from financing activities</b>				
Long Term Borrowings	(37,875)		(4,33,106)	
Short Term Borrowing	39,58,377		1,24,62,092	
Other Liabilities	(1,23,647)		12,38,250	
Finance Cost	(16,56,811)		(18,26,369)	
Dividends Paid	(63,402)		(72,447)	
<b>Net cash flow from / (used in) financing activities (C)</b>		<b>20,76,642</b>		<b>1,13,68,420</b>



Particulars	For the year ended 31 March, 2021		For the year ended 31 March, 2020	
	Rs.	Rs.	Rs.	Rs.
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		<b>6,01,760</b>		<b>27,05,488</b>
Cash and cash equivalents at the beginning of the year		36,84,439		9,78,951
<b>Cash and cash equivalents at the end of the year</b>		<b>42,86,199</b>		<b>36,84,439</b>

Reconciliation of Cash and Cash Equivalents with the Balance Sheet:

Cash and cash equivalents at the year end		42,86,260		36,84,439
<b>Cash and cash equivalents at the year end comprises of :</b>				
(a) Cash in hand		6,30,800		6,54,069
(b) Balances with banks:				
(i) In current accounts		36,54,460		29,65,968
(ii) In Deposit accounts		1,000		1,000
(iii) In Earmarked accounts		-		63,402
(iv) Bank Over Draft		-		-
		<b>42,86,260</b>		<b>36,84,439</b>

-61.00

See accompanying notes forming part of the financial statements

As per our report of even date annexed hereto



**U.S. AGARWAL, FCA, Partner**

Membership No : 051895

For & On behalf of

**U.S Agarwal & Associates**


Chartered Accountants

Registration No. : 314213E

Place : Kolkata

Dated : 30th Day of June, 2021



  
RAJENDRA PRASAD BUBNA | Whole Time Director

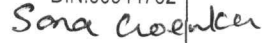
DIN:00180543

  
ANITA BUBNA

DIN:00180704

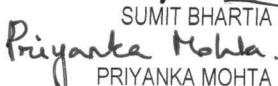
  
PRAHLAD LAL JAIN | Directors

DIN:00944702

  
SONA GOENKA

DIN:07147090

  
SUMIT BHARTIA | Chief Financial officer

  
PRIYANKA MOHTA | Company Secretary

**THE METHONI TEA COMPANY LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**

Particulars	Equity Share Capital	Reserves and Surplus						Total Other Equity
		Capital Reserve	Securities Premium Reserve	General Reserves	FVOCI Equity Investments	FVOCI Others	Retained Earnings	
<b>Balance at 31st March 2020</b>	<b>40,80,000</b>	<b>6,626</b>	<b>-</b>	<b>10,72,35,917</b>	<b>-</b>	<b>(36,51,907)</b>	<b>(6,33,73,286)</b>	<b>4,02,17,350</b>
Profit For the Year	-	-	-	-	-	-	1,83,62,293	-
Other Comprehensive Income	-	-	-	-	-	-	(12,58,893)	-
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,71,03,400</b>	<b>1,71,03,400</b>
Dividends	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	-	-	-	-
<b>Balance at 31st March 2020</b>	<b>40,80,000</b>	<b>6,626</b>	<b>-</b>	<b>10,72,35,917</b>	<b>-</b>	<b>(36,51,907)</b>	<b>(4,62,69,886)</b>	<b>5,73,20,750</b>

As per our Report of even date annexed hereto



**U.S. AGARWAL, FCA, Partner**  
 Membership No : 051895  
 For & On behalf of  
**U.S Agarwal & Associates**  
 Chartered Accountants  
 Registration No. : 314213E

Place : Kolkata  
 Dated : 30th Day of June, 2021



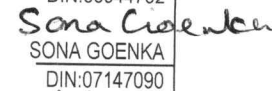
**RAJENDRA PRASAD BUBNA**  
 DIN:00180543 | Whole Time Director



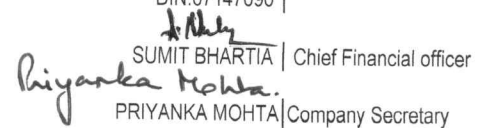
**ANITA BUBNA**  
 DIN:00180704



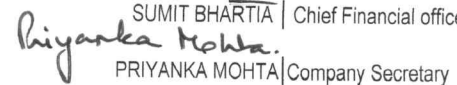
**PRAHLAD LAL JAIN**  
 DIN:00944702 | Directors



**SONA GOENKA**  
 DIN:07147090



**SUMIT BHARTIA** | Chief Financial officer



**PRIYANKA MOHTA** | Company Secretary



**COMPANY OVERVIEW**

The Methoni Tea Company Limited [CIN: L15492WB1929PLC006618] having its registered office at 75C, Park Street (1st Floor), Kolkata - 700016 and tea estate, Methoni Tea Estate at P.O. Bokakhat, Dist. Golaghat, Assam - 785612, is engaged in the business of growing, manufacturing and selling of Black Tea.

The notification dated 16th February, 2015 with respect to the Companies (Indian Accounting Standards) Rules, 2015 is applicable to the company with effect from Financial year beginning 1st April, 2017.

**1 SIGNIFICANT ACCOUNTING POLICIES**

**1.1 BASIS OF PREPARATION**

a) The financial statements are prepared in accordance with and in compliance, in all material aspect with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read along with Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) Amendment Rules, 2016 and other relevant provision of the Act.

b) The financial statements up to year ended 31st March 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act.

c) 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 Ind AS 1 – Presentation of financial Statements and Schedule III (Division II) to the Companies Act, 2013. Based on the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current/non-current classification of assets and liabilities.

**1.2 USE OF ESTIMATES**

The preparation of the financial statements in conformity with IND AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future, results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

**1.3 PROPERTY, PLANT AND EQUIPMENT**

Property Plant and Equipments are stated at historical cost of acquisition less accumulated depreciation and accumulated impairment loss, if any. Cost includes cost of acquisition, custom duties, taxes, other incidental expenses relating to acquisition and installation and interest upto the date (in case of qualifying assets) the asset is put to use.

The company recognises Tea Bushes as Bearer Plants and Bearer Plants are classified as Immature Tea Bushes until the produce can be commercially harvested. At that point they are reclassified and depreciation commences.

The Property, Plant and Equipment including Immature Tea Bushes not ready to use are disclosed under capital work in progress at accumulated cost.

Depreciation on tangible assets is provided on written down value method over the useful life of the assets as prescribed under Part C of the of Schedule II of the Companies Act 2013. Depreciation for assets purchased/sold during the period is proportionately charged.

The Depreciation on Bearer Plants (Mature Tea Bushes) is provided on straight line basis over the economic life. The economic life of Bearer Plants (Tea Bushes) is treated as 60 years.

Depreciation and amortisation methods, useful life and residual values are reviewed periodically and adjustment, if appropriate, is made at the end of each reporting period.

Gains and losses on disposals are determined by computing proceeds with carrying amount. These are included in statement of profit and loss within other income.

Conti....



## **THE METHONI TEA COMPANY LIMITED**

NOTES ON ACCOUNTS AND SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

### **1.4 FINANCIAL ASSET**

#### **1) Financial assets at amortised cost**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost.

These are presented as current assets, except for those maturing later than 12 months after reporting date which are presented as non-current asset.

Financial assets are measured initially at fair value plus transaction costs and subsequently, if maturing after 12 months period, using the effective interest method, less any impairment loss.

#### **2) Financial assets at fair value through other comprehensive income (FVOCI)**

All equity investments are measured at fair values. Investments which are not held for trading purposes and where the Group has exercised the option to classify the investment as at FVOCI, all fair value changes on the investment are recognised in OCI. The accumulated gains or losses recognised in OCI are reclassified to retained earnings on sale of such investments.

#### **3) Financial assets at fair value through profit or loss (FVTPL)**

Financial assets which are not classified in any of the categories above are FVTPL.

#### **4) Impairment of financial assets**

The Company assesses expected credit losses associated with its assets carried at amortised cost and fair value through other comprehensive income based on Company's past history of recovery, credit-worthiness of the counter party and existing market conditions. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Company applies the simplified approach for recognition of impairment allowance as provided in Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

### **1.5 FINANCIAL LIABILITIES**

#### **1) Initial recognition and measurement**

loans and borrowings are measured at net of directly attributable costs. For trade and other payable maturing within one year from the balance sheet date, the carrying value approximates fair value due to short maturity of these investments.

Financial liabilities are subsequently measured at amortised cost using effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying value approximates fair value due to short maturity of these instruments.

### **1.6 INVENTORIES**

Raw materials, traded and finished goods are stated at the lower of cost and net realisable value except Tea Waste. Agricultural produce included within inventory largely comprises stock of made tea and has been measured in accordance with Ind AS 41 i.e. on initial recognition, agricultural produce is required to be measured at fair value less estimated point of sale costs.

Cost in respect of stores, spares and packing materials are determined at weighted average.

Provision is made for obsolete and slow-moving stock, wherever necessary.

### **1.7 BIOLOGICAL ASSETS OTHER THAN THE BEARER PLANT**

Tea is designated as agricultural produce at the point of harvest and is measured at their fair value less cost to sell as at each reporting date. Any changes in fair value are recognised in the statement of profit and loss in the year in which they arise

### **1.8 FOREIGN CURRENCY TRANSACTIONS**

Transactions in foreign currency are recorded at the exchange rate prevailing at the transaction date.

Exchanges differences arising on settlement of transactions or on reporting at the year end rates are recognized as income or as expenses in the period in which they arise.

Conti....



**1.9 RETIREMENT BENEFITS**

The company operates defined contribution scheme for a Provident Fund and a Pension Fund. Contributions to these funds are made regularly to the Assam Tea Planters Provident Fund (ATPPF) / Trust / Regional Provident fund Commissioner West Bengal . The interest rate payable to members of the trust is not lower than the statutory rate of interest declared by the Central Government under Employees Provident Funds and Miscellaneous Provisions Act, 1952.

Short term benefits are charged off at the undiscounted amount in the year in which the related service rendered.

Post employment and other long term employee benefits are charged off in the year in which the employee has rendered services. The amount charged off is recognised at the present value of the amounts payable determined using actuarial valuation technique and funded with the approved gratuity fund. Actuarial gains and losses in respect of post employment benefits are charged to the Statement of Profit and Loss. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income. Such accumulated re-measurement balances are never reclassified into the statement of profit and loss subsequently.

**1.10 BORROWING COST**

Borrowing Cost that are directly attributable to the acquisition or construction of an assets that necessarily takes a substantial period of time to get ready for its intended use are capitalised till substantial completion of all the activities that are necessary for this if any, other wise borrowing cost are charged to Statement of Profit & Loss.

**1.11 REVENUE FROM CONTRACT WITH CUSTOMERS**

Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at a point of time or over a period of time. Performance obligations satisfied over a period of time are recognised as per the terms of relevant contractual agreements/ arrangements. Performance obligations are said to be satisfied at a point of time when the customer obtains controls of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and value added tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

A refund liability is recognised for expected returns in relation to sales made corresponding assets are recognised for the products expected to be returned.

The Company recognises as an asset, the incremental costs of obtaining a contract with a customer, if the Company expects to recover those costs. The said asset is amortised on a systematic basis consistent with the transfer of goods or services to the customer

**1.12 GOVERNMENT GRANTS/SUBSIDIES**

Government grants are recognised when there is reasonable assurance that the enterprise will comply with the conditions attached to them and the grants will be received.

Government grants relating to the acquisition/ construction of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other operating income.

**1.13 TAXES ON INCOME**

a) Provision for current tax made on the basis of the estimated taxable income for the current accounting year in accordance with the Income Tax Act,1961.

b) Deferred tax is provided using the balance sheet approach on all deductible temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Conti....



**THE METHONI TEA COMPANY LIMITED**

NOTES ON ACCOUNTS AND SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The tax rates and tax laws used to compute the tax are those that are enacted or substantively enacted at the reporting date. Current income tax/deferred tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss.

Deferred tax assets/ liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in associate where in case of assets it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised and in case of liabilities the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

c) Tax credit is recognized in respect of Minimum Alternate Tax (MAT) as per the provision of section 115JAA of the Income Tax Act, 1961 based on convincing evidence that the Company will pay normal Income tax within the statutory time framed and is reviewed at each Balance Sheet date.

d) Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

**1.14 PROVISIONS**

A provision is recognised 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. Provision are not discounted to present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**1.15 IMPAIRMENT OF ASSETS**

Impairment of Assets is recognized when there is an indication of impairment. On such indication the recoverable amount of the assets is estimated and if such estimation is less than carrying amount, the carrying amount is reduced to its recoverable amount.

**1.16 CONTINGENT LIABILITIES**

The contingent liabilities are provided when it is considered that there may be an outflow of resources embodying future economic benefits in settlement of:

- a) present obligation the one whose existence at the balance sheet date is considered probable;
- b) a possible obligation the existence of which at the balance sheet date is considered not probable.

**1.17 CASH AND CASH EQUIVALENTS**

Cash and cash equivalents for the purpose of presentation in the statement of cash flow, comprises of cash at bank, in hand, bank overdrafts and shortterm highly liquid investments/bank deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**1.18 CASH FLOW STATEMENT**

Cash flows are reported using the indirect method, whereby profit / loss before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated.

**1.19 EARNING PER SHARE**

The Company presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

**1.20 INSURANCE CLAIMS**

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.



**THE METHONI TEA COMPANY LIMITED**

Notes forming part of the financial statements as at 31st March, 2021

Note : 2.1 Property, Plant and Equipment

(Figures in Rs.)

Sl. No	Particulars	Original Cost			Depreciation and Amortisation			Net Book Value		
		As at 1st April '20	During the Year		As at 1st April '20	During the Year		As at 31st Mar '21	As at 31st Mar '20	
			Addition	Deduction		Addition	Deduction			
<b>1</b>	<b>Tangible Assets</b>									
1	Bearer Plant (Mature Plant)	1,13,82,006	19,72,316	-	27,05,526	2,48,643	-	29,54,169	1,04,00,153	86,76,480
2	Factory Buildings	61,14,777	79,627	-	38,14,291	2,10,883	-	40,25,174	21,69,230	23,00,486
3	Other Buildings	2,28,57,496	-	-	1,91,90,726	4,66,268	-	1,96,55,994	32,01,502	36,66,770
4	Plant & Machineries	5,77,11,129	76,63,946	2,39,220	4,74,13,812	31,14,926	2,33,600	5,02,95,138	1,48,40,717	1,02,97,317
5	Computers	12,53,348	18,644	-	11,56,737	58,862	-	12,15,599	56,393	96,611
6	Office Equipment	10,70,751	36,700	-	5,47,638	2,36,836	-	7,84,474	3,22,977	5,23,113
7	Furniture & Fixtures	17,66,245	12,900	-	14,41,886	65,115	-	15,07,001	2,72,144	3,24,359
8	Motor Vehicles	96,49,753	-	-	75,60,485	5,45,140	-	81,05,625	15,44,128	20,89,268
	<b>Total (Current Year)</b>	<b>11,18,05,505</b>	<b>97,84,133</b>	<b>2,39,220</b>	<b>8,38,31,102</b>	<b>49,45,673</b>	<b>2,33,600</b>	<b>8,85,43,174</b>	<b>3,28,07,244</b>	<b>2,79,74,404</b>
	<b>(Previous Year)</b>	<b>11,01,66,637</b>	<b>76,81,111</b>	<b>60,42,243</b>	<b>8,47,62,016</b>	<b>49,26,667</b>	<b>58,57,581</b>	<b>8,38,31,102</b>	<b>2,79,74,403</b>	<b>2,54,04,621</b>

**Capital Work In Progress**

1	Plant & Machinery	87,032	-	87,032	-	-	-	-	-	87,032
2	Bearer Plant (Immature )	44,66,095	12,27,430	19,72,316	-	-	-	-	37,21,209	44,66,095
	<b>Total (Current Year)</b>	<b>45,53,127</b>	<b>12,27,430</b>	<b>20,59,348</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>37,21,209</b>	<b>45,53,127</b>
	<b>Total (Previous Year)</b>	<b>65,35,714</b>	<b>32,49,122</b>	<b>52,31,709</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>45,53,127</b>	<b>-</b>



**THE METHONI TEA COMPANY LIMITED***Notes forming part of the financial statements as at 31st March, 2021**Note : 2.2 Non - Current Investments**Figures in(Rs)*

Sl. No.	Particulars	Face Value	Cost Price of the Share	As at 31st March, 2021		As at 31st March, 2020	
				No of Shares	Amount	No of Shares	Amount
<b>1</b>	<b>Non Trade investments</b>						
A.	<u>Investment in Equity Shares</u>						
(a)	<u>Fully paid up Quoted Equity Shares</u>						
1	Inox Wind Ltd	10	1,40,45,000	2,00,000	1,40,45,000	-	-
2	Jindal Poly Films Ltd	10	4,75,190	1,033	4,75,190	-	-
3	Indo Count Industries Ltd	2	3,36,175	2,500	3,36,175	-	-
	Sub-Total (A)			-	1,48,56,365	-	-
(b)	<u>Investment in Unquoted Equity Shares (Fully paid up)</u>						
1	ABC Tea Workers Welfare Services	10	2	625	1,250	625	1,250
2	Woodlands Multispeciality Hospital Limited	10	10	200	2,000	200	2,000
	Sub-Total (B)			-	3,250	-	3,250
	<b>Total Non - Current Investment</b>			-	1,48,59,615	-	3,250
	Aggregate amount of quoted investments				1,48,56,365		-
	Aggregate market value of quoted investments				1,55,14,165		-
	Aggregate amount of investments in Unquoted shares				3,250		3,250
	Changes in Fair Value of FVOCI Equity instruments				6,57,800		-



**THE METHONI TEA COMPANY LIMITED**

Notes forming part of the financial statements as at 31st March, 2021

(Figures in Rs.)

Sl. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
<i>Note : 2.3 Deferred Tax Assets</i>			
1	<b>Deferred tax liabilities</b>		
	Property, plant and equipment	19,165	1,08,372
	<b>Gross deferred tax liability</b>	<b>19,165</b>	<b>1,08,372</b>
2	<b>Deferred tax assets</b>		
	MAT credit entitlement		
	Defined benefit obligation	36,57,595	30,05,446
	Others	28,16,613	28,16,613
	<b>Gross deferred tax asset</b>	<b>64,74,207</b>	<b>58,22,059</b>
	<b>Net deferred tax Asset</b>	<b>64,93,372</b>	<b>59,30,431</b>

*Movement in deferred tax assets/(liability)*

Sl. No.	Particulars	Property, plant & equipment and Intangible asset	Defined benefit obligations	MAT credit entitlement	Others (net)	Total
	<b>At 31st March 2020</b>	1,08,372	30,05,446	-	28,16,613	59,30,430
	(Charged)/credited :					
	-to profit or loss	(89,207)	6,52,149	-	-	5,62,942
	-to other comprehensive income					
	<b>At 31st March 2021</b>	19,165	36,57,595	-	28,16,613	64,93,372

*Note : 2.4 Other Non- Current Assets*

Sl. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
1	<u>Balances with Government Authorities</u>		
	(i) Advance Income Tax	31,76,948	13,47,212
	(ii) MAT Credit Entitlement	75,620	75,620
2	<u>Security Deposit</u>		
	<u>a) Unsecured, Considered Good:</u>		
	Electricity Supply & Others	25,91,021	25,91,021
	Deposit against property	70,00,000	70,00,000
3	Nursery	28,37,136	31,69,143
	<b>Total</b>	<b>1,56,80,725</b>	<b>1,41,82,995</b>

*Note : 2.5 Inventories*

Sl. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
1	Black Tea (Including Tea In Transit)	24,01,253	17,52,602
2	Tea Waste	-	1,57,500
3	Packing Materials	12,36,230	7,92,230
4	Fuel	31,10,471	43,97,333
5	Consumable Stores	62,43,244	48,74,718
6	Consumable Stores in Transit	1,47,940	3,88,839
	<b>Total</b>	<b>1,31,39,138</b>	<b>1,23,63,222</b>



Note : 2.6 Biological Assets other than Bearer Plant

Sl. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
1	Fair value of Biological Assets other than Bearer Plant ( Unharvested Tea Leaves )	2,49,299	-
	Total	2,49,299	-

Note : 2.7 Trade Receivables

Sl. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
1	Dues outstanding in excess of six months from the date they became payable	-	-
2	Others		
	a) Unsecured, Considered Good	12,23,960	31,03,593
	Total	12,23,960	31,03,593

Note : 2.8 Cash & Cash Equivalent

Sl. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
1	Cash Balance	6,30,800	6,54,069
2	<u>Balances with banks</u>		
	(i) In Current Accounts	36,54,460	29,65,968
	(ii) In Deposit Accounts	1,000	1,000
	(iii) In Earmarked Accounts		
	- Unpaid Dividend Accounts	-	63,402
	Total	42,86,260	36,84,439

Note : 2.9 Loans and Advances

Sl. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
1	Inter-corporate deposits	3,11,00,000	3,41,00,000
	Total	3,11,00,000	3,41,00,000

Note : 2.10 Other Current Assets

Sl. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
1	<u>Advance to suppliers</u>		
	(i) Capital Advance	23,87,500	7,20,000
	(ii) Others	21,19,221	21,64,432
2	Advances to employees	28,78,740	5,93,175
3	Prepaid Expenses	5,45,292	1,41,305
4	Accruals		
	(i) Interest accrued on deposits	45	50
	(ii) Interest accrued on loan considered good	-	3,18,520
	(iii) Others	55,30,059	3,12,234
5	GST Input	17,02,126	25,92,518
	Total	1,51,62,983	68,42,234



**THE METHONI TEA COMPANY LIMITED**

Notes forming part of the financial statements as at 31st March, 2021

Note : 2.11 Share Capital

(Figures in Rs)

Sl. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
1	<u>Authorized Capital</u> Equity shares, Rs.10/- par value 5,00,000 (5,00,000) Equity Shares	50,00,000	50,00,000
2	<u>Issued, Subscribed &amp; Paid Up Capital</u> Equity Shares, Rs.10/- par value 4,08,000 (4,08,000) Equity Shares	50,00,000 40,80,000	50,00,000 40,80,000
	Total	40,80,000	40,80,000

The company has not issued shares without receiving consideration in cash in the immediately preceding five financial years.

The Company has only one class of shares referred to as equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share.

Reconciliation of the number of shares outstanding:

Sl. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
1	Number of shares at the beginning of the year Add: Shares issued during the year	4,08,000 -	4,08,000 -
	Number of shares at the closing of the year	4,08,000	4,08,000

Details of shares held by each shareholder holding more than 5% shares

Sl. No.	Particulars	As at 31st March, 2021		As at 31st March, 2020	
		Total No. of Shares	Holding (%)	Total No. of Shares	Holding (%)
1	Rajendra Prasad Bubna	83,000	20.34	83,000	20.34
2	Anita Bubna	1,65,188	40.49	1,65,188	40.49

Note : 2.12 Borrowings

(Figures in Rs)

Sl. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
1	<u>Secured</u> <u>Term Loans *</u> -From Bank (HDFC Bank) (Secured by hypothecation on the vehicle against which loan has been taken)	-	37,875
	Total	-	37,875



**THE METHONI TEA COMPANY LIMITED**

Notes forming part of the financial statements as at 31st March, 2021

**(i) Details regarding terms of repayment, maturity period and other relevant terms.**

Sl. No.	Particulars	Maturity period as at Balance Sheet Date	No of instalments due w.r.t Balance Sheet date	Applicable rate of Interest as per agreement(s)	Mode of Repayment
1	<b>Vehicle Loan</b> From HDFC Bank	3 years and 1 month	24	9%	Repayable in 36 equal monthly instalment starting from 5th May 2018

**Note : 2.13 Provisions**

(Figures in Rs)

Sl. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
1	Provision for Tax	6,86,877	6,86,877
	<b>Total</b>	<b>6,86,877</b>	<b>6,86,877</b>

**Note : 2.14 Other Liabilities**

Sl. No.	Particulars	As at 31st March, 2021		As at 31st March, 2020	
		<u>Current</u>	<u>Non-Current</u>	<u>Current</u>	<u>Non-Current</u>
1	<b>Government Grant</b>				
	Opening Balance	-	25,38,787	-	13,00,537
	Grant during the Year	-	-	-	13,68,226
	Released to PL	-	(1,23,646)	-	(1,29,976)
	Current portion of Deferred Revenue Income	1,17,624	(1,17,624)	-	-
	<b>Total</b>	<b>1,17,624</b>	<b>22,97,516</b>	<b>-</b>	<b>25,38,787</b>

**Note : 2.15 Current Borrowings**

1	Current maturities of Long Term Borrowing	37,875	4,33,107
2	Cash Credit From UCO Bank (Hypothecation of tea, both loose & packed, green leaves lying in Company's Methoni Tea Estate/ factory/ go-down or any other place for present & future seasons. Hypothecation of Plant & Machinery, stores and spares and other movable assets (other than those purchased under H.P.Scheme of Tea Board) charge on Book-Debts of the Company (Present & Future).	2,22,59,686	2,02,93,215
3	COVID Loan from Uco Bank	23,87,138	-
	<b>Total</b>	<b>2,46,84,699</b>	<b>2,07,26,322</b>

**Note : 2.16 Trades Payable**

A	Total outstanding dues of micro and small enterprises	-	-
B	Total outstanding dues of creditors other than micro and small enterprises		
	- Goods	79,19,311	84,29,111
	- Service	19,00,542	17,32,062
	<b>Total</b>	<b>98,19,853</b>	<b>1,01,61,173</b>

**Note : 2.17 Other Current Liabilities**

1	Salaries & Wages	35,61,046	16,97,878
2	Statutory Payables	27,51,319	30,83,693
3	Unpaid Dividends	-	63,402
4	Other Payables	9,93,175	8,17,677
	<b>Total</b>	<b>73,05,540</b>	<b>56,62,650</b>

**Note : 2.18 Short Term Provisions**

1	Bonus Payable	1,20,16,618	1,30,61,668
2	Employee Benefits	2,10,52,128	1,55,64,992
	<b>Total</b>	<b>3,30,68,746</b>	<b>2,86,26,660</b>



## THE METHONI TEA COMPANY LIMITED

Notes forming part of financial statements as at 31st March, 2021

**2.25** The company has received demand under I.T.Act for various assessment years and preferred appeal, which are as follows:

The company has received a demand of Rs.7,69,720/- (PY: Rs.7,69,720/-)u/s 154 of I.T.Act for the A.Y. 2012-13 on Income Tax Website but as per management the demand amount should be Rs. 5,360/-, against which management has submitted appeal to CIT (Appeals).

Based on interpretation of the Acts & various judicial pronouncements in relation to similar matters, the Company is of the view that the above demand is likely to be deleted.

**2.26** Estimated amounts of contracts to be executed on capital account net of advance and not provided for Rs.Nil lakh (Previous year.87 lakh).

**2.27** The Company is engaged in the business of integrated activities of manufacture and sale of black tea, predominantly in the domestic market. Hence, there is no reportable segment as per IND AS-108 on "Segment Reporting" issued by "The Institute of Chartered Accountants of India".

**2.28** There are no transaction (other than transactions with related parties as given in Para 2.29) which are required to be disclosed under Clause 32 of the listing agreement with the Stock Exchanges where the Equity Shares of the Company are Listed.



**THE METHONI TEA COMPANY LIMITED**

Notes forming part of the financial statements as at 31st March, 2021

Note : 2.19 Revenue from Operations

(Figures in Rs)

Sl. No.	Particulars	For the year ended 31st Mar '2021	For the year ended 31st Mar '2020
	<b>Revenue From Contract With Customers</b>		
1	Sales of Finished Tea	19,15,78,888	17,65,10,138
	<b>Other Operating Revenues</b>	19,15,78,888	17,65,10,138
2	Sale of tea waste	5,80,952	4,84,746
3	Subsidy received	42,95,466	-
	<b>Total</b>	<b>19,64,55,306</b>	<b>17,69,94,884</b>

Note : 2.20 Other Income

1	Interest income	38,09,795	4,96,452
2	Dividend received	750	22,288
3	Profit on sale of investments	2,36,889	1,46,92,261
4	Profit on sale of Fixed Asset	5,94,381	1,76,660
5	Insurance claim	5,93,047	2,47,826
6	Difference In Foreign Exchange Fluctuation	2,21,766	4,676
7	Liabilities no longer required written back	1,96,819	2,00,447
8	Duty Draw back On Export/ Sale of DEPB License	40,446	66,026
9	Change in FV of Biological Asset other than Bearer Plant	2,49,299	(3,50,968)
10	Deferred Government Grant	1,23,646	1,29,976.00
	<b>Total</b>	<b>60,66,838</b>	<b>1,56,85,644</b>

Note : 2.21 Change in Inventories

1	Opening Stock	19,10,102	39,82,908
2	Closing Stock	24,01,253	19,10,102
	<b>Total</b>	<b>(4,91,151)</b>	<b>20,72,806</b>

Note : 2.22 Employment Benefit Expenses

1	Salaries and Wages	9,20,37,628	9,52,04,233
2	Contributions to Provident and Other Funds	1,28,24,141	1,31,06,523
3	Staff Welfare Expenses	1,08,85,014	1,10,37,923
	<b>Total</b>	<b>11,57,46,783</b>	<b>11,93,48,679</b>

Note : 2.23 Financial Cost

1	Interest on Borrowing		
	- Bank CC a/c	16,00,079	16,33,814
	- Others	56,732	1,92,555
	<b>Total</b>	<b>16,56,811</b>	<b>18,26,369</b>



**THE METHONI TEA COMPANY LIMITED***Notes forming part of the financial statements as at 31st March, 2021***Note : 2.24 Other Expenses***(Figures in Rs)*

Sl. No.	Particulars	For the year ended 31st Mar '2020	For the year ended 31st Mar '2019
1	Cultivation Expenses	70,18,273	63,25,835
2	Power & Fuel	1,92,39,727	2,00,99,891
3	Rent, Rates & Taxes	9,57,191	7,80,652
4	Consumption of Packing Material & Stores	18,29,520	22,29,783
5	Repairs & Maintenance		
	-Plant & Machinery, Building & Others	42,88,093	58,95,860
	-Motor Vehicle Upkeep	37,99,784	25,89,621
	-Other	68,946	1,08,669
6	Auditors' Remuneration		
	Statutory Audit fees	75,000	75,000
7	Printing & Postage	3,06,796	4,81,985
8	Professional Fees	32,03,434	14,16,846
9	Directors Sitting Fees	12,000	11,000
10	Subscription	7,52,807	7,04,310
11	Telephone	71,687	58,335
12	Insurance Charges	23,49,787	22,48,288
13	Electricity	1,05,670	1,86,357
14	Travelling and Conveyance	7,60,811	11,50,254
15	Freight Charges	39,69,927	38,30,277
16	Commission & Brokerage	17,92,941	16,40,264
17	Other Selling Expenses	24,81,497	23,92,137
18	Miscellaneous Expenses	22,57,436	32,62,810
	Total	5,53,41,328	5,54,88,174



**THE METHONI TEA COMPANY LIMITED**

Notes forming part of financial statements as at 31st March, 2021

**2.29 Related Party Disclosure under IND AS-24**

**a) Name and nature of relationship of the related party**

**Key Managerial Personnel**

Rajendra Prasad Bubna	Whole Time Director
Anita Bubna	Director
Sumit Bhartia	CFO
Priyanka Moha	CS
<b>Enterprises over which Key Managerial Personnel and their relatives have significant influence</b>	
(i) M/s. M. Prasad & Co. Ltd.	(iv) Monet Securities Pvt Ltd.
(ii) ATA Estates Pvt. Ltd.	(v) Stately Realty LLP
(iii) Stately Realty Pvt. Ltd.	

Note: Relied upon as identified by the management.

**b) Details of related party transactions during the year 01 April 2020 to 31 March 2021 and balances outstanding as at 31 March,2021:**

**Information about Related Party Transaction**

(Figures in Rs)

Particulars	Key Managerial Personnel and their Relatives					Companies over which Key Managerial Personnel			
	Mr. R.P. Bubna	Mr. Anirudha Bubna	Mrs. Anita Bubna	Mr. Sumit Bhartia	Mrs. Priyanka Moha	ATA Estates Pvt. Ltd.	Stately Realty Pvt. Ltd.	M/s. Monet Securities (P) Ltd	M/s. M. Prasad & Co. Ltd.*
<b>Transactions During the Year</b>									
Brokerage Paid	-	-	-	-	-	-	-	-	3,834
Service Tax, Cess & GST Paid	-	-	-	-	-	-	-	-	(13,710)
Securities Transaction Tax Paid	-	-	-	-	-	-	-	-	911
Purchase/ Sale of Shares	-	-	-	-	-	-	-	-	(2,628)
Receipt from Buyback of Shares	-	-	-	-	-	-	-	-	52,944
Transaction Charges Paid	-	-	-	-	-	-	-	-	(30,779)
Stamp Duty	-	-	-	-	-	-	-	-	5,02,60,413
Contribution of Provident Fund	-	-	-	-	-	-	-	-	(5,63,35,649)
Contribution to Super Annuation Fund	-	-	-	-	-	-	-	-	-
Remuneration Paid	1,44,000	-	-	64,800	-	-	-	-	-
Consultancy Fees	(1,44,000)	(1,08,000)	-	(64,044)	-	-	-	-	-
Director Sitting Fees	1,80,000	-	-	-	-	-	-	-	-
Rent Paid	(1,80,000)	-	-	-	-	-	-	-	-
Other Receivables	18,00,000	-	-	8,24,400	2,40,000	-	-	-	-
Capital Advance for Property	(18,00,000)	(13,50,000)	-	(8,21,300)	(2,26,000)	-	-	-	-
Balances outstanding at the end of the year	-	18,00,000	-	-	-	-	-	-	-
Other Receivables	-	-	4,000	-	-	-	-	-	-
Capital Advance for Property	-	-	(3,000)	-	-	-	-	-	-
Balances outstanding at the end of the year	-	-	-	-	-	1,56,000	1,56,000	-	-
Other Receivables	-	-	-	-	-	(1,50,000)	(1,50,000)	-	-
Capital Advance for Property	-	-	-	-	-	-	-	-	34,47,893
Other Receivables	-	-	-	-	-	-	-	-	-
Capital Advance for Property	-	-	-	-	-	35,00,000	35,00,000	-	-
Balances outstanding at the end of the year	-	-	-	-	-	(35,00,000)	(35,00,000)	-	-

(\*) Share Broking Firm.

Previous year's figures are given in brackets.

The details of related party transactions have been given on the basis of information provided by the Management.



**2.30 Defined Contribution Plan**

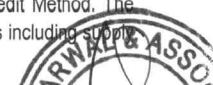
Contribution to Defined Contribution Plan namely Provident Fund is made by both the employer and employees. Total Employer Contribution recognised as expense for the year amounts to Rs.84,15,392/- (P.Y.Rs.92,26,061)

**Defined Benefit Plan**

(Figures in Rs)

	Particulars	Leave Encashment		Gratuity	
		2020-2021	2019-2020	2020-2021	2019-2020
		Unfunded		Funded	
<b>Change of Benefit Organisation</b>					
I.	Liability at the beginning of the year	19,10,281	14,49,940	3,50,34,656	3,05,01,714
	Interest Cost	1,26,079	1,08,746	23,12,287	22,87,629
	Current Service Cost	1,23,149	1,94,977	23,19,369	18,97,865
	Past Service Cost ( Non Vested Funds )	-	-	-	-
	Past Service Cost ( Vested Funds )	-	-	-	-
	Benefit Paid	(13,11,331)	(5,58,746)	(34,48,995)	(14,86,956)
	Acturial (Gain) / Loss on Obligation	11,51,714	7,15,364	22,61,164	18,34,404
	Curtailments and Settlements	-	-	-	-
	Liability at the end of the year	19,99,892	19,10,281	3,84,78,481	3,50,34,656
<b>Fair Value of Plan Assets</b>					
II.	Fair Value of Plan Assets at the beginning of the year	-	-	2,13,79,945	2,15,99,674
	Expected Return on Plan Assets	-	-	9,95,295	12,67,227
	Contributions	13,11,331	5,58,746	5,00,000	-
	Benefit Paid	(13,11,331)	(5,58,746)	(34,48,995)	(14,86,956)
	Acturial Gain / (Loss) on Plan Assets	-	-	-	-
	Fair Value of Plan Assets at the end of the year	-	-	1,94,26,245	2,13,79,945
	Total Acturial ( Gain) / Loss to be Recognised	11,51,714	7,15,364	22,61,164	18,34,404
<b>Actual Return on Plan Assets</b>					
III.	Expected Return on Plan Assets	-	-	9,95,295	12,67,227
	Acturial (Gain) / Loss on Plan Assets	-	-	-	-
	Actual Return on Plan Assets	-	-	9,95,295	12,67,227
<b>Amount Recognised in the balance Sheet</b>					
IV.	Liability at the end of the year	(19,99,892)	(19,10,281)	(3,84,78,481)	(3,50,34,656)
	Fair Value of Plan Assets at the end of the year	-	-	1,94,26,245	2,13,79,945
	Fund Status [Surplus / (Deficit)]	(19,99,892)	(19,10,281)	(1,90,52,236)	(1,36,54,711)
	Unrecognised Past Service Cost	-	-	-	-
	Amount Recognised in the Balance Sheet [Asset / (Liability)]	(19,99,892)	(19,10,281)	(1,90,52,236)	(1,36,54,711)
<b>Expenses Recognised in the Income Statement &amp; Other Comprehensive Income</b>					
V.	Current Service Cost	1,23,149	1,94,977	23,19,369	18,97,865
	Interest cost	1,26,079	1,08,746	23,12,287	22,87,629
	Expected Return on Plan assets	-	-	(9,95,295)	(12,67,227)
	Net Acturial (Gain) / Loss to be Recognised	-	-	(4,15,781)	(3,52,749)
	Past Service Cost ( Non Vested Benefit ) Recognised	-	-	-	-
	Past Service Cost ( Vested Benefit ) Recognised	-	-	-	-
	Effect of Curtailment or settlement	-	-	-	-
	Curtailments and Settlements	-	-	-	-
	Acturial (Gain) / Losses due to				
	- Change in demographic assumptions	-	(711)	-	(14,118)
	- Change in financial assumptions	(19,513)	1,13,768	(6,17,951)	23,35,880
	- Experience Variance (i.e Actual experience vs assumptions)	11,71,227	6,02,307	28,79,115	(4,87,358)
	- Others	-	-	-	-
	Return on plan assets, excluding amount recognised in net interest expense	-	-	4,15,781	3,52,749
	Remeasurement (or Acturial (gain)/ loss) arising because of change in effect of asset ceiling	-	-	-	-
	Expenses Recognised in the Profit and Loss Account	14,00,942	10,19,087	32,20,580	25,65,518
	Components of defined benefit costs recognised in Other Comprehensive Income	-	-	26,76,945	21,87,153
<b>Acturial Assumption</b>					
VI.	Discount Rate Current	6.80%	6.60%	6.80%	6.60%
	Rate of Return on Plan Assets Current	-	-	2.14%	5.87%
	Salary Escalation Current	5.00%	5.00%	5.00%	5.00%

The present value of obligation for gratuity and leave encashment is determined based on actuarial valuation using the Projected Unit Credit Method. The estimates of future salary increase, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply & demand in the employment market.



## 2.31 Financial Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the Company, the company has risk management policies as described below :-

## a) Credit Risk

Credit risk refers to the risk of financial loss arising from default / failure by the counterparty to meet financial obligations as per the terms of contract. The Company is exposed to credit risk for receivables, cash and cash equivalents. None of the financial instruments of the Company result in material concentration of credit risks.

Credit risk on receivables is minimum since sales through different mode (eg. auction, consignment, private ) are made after judging credit worthiness of the customers, advance payment etc.

Credit risk from balances with banks and financial institutions is managed by the Company's in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

## b) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

## Maturity profile of financial liabilities :

Particulars	Less than 1 Year	1-5 Year	5+ Year	Total	Carrying Amount
<b>As at 31st March 2020</b>					
Borrowing	2,46,84,699	-	-	2,46,84,699	2,46,84,699
Trade payable	98,19,853	-	-	98,19,853	98,19,853
Other financial liability	45,54,221	27,51,319	-	73,05,540	73,05,540
<b>Total</b>	<b>3,90,58,773</b>	<b>27,51,319</b>	<b>-</b>	<b>4,18,10,092</b>	<b>4,18,10,092</b>

## c) Market Risk

(i) **Interest rate risk** : Interest rate 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 does not have significant exposure to Long Term Borrowing and also does not have a significant cash flow interest rate risk. Similarly Short term borrowing do not have any significant fair value or interest rate risk due to short term tenure.

(ii) **Price risk** : The Company invest its surplus fund primarily in Quoted Equity Shares measured at FVTPL, accordingly these do not pose any price risk. The aggregate value of such investment as on 31st March, 2021 Rs. 148.56 Lakhs ( 2020 Rs. NIL ). Further, Equity price risk is related to change in market reference price of investment in quoted shares. The exposure to equity price risk arises from Investment held and classified in Balance Sheet as FVTOCI. In general the investments are strategic investment and do not held for trading purpose so there is no material equity risk relating to Company's equity investment

## d) Agriculture risk :

Cultivation of tea being an agriculture activity, there are certain specific financial risk. These financial risk arise mainly due to adverse weather condition, fluctuation of selling price of finished goods and increase in input cost.

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

- Adequate level of inventory of chemicals, fertilisers and other inputs are maintained so that timely corrective action can be taken in case of adverse weather condition.
- Sufficient level of consumables stores like packing material, coal HSD etc are maintained in order to mitigate financial risk.
- Sufficient working capital facility is obtained from banks so that cultivation and manufacturing and sale of tea is not adversely affected in times of adverse condition.

## 2.32 Fair Value Measurement

## Accounting classification and fair values

Carrying amounts and fair values of financial assets and liabilities, including their levels in fair value hierarchy, are as follows :

Particulars	31st March 2021			Total Carrying Value	Total Fair Value
	FVPL	FVOCI	Amortised Cost		
<b>Financial Assets</b>					
i) Investments	1,48,59,615	6,57,800	1,55,17,415	1,55,17,415	1,55,17,415
ii) Trade Receivable	-	-	12,23,960	12,23,960	12,23,960
iii) Cash and Cash Equivalents	-	-	42,86,260	42,86,260	42,86,260
iv) Loans	-	-	3,11,00,000	3,11,00,000	3,11,00,000
<b>Total Financial Assets</b>	<b>1,48,59,615</b>	<b>6,57,800</b>	<b>5,21,27,635</b>	<b>5,21,27,635</b>	<b>5,21,27,635</b>
<b>Financial Liabilities</b>					
i) Borrowings	-	-	2,46,84,699	2,46,84,699	2,46,84,699
ii) Trade Payables	-	-	98,19,853	98,19,853	98,19,853
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>3,45,04,552</b>	<b>3,45,04,552</b>	<b>3,45,04,552</b>

Particulars	31st March 2021		
	Level 1	Level 2	Level 3
<b>Financial Assets</b>			
i) Investments	-	-	1,55,17,415
ii) Trade Receivables	-	-	12,23,960
iii) Cash and Cash Equivalents	-	-	42,86,260
iv) Loans	-	-	3,11,00,000
<b>Total Financial Assets</b>	<b>-</b>	<b>-</b>	<b>5,21,27,635</b>
<b>Financial Liabilities</b>			
i) Borrowings	-	-	2,46,84,699
ii) Trade Payables	-	-	98,19,853
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>3,45,04,552</b>



**THE METHONI TEA COMPANY LIMITED**  
**Additional Information to the Financial Statements**

**2.33 Basic and Diluted Earnings per share:**

Particulars	(Figures in Rs.)	
	For the Year ended 31st March 2021	For the Year ended 31st March 2020
<b>Basic &amp; Diluted</b>		
Net Profit/(Loss) for the year from operations attributable to the equity shareholders (Figures in Rs.)	1,83,62,293	37,36,413
Weighted average number of equity shares	4,08,000	4,08,000
Par value per share (figures in Rs.)	10.00	10.00
Basic and Diluted Earning per share (figures in Rs.)	45.01	9.16

2.34 The Company has not received any memorandum as required to be filed by the suppliers with the notified authority under Micro, Small and Medium Enterprises Development Act, 2006 for claiming their status as micro, small and medium enterprises. Therefore, there is no due outstanding to micro, small and medium enterprises as at 31.03.2021. (Previous year- Nil)

**2.35 Raw material consumed**

Particulars		
	For the Year ended 31st March 2021	For the Year ended 31st March 2020
Green leaf plucked and consumed (kgs.)*	36,04,461	38,66,432

Includes bought leaf 2,23,570 kgs. (PY: 2,74,557 kg.)

\*Green leaf plucked (being raw material consumed) were harvested in the Company's own estate as agricultural produce involving integrated activities of nursery, cultivation, growth, etc and utilized in the manufacture of tea and their values at the intermediate stage could not be ascertained.

**2.36 Details of consumption of imported and indigenous items**

Particulars	For the year ended	
	Amount (₹)	%age
<b>Imported</b>		
a) Packing Material Consumed	-	-
<b>Indigenous</b>		
a) Packing Material Consumed	14,03,634	100.00
Note: Figures / percentages in bracket relates to the previous year.	(17,13,309)	(100.00)

2.37 The expenditure in foreign currency towards cost of packing materials was Rs.Nil (Previous Year Rs.Nil-)

2.38 The earnings in Foreign Exchange was Rs. 91,05,946 ( Previous Year Rs. 5,70,919)

2.40 The Ministry of Corporate Affairs (MCA), on 30th March 2019 notified IND AS 116 "Leases" as the part of the Companies (Indian Accounting Standards) Amendment Rules, 2019 and the same is effective for the accounting periods beginning on or after 1st April, 2019. The company has adopted IND AS 116, however, company is not required to pay rent on leasehold land, rather has to pay Land Revenue as per Assam Land & Revenue Regulation 1886 and moreover, renewal of lease hold land for every 5 year is done by way of notification. Hence, the impact has not been ascertained by the management as it is difficult to assume a fixed or defined period of the lease.

2.41 Details of Loan given, Investment made, guarantee given or security provided covered under section 186 (4) of the Companies Act, 2013

(i) The particulars of loans given are stated under "Financial Assets - Loans" in Note No. 2.9. All these loans are repayable on demand and all the loans have been utilised for general corporate purpose by the recipient.

(ii) The relevant details of Investments are given in Note No 2.2.

(iii) The Company has not given any guarantee or provided any security.

2.42 The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

2.43 Figures have been rounded up to the nearest rupee.

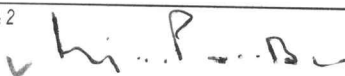
Signatories to Note No. 1 & 2

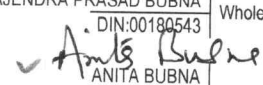


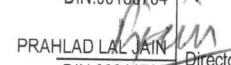
**U.S. AGARWAL, FCA, Partner**  
 Membership No : 051895  
 For & On behalf of  
**U.S Agarwal & Associates**  
 Chartered Accountants  
 Registration No. : 314213E

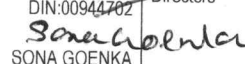
Place : Kolkata  
 Dated : 30th Day of June, 2021





  
**RAJENDRA PRASAD BUBNA** | Whole Time Director  
 DIN:00180543

  
**ANITA BUBNA**  
 DIN:00180704

  
**PRAHLAD LAL JAIN** | Directors  
 DIN:00944702

  
**SONA GOENKA**  
 DIN:07147090

  
**SUMIT BHARTIA** | Chief Financial officer

  
**PRIYANKA MOHTA** | Company Secretary