



OUR CSR INITIATIVES



60TH ANNUAL GENERAL MEETING

Thursday, 26th August, 2021
at 01.15 P.M.
through Video Conferencing (VC)/
Other Audio-Visual Means (OAVM)

Contents

	Page No.
✧ Company Information	2
✧ Notice	4
✧ Directors' Report	17
✧ Annexures to Directors' Report	31
✧ Business Responsibility Report	57
✧ Report on Corporate Governance	69

Financial Statements

Standalone Financial Statements

✧ Independent Auditors' Report	95
✧ Balance Sheet	105
✧ Statement of Profit & Loss	106
✧ Statement of Changes in Equity	107
✧ Cash Flow Statement	109
✧ Notes on Accounts	110

Consolidated Financial Statements

✧ Independent Auditors' Report	145
✧ Balance Sheet	153
✧ Statement of Profit & Loss	154
✧ Statement of Changes in Equity	155
✧ Cash Flow Statement	157
✧ Notes on Accounts	158

Company Information**Board of Directors**

Mr. Challa Rajendra Prasad, Executive Chairman
Mr. Vipin K. Singal
Mr. K. Chandrabhas, IRS (Retd.)
Mr. K. K. Sarma
Mr. B. Mohan Krishna
Mr. G.V. Krishna Rau, IAS (Retd.)
Ms. Kulsoom Noor Saifullah
Ms. Challa Shantha Prasad
Dr. Lanka Krishnanand
Mr. Kode Durga Prasad, IPS (Retd.)
Mr. Kosaraju Veerayya Chowdary, IRS (Retd.)
Mr. Challa Srishant, Managing Director

Chief Financial Officer

Mr.V. Lakshmi Narayana

Company Secretary & Compliance Officer

Ms. Sridevi Dasari

Registered Office & Factory

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

CIN : L15110AP1961PLC000874

**Registrars & Share Transfer Agent
(Physical & Demat)**

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

Auditors

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

Internal Auditors

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

Bankers

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

Secretarial Auditors

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

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

NOTICE

Notice is hereby given that the 60th Annual General Meeting of the Members of CCL Products (India) Limited will be held on Thursday, 26th August, 2021, at 01.15 P.M. through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) to transact the following items of business:

Ordinary Business:

1. To receive consider and adopt:
 - (a) the audited Standalone Financial Statement of the Company for the year 2020-21 together with the Report of the Board of Directors and Auditors thereon; and
 - (b) the audited consolidated Financial Statement of the Company for the year 2020-21.
2.
 - (a) To confirm the interim dividend of ₹ 2.00/- per Equity Share of ₹ 2.00/- each, declared by the Board of Directors in their meeting held on 20th October, 2020 for the financial year 2020-21.
 - (b) To declare final dividend of ₹ 2.00/- per Equity Share of ₹ 2.00/- each to the shareholders for the financial year 2020-21.
3. To appoint a director in place of Ms. Challa Shantha Prasad (DIN 00746477), who retires by rotation and being eligible, offers herself for re-appointment the office of Director.
4. To appoint a director in place of Mr. K. K. Sarma (DIN 06672873), who retires by rotation and being eligible, offers himself for re-appointment to the office of Director.

Special Business:

5. Ratification of Remuneration to Cost Auditors

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

“RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s. Kapardi & Associates, Cost Accountants, (Registration No. 100231), Hyderabad, appointed as Cost Auditors by the Board of Directors of the Company to conduct the audit of the cost records maintained by the Company for the financial year ending 31st March, 2022, amounting to ₹ 2,00,000/- (Rupees Two Lakhs only) excluding taxes as may be applicable, in addition to reimbursement of all out of pocket expenses, be and is hereby ratified.”

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

Place: Hyderabad
Date : 29th July, 2021

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

NOTES FOR MEMBERS:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated January 13, 2021 and May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") and Circular No. SEBI/H/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 issued by Securities and Exchange Board of India ("SEBI Circular") permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC") / Other Audio- Visual Means ("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 ("the Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being proposed to be held pursuant to the said MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Attendance Slip and Proxy Form are not attached to this Notice.
3. Statement as required under section 102 of the Companies Act, 2013, in respect of special business is annexed hereto.
4. In case you are holding the Company's shares in dematerialized form, please contact your depository participant and give suitable instructions to update your bank details in your demat account and to notify any changes with respect to their addresses email id, ECS mandate etc.

In case you are holding Company's shares in physical form, please inform company's RTA viz. M/s. Venture Capital and Corporate Investments Pvt. Ltd, 12-10-167, Bharat Nagar, Hyderabad - 500 018 by enclosing a photocopy of blank cancelled cheque of your bank account.
5. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. M/s. Venture Capital and Corporate Investments Pvt. Ltd, 12-10-167, Bharat Nagar, Hyderabad -500 018 is the Registrar & Share Transfer Agents (RTA) of the Company. All communications in respect of share transfers, dematerialization and change in the address of the members may be communicated to the RTA.
6. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the RTA/Company.
7. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the company a certified copy of the Board resolution authorising their representative to attend and vote on their behalf at the meeting.
8. Members holding shares in physical form are informed to furnish their bank account details to the RTA to have the same printed on the dividend warrants so as to avoid any possible fraudulent encashment / misuse of dividend warrants by others.
9. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail the nomination facility. Members holding shares in dematerialized form may contact their respective depository participant(s) for recording nomination in respect of their shares.

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

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

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

Members who have not yet encashed the dividend warrants from the financial year ended 31st March 2013 onwards are requested to forward their claims to the Company's Registrar and Share Transfer Agents without any further delay. It is in Members' interest to claim any un-encashed dividends and for future, opt for Electronic Clearing Service, so that dividends paid by the Company are credited to the Members' account on time.

It may be noted that once the unclaimed dividend is transferred to IEPF as above, no claim shall rest with the Company in respect of such amount. It may also be noted that the unclaimed dividend amount which were lying with the Company upto and in respect of the year ended on 31st March 2013, have already been transferred to IEPF. The details of the unclaimed dividends are available on the Company's website at www.cclproducts.com and on the website of Ministry of Corporate Affairs at www.mca.gov.in. Members are requested to contact the Company's Registrar and Share Transfer Agent or the Company to claim the unclaimed/unpaid dividends.

11. Members seeking any information or clarification on the accounts are requested to send their queries to the Company, in writing, at least one week before the date of the meeting. Replies will be provided in respect of such written queries at the meeting.
12. Pursuant to the directions/notifications of Securities and Exchange Board of India (SEBI) and Depositories, the demat account holders can operate their accounts if they had already provided Income Tax Permanent Account Number either at the time of opening of the account or at any time subsequently. In case they have not furnished the Income Tax Permanent Account Number to the Depository Participants, such demat account holders are requested to contact their DPs with a photocopy of the PAN Card (with original PAN Card for verification), so that the frozen demat accounts would be available for operation and further consequences of non-compliance with the aforesaid directives would be obviated. SEBI, vide Circular ref.no.MRD/Dop/Cir-05/2009 dated May 20, 2009 made it mandatory to have PAN particulars for registration of physical share transfer requests. Based on the directive contained in the said circulars, all share transfer requests are therefore to be accompanied with PAN details. Members holding shares in physical form can submit their PAN details to the Company / RTA.
13. Members may also note that the Notice of the 60th Annual General Meeting is available on the Company's website: www.cclproducts.com. All documents referred to in the accompanying Notice and the Statement pursuant to Section 102(1) of the Companies Act, 2013 shall be open for inspection by the Members by writing an e-mail to the Company Secretary at HYPERLINK "<mailto:companysecretary@continental.coffee>" companysecretary@continental.coffee.

In compliance with MCA Circulars and SEBI Circulars, Notice of the AGM along with Annual Report 2020-21 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depository Participants. Members may note that the Notice and the Annual Report 2020-21 will also be available on the Company's website at www.cclproducts.com, on the website of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of CDSL at "<http://www.evotingindia.com>" www.evotingindia.com.

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

14. The Register of Members and Share Transfer Books of the Company will remain closed from 21st August, 2021 to 26th August, 2021 (both days inclusive) and Record date has been fixed as 20th August, 2021 for the purpose of payment of dividend for the financial year ended 31st March 2021.

Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company / Registrar and Transfer Agent (in case of shares held in physical mode) and with the Depository Participants (in case of shares held in Demat mode).

A Resident individual shareholder with PAN and who is not liable to pay income tax, can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by sending an email to investor.relations@vccipl.com on or before 14th August, 2021.

Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to investor.relations@vccipl.com. The aforesaid declarations and documents need to be submitted by the shareholders on or before 14th August, 2021.

15. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to the Notice.
16. Additional information pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Secretarial Standards on general meetings, information in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting is furnished in the annexure and forms part of the notice. The Directors have furnished the requisite consent / declaration for their appointment / re-appointment.
17. Additional information pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Secretarial Standards on general meetings, information in respect of the Directors seeking re-appointment at the Annual General Meeting is furnished in the annexure and forms part of the notice. The Directors have furnished the

The Board of directors commends the re-appointment of Ms. Challa Shantha Prasad, Non-Executive Director and Mr. K.K Sarma, Directors, liable to retire by rotation

18. Retirement of Directors by rotation: Ms. Challa Shantha Prasad, Non-Executive Director and Mr. K.K Sarma, Non-Executive Director of the Company, retire by rotation at the ensuing Annual General Meeting and, being eligible, offer themselves for re-appointment.

The Board of directors commends the re-appointment of Ms. Challa Shantha Prasad and Mr. K.K Sarma, Non-Executive Directors, liable to retire by rotation

Instructions for E-VOTING

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

1. 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 video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and 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. 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.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. 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.
5. 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.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.cclproducts.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com

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

- (i) The voting period begins on 23rd August, 2021 at 09.00 A.M. and ends on 25th August, 2021 at 05.00 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 i.e., Thursday, 19th August, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Board of Directors have appointed Mr. M. B. Suneel, Practising Company Secretary, to act as Scrutinizer to conduct and scrutinize the electronic voting process in connection with the ensuing Annual General Meeting in a fair and transparent manner. The members desiring to vote through electronic mode may refer the detailed procedure on e-voting given hereunder.
- (iii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iv) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions.

Type of Shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 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 HYPERLINK "https://web.cdslindia.com/myeasi/home/login" https://web.cdslindia.com/myeasi/home/login or visit HYPERLINK "http://www.cdslindia.com/" www.cdslindia.com and click on Login icon and select New System Myeasi. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & 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. 3. If the user is not registered for Easi/Easiest, option to register is available at HYPERLINK "https://web.cdslindia.com/myeasi/Registration/EasiRegistration" https://web.cdslindia.com/myeasi/Registration/EasiRegistration. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on HYPERLINK "http://www.cdslindia.com/" www.cdslindia.com home page or click on HYPERLINK "https://evoting.cdslindia.com/Evoting/EvotingLogin" https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 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: HYPERLINK "https://eservices.nsdl.com/" https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click

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

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

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

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

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

6) If you are a first-time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

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

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

- (viii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For shareholders holding shares in physical form, the details can be used only for e- voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant Company, i.e., CCL Products (India) Limited on which you choose to vote.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; investors@continental.coffee, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

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

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NUMBER ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders: please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) by email to **Company/RTA email id**.
2. For Demat shareholders: Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders: Please update your email id & mobile number with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to HYPERLINK "mailto:helpdesk.evoting@cdslindia.com" 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 HYPERLINK "mailto:helpdesk.evoting@cdslindia.com" helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

C. General Instructions:

- i. The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on August, 19, 2021.
- ii. The Scrutinizer, after scrutinising the votes cast at the meeting through poll and through remote e-voting will, not later than 48 hours from the conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company HYPERLINK "http://www.cclproducts.com/"www.cclproducts.com and on the website of www.cdslindia.com. The results shall simultaneously be communicated to the Stock Exchanges.
- iii. The voting result will be announced by the Chairman or any other person authorized by him within two days of the AGM.

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

Item No. 5

Pursuant to the recommendation of the Audit Committee and as per Section 148 of the Companies Act, 2013, the Board of Directors had at its meeting held on 21st May, 2021, reappointed the Cost Auditors, M/s. Kapardi & Associates, Cost Accountants (Registration No.100231) at a remuneration of Rs.2,00,000/- per annum, as set out in the Resolution under this Item of the Notice.

In accordance with Rule 14 of Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditors requires ratification by the Shareholders and hence this resolution is put for the consideration of the shareholders.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5.

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

Sd/-

Sridevi Dasari

Company Secretary & Compliance Officer
M. No. A29897

Place: Hyderabad
Date : 29th July, 2021

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

Name of the Director	Mrs. Challa Shantha Prasad
Date of Appointment including terms and conditions of appointment	<p>She was appointed as a Non-Executive Director in the Annual General Meeting of the Company held on 26.09.2016.</p> <p>There are no specific terms and conditions of appointment</p>
Date of first appointment on the Board	29.07.2016
Date of Birth	09.12.1953 (AGE: 67)
Expertise in Specific Functional areas and Experience	She has been actively involved with various social causes and has been part of many philanthropic efforts both on a personal level and as part of the Pranic Healing Foundation. She also holds office as a trustee in various Organizations such as the MCKS Trust Fund, World Pranic Healing Foundation and AP Pranic Healing Foundation.
Educational Qualification	Masters in Anthropology from Delhi University
Directorships in other Companies	<p>1) Unijolly Investments Company Limited</p> <p>2) Healthy Investments Ltd</p>
Membership / Chairmanships of committees of Other Boards (other than the Company)	Nil
Details of Remuneration sought to be paid and the remuneration last drawn by such person	NA.
Shareholding in the Company as on 31.03.2021	18,539,699 Shares
Relationship between Directors inter-se/ Manager and KMPs	Mrs Chall Shantha Prasad a - spouse of Mr. Challa Rajendra Prasad, Executive Chairman; mother of Mr. Challa Srishant, Managing Director and mother-in-law of Mr. B. Mohan Krishna, Executive Director of the Company.
Number of Meetings of the Board attended during the year	4 of 4

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

Name of the Director	Mr. K. K. Sarma
Date of Appointment including terms and conditions of appointment	<p>He was appointed as a Non-Executive Director in the Annual General Meeting of the Company held on 07.08.2019</p> <p>There are no specific terms and conditions of appointment</p>
Date of first appointment on the Board	03.07.2013
Date of Birth	11.04.1950 (AGE: 71)
Expertise in Specific Functional areas and Experience	<p>He is having more than 30 years of experience in the fields of setting up of various projects and administration of Companies.</p> <p>He played an active role in implementing and setting up an Instant Coffee Manufacturing Unit for Asian Coffee Ltd, in Andhra Pradesh. He also served as General Manager, Administration of CCL Products (India) Ltd. for a period of more than 20 years, prior to his retirement. He was also actively involved in the administration and management of all the CCL Group Companies during his tenure.</p>
Educational Qualification	Commerce Graduate from Osmania University
Directorships in other Companies	<p>1) Continental Coffee Private Limited</p> <p>2) Daily Food Products Private Limited</p>
Membership / Chairmanships of committees of Other Boards (other than the Company)	NIL
Details of Remuneration sought to be paid and the remuneration last drawn by such person	NA
Shareholding in the Company as on 31.03.2021	NIL
Relationship between Directors inter-se/ Manager and KMPs	NIL
Number of Meetings of the Board attended during the year	4 of 4

Directors' Report for the Financial Year 2020-21

The Members

The Board of Directors are pleased to present the Company's 60th Annual Report along with the Company's audited financial statements (standalone and consolidated) for the financial year ended 31st March, 2021

Financial Performance

Financial Results and Performance of Your Company for the year ended on 31st March, 2021, on a standalone and consolidated basis is summarized below:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
Revenue from operations	77,860	78,871	122,601	110,521
Other Income	1,647	3,394	1,6447	3,394
Total Income	79,507	82,265	124,248	113,915

(₹ in Lakhs)

Particulars	2020-21	2019-20
Revenue from operations	79,507	82,265
Profit for the year after meeting all expenses (before Interest, Depreciation & Tax)	25,316	34,067
Less:		
Interest	1,572	1,691
Depreciation and other write offs	2,702	2,543
Provision for Taxation	5,173	5,940
Net Profit	15,869	23,893

The turnover of the Company for the FY 2020-21 stood at ₹ 79,507 Lakhs and net Profit at ₹ 15,869 Lakhs as compared to ₹ 82,265 Lakhs and ₹ 23,893 Lakhs respectively for the FY 2019-20. Profit includes dividend received (₹ 6,217.95 Lakhs for FY 2020-21 and ₹ 13,111.84 Lakhs for FY 2019-20) from Ngon Coffee Company Limited, a wholly owned subsidiary of the Company.

Consolidated basis / Group level

(₹ in Lakhs)

Particulars	2020-21	2019-20
Revenue from operations	124,248	113,915
Profit for the year after meeting all expenses (before Interest, Depreciation & Tax)	30,115	29,039
Less:		
Interest	1,696	1,796
Depreciation and other write offs	4,941	4,712
Provision for Taxation	5,252	5,937
Net Profit	18,226	16,594

The turnover of the Group for the FY 2020-21 stood at ₹ 124,248 Lakhs and net profit at ₹ 18,226 Lakhs as compared to ₹ 11,915 Lakhs and ₹ 16,594 Lakhs respectively for the FY 2019-20.

Transfer of amount to General Reserve

No amount has been transferred to reserves during the year.

Dividend

Your Board of Directors has declared an interim dividend of ₹ 2/- per equity share of ₹ 2/- each in their meeting held on 20th October, 2021. Further, your Board has recommended a final dividend of ₹ 2/- per equity share of ₹ 2/- each for the approval of the Members in their ensuing Annual General Meeting. Total dividend for the FY 2020-21 year shall be ₹ .4/- per equity share. Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the shareholders w.e.f. 1st April 2020 and the Company is required to deduct tax at source (TDS) from dividend paid to the Members at prescribed rates as per the Income-tax Act, 1961.

The Register of Members and Share Transfer Books of the Company shall remain closed from 21st August, 2021 to 26th August, 2021 (both days inclusive) and Record Date is fixed as 20th August, 2021, for the purpose of payment of said Final dividend.

Pursuant to Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has framed a Dividend Distribution Policy and the same is herewith annexed as 'Annexure I' to this report. The Dividend Distribution Policy is posted on the website of the Company and the web link is <https://www.cclproducts.com/wp-content/uploads/2019/04/Dividend-Distribution-Policy.pdf>

Amalgamation of CCL Beverages Private Limited with CCL Products (India) Limited

The members may note that pursuant to a Scheme of Amalgamation, it is proposed to merge CCL Beverages Private Limited with your Company. The transferor Company, being a wholly owned subsidiary, there would not be issue of any fresh shares towards consideration for the said merger. Further, the said Scheme, upon approval by the Board of Directors of both the Companies, has received the requisite approvals of the Creditors and members of respective Companies. Necessary intimations have also been made to the Stock Exchanges (NSE and BSE) and other regulatory authorities in this regard. Further, the Company has not received any Objections from any authority / department, till date. The final petition, seeking approval to the said Scheme has been filed with the Hon'ble National Company Law Tribunal, Amaravati Bench at Hyderabad and is pending for its disposal.

Material Changes and Commitments

Save and except the proposed merger, which was initiated during the FY 2020-21 and is in progress during the current FY, and the uncertain impact of Covid -19, as discussed elsewhere in this Report, there were no material changes and commitments affecting the financial position of the Company that have occurred between the end of the Financial Year 2020-21 of the Company and the date of the report.

Share Capital

During the year under review, there was no change in the paid up share capital of the Company. The paid-up Equity Share Capital of the Company as on 31st March, 2021 was Rs.2,660.56 Lakhs, comprising of 133,027,920 equity shares of face value of Rs.2/- each. During the year under review, your Company has neither issued any shares with differential voting rights nor has granted any stock options or sweat equity.

Subsidiaries

The Subsidiary Companies situated in India and Outside India continue to contribute to the overall growth in revenues and overall performance of the Company. As of 31st March, 2021, your Company had following Wholly Owned subsidiaries

- Jayanti Pte Limited, Singapore
- Continental Coffee SA (formerly Grandsaugreen SA), Switzerland
- Ngon Coffee Company Limited, Vietnam
- Continental Coffee Private Limited, India
- CCL Beverages Private Limited, India

Performance of Subsidiaries

As per Rule 8 of Companies (Accounts) Rules, 2014, a Report on the Financial performance of the Subsidiaries Companies during the Financial Year ended March 31, 2021 is as mentioned below:

i. Jayanti Pte Limited (Singapore)

Jayanti Pte Limited is a wholly owned subsidiary of the Company incorporated in Singapore for the purpose of promoting instant coffee projects in various countries. This is only an investment Company, hence no operational performance is reported.

ii. Continental Coffee SA (formerly Grandsaugreen SA) (Switzerland)

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

(₹ in Lakhs)

Particulars	2020-21	2019-20
Revenue from operations	18,429	13,445
Profit for the year after meeting all expenses (before Interest, Depreciation & Tax)	929	504
Less:		
Interest	53	3
Depreciation and other write offs	97	100
Provision for Taxation	80	28
Net Profit/Loss	699	373

iii. Ngon Coffee Company Limited (Vietnam)

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

(₹ in Lakhs)

Particulars	2020-21	2019-20
Revenue from operations	37,436	26,719
Profit for the year after meeting all expenses (before Interest, Depreciation & Tax)	10,591	7,822
Less:		
Interest	37	17
Depreciation and other write offs	2075	2,001
Provision for Taxation	(8)	25
Net Profit/Loss	8,487	5,779

iv. Continental Coffee Private Limited

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

Particulars	2020-21	2019-20
Revenue from operations	13395	7,717
Profit for the year after meeting all expenses (before Interest, Depreciation & Tax)	(366)	(190)
Less:		
Interest	176	92
Depreciation and other write offs	68	68
Provision for Taxation	10	(1)
Net Profit/Loss	(620)	(349)

v. CCL Beverages Private Limited

CCL Beverages Private Limited is a wholly owned subsidiary of the Company, incorporated in India with an objective to implement agglomeration and packing project at Kuvvakolli Village. However, with a view to consolidate the project and ensuing operations with that of its parent Company, the Board of Directors of both the Companies decided to merge CCL Beverages Private Limited with CCL Products (India) Limited and approved the Scheme of Amalgamation. Further details of the said merger and the current status thereof are provided elsewhere in this Report.

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

Consolidated Financial Statements

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

The Consolidated Financial Statements for the financial year ended March 31, 2021 forms part of the Annual Report.

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

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

The policy for determining material subsidiaries of the Company has been provided in the following link: <https://www.cclproducts.com/wp-content/uploads/2019/04/policy-on-material-subsiadiary.pdf>

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

The Company does not have any associate or joint venture Company falling within the definition under the Companies Act, 2013. Further, during the year under review, there was no instance where any of the existing wholly owned subsidiaries of the Company have ceased as such or any company has become its subsidiary. Thus, there was no change in the list of wholly subsidiaries of the Company.

Listing of Equity Shares

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

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

The Company has paid the Annual Listing Fees to the said Stock Exchanges for the Financial Year 2021-22.

COVID-19 and its impact

The impact of COVID-19 on the Company is being closely reviewed with the Management by the Board from time to time. Your Company had temporarily suspended operations at its Plants and other locations as per the directives given by the Central and State Government and keeping in view the safety of work force. After seeking necessary approvals from the Government authorities, and adopting social distancing norms, ensuring utmost safety of employees, operations were recommenced at the Plants and other locations. However, dispatches were affected due to restriction on movement of finished products to the ports for exports towards the end of the financial year. The Company's products viz., Coffee, Tea and Pepper are meant for daily consumption in households and 'out-of-home' and the Management anticipates slowdown in some geographies in the short term especially in the 'out-of-home' consumption due to COVID-19 pandemic. The management is keeping a close watch on any likely impact of second wave of the pandemic, which has recently receded and the apprehended outbreak of third wave. The Company's Wholly-owned Subsidiary viz., Ngon Coffee Company Limited, at Vietnam, is operating smoothly without any disruptions. The Board and the Management shall keep a continuous vigil to closely monitor the situation as it evolves and do its best to take all necessary measures, in the interest of all stakeholders of the Company.

Corporate Social Responsibility

The Company as part of its Corporate Social Responsibility (CSR) initiative, undertook many projects like promotion of education in rural areas, infrastructure and sanitation development, welfare of girl child, facilitating pure drinking water to the identified rural areas in and around the factories situated at Guntur District and Chittoor District of Andhra Pradesh and also women empowerment and youth skill development programmes in rural areas around Hyderabad.

The Company has a Policy on Corporate Social Responsibility (CSR). The Annual Report on CSR activities as per the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed herewith as 'Annexure III' to this report. The

CSR Policy is posted on the website of the Company and the web link is <https://www.cclproducts.com/wp-content/uploads/2019/04/csr-policy.pdf>

Further, pursuant to the provisions of Section 135 of the Companies Act, 2013 your Company was required to spend an amount of ₹ 418.78 Lakhs towards CSR Activities.

Your management feels proud to mention that for the financial year ended 31st March, 2021, your Company has spent a total amount of ₹ 436.15 Lakhs towards various CSR activities which was in excess of the mandatorily prescribed limit.

Internal Control Systems & their adequacy

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

Statutory Auditors & their Report

The Shareholders in their meeting held on 11th July, 2017 (56th AGM) appointed M/s. Ramanatham & Rao, Chartered Accountants, Hyderabad, as the Statutory Auditors of the Company, to hold office as such till the conclusion of 61st Annual General Meeting.

The Statutory Auditors shall continue to hold their office as such for the ensuing FY.

Further, the Statutory Auditor's report does not contain any qualifications, reservations, adverse remarks or disclaimers.

The Statutory Auditors attended the AGM held on 24th July, 2020.

Internal Auditors

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

Cost Auditors

In accordance with Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and The Companies (Audit and Auditors) Rules, 2014 the Audit Committee has recommended and the Board of Directors had appointed M/s. Kapardi & Associates, Cost Accountants, Hyderabad, being eligible and having sought re-appointment, as Cost Auditors of the Company, to carry out the cost audit of the products manufactured by the Company during the financial year 2021-22 on a remuneration of ₹ 2,00,000/-. The remuneration payable to the cost auditor is required to be placed before the members in the general meeting for their ratification. Accordingly, a resolution seeking members ratification for the remuneration payable to M/s. Kapardi & Associates, Cost Accountants, is included in the Notice convening the Annual General Meeting. The Company is maintaining cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013.

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

Reporting of Frauds

During the year under review, there was no instance of fraud, which required the Statutory Auditors to report to the Audit Committee and /or Board under Section 143(12) of the Companies Act, 2013 and the rules made thereunder.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company appointed M/s. P.S.Rao & Associates, Company Secretaries to undertake the Secretarial Audit of the Company for the FY 2020-21. The Secretarial Audit Report confirms that the Company has complied with the provisions of the Act, Rules, Regulations, and

Guidelines and that there were no deviations or non-compliances. The Secretarial Audit Report is attached here with at 'Annexure - IV' to this Report.

Further, we would like to clarify that the said Secretarial Auditor does not contain any observation or qualification or reservations or adverse remarks or disclaimers.

Compliance with Secretarial Standards on Board and Annual General Meetings

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

Directors & Key Managerial Personnel

The Board of directors of the Company has an optimum combination of Executive, Non-Executive and Independent Directors with one woman Independent Director.

i. Independent and Non-Executive Directors

In accordance with the provisions of Section 152 of the Companies Act, 2013, Dr. Lanka Krishnanand and Mr. B. Mohan Krishna, retired by rotation and were reappointed to the office of Director of the Company in the previous AGM held on 24.07.2020. Further, Ms. Challa Shantha Prasad and Mr. K.K. Sarma, Non-Executive Directors of the Company retire by rotation in the ensuing AGM and being eligible, have offered themselves for re-appointment.

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

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

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

ii. Whole Time Directors & Other Key Managerial Personnel

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

iii. Directors and Officers Insurance ('D&O')

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

Meetings of the Board

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

The Company has also adopted Governance Guidelines on Board Effectiveness which comprises the aspects relating to Composition of Board and Committees, Terms of Directors, Nomination, Appointment, Development of Directors, Code of Conduct, Effectiveness of Board and Committees, review and their mandates.

Committees**Audit Committee**

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

Other Committees

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

- ✧ Nomination and Remuneration Committee
- ✧ Stakeholders Relationship Committee
- ✧ Corporate Social Responsibility Committee
- ✧ Risk Management Committee
- ✧ Management Committee

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

Policy on Director's Appointment and Remuneration and other matters**(a) Procedure for Nomination and Appointment of Directors:**

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

On the recommendation of the Nomination and Remuneration Committee, the Board has adopted and framed a Remuneration Policy for the Directors, Key Managerial Personnel and other Employees pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulations.

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

Neither the Managing Director nor any Whole Time Director of the Company received any remuneration or commission from any of its Subsidiaries.

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

(b) Familiarisation/Orientation program for Independent Directors: A formal familiarization programme was conducted about the amendments in the Companies Act, Rules prescribed thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other applicable laws to the Company.

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

The details of such familiarization programmes for Independent Directors are posted on the website of the Company and web link is <https://www.cclproducts.com/wp-content/uploads/2019/04/familiarization-programme-for-independentdirectors.pdf>

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

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

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

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

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

The Directors expressed their satisfaction with the evaluation process.

Particulars of Loans, Guarantees and Investments

Details of Loans, Guarantees and Investments made during the Financial Year ended 31st March, 2021, covered under the provisions of Section 186 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014, are given in the notes to the Financial Statements.

Fixed Deposits

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

Directors' Responsibility Statement

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

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;.
- ii) Such accounting policies as mentioned in the notes to the financial statements have been selected and applied consistently and judgments and estimates that are reasonable and prudent made so as to give a true and fair view of the state of affairs of the company at the end of the financial year 2020-21 and of the profit or loss of the company for that period;
- iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) The annual accounts for the year 2020-21 have been prepared on a going concern basis.
- v) That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- vi) That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

Vigil Mechanism / Whistle Blower Policy

The Vigil Mechanism as stipulated in the Companies Act, 2013, the Rules prescribed thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is implemented through the Company's Whistle Blower Policy, in order to deal with instances of fraud and mismanagement, if any in the Group. The Policy provides for adequate safeguards against victimization of employees who avail the mechanism and also provides for direct access to the Chairman of the Audit Committee. The details of the Policy are explained in the Corporate Governance Report and also posted on the website of the Company and the web link is <https://www.cclproducts.com/wp-content/uploads/2019/04/whistle-blower-policy.pdf>

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

Risk Management

The Company has constituted a Risk Management Committee and formulated a policy on the Risk Management in accordance with the Companies Act, 2013 and Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. Furthermore, your Company has set up a robust internal audit function which reviews and ensures sustained effectiveness of internal financial controls by adopting a systematic approach to its work. The details of Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Board's Report. The Risk Management Policy of the Company is posted on the website of the Company and the web link is <https://www.cclproducts.com/wp-content/uploads/2019/04/risk-management-policy.pdf>

Related Party Transactions and particulars of contracts or arrangements with related parties

All the related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions

undertaken by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

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

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

The policy on Related Party Transactions as approved by the Board is uploaded on the website of the Company and the web link is <https://www.cclproducts.com/wp-content/uploads/2019/04/policy-on-related-party-transactions.pdf>

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

Related Party disclosure as per Schedule V of the Listing Regulations

S.No	In the accounts of	Particulars	Amount at the year ended 2020-21	Maximum amount outstanding during the year 2020-21
1	CCL Products (India) Limited (Holding Company)	(i) <u>Loans/advances to subsidiaries</u> Continental Coffee Private Limited (Wholly owned subsidiary)	₹ 23.43 Crores (including interest)	₹ 23.43 Crores (including interest)
		(ii) Loans/advances to associates	NA	NA
		(iii) Loans/advances to firms/ companies in which Directors are interested	Nil	Nil
2	CCL Products (India) Limited (Holding Company)	Investment by the Loanee in the shares of parent company/ subsidiary company when the company has made a loan or advance	NA	NA

Policy on Material Subsidiaries

The Policy on Material Subsidiaries as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as approved by the Board is uploaded on the website of the Company and the web link is <https://www.cclproducts.com/wp-content/uploads/2019/04/policy-on-material-subsidary.pdf>

Annual Return

In accordance with Section 134 (3) (a) of the Companies Act, 2013, a copy of Annual Return in the prescribed format i.e. Form MGT -7 is placed on the website of the Company and may be accessed at Link: <https://www.cclproducts.com/wp-content/uploads/2021/08/MGT-7-2020-21.pdf>

Management Discussion & Analysis

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

Change in the nature of business

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

Transfer of amounts to Investor Education and Protection Fund

Pursuant to the provisions of Section 124 (5) of the Companies Act, 2013, an amount of Rs.3,90,100/- pertaining to financial year 2012-13, which remained unclaimed for a period of seven years has been transferred by the Company to the Investor Education and Protection Fund established by the Central Government during the financial year 2020-21.

Transfer of unclaimed shares to Investor Education and Protection Fund

Pursuant to the provisions of Section 124 of the Companies Act, 2013, all the shares in respect of which dividend has remained unpaid or unclaimed for a period of seven consecutive years or more upto and including the financial year 2012-13 were transferred by the Company to Investor Education and Protection Fund during the financial year 2020-21 and the statement containing such details, as prescribed, is placed on the website of the Company.

Information in respect of unclaimed dividend and due dates for transfer to the IEPF are given below:

Sl	For the Financial year ended	Percentage of Dividend	Date of Declaration	Due date for transfer to IEPF
1	2013-14 (Final)	60%	19.07.2014	22.09.2021
2	2014-15 (Final)	75%	20.07.2015	23.09.2022
3	2015-16 (Interim dividend)	75%	11.03.2016	15.05.2023
4	2015-16 (Final)	50%	26.09.2016	30.11.2023
5	2016-17 (Final)	125%	11.07.2017	14.09.2024
6	2017-18 (Final)	125%	14.07.2018	17.09.2025
7	2018-19 (Interim dividend)	87.5%	23.03.2019	27.05.2026
8	2018-19 (Final)	87.5%	07.08.2019	11.10.2026
9	2019-20 (First interim dividend)	100%	27.01.2020	31.03.2027
10	2019-20 (Second interim dividend)	150%	26.02.2020	30.04.2027
11	2020-21 (Interim dividend)	100%	10.10.2020	24.12.2027

Insurance

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

Particulars of Employees

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

Business Responsibility Report

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

Corporate Governance

The Company has been making every endeavor to bring more transparency in the conduct of its business. As per the requirements of Regulation 34 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a report on Corporate Governance for the year 2020-21 and a Certificate from M/s. P S Rao & Associates, Practising Company Secretaries is furnished which form part of this Annual Report.

Human Resources

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

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

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

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

Energy conservation, technology absorption and foreign exchange earnings and outgo

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

Significant and material orders passed by the regulators or courts

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

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

Neither any application was made nor any proceedings are pending under the IBC, 2016 during the year ended on 31st March, 2021.

Details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof: Not Applicable

Acknowledgments

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

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

Place: Hyderabad
Date: 29th July, 2021

**For and on behalf of the Board
CCL Products (India) Limited**

Sd/-
Challa Rajendra Prasad
Executive Chairman
DIN : 00702292

Annexure I**DIVIDEND DISTRIBUTION POLICY****In terms of Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015****1. INTRODUCTION**

The Securities Exchange Board of India (SEBI) on July 8, 2016 has notified the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016 (Regulations). Vide these Regulations, SEBI has inserted Regulation 43A after Regulation 43 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which requires top five hundred listed companies (based on market capitalization of every financial year) to formulate a Dividend Distribution Policy, which shall be disclosed in its Annual Report and on its website.

Regulation 43A of the Listing Regulations makes it mandatory for the top five hundred listed entities based on their market capitalization calculated as on March 31 of every financial year to formulate Dividend Distribution Policy.

CCL Products (India) Limited (the "Company") being one of the top five hundred listed companies as per the criteria mentioned above, the Company has approved and adopted this Dividend Distribution Policy (the "Policy") at its meeting held on 01st February, 2017, being the effective date of the Policy.

OBJECTIVE

Dividend is the payment made by a Company to its shareholders, usually in the form of distribution of its profits. The profits earned by the Company can either be retained in business or used for acquisitions, expansion, modernisation or diversification, or it can be distributed to the shareholders. The Company may choose to retain a part of its profits and distribute the balance among its shareholders as dividend. This Policy aims to reconcile between all these needs.

The objective of this policy is to ensure a regular dividend income for the shareholders and long term capital appreciation for all stakeholders of the Company. The Company would ensure to strike the right balance between the quantum of dividend paid and amount of profits retained in the business for various purposes.

The Board of Directors will refer to the policy while declaring/recommending dividends on behalf of the Company. Through this policy, the Company would endeavour to maintain a consistent approach to dividend pay-out plans.

DEFINITIONS

The terms referred to in the policy will have the same meaning as defined under the Act and the Rules made thereunder, and the SEBI Regulations.

PARAMETERS / FACTORS TO BE CONSIDERED BEFORE DECLARING DIVIDEND

The dividend pay-out decision of the Board depends upon the following financial parameters and internal and external factors:

1. FINANCIAL PARAMETERS AND INTERNAL FACTORS:

The financial parameters and internal factors which would be considered while declaration of dividend by the Board are as follows:

- i) Operating cash flow of the Company
- ii) Profit earned during the year
- iii) Profit available for distribution
- iv) Earnings Per Share (EPS)
- v) Working capital requirements
- vi) Capital expenditure requirement

- vii) Business expansion and growth
- viii) Likelihood of crystalization of contingent liabilities, if any
- ix) Additional investment in subsidiaries and associates of the company
- x) Up gradation of technology and physical infrastructure
- xi) Creation of contingency fund
- xii) Acquisition of brands and business
- xiii) Cost of Borrowing
- xiv) Past dividend payout ratio / trends

2. EXTERNAL FACTORS

Certain external factors could compel the Board of the Company to reflect on the dividend payout for any financial year of the Company. Some of the external factors affecting the Company's dividend payment are:

- i) Economic Environment
- ii) Dividend payout ratios across Industries.
- iii) Statutory provisions and guidelines
- iv) Capital Markets
- v) Inflation rate
- vi) Industry outlook for future years
- vii) Taxation

PARAMETERS THAT SHALL BE ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARES

The Company presently has only 1 (one) class of shares, i.e. Equity Shares. Hence, the parameters which are required to be adopted for various classes of shares do not apply to the Company. This Policy is subject to review and the Board shall consider and specify the other parameters to be adopted with respect to such class(es) of shares.

CIRCUMSTANCES UNDER WHICH SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND

The shareholders of the Company may not expect dividend in the following circumstances, subject to the discretion of the Board:

- i. In the event of a growth opportunity where the Company may be required to allocate a significant amount of capital.
- ii. In the event of higher working capital requirement for business operations or otherwise.
- iii. When Company's liquidity is jeopardized for any reason, impairing its ability to pay the dividend.
- iv. In the event of loss or inadequacy of profits.

The Board of Directors of the Company may not declare or recommend dividend for a particular period if it is of the view that it would be prudent to conserve capital for the then ongoing or planned business expansion or other factors which may be considered by the Board.

The Company will take a decision on the dividend distribution keeping all external and internal factors in view and duly adopting a judicious balance between directly rewarding the shareholders through dividend declaration on the one hand and increasing shareholder's wealth in future through appropriate retention of projects and its realisation for sustainable growth, on the other.

HOW THE RETAINED EARNINGS WILL BE UTILISED

The Company shall endeavour to utilise the retained earnings in a manner which shall be beneficial to the interests of the Company and also its shareholders.

The retained earnings of the Company may be used in any of the following ways:

1. Capital expenditure for working capital;
2. Organic and/or inorganic growth;
3. Investment in new business(es) and/or additional investment in existing business(es);
4. Declaration of dividend;
5. Capitalization;
6. Buy back of shares;
7. General corporate purposes, including contingencies;
8. Correcting the capital structure;
9. Such other criteria's as the Board may deem fit from time to time; or
10. Any other usage as permitted under applicable laws / regulations.

CONFLICT IN POLICY

In the event of a conflict between this policy and the statutory provisions, the statutory provisions shall prevail.

MODIFICATION OF THE POLICY

The Board is authorised to change or amend this policy from time to time at its sole discretion and/or in pursuance of any amendments made in the Act, the Regulations, or any other applicable law.

The modifications, if any, made to the policy shall be disclosed on the website and in the Annual Report.

DISCLOSURES

The Company shall make appropriate disclosures as required under the Listing Regulations and the Companies Act, 2013.

The Policy shall be disclosed in the Company's Annual Report and on the website (www.cclproducts.com) of the Company.

In case, the Company proposes to declare dividend on the basis of the parameters in addition to those as specified in this Policy and/or proposes to change any of the parameters, the Company shall disclose such changes along with the rationale in its Annual Report and on its website.

REVIEW OF POLICY:

The Policy may be amended, as and when deemed fit. The Board of Directors shall have the right to modify, amend or change any or all clauses of this Policy in accordance with the provisions of the Applicable laws/ Acts /Regulations or otherwise.

In case of any amendment(s), clarification(s), circular(s) etc. issued under any Applicable laws/ Regulations, which is not consistent with any of the provisions of this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall be deemed to be amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

AMENDMENTS TO THE POLICY

Any change in the Policy shall be approved by the Board of Directors of the Company. The Board of Directors shall have the right to withdraw and/or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding.

In case of any amendment(s), clarification(s), circular(s) etc., issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendments, clarification(s), circular(s) etc., shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

DISCLAIMER

This policy shall not be construed as a solicitation for investments in the Company's securities and shall neither act as an assurance of guaranteed returns (in any form), on investments in the Company's securities.

**For and on behalf of the Board
CCL Products (India) Limited**

Place: Hyderabad
Date: 29th July, 2021

Sd/-
Challa Rajendra Prasad
Executive Chairman
DIN : 00702292

**Annexure II
Form AOC-1**

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

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

Part “A”: Subsidiaries

SUBSIDIARY COMPANIES FINANCIAL HIGHLIGHTS – 2020-21

SI No	Particulars	Continental Coffee Private Limited	CCL Beverages Private Limited	Jayanti Pte. Ltd.	Continental Coffee SA	Ngon Coffee Company Ltd
1	Capital	700.00	1.00	2,17,79,131	1,11,00,000	5,30,00,00,00,000
2	Reserves	(2,566.30)	(3.10)	(2,15,77,894)	(27,76,846)	3,21,73,00,71,461
3	Total Assets	5,602.51	4,500.31	200,998	17,113,632	960,437,595,172
	Total Liabilities	5,602.51	4,500.31	200,998	17,113,632	960,437,595,172
5	Turnover	13,395.16	-	-	2,37,10,522	11,84,67,85,98,048
6	Profit/(Loss) before Taxation	(610.16)	(2.10)	(9,555)	10,22,607	2,68,78,46,16,064
7	Provision for Taxation	9.81	-	-	1,02,688	(25,53,22,117)
8	Profit/(Loss) after Taxation	(619.97)	(2.10)	(9,555)	9,19,919	2,69,03,99,38,181
9	Dividend	-	-	-	-	-
10	Investment	-	-	-	-	-
	Reporting Currency	Rs.in Lakhs	Rs.in Lakhs	USD	CHF	VND
	Exchange Rate used for Conversion :					
	- Average Yearly Rates for Profit and					
	Loss Account Items	-	-	74.6662	77.7015	0.003160
	- Year end rates for Balance Sheet Items	-	-	73.5047	77.7857	0.003170

Part “B”: Associates and Joint Ventures - NA

As per our report of even date
For RAMANATHAM & RAO
Chartered Accountants

Sd/-
K.SREENIVASAN
Partner
M.No.206421

Place : Hyderabad
Date : 29th July, 2021

Sd/-
V.Lakshmi Narayana
Chief Financial Officer
M. No. 028499

Sd/-
Sridevi Dasari
Company Secretary
M.No. A29897

Sd/-
K. Chandrahas
Director
DIN : 02994302

By order of the Board

Sd/-
Challa Rajendra Prasad
Executive Chairman
DIN : 00702292

Sd/-
Challa Srishant
Managing Director
DIN : 00016035

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

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

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

2. Composition of CSR Committee:

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

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

weblink: <https://www.cclproducts.com/wp-content/uploads/2019/04/csr-policy.pdf>

4. Details of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable – Not applicable
5. Details of the amount available for set-off in pursuance of sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set-off for the financial year, if any : Not applicable
6. Average Net Profit of the Company as per Section 135 (5) of the Act : ₹ 20,938.83 Lakhs
7. (a) Two percent of average net profit of the Company as per Section 135(5) of the Act : ₹ 418.78 Lakhs
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years : Nil
- (c) Amount required to be set-off for the financial year, if any : No
- (d) Total CSR Obligation for the financial year (7a +7b -7c) : ₹ 418.78 Lakhs

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

Total amount spent for the Financial Year	Amount unspent (in Rupees)				
	Total amount transferred to unspent CSR Account as per section 135 (6)		Amount transferred to any fund specified under schedule vii as per the second provision of Section 135 (5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
₹ 43,614,949	Nil				

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

S No	Name of the Project	Item from the List of Activities in Schedule vii to the Act	Local Area (Yes/No)	Location of the Project		Project Duration	Amount allocated for the Project	Amount transferred to unspent CSR Account for the Project
				State	District			

(c) Details of CSR amount spent against other than ongoing projects for the FY: ₹ 43,614,949

S No	Name of the Project	Item from the List of Activities transferred in Schedule VII to the Act.	Local Area (Yes /No)	Location of the Project		Amount Spent for the project (Yes No).	Mode of implementation Direct agency.	Mode implementation Through implementing	
				State	District /Place			Name	registration number.
1	Old age homes	Contribution to old age homes	yes	Andhra Pradesh	Guntur	105,000	yes	-	-
2	Orphanage	Contribution to Orphanages	yes	Andhra Pradesh	Guntur	445,000	yes	-	-
3	Promoting Education	Education	yes	Andhra Pradesh	Guntur Hyderabad, Villages in and around factory at Duggirala	3,378,512	yes	-	-
4	Health, hygiene and safe drinking water	Health and Hygiene	yes	Andhra Pradesh	Guntur Hyderabad, Chittoor, Vizianagaram, Srikakulam	5,325,291	yes	-	-
5	Infrastructure facilities	Development of Infrastructure	yes	Andhra Pradesh	Guntur Anantapur, Hyderabad	6,000,000	yes	-	-
6	Self employment & Skill development	Women empowerment and youth skill development	yes	Andhra Pradesh	Guntur Vizianagaram, Hyderabad	17,261,135	yes	-	-
7	Disaster Management	COVID relief activities	yes	-	Across the country	11,100,011	yes	-	-

- (d) Amount spent in administrative overheads : Nil
 (e) Amount spent on impact assessment, if applicable: Not applicable
 (f) Total amount spent for the financial year (8c+8d+8e) : ₹ 43,614,949
 (g) Excess amount for set off, if any :

S.No	Particulars	Amount (in ₹)
i)	Two percent of average profit of the company as per Sec. 135(5)	41,878,000
ii)	Total amount spent for the financial year	43,614,949
iii)	Excess amount spent for the financial year (ii -i)	1,736,949
iv)	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years, if any	Nil
v)	Amount available for set-off in Succeeding financial years (iii-iv)	1,736,949

9. (a) Details of Unspent CSR amount for the preceeding three financial years : Nil
 (b) Details of CSR amount spent in the financial year for ongoing projects of the preceeding financial year(s) : Nil
10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: Not applicable
11. Specify the reason (s), if the Company has failed to spend two percent of the average net profit as per Section. 135(5) : Not applicable

FOR CCL PRODUCTS (INDIA) LIMITED

Sd/-

Challa Srishant
 Managing Director
 DIN : 00016035

Sd/-

Vipin Kumar Singal
 Chairman – CSR Committee
 DIN : 00505339

Place: Hyderabad
 Date: 29th July, 2021

CSR ACTIVITIES

CHILDREN WELFARE

Children are the future of our country and every single one deserves an opportunity to grow and become better in life. We, at CCL Products have always strived to provide a better future to deserving children. Under the initiative of Children Welfare, we aim to provide support in areas like Education, Nutrition and Sports which are essential for the development of underprivileged children.

Computer Awareness Education: The project of Computer Awareness Education for underprivileged students studying in Zilla Parishad High Schools was conceptualised in December, 2016. This project has been taken up in association with Chaitanya Saradhi. CCL has selected schools around Duggirala providing support to families living in and around factory. Apart from Computer Awareness Education, the Company has fulfilled their other needs as well such as providing clean drinking water, provision of running water in toilets, separate toilets for girl students, providing text books, note books, school bags and organizing health check-up camps. As an ongoing initiative, CCL, together with Chaitanya Saradhi has added Computer Awareness Education in more than 30 Zilla Parishad High schools in Andhra Pradesh and Telangana. So far, more than 35,000 children have benefitted from this initiative.

Bridge Course: CCL started Bridge Course initiative for underprivileged children of around 9 to 14 years of age who are left on streets either by their parents or orphaned and left with no shelter, food and education. To provide them with proper shelter, food and education, these street kids are given adequate education to fill the gap and get them back to school. CCL Products along with various organisations has been providing all the basic needs to these children.

Mid-day Meals: For growth of any child, along with the education, nutritious food is equally important. CCL joined hands with "Akshaya Patra Foundation" to provide mid-day meals to students in schools of remote villages of Andhra Pradesh. This initiative has served meals to more than 6,000 students till date.

Sports Infrastructure: CCL Products helped in building the Basketball Courts at Zilla Parishad High Schools for students in remote areas of AP & Telangana.

WOMEN EMPOWERMENT & GIRL CHILD WELFARE

Development of any nation can be seen just by seeing how empowered the women are in that nation. CCL products wants to empower the women and stand with them in facing all the obstacles in life strongly. Over the years we have done our efforts in the areas of girl child education, provision of safe shelters, making them skilled and economically self-sufficient.

With the help of "Abhaya Foundation", CCL has been able to provide courses like tailoring, beautician, jute bag making, fashion designing and jewellery making across 70 villages near by Hyderabad which has empowered more than 6,000 women till date to become financially stable and independent. CCL has also provided Sewing Machines and set up jute factory as part of self-sustenance program to rural women.

As part of Girl Child Welfare program, CCL is providing infrastructural facilities like shelter to young girls aged between 14 to 20 years. With this initiative, the mission has supported more than 3,000

young girls and provided them with safe shelter where they have access to education and nutritious food. CCL also partnered with Women Safety Wing of Telangana Police for Cyber Congress, an initiative to train adolescents to handle the online threats and to promote positive use of internet and mobile. This cyber congress program is a year-long program for young students in schools. Young citizens are trained to be cyber volunteers and spread awareness on cybercrimes among their peers and in their community. This is a one-of-a-kind initiative to enable adolescent children as Cyber ambassadors. This initiative shall organise training session in 1650 Government schools across 33 districts of Telangana.

HEALTHCARE AND MEDICAL ASSISTANCE

A healthy nation is a wealthy nation. To provide basic medical aid, CCL set up Primary Health Centres in remote villages of Andhra Pradesh.

Medical camps have been conducted through NGOs and critical care ambulance services are being provided at thick Nallamala forest region where many tribal people are deprived of basic health care during emergencies. Designated health staff has been recruited who regularly take care of the tribal people, deprived of basic health and sanitation facilities.

Over the past three (3) years, CCL, in association with Cornea Andhatv Mukta Bharath Abhiyan (CAMBA) is working for the prevention of the Corneal Blindness, Creating Awareness on Eye Donation, conducting Population based survey in villages and Urban slums, conducting Eye Screening Camps & Surgeries for people in Rural, Tribal and Urban slums suffering from Corneal Blindness, Cataract, Pterygium (Eye Web) and Eye Ailments.

SUPPORT TO SPECIALLY-ABLED

CCL has organised various camps in and around underdeveloped remote districts of A.P. & Telangana to support specially-abled youth by distributing wheelchairs, crutches, providing artificial limb support and ambulance which has helped more than 1,000 specially-abled persons to become self-sustainable to support themselves and their families.

INFRASTRUCTURE DEVELOPMENT

Infrastructural development in the remote villages helps in providing an access to better facilities to people living in these villages. Under infrastructural development initiative, CCL has constructed toilets, taking inspiration from "Swachh Bharat Mission".

CCL is humbled to be part of the growth path of the remote villages in and around of our factory where we took up road construction work, setting up street lights with the help of the villagers and local officials. The roads laid are of excellent quality, durable and provide all season accessibility to villagers.

We have installed multiple RO plants in several villages where water is majorly contaminated. Hence, with the purpose of providing villagers clean drinking water, this initiative has become a permanent feature for CCL Products.

DISASTER RELIEF ACTIVITIES

During natural calamities like cyclones and floods, CCL stands for providing pucca houses to the victims who lost their basic abodes and provisions for their survival.

HOUSING PROJECTS

In the remote districts of Andhra Pradesh, CCL is constructing houses for underprivileged families.

ENVIRONMENTAL CONSERVATION

Environmental Conservation is not only a necessity, it's a responsibility towards our motherland. CCL has always been on fore front to conserve our mother nature. We have not only set up zero waste factory system, we also ensure to protect our environment and surroundings in the best possible way.

Tree guards: As a part of the Green E-Money initiative, CCL has participated in the tree guard initiative and helped guarding hundreds and thousands of plants in and around villages of districts of A.P. The main motto of this initiative is to protect the plants and small trees from getting grazed by the cattle.

Sapling Plantation: CCL as an ongoing initiative towards Environment. The company has planted thousands of Maredu (Indian Bael) saplings on the barren land. This initiative will make these lands fertile and the overall climate of that locality will be improved in the near future.

Garbage Collection Drive: CCL also believes in keeping the ecosystem clean and as an initiative the company has deployed garbage cleaning mini trucks to keep the villages clean and improve hygiene in order to prevent spread of diseases in and around our factory.

Annexure - IV
FORM NO: MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 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,
CCL Products (India) Ltd,
Duggirala, Guntur Dist.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by CCL PRODUCTS (INDIA) LIMITED, (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 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. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowing.
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable to the Company during the audit period);
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable to the Company during the audit period);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period)

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the audit period); and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the audit period);
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

vi. Other specifically applicable laws to the Company:

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

We have also examined compliance with the applicable clauses of Secretarial Standards, as amended from time to time, issued by the Institute of Company Secretaries of India

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

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

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Woman Director and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, Committee Meetings and for resolution(s) proposed by way of circulation, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All the decisions at the Board Meetings and Committee Meetings and the resolution(s) proposed by way of circulation have been carried out unanimously as recorded in the Minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that 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.

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

The Company has undertaken the process of merger of CCL Beverages Private Limited, its wholly

owned subsidiary, with itself. The Scheme of amalgamation, subsequent upon approvals of the Board of Directors, shareholders and creditors has been filed with the Hon'ble National Company Law Tribunal, Amaravati Bench and is pending for its approval.

The Company had to temporarily suspend its manufacturing activity, at its plants in India, during the period commencing April, 2020 which continued till late May, 2020 in view of the Covid 19 induced Lockdown in the country.

Further, attention is drawn to Notes to Financial Statements, which describes the management's assessment of the impact of Covid -19 pandemic.

For P S Rao & Associates
Company Secretaries

Sd/-

P S Rao

Partner

FCS No: 10322

C.P. No.: 3829

UDIN: F010322C000704895

Place: Hyderabad
Date: 29th July, 2021

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

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

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

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.
2. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
3. We have followed the audit practises and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on random basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
4. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
5. We believe that audit evidence and information provided by the Company's management is adequate and appropriate for us to provide a basis for our opinion.
6. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.
7. We have not verified the correctness and appropriateness of financial records and Books and Accounts of the Company.

Disclaimer

8. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
9. As regards the Secretarial Audit for the FY 2020-21, the entire period under report was bogged down under the impact of Covid 19. Further, during the later part of the quarter ended 31st March, 2021, the said pandemic resurfaced more furiously and continued to wreak havoc till recently, thus forcing us to re-strategise our audit programme and approach. In view of the said, we could not conduct any plant verification physically. Further, for verification of documents and cross checks, we have relied on the management representations and assurances, wherever required, for forming our opinion and eventual reporting.

For P S Rao & Associates
Company Secretaries

Sd/-

P S Rao

Partner

FCS No.: 10322

C.P. No.: 3829

UDIN: F010322C000704895

Place: Hyderabad
Date: 29th July, 2021

Annexure- V

Particulars of contracts / arrangements made with related parties [Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013, and Rule 8(2) of the Companies (Accounts) Rules, 2014 – AOC-2]

This Form pertains to the disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2021, which were not at arm's length basis.

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

The details of material contracts or arrangement or transactions at arm's length basis for the year ended 31st March, 2021 are as follows:

Name of the related party	Nature of relationship	Duration of contracts	Sailent terms	2020-21 Amount (₹ in Lakhs)	2019-20 Amount (₹ in Lakhs)
Rent					
Mr. Challa Srishant	Managing Director	01-04-2001 - ongoing and renewed every year	Based on Transfer price guidelines	22.30	22.30
Ms. Challa Shantha Prasad	Director	01-04-1995 - ongoing and renewed every year	Based on Transfer price guidelines	21.46	21.46
Ms. Challa Soumya	Daughter of Executive Chairman	01-01-2010 - ongoing and renewed every year	Based on Transfer price guidelines	7.04	7.04
Sale of Instant Coffee Continental Coffee SA	subsidiary	01-02-2009 - ongoing	Based on Transfer price guidelines	15,470.31	10,869.65
Continental Coffee Private Limited	subsidiary	01-04-2015 - ongoing	Based on Transfer price guidelines	9,048.31	5,360.87

For and on behalf of the Board

sd/-

Challa Rajendra Prasad

Executive Chairman

DIN : 00702292

Place : Hyderabad

Date :29th July, 2021

Annexure - VI
MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Soluble Instant coffee, more commonly referred to as instant coffee is commercially prepared from carefully selected green coffee, which is roasted, extracted, evaporated and converted into solid form by either freeze-drying or spray- drying, after which it can be rehydrated to make a good cup of coffee.

Instant coffees have now been in the market for many decades because of its convenience, economy and homogeneity. Soluble coffee consumption has been increasing, owing to changing life styles and convenience. With the invention of new technologies, the quality of instant coffee has significantly improved, thereby attracting even traditional roast and ground coffee customers. The instant coffee industry moved from cheap alternative instant beverage to new trend speciality, single origin, high quality niche coffees.

Business Review

Your Company has the distinction of being one of the elite manufacturers, that can provide all types and forms of coffee from one single location. With our constant dedication towards research and development, we have created & commercialised unique products in the market. After wide spread presence in international markets, and with vast experience on the variety of coffee products, CCL had ventured into domestic market in India and created a dedicated team exclusively for domestic market, drawing professionals from FMCG companies for brand creation.

CCL has spread its client profile directly to 90 countries inspite of global pandemic situation and staggered lock downs in most of the countries, restricting movement of both individuals and goods.

CCL domestic team has been consistently working hard and are able to garner a good awareness level for the brand “Continental”. Continental brand is able to hold the fort of being the third largest domestic brand player for the year 2020-21.

Continental Brand THIS premixes coffee has now some loyal takers in the market with flavours like Cappuccino, Mocha, Caramel catching the fancy of consumers. Due to covid-19 pandemic, consumers purchase pattern changed and there is an increase of in-home coffee consumption. Consumers have switched gears and have started ordering grocery from Ecommerce portal. Driven by the trend, we observed a surge in online orders which has helped the brand to grow 2x times through various ecommerce portals where we sell.

Our filter coffee Continental Malgudi has seen fast acceptance by consumers. Traditional filter coffee drinkers have liked both our blends which is evident by the sales growth the brand has witnessed.

Campaigns with reknowned celebrities like actress Nitya Menon and legendary singer Smt. P Suseela has helped the brand awareness and created a trust with consumers.

Young population is the driving force for experimenting with speciality coffees, which opened up new in-house consumption segment, where growth is anticipated. Thanks to the technology improvements in production that is making instant coffee tastes as good as roast and ground coffee. Image of coffee drinking as modern life style, which is trending in the social media is very much encouraging us to step into various coffee segment. During the year under review, your Company had launched 2-in-1 premixes in addition to already existing flavours like Hazelnut, Cappuccino, Mocha, Caramel etc., under the brand name THIS. Also, your Company launched premium Freeze-Dried coffee in different flavours like Coconut, Spice, Lemon and Hazelnut etc., to give a varied option for the customers in the premium segment. Continental Decaf was also launched under speciality coffees to cater to the niche market segment that prefers decaffeinated coffee.

In light of the current pandemic situation, people have become more health conscious and tending towards value added products in health segment. Your Company's R&D team is working on developing new products, focussing on the wellness category to catch up the upcoming trend.

The turnover of the Company on standalone basis is ₹ 79,507 Lakhs and the net profit of the Company is ₹ 15,869 Lakhs (including 6217.95 Lakhs dividend received from Ngon Coffee Company Limited, wholly owned subsidiary of the Company. Earnings per share (EPS) (Face value of ₹ 2/- per share) for the current year is ₹ 11.93 for the year 2020-21.

The turnover of the Company on consolidated basis is ₹ 124,248.04 Lakhs and net profit of the Company is ₹ 18,226.16 Lakhs. Earnings per share (EPS) (Face value of ₹ 2/- per share) for the current year is ₹ 13.70 for the year 2020-21.

Industry Structure and Developments

The current instant coffee market in India is growing at a estimated rate of 9% year on year. In-home coffee consumption has been catapulted due to COVID-19 pandemic. Consumer behavior changed towards coffee consumption at home due to trends like 'Dalgona' coffee across the globe. Coffee category has seen entry of players offering coffee in varied formats for consumers to try different kinds of coffee.

Your Company is able to enhance its presence in the in-house brands of supermarkets in Europe and impressed by the quality of products, greater levels of service etc., these supermarkets have been consistently increasing our share of volumes. Your company is also confident that it will achieve the orders of various other supermarkets as well in this year. Necessary capacity augmentation is being done during this year to meet this additional demand.

Outlook

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

The covid-19 pandemic is likely to have a profound impact on the global coffee sector, including production, consumption and international trade. International Coffee Organisation (ICO) has conducted an analysis based on a sample of the top 20 coffee consuming countries, which represents 71% of global demand, covering the period 1990-2018. The results show that a one percentage point drop in GDP growth is associated with a reduction in the growth of global demand for coffee of 0.95 percentage points or 1.6 million 60-kg bags. Coffee consumption at Coffee Shops (out of the home) consumption will drastically come down because of covid-19 but at home consumption will increase and this will have a positive impact on the consumption of instant coffee. The shift towards more upmarket coffee products seen in 2020 as a result of covid-19 continued the trend seen in previous years. Premiumization towards the end of the review period was driven by increased consumer interest in artisanal and gourmet coffees.

Revenue in the Instant Coffee segment amounts to US\$116,761.7m in 2021. The market is expected to grow annually by 9.13% (CAGR 2021-2025). In relation to total population figures, per person revenues of US\$15.54 are generated in 2021. In the Instant Coffee segment, volume is expected to amount to 1,719.5 mkg by 2025. The market for Instant Coffee segment is expected to show a volume growth of 3.7% in 2022. The average volume per person in the Instant Coffee segment is expected to amount to 0.2kg in 2021.

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

Asia Pacific leading the market share and is expected to remain on top over the next few years. The easy preparation of instant coffee, as well as its ability to be tailored to local taste preferences, has made it the coffee of choice in most markets in Asia Pacific, where coffee consumption is still low. The expanded spotlight on interesting, valid flavours and different useful properties of coffee has supported the premium version launches of the global instant coffee market.

The instant coffee segment's outlook is bright as consumers increasingly value instant coffee's simplicity of preparation.

Opportunities

The covid-19 pandemic unveiled the opportunity in premix and functional coffee segments due to increase in in-house consumption of speciality coffees. Diversification into value added finished products with premium quality is more in demand as focus is shifting to consumption of high quality coffee manufactured under hygienic conditions.

As the consumer has been evaluating a lot of coffee options, providing an opportunity to launch different format and higher order coffee for not only affluent class of people but consumers who are open to trying such coffee products like Premixes and cold brew. Growing demand for the "coffee shop experience" at home is fuelling the rise of instant coffees with more unique flavours. 41% of urban Indian consumers agree that coffee is energising. This suggests that there is scope to expand on the natural energy credentials of instant coffee by making the link more obvious on pack. Premiumisation trend results in growth of artisanal products and flavoured coffee launches. Continued working from home to underpin growth of fresh and flavoured coffees. Demand for convenience and quality to influence coffee performance in post-pandemic India. E-commerce and subscription services set to grow in line with convenience and premiumisation trends.

Rising employment levels have driven up caffeination demand across the board. At the same time, increasing discretionary spending power has fuelled the appetite for indulgence among consumers as well as a desire for novel experiences, which in turn has driven premiumization and sophistication. The out-of-home market has especially benefitted from this trend as increasingly time-strapped consumers opt for the convenience of a quick boost on the go. Among younger demographics still living in shared or temporary accommodations, coffee shops have become something of a living room and office space away from home, the rent for which is paid one Americano at a time.

There are several countries in which operations are hindered due to covid-19. Your Company is identifying these opportunities in the international markets and attempting to provide continuous supplies there, which can add few more customers into its portfolio. Desire for comfort and indulgence during covid-19 lockdown is increasing the upmarket trend.

Risks, concerns and threats

Owing to intermittent lockdowns in various countries, stoppage of international and local movements etc., had a severe impact on the logistics and thereby your Company has experienced occasional delays in both inbound and outbound shipments. These are likely to be continuing since the pandemic is still continuing – with more vigour and experiencing second and third waves globally. Company is taking effective steps to have enough stocks for enabling unhindered production activity. Any war between countries, Government / regulatory decisions effecting the change of the duty structure on green coffee/instant coffee shall have an impact on the prices of our imports/exports. Also high input costs and increasing logistics cost due to inflation pose risk for our operations at India as well as Vietnam, thereby affecting the working capital levels of the Company.

The major threat being faced by the instant coffee industry is the creation of huge additional capacities in several countries which is resulting in unhealthy competition and stress on prices. Your Company is making efforts to mitigate these threats by increased volumes of high quality niche and new products.

Reduced rainfall in some areas is dramatically changing the ecosystem and growing conditions which result the quality of the beans used as raw material to produce the instant Coffee. It is noticed that changes in weather patterns (drought, unpredictable and varied rains, temperature changes) are causing alterations in the appearance and severity of newer pests while existing diseases are migrating to ecological zones where they previously did not exist. This may affect the quality of the beans grown in the traditional regions from

where the Company is procuring. Although credible data on the levels and spread of these diseases and pests is not available, the potential risk should be noted. Changes in climate and a shortage of labourers due to lockdown resulted in increased coffee prices. Furthermore, foodservice outlets were reeling under the pressure of lockdown restrictions and consumers' reluctance to venture out.

Your Company has already established its longstanding presence in the international markets in the instant coffee, however, the sales of the products may fluctuate depending on economic and political conditions, including acts of terrorism in the producing and consuming countries. Decline in population can lead to decrease in sales in that particular territory.

Further, the Company has gained rich experience with the presence of marketing consultants and in-house experienced marketing personnel to face any kind of competition and market related risks.

With intermittent lockdown across various states in India along with many team members contacted covid 19 created a disruption in the system. Considering this is going to be the next normal, treading the path of forecast would be challenging. On the demand side, we are visualizing a reduction in institutional requirements (particularly from HORECA) in view of the lockdown. With the two biggies in coffee category, there is always a constant threat, which can be in shape of disrupting schemes, consumer driven offers etc.

Source: Mintel & Statista

Internal Control Systems and their Adequacy

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

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

Industrial Relations and Human Resources Management

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

Your Company is continuously striving to create appropriate environment, opportunities and systems to facilitate identification, development, and utilization of their full potential and inculcating a sense of belongingness. There are 613 employees in the Company as on 31st March, 2021.

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

Financial performance with respect to operational performance

During the year, the Company has achieved a turnover of ₹ 79,507 Lakhs recording a net profit of ₹ 15,869 Lakhs. Profit includes ₹ 6217.95 Lakhs dividend received from Ngon Coffee Company Limited, wholly owned subsidiary of the Company.

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

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

Financial Ratios	Consolidated		Change(%)	Reason for change
	2020-21	2019-20		
Current Ratio	1.78	2.46	(27.64)	Decreased due to scheduled term loan repayments
Debt Service Coverage Ratio	3.11	4.99	(37.68)	Decreased due to scheduled term loan repayments

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

Financial Ratios	Standalone		Change(%)	Reason for change
	2020-21	2019-20		
Current Ratio	2.65	5.63	(52.93)	Decreased due to scheduled term loan repayments

Details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation there of: There is no significant change during the current financial year 2020-21, compared to previous financial year 2019-20.

Certifications

Your Company has the following certifications:

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

Social Accountability compliance

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

Cautionary Statement

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

**For and on behalf of the Board
CCL Products (India) Limited**

Place: Hyderabad
Date: 29th July, 2021

Sd/-
Challa Rajendra Prasad
Executive Chairman
DIN : 00702292

Annexure - VIII

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

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

a) Employed throughout the Financial Year 2020-21

Name	Age	Qualification	Designation	Date of Commencement of Employment	Experience (Years)	Gross Remuneration in ₹	Nature of employment	% of shareholding in the Company	Previous Employment
Mr.Challa Rajendra Prasad	69	B.E.(Mech.)	Executive Chairman	01-04-1994	45	4,20,00,000	By virtue of agreement dated 24.02.2020	9.95	Asian Coffee Ltd
Mr.Challa Srishant	38	B.A., B.L.(Hons.)	Managing Director	18-07-2005	17	5,89,00,000	By virtue of agreement dated 14.02.2019	10.48	-
Mr.B.Mohan Krishna	40	B.Tech	Executive Director	01-06-2017	18	4,42,00,000	By virtue of agreement dated 14.02.2019	0.75	Elmech Enterprises Limited

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

b) Other Top Ten Employees throughout the Financial Year 2020-21: this information is available in the website of the Company www.ccdproducts.com

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

i) The percentage increase in remuneration of each Director, Chief Operations Officer, Chief Financial Officer and Company Secretary during the financial year 2020-21, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2020-21, and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under :

Sl. No.	Name of Director/ KMP and Designation	Remuneration of Director /KMP for the financials year 2020-21 (₹.in Lakhs)	Remuneration of Director /KMP for the financials year 2019-20 (₹.in Lakhs)	% increase in Remuneration in the Financial Year 2020-21. (₹ in Lakhs)	Ratio of remuneration of each Director/to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1	Mr.Challa Rajendra Prasad, Executive Chairman	420.00	420.00	0.00	108.44	The marginal increase is inline with the operations of the Company for the year 2020-21
2	Mr.Challa Srishant, Managing Director	589.00	665.00	-11.43	152.07	
3	Mr.B.Mohan Krishna, Executive Director	442.00	497.00	-11.07	114.12	
4	Mr.K.V.L.N.Sarma, Chief Operations Officer	95.08	89.57	6.15	Not Applicable	
5	Mr.V.Lakshmi Narayana Chief Financial Officer	93.74	83.88	11.75	Not Applicable	
6	Mrs.Sridevi Dasari, Company Secretary	19.18	16.94	13.22	Not Applicable	
7	Mr.Vipin K.Singal, Non Executive Director	10.00	9.00	11.11	2.58	
8	Mr.K.Chandras, Non Executive Director	10.00	9.00	11.11	2.58	
9	Mr.K.K.Sarma, Non Executive Director	10.00	9.00	11.11	2.58	
10	Mr.G.V.Krishna Rau, Non Executive Director	10.00	9.00	11.11	2.58	
11	Mrs.Kulsoom Noor Saifullah, Non Executive Director	10.00	9.00	11.11	2.58	
12	Mrs.Challa Shantha Prasad Non Executive Director	10.00	9.00	11.11	2.58	
13	Mr.Krishnanand Lanka Non Executive Director	10.00	9.00	11.11	2.58	
14	Mr.K.Durga Prasad Non Executive Director	10.00	9.00	11.11	2.58	
15	Mr.K.V.Chowdary Non Executive Director	10.00	9.00	11.11	2.58	

- ii) The median remuneration of employees of the Company during the financial year was Rs.3.87 Lakhs
- iii) In the financial year, there was an increase of 13.40% in the median remuneration of employees
- iv) There were 613 permanent employees on the rolls of Company as on March 31, 2021.
- v) In the financial year, there was an decrease of 8.28% in the managerial remuneration, which is as per the remuneration policy of the Company.
- vi) We herewith affirm that the remuneration is as per the remuneration policy of the Company.

Place : Hyderabad
Date :29th July, 2021

For and on behalf of the Board

sd/-
Challa Rajendra Prasad
Executive Chairman
DIN : 00702292

Annexure-VIII**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND
FOREIGN EXCHANGE EARNINGS AND OUTGO****[Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts)
Rules, 2014]****A. Conservation of Energy**

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

The steam boiler continues to be a major energy conserver to the Company. CCL is continuously striving for the sustainability, conservative utilisation of energy available and to minimize the ecological footprint by finding out ways to best utilise the waste generated in the process of manufacturing instant coffee. Coffee is a product, where only 40% can be derived from the coffee beans for the productive usage and the rest 60% is in the form of solid waste. This solid waste generated, on drying up, has greater calorific value.

i) The steps taken or impact on conservation of energy

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

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

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

iii) The capital investment on energy conservation equipments

As stated above, capital investment on energy conservation equipments will be incurred during the FY 2021-22 and reported accordingly.

B) Technology Absorption**i) Efforts made towards technology absorption:**

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

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

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

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

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

iv) Expenditure incurred on Research and Development:

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

C) Foreign Exchange Earnings and Outgo:

Total foreign exchange	₹ in Crores
Used	313.86
Earned	722.71

Place : Hyderabad
Date : 29th July, 2021

For and on behalf of the Board

sd/-
Challa Rajendra Prasad
Executive Chairman
DIN : 00702292

**BUSINESS RESPONSIBILITY REPORT
for the financial year 2020-21**

[Pursuant to Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

S.No.	Particulars	Company Information
1	Corporate Identity Number (CIN) of the Company	L15110AP1961PLC000874
2	Name of the Company	CCL PRODUCTS (INDIA) LIMITED
3	Registered Office address	Duggirala, Guntur Dist. Andhra Pradesh- 522330, India
4	Website	www.cclproducts.com
5	E-mail id	companysecretary@continental.coffee
6	Financial Year reported	01 st April, 2020 to 31 st March, 2021
7	Sectors that the Company is engaged in (industrial activity code wise)	NIC Code :10792 Description : Manufacturing of Instant Coffee and coffee related products
8	List three key products/services that the Company manufactures/provides (as in the Balancesheet)	The Company manufactures and markets a wide range of instant coffee products.
9	Total number of locations where business activity is undertaken by the Company	The Company has its Registered office situated at Guntur District, A.P. India. Its Corporate office is situated at Hyderabad, Telangana, India SEZ UNIT : Kuvvakolli Village, Varadaiahpalem, Chittoor District - 517 645, Andhra Pradesh, India.
9 (i)	Number of International Locations	Singapore, Vietnam and Switzerland
9 (ii)	Number of National Locations	Registered Office: Duggirala-522 330, Guntur District, Andhra Pradesh, India Corporate Office: 7-1-24/2/D, 'Greendale, Ameerpet, Hyderabad- 500 016, Telangana, India SEZ UNIT : Kuvvakolli Village, Varadaiahpalem, Chittoor District - 517 645, Andhra Pradesh, India. EOU UNIT II : Kuvvakolli Village, Varadaiahpalem, Chittoor District - 517 645, Andhra Pradesh, India.
10	Markets served by the Company – Local/State/National/International	The unit in Duggirala is an export oriented unit and in addition to serving Indian markets, CCL Products (India) Limited exported its products to over 90 Countries as on 31 st March, 2021. The Company has a significant presence nationally and globally.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

S.No.	Particulars	Company Information
1	Paid up capital (INR)	₹ 266,055,840
2	Total Turnover (INR)	₹ 79,507.07 Lakhs
3	Total profit after taxes (INR)	₹ 25,869.00 Lakhs
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	During the financial year 2020-21, CCL has incurred expenditure for an amount of ₹ 4.36 Crores which is more than 2% of PAT of average 3 preceding years.
5	List of activities in which expenditure in 4 above has been incurred:-	<p>The Company aims to undertake activities to reduce inequalities faced by socially and economically backward groups. Please refer the Annexure II of the Director's Report in this Annual Report 2020-21 for information on CSR activities. Some of the activities undertaken in this regard are as follows:</p> <ul style="list-style-type: none"> (a) Oldage Homes (b) Women empowerment and other skill development activities (c) Orphanage (d) Promoting education (e) Health and nutrition (f) Infrastructure development (g) Environmental Protection (h) Pure drinking water facilities (i) Disaster management

SECTION C: OTHER DETAILS

S.No.	Particulars	Company Information
1	Company Subsidiaries/ Joint Ventures	<p>Subsidiary Companies</p> <ul style="list-style-type: none"> • Continental Coffee Private Limited • Jayanti Pte. Ltd. (Singapore) • Continental Coffee SA(Switzerland) (formerly Grandsaugreen SA) • Ngon Coffee Company Limited (Vietnam) • CCL Beverages Private Limited
2	Subsidiaries participating in company's Business Responsibility (BR) initiatives	CCL Products (India) Limited keeps all its subsidiaries informed about the Business Responsibility initiatives. It also encourages its subsidiaries to participate in such initiatives.
3	Other entities (e.g suppliers, distributors etc.) participating in Company's BR initiatives	Nil

SECTION D : BR INFORMATION
1. Details of Director/Directors responsible for BR

(a) Details of the Director/Directors responsible for implementation of the BR policy/policies

S. No.	Particulars	Company Information
1	DIN	00016035
2	Name	Mr. Challa Srishant
3	Designation	Managing Director

(b) Details of BR head

S. No.	Particulars	Company Information
1	DIN	NA
2	Name	Mr.V. Rama Rao
3	Designation	GM- Commercial
4	Telephone number	+91 40 23732455
5	E-mail ID	ramarao.v@continental.coffee

2. Principle-wise (as per NVGs) BR Policy/policies

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are as follows:

P1	Business should conduct and govern themselves with Ethics, Transparency and Accountability
P2	Business should provide goods and services that are safe and contribute to Sustainability throughout their life cycle
P3	Business should promote the well- being of all employees
P4	Business should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.
P5	Business should respect and promote human rights
P6	Business should respect, protect and make efforts to restore the environment
P7	Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8	Business should support inclusive growth and equitable development
P9	Business should engage with and provide value to their Customers and consumers in a responsible manner

Details of compliance (Y/N)

No.	Principle-wise Policies	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Yes. The policies are based on the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' released by the Ministry of Corporate Affairs.								
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	https://www.cclproducts.com/wp-content/uploads/2019/04/csr-policy.pdf https://www.cclproducts.com/wp-content/uploads/2019/04/policy-on-related-party-transactions.pdf https://www.cclproducts.com/wp-content/uploads/2019/04/whistle-blower-policy.pdf https://www.cclproducts.com/wp-content/uploads/2019/04/risk-management-policy.pdf https://www.cclproducts.com/wp-content/uploads/2019/04/policy-on-material-subsidary.pdf https://www.cclproducts.com/wp-content/uploads/2019/04/remuneration-policy.pdf https://www.cclproducts.com/wp-content/uploads/2019/04/code-of-conduct.pdf https://www.cclproducts.com/wp-content/uploads/2019/04/code-of-insider-trading.pdf https://www.cclproducts.com/wp-content/uploads/2019/04/Responsible-Sourcing-Policy.pdf https://www.cclproducts.com/wp-content/uploads/2019/04/Sustainability-Policy.pdf								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes, the policies have been communicated to all the internal and external stakeholders.								
8	Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y

9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Yes, any grievances or feedback to the policies can be sent to Compliance Officer of the Company at companysecretary@continental.coffee
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The head of the respective departments are made responsible for effective implementation of the policies.

(a) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No. Questions

- | | | |
|---|---|----------------|
| 1 | The company has not understood the Principles | Not applicable |
| 2 | The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles | |
| 3 | The company does not have financial or manpower resources available for the task | |
| 4 | It is planned to be done within next 6 months | |
| 5 | It is planned to be done within the next 1 year | |
| 6 | Any other reason (please specify) | |

3. Business Responsibility (BR) Governance:

S. No.	Particulars	Company Information
3.a	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	The performance on aspects of BR is reviewed by the Company's Management on periodical basis and atleast once a year put up to the Board
3.b	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	The Company publishes the information on Business Responsibility which forms part of the Annual Report of the Company. The same will be disclosed on the website of the Company at www.cclproducts.com

SECTION E: PRINCIPLE-WISE PERFORMANCE
Principle 1: Business should conduct and govern themselves with Ethics, Transparency and Accountability

CCL Products (India) Limited lays a strong emphasis on ethical corporate citizenship and establishment of good corporate culture. It has always believed in adhering to the best governance practices to ensure protection of interests of all stakeholders of the Company in tandem with healthy growth of the Company. The Company has always discouraged practices that are abusive, corrupt, or anticompetitive.

Our philosophy is to conduct the business with high ethical standards in our dealings with all the stakeholders that include employees, customers, suppliers, government and the community.

The Company has a strong and effective Whistle blower Policy which aims to deter and detect actual or suspected misconduct. It has been established to ensure that genuine concerns of misconduct/ unlawful conduct, which an individual believes may be taking place within the organisation, are raised at an early stage in a responsible and confidential manner. This mechanism also provides for adequate safeguards against victimisation of employees who avail of the mechanism. Any employee may report such incident without fear to the Chairman of the Audit Committee or alternatively may report to the Compliance officer of the Company. The Policy on Vigil Mechanism may be accessed on the Company's website at <https://www.cclproducts.com/wp-content/uploads/2019/04/whistle-blower-policy.pdf>

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?
Yes

CCL Products (India) Limited is committed to act professionally, fairly and with integrity in all its dealings. The Company has established a 'Vigil Mechanism' for Directors and employees to report their genuine concerns or grievances about unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct. As an integral part of such Vigil Mechanism, the Whistle Blower Policy of CCL has been formulated with a view to empower the Directors and employees of CCL and / or its subsidiary companies, to detect and report any improper activity within the Company.

Further CCL has also adopted "Code of Conduct for Directors and Senior Management" which captures the behavioral and ethical standards.

The Company obtains an annual confirmation affirming compliance with the Code from the Directors, Key Managerial Persons and the senior management every year.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

	Pending as on 31-03-2020	Received during 2020-21	Redressed during 2020-21	Pending as on 31-03-2021
Customer Complaints	Nil	Nil	Nil	Nil
Investor Complaints	Nil	36	36	Nil
Consumer cases	Nil	Nil	Nil	Nil

Principle 2: Business should provide goods and services that are safe and contribute to Sustainability throughout their life cycle

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

Not Applicable

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):

(a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

Not Applicable

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Not Applicable

3. Does the company have procedures in place for sustainable sourcing (including transportation)? -Yes

(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

CCL's global supply chain is complex in nature which involves sourcing raw materials and services from different parts of the world and the Company brought responsible sourcing practices at all the stages of supply chain in place over a period of time inspite of socio-economic and cultural constraints across the countries for long term sustainability.

The Company had a responsible sourcing policy which was made applicable to all its suppliers and ensure that the hygiene working conditions, minimum wages and safety standards are followed by all the employees involved throughout its supply chain globally in strict adherence to the international labour policies.

95% of CCL's inputs are sourced sustainably.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? Yes

(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

CCL procures green coffee from small vendors of Karnataka, Andhra Pradesh, Tamil Nadu and Kerala. The Company source all the packaging material and other related products from local and small vendors since inception.

The assurance of sourcing from the Company led to the expansion of the vendors associated, and the company helped them with latest technology available globally for their development.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

CCL continuously strives for the betterment in its porcess of recycling the products and waste generated during the production process. Coffee is a product, where around 40% can be derived from the coffee beans for the productive usage and the rest 60% is in the form of solid waste. This solid waste generated, on drying up, has greater calorific value.

The ash that comes from the boilers will be supplied to brick manufacturers. The solid waste that was generated is being used as fuel to the boilers. The water after the process of extraction is supplied to the

neighbouring farmers due to its organic nature which helps them to get better yield. More than 90% of the waste generated is being recycled.

Principle 3: Business should promote the well- being of all employees

We believe that our human capital is one of the most valuable resources to tap the perennial growth of business. Company's Code of Conduct provides guidelines for employee wellbeing related to participation, freedom, gender equality, good environment and harassment free workplace. A strong mechanism is established for deployment of guidelines and grievance redressing mechanism.

1. Please indicate the Total number of employees: 613 as on 31.03.2021.
2. Please indicate the Total number of employees hired on Temporary/Contractual/casual basis : 1522
3. Please indicate the Number of permanent women employees : 22
4. Please indicate the Number of permanent employees with disabilities: 0
5. Do you have an employee association that is recognized by management- No
6. What percentage of your permanent employees is members of this recognized employee association? NA
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.-

S.No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

(a) Permanent Employees	100%
(b) Permanent Women Employees	100%
(c) Casual/Temporary/Contractual Employees	100%
(d) Employees with Disabilities	100%

Principle 4: Business should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.

1. Has the company mapped its internal and external stakeholders? Yes

CCL has always acknowledged the vital contribution of all stakeholders such as employees, communities, suppliers, customers, regulatory bodies, industry associations, shareholders, academic institutes and media in building a sustainable business and has accorded importance to their voices and concerns.

The Company has carried out comprehensive stakeholder identification program. This allowed us to understand the needs and expectations of our stakeholders better.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.
Yes

The stakeholder engagement program is deployed by focusing on each identified stakeholder from various business divisions of the organisation. We are working towards betterment of communities in the vicinity of our manufacturing plants which are located in rural areas. We have identified stakeholders and we are working on projects for them.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

The Company sources some of its raw material from the farmers of Karnataka, Andhra Pradesh, Tamil Nadu and Kerala.

The packaging material is procured locally from small vendors.

The Company initiated several programs that include health, hygiene and nutrition development in school children, promoting girl child education, swachh Bharat initiatives in the surrounding villages, medical camps and health centres, pure drinking water facilities in many villages.

Principle 5: Business should respect and promote human rights

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

CCL's Policies cover the guidelines on Human rights and it is applicable to all members of the CCL group. The members had given liberty to report any violations of the Code, or share their concerns confidentially through e-mail, complaint drop box and access to Committee members as per the various Committees under the Code of Conduct.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

The Company has received 36 stakeholder complaints/queries in the past financial year and 100% of the complaints were satisfactorily resolved by the management.

Principle 6: Business should respect, protect and make efforts to restore the environment

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

CCL's Sustainability Policy extends to all the stakeholders the organization deals with, including suppliers, contractors, NGOs and others. We aim to propagate the principles of Sustainability throughout our Value chain and to all stakeholders

2. Does the company have Strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

Many facets of respecting and protecting environment are embedded in the company's operations as also its products. Consumption of fuel is very important for our boilers. We have got the fuel system redesigned so as to enable using this solid waste as fuel for boilers. This has not only resulted in substantial savings on fuel costs but also is environmental friendly as the ash content is very minimal. Thus, this effort of the company has not only served as a substitute for fossil fuel but also is an effective method for waste disposal.

The Company has been continuously saving considerable fuel cost for its boiler by using rice husk and recycled solid waste as fuel. An Electrostatic Precipitator (ESP) was installed to curb pollution from the boiler which enhance eco friendly operations at the Plant.

To minimise the environmental impacts of its products, the Company continuously improves products in terms of fuel efficiency, material use and recyclability

3. Does the company identify and assess Potential environmental risks?

Since there are no chemicals used in the production process and since processing is done with coffee beans and water, everything is organic in nature. Potential environmental risks are constantly being assessed as part of the company's risk management identification process. The Company regularly reviews its environmental risks and undertakes initiatives to mitigate them.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

Not Applicable

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

Not Applicable

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

All emissions and waste generated by the Company are within the permissible limits given by CPCB/SPCB in 2018-19.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

Nil

Principle 7: Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

- (a) Coffee Board of India
- (b) Export Promotion Council for EOUs and SEZs (EPCES)
- (c) Federation of Indian Export Organization (FIEO)
- (d) Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry (FTAPCCI)
- (e) Indo American Chamber of Commerce (IACC)
- (f) Indo German Chamber of Commerce (IGCC)
- (g) National Coffee Association, USA (NCA)

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

The Company associated with above institutions with an intention of mutual learning and contribution in development of processes.

CCL has been instrumental in value addition for the instant coffee in global markets by promoting Indian coffee, working with many associations and also in making several representations to the Government through its officers for development of green coffee production in the State of Andhra Pradesh.

Principle 8: Business should support inclusive growth and equitable development

We at CCL believe that in order to have a growth and equitable development the company has to work in proper co ordination with its ecosystem. The Company also believes that social, environmental and economic values are interlinked and we belong to an Interdependent Ecosystem comprising Shareholders, Consumers, Associates, Employees, Government, Environment and Society. We are committed to ensure a positive impact of our existence on all these stakeholders. It's our continuous endeavour to integrate sustainability considerations in all our business decisions.

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

The Company as part of its corporate social responsibility involved in several programmes and projects that creates a better country for the future generations. The details of several programmes undertaken by the Company are given in 'Annexure II' of the Directors Report, which forms part of the Annual Report.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?

The aforesaid projects have been carried out by the Company directly and in consultation with other organizations.

3. Have you done any impact assessment of your initiative?

Yes, the CSR committee internally performs an impact assessment of its initiatives at the end of each year to understand the efficacy of the programme in terms of delivery of desired benefits to the community and to gain insights for improving the design and delivery of future initiatives.

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

S.No	CSR Project	Expenditure
1	Old age homes	105,000
2	Orphanage	445,000
3	Promoting Education	3,378,512
4	Health, hygiene and safe drinking water	5,325,291
5	Infrastructure facilities	6,000,000
6	Self employment & Skill development	17,261,135
7	Disaster Management	11,100,011
	TOTAL	43,614,949

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

CCL's CSR initiatives are rolled out directly or in partnership with nonprofit organisations. This helps in increasing reach as well as ensuring the adoption of initiative by communities. Project teams track the reach and take necessary steps to make it successful.

Principle 9: Business should engage with and provide value to their Customers and consumers in a responsible manner

All the customer complaints which were received in the reporting period have been resolved and there are no complaints or consumer cases pending as on the end of the financial year. There are no cases filed by any customer or consumer against the Company as at the end of financial year 2018–19. The Company displays all product information on the product label, which is mandatory and as may be required for the use of the products by the consumers. The Company shall never engage in any unfair trading practices, irresponsible advertising or anti-competitive behavior. The Company has various checks and balances to ensure that the business of the Company is done in a fair and responsible manner.

Information with reference to BRR framework:

No.	Questions	Information
9.1	What percentage of customer complaints/ consumer cases are pending as on the end of financial year.	Following is the status of customer complaints/ consumer cases as on the end of the financial year ended on 31 st March, 2021: 1.Customer complaints- Nil 2.Consumer cases- Nil
9.2	Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. / Remarks(additional information)-Yes	CCL adheres to all the applicable regulations regarding product labeling and displays relevant information on it.
9.3	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.	No case filed by any stakeholder related to the afore mentioned subject is pending as at the end of financial year ended on 31 st March, 2021.
9.4	Did your Company carry out any consumer survey/ consumer satisfaction trends?	The Company regularly carries out consumer satisfaction surveys continuously to understand their tastes and preferences and to develop better products.

For **CCL Products (India) Limited**

Place: Hyderabad
Date: 29th July, 2021

Sd/-
Challa Rajendra Prasad
Executive Chairman
DIN : 00702292

REPORT ON CORPORATE GOVERNANCE

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

(1) Company's philosophy on Code of Governance

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

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

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

(2) Board of Directors

(a) Composition and category of directors:

The composition of Board is in consonance with the requirements of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As on 31st March, 2021, CCL's Board consisted of 12 Members. The Board of directors of the Company has an optimum combination of Executive, Non-Executive and Independent Directors with one woman Independent Director.

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

Name	Category	No. of Board Meetings		Attendance at the last AGM (24 th July, 2020)	No. of Directorships in other Companies		Chairmanships/ memberships in Committees of other Public Companies		Name of other listed entities where he/she is a director and the category of directorship
		Held	Attended		Private	Public	Member ship	Chairman ship	
Mr. C.Rajendra Prasad	Promoter & Executive Director	4	4	Yes	3	-	-	-	
Mr. Vipin K Singal	Independent Non-Executive Director	4	4	Yes	2	-	-	-	
Mr. Kata Chandrahas	Independent Non-Executive Director	4	4	No	-	-	-	-	
Mr. K. K. Sarma	Non-Executive Director	4	4	No	2	-	-	-	
Mr. B. Mohan Krishna	Promoter & Executive Director	4	4	Yes	4	1	3	-	Grandeur Products Limited-Non-Executive Director
Mr. G. V. Krishna Rau	Independent Non-Executive Director	4	4	Yes	1	1	3	1	Grandeur Products Limited-Independent Director

Ms. Kulsoom Noor Saifullah	Independent Non-Executive Director	4	4	Yes	1	-	-	-	
Mr. K.V. Chowdary	Independent Non-Executive Director	4	4	Yes	-	3	6	1	1. Reliance Industries Limited: Non-Executive Director 2. Divi's Laboratories Limited: Independent Director 3. Tata Motors Limited
Ms. Challa Shantha Prasad	Promoter & Non-Executive Director	4	4	Yes	-	2	-	-	1. Unijolly Investments Company Ltd-Non-Executive Director 2. Healthy Investments Ltd. Whole Time Director
Dr. Krishnanand Lanka	Non-Executive Director	4	4	Yes	-	-	-	-	
Mr. Durga Prasad Kode	Independent Non-Executive Director	6	6	Yes	-	2	7	3	1) Navabharat Ventures Ltd.-Independent Director 2) Nava Bharat Energy India Ltd.
Mr. Challa Srishant	Promoter & Executive Director	4	4	Yes	6	-	-	-	

The Directorships held by Directors in other Companies, as mentioned above do not include Directorships in Foreign Companies, Companies Registered under Section 8 of the Companies Act, 2013.

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

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

The Board met 4 times in the financial year 2020-21 on the following dates, with a gap not exceeding one hundred and twenty days between any two meetings:

15 th June, 2020	24 th July, 2020	20 th October, 2020	28 th January, 2021
-----------------------------	-----------------------------	--------------------------------	--------------------------------

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

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

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

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

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

S.No	Name and designation of the Director	No. of Shares held
1	Mr. Vipin K Singal, Independent Director	5,000
2	Mr. Kata Chandrahas, Independent Director	4,686
3	Mr. Kode Durga Prasad, Independent Director	10,000
4	Mr. G V Krishna Rau, Independent Director	600
5	Mrs. Challa Shantha Prasad, Non-Executive Director	18,539,699

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

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

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

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

(f) List of core skills/expertise/competencies identified by the board of directors:

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

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

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

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

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

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

Committees of the Board

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

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

(3) Audit Committee

The Company has a qualified and Independent Audit Committee comprising of 6 Independent Directors and 2 Non-Executive Directors, constituted in accordance with Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013. The Committee is empowered with the powers as prescribed under the said Regulation 18 and Section 177 of the Companies Act, 2013. The Committee also acts in terms of reference and directions if any, given by the Board from time to time.

(a) Brief description of terms of reference

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

i) Powers of the Audit Committee includes:

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

ii) Role of the Audit Committee includes:

- Oversight of Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of auditors and fixation of audit fee and approval of payment to statutory auditors for any other services rendered by them.
- Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
 - changes, if any, in accounting policies and practices and reasons for the same.
 - major accounting entries involving estimates based on the exercise of judgment by management
 - significant adjustments made in the financial statements arising out of audit findings
 - compliance with listing and other legal requirements relating to financial statements
 - disclosure of any related party transactions
 - review of draft Auditors Report, in particular qualifications / remarks / observations made by the Auditors on the financial statements-
- Review of internal audit reports relating to internal control weaknesses.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval
- Review, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- Approval or any subsequent modification of transactions of the listed entity with related parties
- Review of the financial statements of subsidiary Companies
- Scrutiny of inter-corporate loans and investments
- Valuation of undertakings or assets of the listed entity, wherever it is necessary
- Evaluation of internal financial controls and risk management systems
- o look into the reasons for substantial defaults in the payment to the shareholders (in case of non-payment of declared dividends) and creditors
- Reviewing, with the management, auditor's independence ,performance of statutory and internal auditors, adequacy of the internal control systems

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

Authority to investigate into any matter in relation to the items specified in sub-section (4) of Section 177 of the Companies Act, 2013 or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the Company

- Appointment of registered valuers
- Reviewing the reports/ certificates placed before it as mandated by the statutory authorities or as required under policies framed by the Company from time to time.
- Ascertaining and ensuring that the Company has an adequate and functional vigil mechanism and for ensuring that the interest of a person, who uses such a mechanism, are not prejudicially affected on account of such use, as and when applicable and reviewing the functioning of whistle blower mechanism;
- Any other matters/ authorities / responsibilities / powers assigned as per Companies Act 2013 and Rules made thereunder, as amended from time to time
- The Committee mandatorily reviews information including internal audit reports related to internal control weakness, management discussion and analysis of financial condition and result of operations, statement of significant related party transactions, appointment and removal of the auditors and such other matters as prescribed from time to time.

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

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

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

All the recommendations of the Audit Committee have been accepted by the Board of Directors.

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

(c) Meetings during the year

The Nomination and Remuneration Committee has been formed in compliance of Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Section 178 of the Companies Act, 2013. The Nomination and Remuneration committee consists of 5 Independent Directors and 3 Non Executive Non Independent Directors.

15th June, 2020	24th July, 2020	20th October, 2020	28th January, 2021
-----------------	-----------------	--------------------	--------------------

(4) Nomination and Remuneration Committee

The Nomination and Remuneration Committee has been formed in compliance of Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Section 178 of the Companies Act, 2013.

(a) Brief description of terms of reference

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

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

- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Recommendation of fee / compensation if any, to be paid to Non-Executive Directors, including Independent Directors of the Board.
- Recommend to the board, all remuneration, in whatever form, payable to Senior Management Personnel.

The Company has adopted a policy relating to the remuneration for Directors, Key Managerial Personnel and other employees of the Company which is disclosed on the website of the Company <https://www.cclproducts.com/wp-content/uploads/2019/04/remuneration-policy.pdf>

(b) Details on composition of the Nomination and Remuneration Committee and the attendance by each Member of the Committee

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

(c) Meetings during the year

The Committee met once during the previous year. The said committee met on 15th June, 2020

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

(d) Performance evaluation criteria for Independent Directors

Independent Directors are evaluated based on below mentioned criteria:

- their general understanding of the Company's business dynamics
- global business and social perspective
- professional ethics, integrity and values
- willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively

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

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

(5) Remuneration of Directors

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

Non-Executive Directors including Independent Directors are entitled to payment of sitting fee for the Board and Committee meetings attended by them and Commission not exceeding 1% of the net profits of the Company computed in the manner laid down in Section 198 of the Companies Act, 2013 and the shareholders passed a resolution to this effect in their meeting held on 26th September, 2016.

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

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

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

(i) All elements of remuneration package of individual directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc for the FY 2020-21 :

Name of the Non-Executive Director	Sitting Fees Paid for FY 2020-21 in ₹	Commission for the year 2020-21 in ₹
Mr. Vipin K Singal	1,85,000	10,00,000
Mr. Kata Chandrahas	1,85,000	10,00,000
Mr. K.K. Sarma	1,70,000	10,00,000
Mr. G.V. Krishna Rau	1,85,000	10,00,000
Mr. K.V. Chowdary	1,15,000	10,00,000
Mrs. Kulsoom Noor Saifullah	1,85,000	10,00,000
Mrs. Challa Shantha Prasad	90,000	10,00,000
Dr. Lanka Krishnanand	1,70,000	10,00,000
Mr. Kode Durga Prasad	1,85,000	10,00,000

Details of salary, commission and other benefits to Executive Directors

Name of the Executive Director	Salary Paid	Perquisites and allowances	Commission as % of profit
Mr. Challa Rajendra Prasad	4,20,00,000	--	--
Mr. Challa Srishant	3,60,00,000	--	2,29,00,000
Mr. B. Mohan Krishna	3,00,00,000	--	1,42,00,000

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

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

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

(6) Stakeholders Relationship Committee

The Stakeholders Relationship Committee has been formed in compliance of Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Section 178 of the Companies Act, 2013 comprising of 5 Independent Directors and 2 Non-Executive Directors.

The composition of the Stakeholders Relationship Committee and the attendance of each Member of the said Committee are as under:

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

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

15 th June, 2020	24 th July, 2020	20 th October, 2020	28 th January, 2021
-----------------------------	-----------------------------	--------------------------------	--------------------------------

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

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

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

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

A total of 36 queries/complaints were received during the year and were totally resolved to the satisfaction of the shareholders. There were no complaints pending for redressal during the year under review. There were no pending transfers as on 31st March, 2021.

Terms of reference

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

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

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

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

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

As on 31st March, 2021, 13,22,18,997 Equity Shares of Rs. 2/- each representing 99.39% of the total no. of shares are in dematerialized form.

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

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

(7) Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee has been formulated pursuant to Section 135 of the Companies Act, 2013 comprising of 5 Independent Directors, 3 Non-Executive Directors and 2 Executive Directors.

Details on composition of the Corporate Social Responsibility Committee and the attendance by each Member of the Committee are as under:

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

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

15 th June, 2020

Terms of reference

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

- i) formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013;
- ii) recommend the amount of expenditure to be incurred on the activities referred to in clause (i) above; and
- iii) monitor the Corporate Social Responsibility Policy of the company from time to time.

Corporate Social Responsibility Policy

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

(8) Risk Management Committee

The Committee comprises of 5 Independent Directors, 3 Non-Executive Directors, 2 Executive Directors and 3 Members from the Senior Management of the Company. Constitution of Risk Management Committee is as below:

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

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

28 th January, 2021

The Company recognises that enterprise risk management is an integral part of good management practice.

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

Objective of the Risk Management Policy

To embed the management of risk as an integral part of our business processes;

To establish an effective system of risk identification, analysis, evaluation and treatment within all areas and all levels of the Company;

To avoid exposure to significant financial loss;

To contribute to the achievement of the Company's objectives; and

To assess the benefits and costs of implementation of available options and controls to manage risk.

The primary function of the Risk Management Committee is to assist the Board to manage the risk appetite of the Company in order to promote a balanced business model and growth. The Committee oversees the identification of major areas of risk being faced by the Company, the development of strategies to manage those risks and reviews the risk management policies and their implementation.

Functions, Roles and Responsibilities of the Committee

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

(9) General Body Meetings

Annual General Meetings (AGMs) for the year ended 31st March, 2018 and 31st March, 2019 were held at Registered Office of the Company at Duggirala, Guntur District, Andhra Pradesh and the AGM for the year financial year ended was held through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) mode as detailed below:

Financial Year Ended	Date	Day	Time	Special Resolutions passed at the AGMs by the Shareholders
31 st March, 2020	24-07-2020	Friday	03.00 P.M	1. Appointment of Mr. Venkata Krishna Rau Gogineni to the office of Independent Director 2. Re-appointment of Mr. Challa Rajendra Prasad as an Executive Chairman 3. Increase of NRI holding in the Company
31 st March, 2019	07-08-2019	Wednesday	09.30 A.M	1. Appointment of Mr. Vipin K Singal as Independent Director for a second term of 5 years 2. Appointment of Mr. K.Chandrabhas as Independent Director for second term of 5 years 3. Re-appointment of Mr. Challa Rajendra Prasad as Executive Chairman and to fix the remuneration 4. Re-appointment of Mr. Challa Srishant as Managing Director and to fix the remuneration 5. Re-appointment of Mr. B. Mohan Krishna as Executive Director and to fix the remuneration
31 st March, 2018	14-07-2018	Saturday	11.00 A.M	No Special Resolution was passed at the AGM.

Mr. M.B. Suneel, Practising Company Secretary, conducted the e-voting process and the insta Poll for the AGM held on 24th July, 2020

Mr. M.B. Suneel, Practising Company Secretary, conducted the e-voting process and the Poll for the AGM held on 07th August, 2019

Mr.Y. Suryanarayana, Advocate, conducted the e-voting process and the Poll for the AGMs held on 14th July, 2018.

No Special Resolution has been passed through the exercise of postal ballot last year.

No Extraordinary General Meeting of the members was held during the financial year 2020-21.

(10) Means of communication:

(a) Quarterly results:

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

(b) Annual reports with audited financial statements are sent to the shareholders through permitted mode. Newspapers wherein results normally published:

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

(c) Any website, where displayed:

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

(d) Whether it also displays official news releases:

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

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

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

(11) General Shareholder Information

The 60th Annual General Meeting of the company will be held on 26th August, 2021 at 01.15 P.M. through Video Conferencing ("VC")/ Other Audio visual Means ("OAVM") details, please refer to the Notice of this AGM.

- Financial Calendar : 1st April, 2021 to 31st March, 2022.
- Results for the quarter ending

30 th June 2020	29 th July, 2021
30 th September 2020	First/Second week of October, 2021
31 st December 2020	Third/Fourth week of February 2022
31 st March 2021	Second /Third week of May, 2022
- Date of Book closure : From to 21st August, 2021 to 26th August, 2021 (both days inclusive)
- Record Date : 20th August, 2021
- Dividend Payment Date : Within 30 days from the date of AGM.
- Listing on Stock Exchanges : 1) BSE Ltd.
Phiroze Jeejeebhoy Towers, Dalal Street.
MUMBAI -400001
2) National Stock Exchange of India Ltd.
'EXCHANGE PLAZA' 5th Floor, Plot No. C/1,
G-Block, Bandra-Kurla Complex, Bandra(E),
MUMBAI - 400051
- **Stock Code**

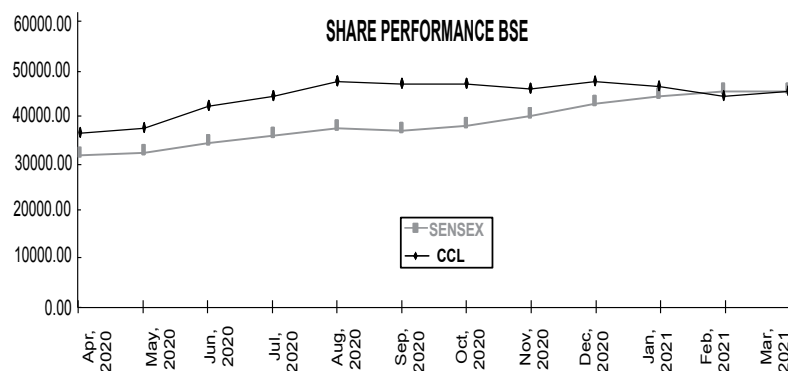
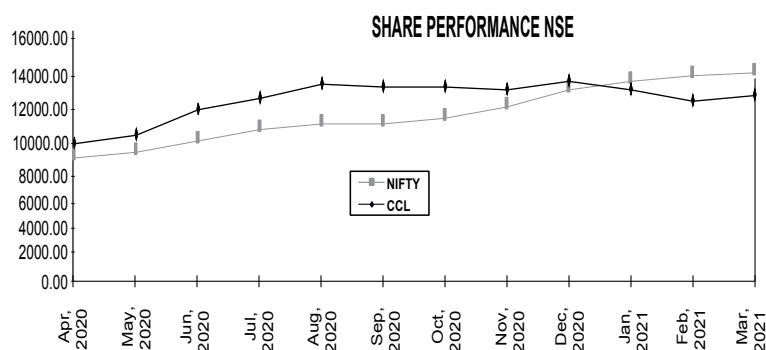
Name of the Stock Exchange	Stock Code
Bombay Stock Exchange Limited	519600
National Stock Exchange of India Limited	CCL
ISIN No. for both NSDL and CDSL	INE421D01022

The Listing fees for the year 2021-22 has been paid to both the above Stock Exchanges.

Market Price Data

High, low during each month and trading volumes of the Company's Equity Shares during the last financial year 2020-21 at the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) are as under:

DATE	BSE			NSE		
	High	Low	Qty Traded	High	Low	Qty Traded
April 2020	198.00	175.05	133,124	198.95	174.50	5,047,989
May 2020	215.00	2174.20	47,040	215.00	174.25	2,124,150
June 2020	255.00	200.45	223,032	255.45	200.00	6,501,542
July 2020	260.50	220.00	191,144	261.00	225.00	4,145,346
August 2020	293.80	230.10	996,639	292.20	234.35	9,092,408
September 2020	284.00	235.40	343,860	284.00	235.00	4,275,180
October 2020	275.95	240.55	190,859	277.10	240.35	3,625,679
November 2020	278.15	230.10	183,183	277.80	231.45	4,012,294
December 2020	278.00	252.50	258,301	277.35	253.95	4,358,154
January 2021	275.90	238.10	285,588	272.90	238.00	4,132,930
February 2021	255.80	227.50	288,082	256.10	227.30	4,952,044
March 2021	269.95	225.00	277,586	268.15	227.00	4,874,606



Distribution Schedule:
Distribution Schedule as on 31st March, 2021

S. No	Nominal Value	Amount in ₹	% to Total Capital	No. of Share Holders	% to Total Holders
1	Upto 5000	18,303,566	6.88	36,932	96.71
2	5001 to 10000	4,374,226	1.64	603	1.58
3	10001 to 20000	3,985,086	1.50	266	0.70
4	20001 to 30000	2,402,080	0.90	97	0.25
5	30001 to 40000	2,234,192	0.84	61	0.16
6	40001 to 50000	1,081,604	0.41	24	0.06
7	50001 to 100000	5,568,602	2.09	77	0.20
8	100001 and above	228,106,484	85.74	128	0.34
	TOTAL	266,055,840	100	38,188	100

Categories of Shareholders as on 31st March, 2021:

S. No	Category of Shareholders	No. of Shares	Percentage
1	Promoter & Promoter Group	61,449,342	46.19
2	Mutual Funds	15,937,938	11.98
3	Alternate Investment Funds	1,894,103	1.42
4	Foreign Portfolio Investors	16,422,418	12.35
5	Qualified Institutional Buyers	1,154,752	0.87
6	Other Bodies Corporate	2,756,375	2.07
7	Resident Individuals	19,736,060	14.84
8	Non-Resident Individuals	13,676,932	10.28
	Total	133,027,920	100.00

Dematerialization of shares and liquidity:

The shares of the Company are under compulsory demat trading. The Company has made necessary arrangements with NSDL and CDSL for demat facility, 99.39% of the Company's Shares are dematerialised as on 31st March, 2021.

- Securities suspended from trading: Not applicable

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

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

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

-
- | | |
|--|---|
| <p>• Plant Location</p> | <p>: 1. Duggirala, Guntur Dist
Andhra Pradesh - 522 330
Ph: 08644-277294 / 277296
Fax: 08644-277295</p> <p>: 2. SEZ – Kuvvakolli Village
Varadaiah Palem Mandal
Chittoor District, Andhra Pradesh</p> <p>: 3. Continental Coffee S.A
Switzerland</p> <p>: 4. Ngon Coffee
Cu Kuin Industrial Complex,
Cu Kuin District,
Dak lak Province, Vietnam.</p> |
| <p>• Address for Correspondence &
any query on Annual Report</p> | <p>: The Company Secretary
CCL Products (India) Ltd
7-1-24/2/D, Greendale
Ameerpet, Hyderabad 500 016
Ph: 040 23730855
Fax: 04023732499
Email: companysecretary@continental.coffee
Website: www.cclproducts.com</p> |
| <p>• Registrar and Transfer Agents</p> | <p>: Venture Capital and Corporate
Investments Pvt Ltd
12-10-167, Bharat Nagar,
Hyderabad - 500 018, T.S, India
E-mail: info@vccipl.com</p> |
| <p>Contact Person</p> | <p>: Mr. E S K Prasad, Chief Executive
Ph: 040 23818475 / 76
Telefax: 040 23868024</p> |
-
- Share Transfer System: The Share transfers are effected within 15 days from the date of lodgment for transfer, Transmission sub-division, Consolidation, renewal etc., if the documents are in order in all respects, in line with Schedule VII to the Listing Regulations and such modified share Certificates are delivered to the shareholders immediately.
 - Transfer of unpaid/unclaimed to Investor Education & Protection Fund : Members are requested to claim any unclaimed dividend amounts for the year 2013-2014, as the same will credited to Investor Education and Protection Fund (IEPF) pursuant to Section 124(5) of the Companies Act, 2013 read with the rules prescribed thereunder.
 - Compliance Certificate: Certificate from M/s P S Rao & Associates, Company Secretaries, confirming compliance with the conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 is attached to the Directors' Report and forms part of this 60th Annual Report.

• **Secretarial Audit & other Audits**

- a) M/s P S Rao & Associates, Practicing Company Secretaries have conducted a Secretarial Audit of the Company for the year 2020-21. Their Audit Report confirms that the Company has complied with the applicable provisions of the Companies Act and the Rules made there under, SEBI Listing Regulations and other laws applicable to the Company. The Secretarial Audit Report forms part of the Directors' Report.
- b) Pursuant to Regulation 40(9) of the SEBI Listing Regulations, certificates have been issued on a half-yearly basis, by M/s P S Rao & Associates, Practicing Company Secretaries, certifying due compliance of share transfer formalities by the Company.
- c) M/s P S Rao & Associates, Practicing Company Secretaries carry out a quarterly Reconciliation of Share Capital Audit, to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and the total issued and listed capital. The audit confirms that the total issued/ paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

(12) Other Disclosures

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

The Policy on Related Party Transactions as approved by the Board is uploaded on the website of the Company and the weblink is <https://www.cclproducts.com/wp-content/uploads/2019/04/policy-on-related-party-transactions.pdf>

- b. There are no non-compliances in the last three years by the Company on any matter related to Capital Market and there were no penalties imposed nor strictures passed on the Company by any Stock Exchange, SEBI or any other Statutory Authority during the year.
- c. The Whistle Blower (Vigil) mechanism provides a channel to the employees to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of Conduct or policy and also provides for adequate safeguards against victimization of employees by giving them direct access to the Chairman of the Audit Committee in exceptional cases. No person has been denied access to the Chairman of the Audit Committee.

The Policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of Company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers concerning its employees. The Whistle Blower Policy of the Company is also posted on the website of the Company and the web link is <https://www.cclproducts.com/wp-content/uploads/2019/04/whistle-blower-policy.pdf>

- d. The Company has complied with the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The status of compliance with the discretionary requirements under Regulation 27(1) of SEBI Listing Regulations are as under:

Discretionary Requirements:

Separate posts of chairperson and chief executive officer: The office of Chairman and that of Managing Director of the Company are held by different persons

Reporting of internal auditor: The Internal Auditor of the Company reports directly to the Audit Committee

- e. The Company does not have any Material Non-Listed Indian Subsidiary as defined under Regulation 16 of SEBI Listing Regulations. It is, therefore, not required to have an Independent Director of the Company on the Board of such Subsidiary. Mr. Vipin K Singal was appointed as Director on the Board of M/s. Ngon Coffee Company Limited, material non-listed Subsidiary Company

The Policy on Material Subsidiaries as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as approved by the Board is uploaded on the website of the Company and the web link is <https://www.cclproducts.com/wp-content/uploads/2019/04/policy-on-material-subsidiary.pdf>

- f. Disclosure of commodity price risks and commodity hedging activities- We have started availing EPC (Export Packing in Rupee) against which we have taken forward cover partly (USD 22.50 mn) and balance is being covered under natural hedging.
- g. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)- Not Applicable
- h. A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority has been enclosed as separately to this report.
- i. Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year- There are no such instances during the year and the Board considered and accepted the recommendations of all the Committees.
- j. Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part- Rs. 15,90,000/-
- k. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

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

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

(13) Non-compliance of any requirement of corporate governance report, with reasons thereof:

All the corporate governance requirements are complied with

(14) The extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted:

- Discretionary Requirements:

The Company has adopted / complied with the discretionary requirements specified in Part E of Schedule II as detailed below:

i. The Board:

Maintenance of Office to the Non-executive Chairperson at the Company's expense: This is not applicable as the Chairperson of the Company is an Executive Director.

ii. Shareholders' rights:

All the quarterly financial results are placed on the Company's Website: www.cclproducts.com, apart from publishing the same in the Newspapers along with BSE and NSE

iii. Modified opinion(s) in audit report:

There are no modified opinions in the Audit Reports.

iv. Separate Posts of Chairman and CEO:

The Company has separate offices of Chairman and Managing Director.

v. Reporting of internal auditor:

The Internal auditor reports to the Chairman of the Audit Committee directly

(15) Disclosures of compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 are as follows:

Regulation	Particulars of regulations	Compliance status (Yes/No)
17	Board of directors	Yes
18	Audit committee	Yes
19	Nomination and Remuneration committee	Yes
20	Stakeholders Relationship committee	Yes
21	Risk Management committee	Yes
22	Vigil mechanism	Yes
23	Related party transactions	Yes
24	Corporate Governance requirements with respect to Subsidiary of listed entity	Yes
25	Obligations with respect to Independent directors	Yes
26	Obligation with respect to Directors and Senior Management	Yes
27	Other Corporate Governance requirements	Yes
46(2) (b)	Website	Yes
to (i)		

16. Code of Conduct

The Company has in place a comprehensive Code of Conduct (the Code), pursuant to Regulation 17(5) of Listing Regulations, applicable to all the senior management personnel and directors including independent directors to such extent as may be applicable to them depending on their roles and responsibilities. The Code covers duties of independent directors also gives guidance and support needed for ethical conduct of business and compliance of law.

Further a policy on obligation of directors and senior management personnel for disclosure of committee positions and commercial transactions pursuant to Regulation 26(2) (5) and (6) of Listing Regulation is in place.

All the Directors and senior management confirmed the compliance of code of conduct. The Company has posted the Code of Conduct for Directors and Senior Management on the website and the weblink is <https://www.cclproducts.com/wp-content/uploads/2019/04/code-of-conduct.pdf>

Declaration on compliance with Code of Conduct is annexed.

- Meeting of Independent Directors

During the year under review, the Independent Directors met on 28th January, 2021, inter alia, to discuss:

Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;

Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.

Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

- Policy for determining materiality of an event or information and for making disclosures to Stock Exchanges:

As required under Regulation 30 of the Listing Regulations, the Board of directors of the Company approved the Policy for determining materiality of an event or information and for making disclosures to Stock Exchanges effective from December 1, 2015 and has been hosted on the website of the Company at the following link: <https://www.cclproducts.com/wp-content/uploads/2019/07/Policy-on-determination-of-materiality-of-events-or-information.pdf>

- Preservation of Documents:

The Company adopted the policy on preservation of documents in accordance with the Regulation 9 of the Listing Regulations, which was placed on the Website of the Company at <https://www.cclproducts.com/wp-content/uploads/2019/07/Policy-on-preservation-of-documents.pdf>

- Corporate governance requirements with reference to Subsidiary Companies:

Mr. Vipin K Singal was appointed as Director on the Board of M/s. Ngon Coffee Company Limited, material non-listed Subsidiary Company.

- Prohibition of Insider trading:

In compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time) and to preserve the confidentiality and prevent misuse of unpublished price sensitive information, the Company has adopted a Code of Conduct for regulating, monitoring and reporting of trading by insiders. This Code also provides for periodical disclosures from the designated Persons and their immediate Relatives as well as pre-clearance of transactions by such persons as per the thresholds mentioned in the code

The code is applicable to Designated Persons and their Immediate relatives who are likely or may reasonably be expected to have access to the unpublished price sensitive information relating to the Company and the same is being implemented as a self-regulatory mechanism.

- Compliance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to mandatory requirements and Auditors Certificate on Corporate Governance: As required under SEBI Listing Regulations, the Auditor's Certificate on compliance of the Corporate Governance norms is attached.

• Particulars about Directors proposed for appointment as well as the Directors who retire by rotation and are eligible for re-appointment indicating their shareholding in the Company have been given in the annexure attached to the Notice of the Annual General Meeting.

• The Managing Director and the Chief Financial Officer have certified to the Board in accordance with Regulation 33(2)(a) of SEBI Listing Regulations pertaining to CEO/CFO certification for the Financial Year ended 31st March, 2021 and the same is annexed herewith.

Disclosures with respect to demat suspense account/ unclaimed suspense account: Not Applicable

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR
MANAGEMENT PERSONNEL WITH COMPANY'S CODE OF CONDUCT**

In terms of SEBI (LODR) Regulations, 2015, I hereby confirm that all the Board members and Senior Management Personnel of the Company have affirmed compliance with the respective Codes of Conduct, as applicable to them for the year ended 31st March, 2021.

For **CCL Products (India) Limited**

Place: Hyderabad
Date: 29th July, 2021

Sd/-
Challa Srishant
Managing Director
DIN : 00016035

CEO/CFO Certification

We, Challa Srishant, Managing Director and Lakshmi Narayana Vuduta, Chief Financial Officer, to the best of our knowledge and belief, certify that:

- a. We have reviewed the financial statements including cash flow statement (standalone and consolidated) for the financial year ended March 31, 2021 and to the best of our knowledge and belief :
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statement together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to address these deficiencies.
- d. We have indicated to the auditors and the Audit Committee:
 - i. significant changes in the internal control over financial reporting during the year;
 - ii. significant changes in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. that there are no instances of significant fraud of which they have become aware of and involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **CCL Products (India) Limited**

Sd/-

Challa Srishant
Managing Director
DIN : 00016035

Place: Hyderabad
Date : 29th July, 2021

For **CCL Products (India) Limited**

Sd/-

Lakshmi Narayana Vuduta
Chief Financial Officer
M. No. 028499

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members,
CCL Products (India) Limited

We have examined the compliance of conditions of Corporate Governance by CCL Products (India) Limited ('the Company') for the year ended 31st March, 2021 as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15 (2) of the Listing Regulations.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **P.S.Rao & Associates**
Company Secretaries

Sd/-
P S Rao
Partner
FCS No.: 10322
C.P. No.: 3829
UDIN: F010322C000705005

Place: Hyderabad
Date: 29th July, 2021

CERTIFICATE**(Pursuant to clause 10 of Part C of Schedule V of LODR)**

In pursuance of sub clause (i) of clause 10 of Part C of Schedule V of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015; (LODR) in respect of CCL Products (India) Limited, having CIN: L15110AP1961PLC000874), we hereby certify that:

On the basis of the written representation/declaration received from the directors and taken on record by the Board of Directors, as on 31st March, 2021, none of the directors on the Board of the company has been debarred or disqualified from being appointed or continuing as director of Companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on the basis of our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **P.S.Rao & Associates**
Company Secretaries

Sd/-
P S Rao
Partner
FCS No.: 10322
C.P. No.: 3829
UDIN: F010322C000705005

Place: Hyderabad
Date: 29th July, 2021

INDEPENDENT AUDITOR'S REPORT**To the Members of CCL Products (India) Limited****Report on the Audit of the Standalone Financial Statements****Opinion**

We have audited the accompanying Standalone financial statements of CCL Products (India) Limited ("the Company"), which comprise the balance sheet as at 31st March 2021, and the statement of profit and loss (including Other Comprehensive Income), the cash flow Statement and the statement of changes in equity and for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 1.26 of the standalone financial statements, which describes the extent to which the COVID-19 Pandemic will impact the Company's results which depend on future developments that are highly uncertain. Our opinion is not modified in respect of this matter.

Key Audit Matters

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

Key Audit Matter	How the Matter was addressed in Audit
<p>1. Evaluation of uncertain tax position:</p> <p>The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.</p> <p>Refer Notes 2.33 to the Financial Statements</p>	<p><u>Principal Audit Procedures</u></p> <p>Obtained details of completed tax assessments and demands upto the year ended March 31, 2021 from management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax positions as at 1st April 2021 to evaluate whether any change was required to management's position on these uncertainties.</p> <p>We conclude that tax provisions and related disclosures are appropriately disclosed</p>

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

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, for example, 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 standalone financial statements and our auditor's report thereon. The other information as stated above is expected to be made available to us after the date of this auditor's report.

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

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

When we read the other information as stated above, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with Governance.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the

Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

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

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

We also:

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

we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by 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 give in the "Annexure-B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive In-

come, The Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the company to its directors during the year is in accordance with the provisions of the section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS financial statements – Refer to Note No. 2.33 to the Standalone Ind AS financial statements;
 - ii. The Company has made provision, as required under the applicable laws or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For RAMANATHAM & RAO
Chartered Accountants
Firm Registration. No. 002934S

(K SREENIVASAN)
Partner
ICAI Membership No. 206421
UDIN: 21206421AAAAHA1729

Place: Hyderabad
Date: 21st May, 2021

Annexure - A to the Independent Auditors' Report

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of CCL Products (India) Limited ("the Company") as of 31st March, 2021 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

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 (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and

directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For RAMANATHAM & RAO
Chartered Accountants
Firm Registration. No. 002934S

(K SREENIVASAN)
Partner
ICAI Membership No. 206421
UDIN: 21206421AAAAHA1729

Place: Hyderabad
Date: 21st May, 2021

Annexure – B to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the **CCL Products (India) Limited** on the Standalone Financial Statements for the period ended 31st March 2021, we report that:

- 1.1 The Company has maintained proper records showing full particulars, including the Quantitative details and the situation of fixed assets.
- 1.2 As explained to us, the fixed assets, have been physically verified by the Management in a periodical manner, which in our opinion is reasonable, having regard to the size of the company and the nature of its business. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- 1.3 According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable property are held in the name of company.
- 2.1 The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The company has maintained proper records of inventory. The discrepancies noticed on verification between the physical stock and book records were not material.
- 3.1 The Company has not granted any loans, secured or unsecured during the period. Thus paragraphs 3 (iii) of the order is not applicable to the company.
- 4.1 In our opinion and according to the information and explanations given to us, the Company has not given any loans, made investments or provided securities to companies and other parties listed under section 185 and 186 of the Act.
- 5.1 The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and rules framed there under.
- 6.1 We have broadly reviewed the cost records maintained by the company as prescribed under section 148 (1) of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained.
- 7.1 According to the information and explanations given to us and on the basis of our examination of the records, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, service tax, Goods and Services Tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues as applicable to the appropriate authorities have generally been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, sales tax, service tax, Goods and Services Tax, duty of customs, duty of excise, value added tax, cess and other material statutory were in arrears as at 31st March 2021 for a period of more than six months from the date they became payable.

- 7.2 According to the information and explanations given to us, there are no material dues of income tax or sales tax or service tax or Goods and Services Tax or duty of customs or duty of excise or value added tax which have not been deposited by the company on account of dispute, except for the following:

S No	Name of the Statute	Nature of Dues	Amount in Lakhs	Period	Forum Where dispute is pending
1	The Income Tax Act, 1961	Income Tax	3539.48 (2883.28 deposited under protest)	Assessment years from 2006-07 to 2013-14	A P High Court
2	The Income Tax Act, 1961	Income Tax	160.58	Assessment years from 2011-12 to 2012-13	CIT(Appeals), Guntur
3	The Income Tax Act, 1961	Income Tax	357.31	Assessment years from 2016-17 to 2017-18	CIT(Appeals), Guntur
4	Service Tax Act	Service Tax	995.92	Financial year from 2013-14 2017-18	CESTAT
5	Sales Tax Act	Central Sales Tax	47.15	Financial year from 2015-16	Sales Tax Appeal, Tirupati
6	Sales Tax Act,	Central Sales Tax	104.79	Assessment years from 2016-17	Sales Tax Appeal, Tirupati

- 8.1 According to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions and banks. The company did not have any outstanding loans or borrowings from financial institutions or Government and there are no dues to debenture holders during the year.
- 9.1 In our opinion and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and the term loans have been used by the Company during the year for the purpose for which they were raised.
- 10.1 To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- 11.1 According to information and explanation given to us and based on our examination of records of the company, the company has paid /provided for managerial remuneration with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Act.
- 12.1 In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the company.
- 13.1 According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.
- 14.1 According to the information and explanations given to us and based on our examination of records of the company, the Company has not made any preferential allotment or private placement of shares or

fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the company.

- 15.1 According to the information and explanations given to us and based on our examination of records of the company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the company.
- 16.1 According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For RAMANATHAM & RAO
Chartered Accountants
Firm Registration. No. 002934S

(K SREENIVASAN)
Partner
ICAI Membership No. 206421
UDIN: 21206421AAAAHA1729

Place: Hyderabad
Date: 21st May, 2021

STANDALONE BALANCE SHEET AS AT 31st MARCH, 2021 (₹ in Lakhs)

	Note No.	2021	2020
ASSETS			
Non-current assets			
Property plant and Equipment	2.1	66166.07	56712.17
Capital Work Inprogress		7789.97	9709.62
Intangible assets	2.2	0.82	0.82
Financial assets			
(i) Investments	2.3	15710.78	15858.69
(ii) Other financial assets	2.4	510.33	527.55
Other non current assets	2.5	4335.20	4249.95
		94513.17	87058.79
Current assets			
Inventories	2.6	24962.99	18754.11
Financial assets			
Trade receivables	2.7	13663.07	21555.09
Cash and cash equivalent	2.8	6879.55	1844.56
Other financial assets	2.4	2208.28	2215.42
Other current assets	2.5	4351.91	3365.33
		52065.81	47734.50
TOTAL ASSETS		146578.99	134793.29
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	2.9	2660.56	2660.56
Other Equity	2.10	90177.63	76580.84
		92838.19	79241.40
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	2.11	13191.07	21945.71
Other Financial Liability	2.15	486.28	874.68
Provisions	2.16	76.67	-
Deferred tax liabilities (net)	2.12	4973.16	4704.88
		18727.18	27525.28
Current liabilities			
Financial Liabilities			
Borrowings	2.11	19150.47	14270.14
Trade payables			
(a) Total outstanding dues of Micro and Small Enterprises			
(b) Total outstanding dues of creditors other than Micro and Small Enterprises	2.14	1566.93	1714.56
Other financial liabilities	2.15	11190.98	9518.78
Other current liabilities	2.13	3075.15	2523.12
Provisions	2.16	30.09	-
		35013.63	28026.61
TOTAL EQUITY AND LIABILITIES		146578.99	134793.29

The accompanying Significant accounting policies and notes form an integral part of the Standalone financial statements.

As per our report of even date
For RAMANATHAM & RAO
Chartered Accountants

By order of the Board

Sd/-
K.SREENIVASAN
Partner
M.No.206421

Sd/-
V.Lakshmi Narayana
Chief Financial Officer
M. No. 028499

Sd/-
Sridevi Dasari
Company Secretary
M.No. A29897

Sd/-
K. Chandras
Director
DIN : 02994302

Sd/-
Challa Rajendra Prasad
Executive Chairman
DIN : 00702292

Sd/-
Challa Srishant
Managing Director
DIN : 00016035

Place : Hyderabad
Date : 21st May, 2021

STANDALONE PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31st MARCH, 2021
 (₹ in Lakhs)

	Note No.	2021	2020
Income			
Revenue from operations	2.17	79507.07	82264.70
Other income	2.18	6650.11	13394.34
Total Revenue		86157.18	95659.04
Expenses			
Cost of materials consumed	2.19	34419.69	41809.70
Changes in inventories	2.20	1318.71	(2926.89)
Employee benefits expense	2.21	5251.79	5005.45
Finance costs	2.22	1572.11	1691.48
Depreciation and amortization expense	2.1 & 2.2	2702.32	2542.74
Other expenses	2.23	19850.56	17703.31
Total Expenses		65115.17	65825.78
Profit before tax		21042.01	29833.26
Tax expense			
(1) Current tax		4897.37	5221.64
(2) Deferred tax		275.69	718.36
Profit for the year		15868.95	23893.26
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss		-	(21.20)
Tax on items that will not be reclassified to profit or loss		-	7.41
		-	(13.79)
Items that will be reclassified to profit or loss:			
Items that may be reclassified subsequently to profit or loss		388.40	(563.15)
Tax on items that will be reclassified subsequently to profit or loss		-	-
		388.40	(563.15)
Total other comprehensive income/(loss) for the year, net of tax		388.40	(576.94)
Total comprehensive income for the year		16257.35	23316.32
Earnings per share:			
Basic earnings per share of Rs.2/-each		11.93	17.96
Diluted earnings per share of Rs.2/- each		11.93	17.96

The accompanying Significant accounting policies and notes form an integral part of the Standalone financial statements.

As per our report of even date
For RAMANATHAM & RAO
 Chartered Accountants

Sd/-
K.SREENIVASAN
 Partner
 M.No.206421

Place : Hyderabad
 Date : 21st May, 2021

Sd/-
V.Lakshmi Narayana
 Chief Financial Officer
 M. No. 028499

Sd/-
Sridevi Dasari
 Company Secretary
 M.No. A29897

Sd/-
K. Chandrahas
 Director
 DIN : 02994302

By order of the Board
 Sd/-
Challa Rajendra Prasad
 Executive Chairman
 DIN : 00702292

Sd/-
Challa Srishant
 Managing Director
 DIN : 00016035

Statement of changes in equity

Statement of changes in equity for the period ended 31.03.2021

Equity share capital	Opening balance as at 1 Apr 2020	Changes in equity share capital during the year	Closing balance as at 31 Mar 2021
133,027,920 Equity Shares of ₹ 2 each, fully paid up	26,60,56,000	-	26,60,56,000
	26,60,56,000		26,60,56,000
Equity share capital	Opening balance as at 1 Apr 2019	Changes in equity share capital during the year	Closing balance as at 31 Mar 2020
13,30,27,920 Equity Shares of ₹ 2 each, fully paid up	26,60,56,000	-	26,60,56,000
	26,60,56,000	-	26,60,56,000

(₹ in Lakhs)

	Retained Earnings	General Reserve	Capital Reserve	Actuarial Gains or Losses	Derivative at Fair Value	Total Equity
Balance as at 1/4/2020	48783.43	28820.70	-	(148.60)	(874.68)	76580.84
Profit for the year	15868.95	-	-	-	-	15868.95
Additions during the year	-	-	-	-	-	-
Dividend paid	(2660.56)	-	-	-	-	(2660.56)
Amount transfer to general reserve	-	-	-	-	-	-
Net change in fair value of FVTPL investments and others	-	-	-	-	-	-
Measurement of derivatives at fair value	-	-	-	-	-	-
Actuarial gain/(loss) on post-employment benefit obligations, net of tax benefit	-	-	-	-	388.40	388.40
Balance as at 31/03/2021	61991.82	28820.70	-	(148.60)	(486.28)	90177.63

	Retained Earnings	General Reserve	Capital Reserve	Actuarial Gains or Losses	Derivative at Fair Value	Total Equity
Balance as at 1/4/2019	33869.56	28820.70	-	(134.81)	(311.53)	62243.91
Profit for the year	23893.26	-	-	-	-	23893.26
Additions during the year	-	-	-	-	-	-
Dividend paid	(8979.38)	-	-	-	-	(8979.38)
Amount transfer to general reserve	-	-	-	-	-	-
Net change in fair value of FVTPL investments and others	-	-	-	-	-	-
Measurement of derivatives at fair value	-	-	-	-	(563.15)	(563.15)
Actuarial gain/(loss) on post-employment benefit obligations, net of tax benefit	-	-	-	(13.79)	-	(13.79)
Balance as at 31/03/2020	48783.43	28820.70	-	(148.60)	(874.68)	76580.84

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2021
(₹ in Lakhs)

PARTICULARS	2021	2020
Cash Flows from Operating Activities		
Net profit before tax	21,042.01	29833.26
Adjustments for :		
Depreciation and amortization expenses	2702.32	2542.74
Provision for doubtful debts/advances/ impairment/expenses	106.76	37.29
Dividend Income	(6217.95)	(13128.75)
(Profit)/Loss on sale of assets	-	5.59
Other Comprehensive Income	-	(21.20)
Gain on sale of preference shares	(42.77)	-
Operating profit before working capital changes	17590.36	19268.93
Movements in Working Capital		
(Increase)/Decrease in Trade Receivables	7892.01	(6701.62)
(Increase)/Decrease in Other financial assets	17.21	(1812.61)
(Increase)/Decrease in Inventories	(6208.88)	(4234.81)
(Increase)/Decrease in Other Current Assets	(1065.09)	(9.45)
(Increase)/Decrease in Other Non Current Assets	(85.25)	(399.66)
Increase/(Decrease) in Trade Payables	(147.63)	(3716.66)
Increase/(Decrease) in Other financial liabilities	1105.03	551.92
Increase/(Decrease) in Other Current liabilities	(2606.57)	793.71
Changes in Working Capital	(1099.16)	(15528.81)
Cash generated from operations	16491.20	3740.12
Direct Taxes Paid	(2521.20)	(5294.33)
Net Cash from operating activities	13970.01	(1554.21)
Cash flows from Investing Activities		
Purchase of Fixed Assets (Including CWIP)		
and also advances against the capital goods	(9590.90)	(6142.98)
Sale of Fixed assets	9.06	19.98
Sale proceeds from sale of shares	190.68	(1.00)
Dividend Income	6217.95	13128.75
Loans and advances to subsidiary company	7.13	-
Net Cash From/ (Used In) Investing Activities	(3166.08)	7004.76
Cash flows from Financing Activities		
Proceeds from/ (Repayment of) Long term borrowings	(7972.22)	6331.17
Proceeds from/(Repayment of) Short-term borrowings	4880.33	(2575.46)
Dividend and corporate dividend tax paid	(2660.56)	(8979.38)
Net Cash From/ (Used In) Financing Activities	(5752.45)	(5223.67)
Net Increase/(Decrease) in cash and cash equivalents	5051.48	226.89
Cash and Cash equivalents at the beginning of the year	1740.68	1513.79
Cash and Cash equivalents at the ending of the year	6792.15	1740.68

Notes :- 1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard on "Cash Flow Statements". (Ind AS-7)

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

As per our report of even date
For RAMANATHAM & RAO
Chartered Accountants

By order of the Board

Sd/-
K.SREENIVASAN
Partner
M.No.206421

Sd/-
Challa Rajendra Prasad
Executive Chairman
DIN : 00702292

Place : Hyderabad
Date : 21st May, 2021

Sd/-
V.Lakshmi Narayana
Chief Financial Officer
M. No. 028499

Sd/-
Sridevi Dasari
Company Secretary
M.No. A29897

Sd/-
K. Chandras
Director
DIN : 02994302

Sd/-
Challa Srishant
Managing Director
DIN : 00016035

1. NOTES TO STANDALONE FINANCIAL STATEMENTS

DESCRIPTION OF THE COMPANY AND SIGNIFICANT ACCOUNTING POLICIES

1.1 General Information

CCL Products (India) Limited (the Company) is engaged in the production, trading and distribution of Coffee. The Company has business operations mainly in India, Vietnam and Switzerland. The Company is a public limited Company incorporated and domiciled in India and has its registered office at Duggirala, Guntur, Andhra Pradesh. The Company has its primary listings on the Bombay Stock Exchange and National Stock Exchange in India. The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.2 Basis of preparation and presentation of Financial Statements

The financial statements of CCL Products (India) Limited ("CCL" or "the Company") have been prepared and presented in accordance with the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules 2015, as amended and as per other relevant provisions of the Act. The presentation of financial statements is based upon Ind AS Schedule III of Companies Act, 2013.

1.3 Basis of Measurement

These financial statements have been prepared on the historical cost convention and on an accrual basis, except for the following material items in the balance sheet:

- a. Derivative financial instruments are measured at fair value.
- b. Certain financial assets are measured either at fair value or at amortized cost depending on the classification;
- c. Employee defined benefit assets/(liability) are recognized as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation, and
- d. Long-term borrowings are measured at amortized cost using the effective interest rate method.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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

All assets and liabilities are classified into current and non-current based on the operating cycle of less than twelve months or based on the criteria of realization/settlement within twelve months period from the balance sheet date.

1.4 Use of estimates and judgment

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on historical experiences and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, the areas involving critical estimates or Judgment are:

a. Depreciation and amortization

Depreciation and amortization is based on management estimates of the future useful lives of certain class of property, plant and equipment and intangible assets.

b. Employee Benefits

The present value of the employee benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) includes the discount rate, wage escalation and employee attrition. The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

c. Provision and contingencies

Provisions and contingencies are based on the Management's best estimate of the liabilities based on the facts known at the balance sheet date.

d. Fair valuation

Fair value is the market based measurement of observable market transaction or available market information. All financial instruments are measured at fair value as at the balance sheet date, as provided in Ind AS 109 and 113. Being a critical estimate, judgment is exercised to determine the carrying values. The fair value of financial instruments that are unlisted and not traded in an active market is determined at fair values assessed based on recent transactions entered into with third parties, based on valuation done by external appraisers etc.

1.5 Functional and presentation currency

These financial statements are presented in Indian rupees, which is also the functional currency of the Company. All financial information presented in Indian rupees has been rounded to the nearest lakhs.

1.6 Current and noncurrent classification

All the assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1, presentation of financial statements.

Assets: An asset is classified as current when it satisfies any of the following criteria:

- a. It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b. It is held primarily for the purpose of being traded;
- c. It is expected to be realized within twelve months after the reporting date; or
- d. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Liabilities: A liability is classified as current when it satisfies any of the following criteria:

- a. It is expected to be settled in the Company's normal operating cycle;
- b. It is held primarily for the purpose of being traded;
- c. It is due to be settled within twelve months after the reporting date; or
- d. The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets/ liabilities include the current portion of noncurrent assets/ liabilities respectively. All other assets/ liabilities are classified as noncurrent. Deferred tax assets and liabilities are always disclosed as non- current.

1.7 Foreign Currency Transaction

Transactions in foreign currencies are translated to the respective functional currencies of entities within the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at that date. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognized in the statement of profit and loss in the period in which they arise.

1.8 Property Plant & Equipment

Recognition and measurement

Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment loss, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset i.e., freight, duties and taxes applicable and other expenses related to acquisition and installation. The cost of self-constructed assets includes the cost of materials and other costs directly attributable to bringing the asset to a working condition for its intended use. Borrowing costs that are directly attributable to the construction or production of a qualifying asset are capitalized as part of the cost of that asset.

Directly attributable costs include:

- a. Cost of Employee Benefits arising directly from Construction or acquisition of PPE.
- b. Cost of Site Preparation.
- c. Initial Delivery & Handling costs.
- d. Professional Fees and
- e. Costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling any item produced while bringing the asset to that location and condition (such as samples produced when testing equipment).

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

Gains and losses upon disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized net within the statement of profit and loss.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part will be derecognized. The costs of repairs and maintenance are recognized in the statement of profit and loss as incurred.

Items of property, plant and equipment acquired through exchange of non-monetary assets are measured at fair value, unless the exchange transaction lacks commercial substance or the fair value of either the asset received or asset given up is not reliably measurable, in which case the asset exchanged is recorded at the carrying amount of the asset given up.

Depreciation

Depreciation is recognized in the statement of profit and loss on a straight line basis over the estimated useful lives of property, plant and equipment based on the Companies Act, 2013 ("Schedule II"), which prescribes the useful lives for various classes of tangible assets. For assets acquired or disposed off during the year, depreciation is provided on pro rata basis. Land is not depreciated.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

The estimated useful lives are as follows:

Type of Asset	Estimated useful life in years
Buildings	
i) Main Plant Building	30
ii) Other Building	60
Plant & Machinery	25
Lab Equipment	7.5
Material Handling	7.5
Fire fighting	7.5
Vehicles	8
Computers	3
Office Equipment	5
Furniture & Fixtures	10

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is disclosed as capital advances under other noncurrent assets. The cost of property, plant and equipment not ready to use before such date are disclosed under capital work-in-progress. Assets not ready for use are not depreciated.

The Company assesses at each balance sheet date, whether there is objective evidence that an asset or a group of assets is impaired. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Recoverable amount is higher of the value in use or fair value less cost to sell.

1.9 Intangible assets

Acquired computer software is capitalised on the basis of the costs incurred to acquire and bring to use the specific software. The Intangible assets that are acquired by the Company and that have finite useful lives are measured at cost less accumulated amortization and accumulated impairment losses.

Amortization

Amortization is recognized in the statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets or on any other basis that reflects the pattern in which the asset's future economic benefit are expected to be consumed by the entity. Intangible assets that are not available for use are amortized from the date they are available for use. The estimated useful lives are as follows:

Type of Asset	Estimated useful life
Intangible Assets	
Computer Software	3

The amortization period and the amortization method for intangible assets with a finite useful life are reviewed at each reporting date.

1.10 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a. Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

Debt instrument at FVTPL

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss. The Company has not designated any debt instrument as at FVTPL.

Investment in Preference Shares and Unquoted trade Investments

Investment in Preference Shares and Unquoted trade Investments are measured at amortized cost using Effective Rate of Return (EIR).

Investment in equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's balance sheet) when:

- a. The rights to receive cash flows from the asset have expired, or
- b. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Impairment of trade receivables

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18. Expected credit loss model takes into consideration the present value of all the cash shortfalls over the expected life of a financial instrument. In simple terms, it is weighted average of credit losses with the respective risks of default occurring as weights. The credit loss is the difference between all contractual cash flows that are due to an entity as per the contract and all the contractual cash flows that the entity expects to receive, discounted to the effective interest rate. The Standard presumes that entities would suffer credit loss even if the entity expects to be paid in full but later than when contractually due. In other words, it simply focuses on DELAYS in collection of receivables.

For the purpose of identifying the days of delay, the Company took into consideration the weighted average number of delays taking into consideration the date of billing, the credit period and the collection days.

b. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value i.e., loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Derivative financial instruments and hedging activities:

A derivative is a financial instrument which changes value in response to changes in an underlying asset and is settled at future date. Derivatives are recognised at fair value at the end of reporting period and are subsequently re-measured at their fair value at each reporting period. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Company designates certain derivatives as either:

- a. hedges of the fair value of recognised assets or liabilities (fair value hedge); or
- b. hedges of a particular risk associated with a financial commitment or a highly probable forecasted transaction (cash flow hedge);

The Company documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Company also documents its assessment, both at hedge inception and on an on-going basis, of whether the derivatives that are used in hedging transactions are effective in offsetting changes in cash flows of hedged items.

Movements in the hedging reserve are accounted in other comprehensive income and are shown within the statement of changes in equity. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of hedged item is more than 12 months and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

(a) Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

(b) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The ineffective portion of changes in the fair value of the derivative is recognised in the statement of profit and loss. Gains or losses accumulated in equity are reclassified to the statement of profit and loss in the periods when the hedged item affects the statement of profit and loss.

When a hedging instrument expires or swapped or unwound, or when a hedge no longer meets the criteria for hedge accounting, any accumulated gain or loss existing in statement of changes in equity is recognised in the Statement of Profit and Loss.

When a forecasted transaction is no longer expected to occur, the cumulative gains/losses that were reported in equity are immediately transferred to the statement of profit and loss.

Fair value measurement

Fair value of financial assets and liabilities is normally determined by references to the transaction price or market price. If the fair value is not reliably determinable, the Company determines the fair value using valuation techniques that are appropriate in the circumstances and for which sufficient data are available, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

1.11 Inventories

Inventories consist of raw materials, stores and spares, work-in-progress and finished goods are measured at the lower of cost and net realizable value. The cost of all categories of inventories is based on the weighted average method. Cost includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of finished goods and work-in-progress, cost includes an appropriate share of overheads based on normal operating capacity. Stores and spares, that do not qualify to be recognized as property, plant and equipment, consists of packing materials, engineering spares (such as machinery spare parts) and consumables which are used in operating machines or consumed as indirect materials in the manufacturing process. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

1.12 Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, an impairment test is performed each year at March 31.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflow of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognized in the statement of profit and loss if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

1.13 Cash & Cash Equivalents

Cash and bank balances comprise of cash balance in hand, in current accounts with banks, demand deposit, short-term deposits, Margin Money deposits and unclaimed dividend accounts. For this purpose, "short-term" means investments having maturity of three months or less from the date of investment. Bank overdrafts that are repayable on demand and form an integral part of our cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows. The Margin money deposits, balance in dividend accounts which are not due and unclaimed dividend balances shall be disclosed as restricted cash balances.

1.14 Employee Benefits

a. Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

b. Defined Contribution Plan

The Company's contributions to defined contribution plans are charged to the statement of profit and loss as and when the services are received from the employees.

c. Defined Benefit Plans

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the projected unit credit method consistent with the advice of qualified actuaries. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates based on prevailing market yields of Indian Government Bonds and that have terms to maturity approximating to the terms of the related defined benefit obligation. The current service cost of the defined benefit plan, recognized in the statement of profit and loss in employee benefit expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in income. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

d. Termination benefits

Termination benefits are recognized as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

e. Other long-term employee benefits

The Company's net obligation in respect of other long term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and previous periods. That benefit is discounted to determine its present value. Re-measurements are recognized in the statement of profit and loss in the period in which they arise.

1.15 Provisions, contingent liabilities and contingent assets
Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets

Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

1.16 Revenue Recognition**Revenue from contracts with customers**

Revenue is recognized when the Company substantially satisfied its performance obligation while transferring a promised good or service to its customers. The company considers the terms of the contract and its customary business practices to determine the transaction price. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.

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

Other Income**Interest Income**

Interest Income mainly comprises of interest on Margin money deposit with banks relating to bank guarantee. Interest income should be recorded using the effective interest rate (EIR). However, the amount of margin money deposits relating to bank guarantee are purely current in nature, hence effective interest rate has not been applied. Interest is recognized using the time-proportion method, based on rates implicit in the transactions.

Dividend

Dividend income is recognized when the Company's right to receive dividend is established.

1.17 Government Grants

Government grants are assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity. They exclude those forms of government assistance which cannot reasonably have a value placed upon them and transactions with government which cannot be distinguished from the normal trading transactions of the entity.

Grants related to assets are government grants whose primary condition is that an entity qualifying for them should purchase, construct or otherwise acquire long-term assets. Subsidiary conditions may also be attached restricting the type or location of the assets or the periods during which they are to be acquired or held.

Grants related to income are government grants other than those related to assets.

A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs shall be recognised in profit or loss of the period in which it becomes receivable.

Export incentives in the form of MEIS scrips and power subsidy receivable by the company do not fall under the scope of Ind AS 115 and are accounted for in accordance with the provisions of Ind AS 20 considering such incentives as Government Assistance. Accordingly, government grant relating to Income is recognised on accrual basis in Profit and Loss statement and when the terms and conditions related to export performance obligations are met.

1.18 Borrowing Costs

Borrowing costs consist of interest, ancillary and other costs that the Company incurs in connection with the borrowing of funds and interest relating to other financial liabilities. Borrowing cost also include Exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

1.19 Tax Expenses

Tax expense consists of current and deferred tax.

Income Tax

Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred Tax

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

1.20 Earnings Per Share

The Company presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

1.21 Trade receivables

Trade receivables are initially recognized at fair value and subsequently measured at amortised cost using effective interest method, less provision for impairment, if any.

1.22 Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are presented as current liabilities unless payment is not due within twelve months after the reporting period. They are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

1.23 Business combinations

Business combinations are accounted as per the provisions of Ind AS 103, Business Combinations.

The Company applies the acquisition method to account for business combination. The consideration transferred for the acquisition of a subsidiary comprises of the,

- fair values of the assets transferred,
- liabilities incurred to the former owners of the acquired business,
- equity interests issued by the Group and
- fair value of any asset or liability resulting from a contingent consideration arrangement

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The excess of the fair value of consideration over the identifiable net asset acquired is recorded as goodwill, If the consideration is lower, the gain is recognised directly in equity as capital reserve.

In case, business acquisition is classified as bargain purchase, the aforementioned gain is recognised in the other comprehensive income and accumulated in equity as capital reserve.

The Company recognises any non-controlling interest in the acquired entity at fair value. Changes in ownership that do not result in a change of control are accounted for as equity transactions and therefore do not have any impact on goodwill. The difference between consideration and the non-controlling share of net assets acquired is recognised within equity.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method. Under pooling of interest method, the assets and liabilities of the combining entities are reflected at their carrying amounts, with adjustments only to harmonise accounting policies.

Acquisition-related costs are expensed as incurred

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss or other comprehensive income, as appropriate.

If the initial accounting for a business combination can be determined only provisionally by the end of the first reporting period, the business combination is accounted for using provisional amounts. Adjustments to provisional amounts, and the recognition of newly identified asset and liabilities, must be made within the 'measurement period' where these reflect new information obtained about facts and circumstances that were in existence at the acquisition date. The measurement period cannot exceed one year from the acquisition date and no adjustments are permitted after one year except to correct an error.

Any contingent consideration to be transferred by the Company is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in the Statement of Profit and Loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Business combinations of entities under common control

Common control business combination means a business combination involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory.

Business combinations involving entities or businesses under common control shall be accounted for using the pooling of interests method.

The pooling of interest method is considered to involve the following:

- (a) The assets and liabilities of the combining entities are reflected at their carrying amounts.
- (b) No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies.
- (c) The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information shall be restated only from that date.
- (d) The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee. Alternatively, it is transferred to General Reserve, if any.
- (e) The identity of the reserves shall be preserved and shall appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor.
- (f) The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor shall be transferred to capital reserve and should be presented separately from other capital reserves with disclosure of its nature and purpose in the notes.

1.24 Determination of fair values

The Company's accounting policies and disclosures require the determination of fair value, for certain financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

(i) Property, plant and equipment

Property, plant and equipment, if acquired in a business combination or through an exchange of non-monetary assets, is measured at fair value on the acquisition date. For this purpose, fair value is based on appraised market values and replacement cost.

(ii) Intangible assets

The fair value of brands, technology related intangibles, and patents and trademarks acquired in a business combination is based on the discounted estimated royalty payments that have been avoided as a result of these brands, technology related intangibles, patents or trademarks being owned (the "relief of royalty method"). The fair value of customer related, product related and other intangibles acquired in a business combination has been determined using the multi-period excess earnings method after deduction of a fair return on other assets that are part of creating the related cash flows.

(iii) Inventories

The fair value of inventories acquired in a business combination is determined based on its estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

(iv) Investments in equity and debt securities and units of mutual funds

The fair value of marketable equity and debt securities is determined by reference to their quoted market price at the reporting date. For debt securities where quoted market prices are not available, fair value is determined using pricing techniques such as discounted cash flow analysis.

In respect of investments in mutual funds, the fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors.

Accordingly, such net asset values are analogous to fair market value with respect to these investments, as transactions of these mutual funds are carried out at such prices between investors and the issuers of these units of mutual funds.

(v) Derivatives

The fair value of foreign exchange forward contracts is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk-free interest rate (based on government bonds). The fair value of foreign currency option and swap contracts and interest rate swap contracts is determined based on the appropriate valuation techniques, considering the terms of the contract.

(vi) Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For finance leases the market rate of interest is determined by reference to similar lease agreements. In respect of the Company's borrowings that have floating rates of interest, their fair value approximates carrying value.

1.25 Note on "Code on Security, 2020"

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

1.26 Impact of COVID-19

The Company has considered the possible effects that may result from the pandemic relating to Covid-19 in the preparation of these standalone financial statements including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date of approval of these financial statements, used internal and external sources of information including credit reports and related information and economic forecasts and expects that the carrying amount of these assets will be recovered. The impact of Covid-19 on the Company's financial statements may differ from that estimated as at the date of approval of these standalone financial statements.

2.1: Property, plant and equipment

(₹ in Lakhs)

Particulars	Gross carrying value			Accumulated depreciation / impairment			Net carrying value		
	As at 1 st April 2020	Additions	Disposals	As at 31 st March 2021	For the year	Impairment for the year	Disposals	As at 31 st March 2021	As at 31 st March 2020
Land	2554.51	165.05	-	2719.56	-	-	-	2719.56	2554.51
Buildings	9629.95	5399.71	-	15029.66	319.89	-	-	14106.62	9026.79
Plant and equipment	48842.48	6366.56	-	55209.04	2152.87	-	-	48328.61	44114.91
Lab Equipment	297.14	3.33	-	300.47	37.43	-	-	249.99	284.09
Material Handling Equipment	77.56	6.95	-	84.51	10.32	-	-	48.72	52.09
Fire fighting Expenses	0.82	-	-	0.82	-	-	-	0.76	0.76
Vehicles	682.55	178.38	41.08	819.85	97.48	-	36.14	493.92	417.96
Computers	147.94	9.77	-	157.71	27.01	-	-	39.45	56.69
Office Equipment	297.00	27.33	-	324.33	53.51	-	-	147.20	173.37
Furniture & Fixtures	41.45	4.09	-	45.54	3.81	-	-	31.26	30.99
Total	62571.42	12161.16	41.08	74691.49	2702.32	-	36.14	66166.07	56712.17

Particulars	Gross carrying value			Accumulated depreciation / impairment			Net carrying value		
	As at 1 st April 2019	Additions	Disposals	As at 31 st March 2020	For the year	Impairment for the year	Disposals	As at 31 st March 2020	As at 31 st March 2019
Land	2554.51	-	-	2554.51	-	-	-	2554.51	2554.51
Buildings	2745.17	6884.78	-	9629.95	301.86	-	-	9026.79	2443.87
Plant and equipment	19005.50	29836.98	-	48842.48	2040.32	-	-	44114.91	16318.26
Lab Equipment	9.39	287.75	-	297.14	12.15	-	-	284.09	8.49
Material Handling Equipment	73.26	4.30	-	77.56	9.64	-	-	52.09	57.43
Fire fighting Expenses	0.82	-	-	0.82	-	-	-	0.76	0.76
Vehicles	640.16	75.68	33.29	682.55	91.50	-	7.71	417.96	459.37
Computers	127.56	20.38	-	147.94	31.95	-	-	56.69	68.26
Office Equipment	178.63	118.37	-	297.00	51.63	-	-	173.37	106.63
Furniture & Fixtures	31.97	9.48	-	41.45	3.68	-	-	30.99	25.19
Total	25366.98	37237.72	33.29	62571.42	2542.74	-	7.71	56712.17	22042.75

a. All fixed assets including Factory land and buildings located at Duggirala, Guntur district and proposed new manufacturing unit located at kuvvakoli village, chittoor district, have been given as a security for availing Credit facilities from banks.

2.2: Other Intangible assets (₹ in Lakhs)

Particulars	Gross carrying value			Accumulated depreciation / impairment			Net carrying value	
	As at 1 st April 2020	Additions	Disposals	As at 31 st March 2021	For the year	Impairment for the year	As at 31 st March 2021	As at 31 st March 2020
Computer Software	13.53	-	-	13.53	-	-	12.71	0.82
Total	13.53	-	-	13.53	-	-	12.71	0.82

Particulars	Gross carrying value			Accumulated depreciation / impairment			Net carrying value	
	As at 1 st April 2019	Additions	Disposals	As at 31 st March 2020	For the year	Impairment for the year	As at 31 st March 2020	As at 31 st March 2019
Computer Software	13.53	-	-	13.53	-	-	12.71	0.82
Total	13.53	-	-	13.53	-	-	12.71	0.82

2.3 Investments

(₹ in Lakhs)

	2021		2020	
	Current	Non Current	Current	Non Current
Investments carried at cost (Unquoted investments)				
In subsidiary companies				
Jayanti Pte Ltd (2,80,84,784 Equity Shares Face Value of \$ 1/- each)	-	11125.57	-	11125.57
Ngon Coffee Company Limited (530000000000 Equity Shares Face Value of VND 1/- each) (344564633286 Equity Shares Face Value of VND 1/- each previous year)	-	3877.18	-	3877.18
Continental Coffee SA (earlier known as Grandsaugreen SA) (11100000 Equity Shares Face Value of CHF 1/- each)	-	6.92	-	6.92
Continental Coffee Private Limited (70,00,000 Equity Shares Face Value of ₹ 10/- each)	-	700.00	-	700.00
CCL Beverages Private Limited (10,000 Equity Shares Face Value of ₹ 10/- each)	-	1.00	-	1.00
Aggregate amount of unquoted Investments	-	15710.67	-	15710.67
Investments at amortized cost(Unquoted Non Trade Investments:)				
Coffee Futures Exchange India Ltd (Equity Subscription for Membership as Ordinary member - 1 share of ₹ 10,000)	-	0.10	-	0.10
Preference shares in Associated Coffee Merchants (Intl) Ltd (1,87,400 Preference Shares Face value of GBP 1/-each)	-	-	-	147.91
Total investments carried at Amortized cost	-	0.10	-	148.01
Total Investments	-	15710.78	-	15857.69

2.4 Other Financial Assets

	2021		2020	
	Current	Non Current	Current	Non Current
Rental Deposits	-	28.79	-	27.89
Electricity and Other Security Deposits	-	481.54	-	499.66
Other Receivables	2200.00	-	2207.13	-
Tender Deposit	8.28	-	8.28	-
	2208.28	510.33	2215.42	527.55

2.5 Other Non Current Assets and Current Assets

(₹ in Lakhs)

	2021		2020	
	Current	Non Current	Current	Non Current
Advance Tax (Net of Provision for tax)	-	1451.92	80.10	1366.67
Deposits with Statutory authorities	-	2883.28	-	2883.28
Advances to Employees	64.59	-	43.25	-
Prepaid Expenses	259.48	-	235.63	-
Input tax and other taxes receivables	2328.91	-	1064.95	-
Advance to Creditors	523.31	-	889.18	-
Advances for Capital goods/services	756.15	-	834.65	-
Other receivables	419.47	-	217.56	-
	4351.91	4335.20	3365.33	4249.95

2.6 Inventories

	2021 Current	2020 Current
Raw materials	16361.37	10104.96
Work-in-progress	180.10	230.13
Finished goods	4615.60	5884.28
Stores, spares and consumables	2127.75	1302.15
Packing materials	1678.17	1232.59
	24962.99	18754.11

The mode of valuation of Inventories has been stated in Note 1.11 of Significant Accounting Policies
Inventories hypothecated as security for availing working capital facilities from banks

2.7 Trade receivables

	2021 Current	2020 Current
Trade Receivables		
Unsecured, considered good	13757.95	21632.51
Less: Allowances for credit losses	94.88	77.43
	13663.07	21555.09

Trade Receivables hypothecated as security for availing working capital facilities

2.8 Cash and Cash Equivalents
(₹ in Lakhs)

	2021	2020
a) Cash and Cash equivalents		
i) Cash on hand	1.26	2.94
ii) Balances with banks -Current Accounts	6550.09	1507.94
b) Other Bank Balances (with restricted use)		
(i) Margin Money Deposit Accounts (against Bank Guarantees)	182.16	182.16
(ii) Unclaimed Dividend Account	87.40	103.89
(iii) Dividend Account	-	-
Interest accrued but not due on deposits	58.64	47.63
	6879.55	1844.56

Cash and Cash Equivalents include the following for Cash flow purpose

	2021	2020
Cash and Cash Equivalents/ Bank Balances	6879.55	1844.56
Less: Unclaim dividend	87.40	103.89
Less: Dividend account	-	-
Cash and Cash Equivalents/ Bank Balances	6792.15	1740.67

2.9 Share Capital (₹ in Lakhs)

	2021	2020
Authorized Share Capital 150,000,000 Equity Shares of ₹ 2 each (Previous year :150,000,000 Equity Shares of ₹ 2 each)	3000.00	3000.00
Issued Subscribed and Paid up Share Capital 133,027,920 Equity Shares of ₹ 2 each, fully paid up (Previous year :133,027,920 Equity Shares of ₹ 2 each, fully paid up)	2660.56	2660.56
	2660.56	2660.56

Details of shareholders holding more than 5% shares :	No. of shares	% Holding	No. of shares	% Holding
1. Challa Rajendra Prasad	13364249	10.05%	13237481	9.95%
2. Challa Shantha Prasad	18539699	13.94%	18431659	13.86%
3. Challa Srishant	14088388	10.59%	13944914	10.48%
4. Challa Soumya	13447616	10.11%	13350898	10.04%

2.9.1 Reconciliation of Number of Shares :

	2021	2020
Number of Shares at the beginning of the year	13,30,27,920	13,30,27,920
Add : Shares issued during the year	-	-
Number of Shares at the end of the year	13,30,27,920	13,30,27,920

2.9.2 Rights attached to equity shares

“The Company has only one class of equity shares having a face value of ₹ 2 /- each. Each holder of equity share is entitled to one vote per share. The company declares and pays dividends in Indian Rupees. In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

2.10 Other Equity

(₹ in Lakhs)

	2021	2020
Retained Earnings		
Opening Balance	48783.43	33869.56
Add: Current year Transfer	15868.95	23893.26
Less: Dividend Paid (Including Dividend distribution Tax)	(2660.56)	(8979.38)
Total	61991.82	48783.43
General Reserve		
Opening Balance	28820.70	28820.70
Add: Current year Transfer	-	-
Less: Written Back in Current year	-	-
Total	28820.70	28820.70
Actuarial Gains or Losses (OCI)		
Opening Balance	(148.60)	(134.81)
Add: Current year Transfer	-	(13.79)
Less: Written Back in Current year	-	-
Total	(148.60)	(148.60)
Measurement of Derivative instrument at fair value (OCI)		
Opening Balance	(874.68)	(311.53)
Add: Current year Transfer	388.40	(563.15)
Total	(486.28)	(874.68)
Total Other Equity	90177.63	76580.84

2.11 Borrowings

	2021		2020	
	Current	Non Current	Current	Non Current
Secured Borrowings:				
Term loans from Banks				
HDFC Bank	-	6300.00	-	10166.67
Citi bank External commercial borrowings	-	6891.07	-	11779.05
Working Capital Facilities (packing credit)	19150.47	-	14270.14	-
	19150.47	13191.07	14270.14	21945.71

The term loan of Rs.50.00 Crs and Rs.10.00 Crs from HDFC Bank carrying floating interest rate of Monthly MCLR+15 bps repayable in twelve and ten equal quarterly installments respectively at the end of each quarter commencing from 29th June, 2019 and 29th Dec. 2019 respectively.

Total term loan of Rs.90.00 Crs from HDFC Bank carrying floating interest rate of Monthly MCLR+5 bps repayable in sixteen quarterly installments at the end of each quarter commencing from 29th June, 2020.

Term loans from HDFC Bank is secured by first pari passu charge on movable assets of the company and second pari passu charge on current assets of the Company.

External commercial borrowings from Citi bank is secured by first ranking exclusive charge over all the fixed assets EOU located at Duggirala, Guntur district and SEZ Unit located at kuvvakoli village, Chittoor

district of Andhra Pradesh. The coupon for External Commercial Borrowings is linked to LIBOR plus applicable spread.

Term loans repayable in next twelve months period was segregated as current maturities of long term debt as Other financial liabilities under Current liabilities.

Working Capital Facilities (Packing credit) from State Bank of India, Citi Bank and ICICI Bank Limited under consortium are secured by way of first pari-passu charge on current assets and second pari-passu charge on fixed assets of the company. The Working Capital is repayable on demand.

(₹ in Lakhs)

2.12 Deferred Tax Liabilities

	2021	2020
Opening Balance	4704.88	3986.52
Add : On account of IND AS Adjustment	-	-
Add : On account of depreciation	202.15	3955.83
Add : On account of Others	66.13	(3237.47)
Closing Balance	4973.16	4704.88

2.13 Other Non Current Liabilities & Current liabilities

Particulars	2021		2020	
	Current	Non Current	Current	Non Current
Salaries and employee benefits	324.66	-	363.02	-
Withholding and other taxes payable	92.56	-	94.15	-
Advance from customers	271.51	-	223.46	-
Others	2386.42	-	1842.50	-
	3075.15	-	2523.12	-

2.14 Trade Payables

Particulars	2021 Current	2020 Current
Due to Micro & Small Enterprises		
Dues to others		
For Raw material	128.15	251.88
For Packing material	676.54	820.64
For Stores and Consumables	196.51	144.93
For Services	565.73	497.11
	1566.93	1714.56

2.15 Other financial liabilities

(₹ in Lakhs)

Particulars	2021		2020	
	Current	Non Current	Current	Non Current
Creditors For Capital goods	1232.47	-	665.30	-
Unpaid dividends	87.40	-	103.89	-
Interest accrued but not due on borrowings	152.49	-	220.89	-
Current Maturities of Long Term Borrowings	8460.71	-	7678.29	-
Derivative Financial Liability	-	486.28	-	874.68
Other Payables	1257.91	-	850.42	-
	11190.98	486.28	9518.78	874.68

2.16 Provisions

Particulars	2021		2020	
	Current	Non Current	Current	Non Current
Leave Encashment	30.09	76.67	-	-
	30.09	76.67	-	-

2.17 Revenue from operations (₹ in Lakhs)

	2021	2020
Revenue from :		
Sale of Products - Coffee	77860.09	78870.62
Trade Licences	1646.97	3394.08
Revenue from operations	79507.07	82264.70

2.18 Other income

	2021	2020
Interest on Deposits	164.24	47.09
Dividend Income on long-term investments	-	16.92
Dividend Income from Ngon Coffee Company Ltd	6217.95	13111.84
Scrap sales	10.61	0.93
Miscellaneous Income	257.31	217.56
	6650.11	13394.34

2.19 Cost of materials consumed

	2021	2020
Raw Material		
Purchases	40676.10	42677.88
Add: Opening Stock	10104.96	9236.78
	50781.06	51914.66
Less: Closing Stock	16361.37	10104.96
	34419.69	41809.70

2.20 Changes in inventories

	2021	2020
Work-in-progress		
Opening	230.13	151.30
Closing	180.10	230.13
	50.03	(78.83)
Finished goods		
Opening	5884.28	3036.22
Closing	4615.60	5884.28
	1268.68	(2848.06)
	1318.71	(2926.89)

2.21 Employee benefits expense

	2021	2020
Salaries, Wages and Bonus	2907.56	2571.01
Directors' Remuneration	1451.00	1582.00
Contribution to provident and other funds	469.28	397.28
Staff welfare	423.95	455.16
	5251.79	5005.45

2.22 Finance costs

(₹ in Lakhs)

	2021	2020
Interest Expense	1360.11	1491.24
Other borrowing costs	212.00	200.24
	1572.11	1691.48

2.23 Other expenses

	2021	2020
Packing material consumed	7995.18	5546.67
Stores and Consumable consumed	722.98	557.95
Power and fuel	4291.10	5427.97
Repairs and Maintenance to Buildings	40.37	24.05
Repairs and Maintenance to Machinery	731.18	1065.44
Repairs and Maintenance to Other assets	72.01	85.09
Transportation, Ocean Freight, Clearing and Forwarding	2439.37	1907.42
Insurance	205.62	127.45
Rent	88.52	69.44
Rates and Taxes	141.73	119.25
Directors' Sitting Fee	14.70	17.45
Non-whole time Directors' Commission	90.00	81.00
Selling Expenses	1851.64	1778.35
Travelling and Conveyance	25.84	116.00
Communication Expenses	60.56	89.36
Printing and Stationery	8.05	12.00
Office Maintenance	585.91	558.43
Donations	253.73	94.76
Corporate Social Responsibility (CSR) Expenditure	436.15	328.22
Professional Fees & Expenses	223.53	273.59
Subscription and Membership fee	2.93	5.01
Auditor's Remuneration	17.83	15.19
Foreign Exchange Loss (Net)	(466.02)	(639.89)
Miscellaneous expenses	0.19	0.23
Allowance for credit losses	17.46	37.29
Loss on sale of Asset	-	5.59
	19850.56	17703.31

2.24 Auditors Remuneration

(₹ in Lakhs)

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
a) Audit fees	11.00	11.00
b) Other charges		
Taxation matters	2.50	2.50
Certification fee	4.18	1.20
c) Reimbursement of out of pocket expenses	0.15	0.49
TOTAL	17.83	15.19

2.25 Earnings per Share

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Earnings		
Profit attributable to equity holders	15,868.95	23,893.26
Shares		
Number of shares at the beginning of the year	13,30,27,920	13,30,27,920
Add: Equity shares issued	-	-
Less: Buy back of equity shares	-	-
Total number of equity shares outstanding at the end of the year	13,30,27,920	13,30,27,920
Weighted average number of equity shares outstanding during the year – Basic	13,30,27,920	13,30,27,920
Add: Weighted average number of equity shares arising out of outstanding stock options (net of the stock options forfeited) that have dilutive effect on the EP	-	-
Weighted average number of equity shares outstanding during the year – Diluted	13,30,27,920	13,30,27,920
Earnings per share of par value ₹ 2/- -Basic (₹)	11.93	17.96
Earnings per share of par value ₹ 2/- – Diluted (₹)	11.93	17.96

2.26 Related Parties
List of Subsidiaries:

M/s. Jayanti Pte Ltd., Singapore
M/s. Continental Coffee Pvt Ltd., India
M/s. Ngon Coffee Company Ltd., Vietnam
M/s. Continental Coffee SA, Switzerland
M/s. CCL Beverages Private Limited., India

In accordance with the provisions of Ind AS 24 "Related Party Disclosures" and the Companies Act, 2013, Company's Directors, members of the Company's Management Council and Company Secretary are considered as Key Managerial Personnel. List of Key Managerial Personnel of the Company are given below:

- Mr. Challa Rajendra Prasad, Whole time Director
- Mr. Challa Srishant, Managing Director
- Mr. B. Mohan Krishna, Executive Director
- Mr. K.V.L.N.Sarma, Chief Operations Officer
- Mr. V. Lakshmi Narayana, Chief Financial Officer
- Ms. Sridevi Dasari, Company Secretary

The following is a summary of significant related party transactions:

(₹ in Lakhs)

Particulars	For the year ended 31 st March 2021	For the year ended 31 st March 2020
a) Key managerial personnel		
Remuneration & Commission		
Mr.Challa Rajendra Prasad	420.00	420.00
Mr.Challa Srishant	589.00	665.00
Mr. B.Mohan Krishna	442.00	497.00
Mr.K.V.L.N.Sarma	95.08	89.57
Mr.V.Lakshmi Narayana	93.74	83.88
Ms.Sridevi Dasari	19.18	16.94
Rent		
Mr. Challa Srishant	22.30	22.30
b) Non-whole time Directors		
Sitting Fee		
Mr.Vipin K.Singal	1.85	2.15
Mr.K.Chandrahas	1.85	2.45
Mr.K.K.Sarma	1.70	2.30
Mr.G.V.Krishna Rau	1.85	2.00
Ms.Kulsoom Noor Saifullah	1.85	1.45
Ms.Challa Shantha Prasad	0.90	1.20
Mr.K. Durga Prasad	1.85	2.45
Dr.L.Krishnanand	1.70	2.15
Mr.K.V.Chowdary	1.15	1.30

(₹ in Lakhs)

Commission		
Mr.Vipin K.Singal	10.00	9.00
Mr.K.Chandrabhas	10.00	9.00
Mr.K.K.Sarma	10.00	9.00
Mr.G.V.Krishna Rau	10.00	9.00
Ms.Kulsoom Noor Saifullah	10.00	9.00
Ms.Challa Shantha Prasad	10.00	9.00
Mr.K.Durga Prasad	10.00	9.00
Dr.L.Krishnanand	10.00	9.00
Mr.K.V.Chowdary	10.00	9.00
Rent		
Ms.Challa Shantha Prasad	21.46	21.46
c) Relatives of Key Managerial Personnel		
Rent		
Ms.Challa Soumya	7.04	7.04
TOTAL	1814.50	1921.64

Transactions with Subsidiaries:

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Continental Coffee SA, Switzerland		
Sale of Instant Coffee	15470.31	10869.65
Trade Receivable	1967.05	5992.86
Continental Coffee Private Limited, India		
Sale of Instant Coffee	9048.31	5360.87
Trade Receivable	1663.59	2438.66
Short Term Loan	2200.00	2200.00
Interest on Short Term Loan	143.00	7.92
TOTAL	30492.26	26869.96

2.27 Earnings/expenditure in foreign currency:
Expenditure in Foreign currency:

(₹ in Lakhs)

Particulars	For the year ended 31 st March 2021	For the year ended 31 st March 2020
Travel Expenses	-	1.69
Professional Fees	33.32	26.79
Purchase of Raw Materials	29497.19	31753.92
Purchase of Stores & Spares	1530.98	549.32
Other expenses	324.25	10.02
Total	31,385.74	32,341.74

Earnings in Foreign currency:

Particulars	For the year ended 31 st March 2021	For the year ended 31 st March 2020
FOB Value of Exports	66052.87	72018.03
Dividend	6217.95	13128.75
Total	72270.82	85146.78

2.28 Segment Reporting:

The Company concluded that there is only one operating segment i.e, Coffee products. Hence, the same becomes the reportable segment for the Company. Accordingly, the Company has only one operating and reportable segment, the disclosure requirements specified in paragraphs 22 to 30 are not applicable. Accordingly, the Company shall present entity-wide disclosures enumerated in paragraphs 32, 33 and 34 of Ind AS 108.

2.29 Employee benefits:
Gratuity benefits

In accordance with applicable laws, the Company has a defined benefit plan which provides for gratuity payments (the "Gratuity Plan") and covers certain categories of employees in India. The Gratuity Plan provides a lump sum gratuity payment to eligible employees at retirement or termination of their employment. The amount of the payment is based on the respective employee's last drawn salary and the years of employment with the Company. Liabilities in respect of the Gratuity Plan are determined by an actuarial valuation, based upon which the Company makes contributions to the Life Insurance Corporation of India (LIC).

The components of gratuity cost recognized in the statement of profit and loss for the years ended 31st March 2021 and 2020 consist of the following:

(₹ in Lakhs)

Particulars	For the Years ended 31 st March	
	2021	2020
Current service cost	51.19	41.98
Interest on net defined benefit liability/(asset)	35.71	36.50
Gratuity cost recognized in statement of profit and loss	86.91	78.48

Details of the employee benefits obligations and plan assets are provided below: (₹ in Lakhs)

Particulars	As of 31 st March	
	2021	2020
Present value of funded obligations	643.87	571.71
Fair value of plan assets	799.28	628.16
Net defined benefit liability / (asset) recognized	(155.41)	(56.44)

Details of changes in the present value of defined benefit obligations are as follows:

Particulars	As of 31 st March	
	2021	2020
Defined benefit obligations at the beginning of the year	542.12	480.49
Current service cost	51.19	41.98
Interest on defined obligations	35.71	36.50
Re-measurements due to:		
Actuarial loss/(gain) due to change in financial assumptions	-	19.51
Actuarial loss/(gain) due to demographic assumptions	(5.60)	-
Actuarial loss/(gain) due to experience changes	14.96	-
Benefits paid	(30.80)	(6.76)
Defined benefit obligations at the end of the year	596.31	571.71

Details of changes in the fair value of plan assets are as follows:

Particulars	As of 31 st March	
	2021	2020
Fair value of plan assets at the beginning of the year	628.16	576.12
Employer contributions	82.08	16.06
Actuarial loss/(gain) on plan assets	1.32	(1.69)
Re-measurements due to:		
Return on plan assets excluding interest on plan assets	44.32	44.42
Benefits paid	(30.80)	(6.76)
Plan assets at the end of the year	725.09	628.16

Summary of Acturial Assumptions

The actuarial assumptions used in accounting for the Gratuity Plan are as follows:

The assumptions used to determine benefit obligations:

Particulars	As of 31 st March	
	2021	2020
Discount rate	6.87%	8.00%
Rate of compensation increase	4.00%	4.00%

Leave Encashment

The Company provides for accumulation of compensated absences by certain categories of its employees. These employees can carry forward a portion of the unutilised compensated absences and utilise them in future periods or receive cash in lieu thereof as per the Company's policy. The Company records a liability for

compensated absences in the period in which the employee renders the services that increases this entitlement. The total liability recorded by the Company towards this obligation was Rs.154.84 Lakhs and Rs.38.85 Lakhs as at 31 March 2021 and 31 March 2020, respectively

Contribution to Provident Fund

The employees of the Company receive benefits from a provident fund, a defined contribution plan. Both the employee and employer each make monthly contributions to a government administered fund equal to 12% of the covered employee's qualifying salary. The Company has no further obligations under the plan beyond its monthly contributions. The Company contributed Rs.195.63 Lakhs and Rs.248.41 Lakhs to the provident fund plan during the years ended 31st March 2021 and 2020, respectively.

Contribution to Superannuation schemes

Certain categories of employees of the Company participate in superannuation, a defined contribution plan administered by the Life Insurance Corporation of India. The Company makes annual contributions based on a specified percentage of each covered employee's salary. The Company has no further obligations under the plan beyond its annual contributions. The Company contributed Rs.273.65 Lakhs and Rs.154.87 Lakhs to the superannuation Schemes during the years ended 31st March 2021 and 2020, respectively.

2.30 Income Taxes:

Income tax expense/ (benefit) recognized in the statement of profit and loss:

Income tax expense/ (benefit) recognized in the statement of profit and loss consists of the following:

(₹ in Lakhs)

Particulars	For the Year Ended 31 st March	
	2021	2020
Current taxes expense		
Domestic	4,897.37	5221.64
Deferred taxes expense/(benefit)		
Domestic	275.69	718.36
Total income tax expense/(benefit) recognized in the statement of profit and loss	5,173.06	5940.00

a) Income tax expense/ (benefit) recognized directly in equity

Income tax expense/ (benefit) recognized directly in equity consist of the following:

Particulars	For the Year Ended 31 st March	
	2021	2020
Tax effect on actuarial gains/losses on defined benefit obligations	-	7.41
Total income tax expense/(benefit) recognized in the equity	-	7.41

b) Reconciliation of Effective tax rate

Particulars	For the Year Ended 31 st March	
	2021	2020
Profit before income taxes	21042.01	29833.26
Enacted tax rate in India	34.94%	34.94%
Computed expected tax benefit/(expense)	7,352.08	10423.74

(₹ in Lakhs)

Effect of:		
Expenses not deductible for Tax purposes	1,004.39	1054.94
Expenses deductible for Tax purposes	(4,112.81)	(12007.67)
Taxable at Special Rate	1,086.28	2023.00
Exempted income form SEZ	(433.11)	529.22
Income tax benefit/(expense)	4,897.37	2023.23
Effective tax rate	23.27%	6.78%

The Company's average effective tax rate for the years ended March 31, 2021 and 2020 were 23.27% and 6.78%, respectively.

c) Deferred tax assets & Liabilities:

The tax effects of significant temporary differences that resulted in deferred tax assets and liabilities and a description of the items that created these differences is given below:

Particulars	For the Year Ended 31 st March	
	2021	2020
Deferred tax assets/(liabilities):		
Property, plant and equipment	(8,144.50)	(7942.35)
Others	3,171.34	3,237.47
Net deferred tax assets/(liabilities)	(4,973.16)	(4704.88)

2.31 Financial Risk Management:

The Company's activities expose it to a variety of financial risks, including credit risk, liquidity risk and Market risk. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors, risk management committee and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

a. Credit Risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company has the following categories of financial assets that are subject to credit risk evaluation:

Trade Receivables- The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Financial assets that are neither past due nor impaired - None of the Company's cash equivalents, including deposits with banks, were past due or impaired as at 31st March 2021. Of the total trade and other receivables, impairment loss is provided for ₹ 94.88 Lakhs as at 31st March 2021 and ₹ 77.43 Lakhs at 31st March 2020.

The Company's credit period for customers generally ranges from 60-90 days. The aging of trade receivables that are past due but not impaired is given below: (₹ in Lakhs)

Particulars	As of 31 st March	
	2021	2020
Period (in days)		
1 – 90	12369.47	12502.27
90 – 180	170.68	7155.31
More than 180	1217.80	1974.93
Total	13757.95	21632.51

Other than trade receivables, the Company has no significant class of financial assets that are past due or impaired as at 31st March, 2021.

On account of adoption of Ind AS 109, the Company uses Expected Credit Loss (ECL) model for assessing the impairment loss. For this purpose, it is weighted average of credit losses with the respective risks of default occurring as weights. The credit loss is the difference between all contractual cash flows that are due to an entity as per the contract and all the contractual cash flows that the entity expects to receive, discounted to the effective interest rate.

Reconciliation of allowance for credit losses

The details of changes in allowance for credit losses during the year ended 31st March 2021 and 31st March 2020 are as follows:

Particulars	For the Year Ended 31 st March	
	2021	2020
Balance at the beginning of the year	77.43	40.13
Impairment of Trade receivables	17.45	37.29
Balance at the end of the year	94.88	77.43

b. Liquidity Risks:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

As of 31st March 2021 and 2020, the Company has utilized working capital credit limits from banks for ₹ 19150.47 Lakhs and ₹ 14270.14 Lakhs respectively.

As of 31st March 2021, the Company had working capital (current assets less current liabilities) of ₹ 17052.18 Lakhs including cash and cash equivalents of ₹ 6879.95 Lakhs. As of 31st March 2020, the Company had working capital (current assets less current liabilities) of ₹ 19707.89 Lakhs including cash and cash equivalents of ₹ 1844.56 Lakhs.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31st March 2021:

(₹ in Lakhs)

Particulars	2022	2023	Total
Trade payables	1566.93	-	1566.93
Long term borrowings	7294.04	5897.02	13191.07
Bank overdraft, short-term loans and borrowings*	19150.47	-	19150.47
Other liabilities*	14859.17	-	14859.17

*Note: The Bank Overdraft and other liabilities are payable on demand.

c. Market Risks

Market risk is the risk that changes in market prices such as commodity prices risk, foreign exchange rates and interest rates which will affect the Company's financial position. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The Coffee Industry is dependent on nature, making it susceptible to climate vagaries. The major weather factors that influence coffee yield are rainfall, temperature, light intensity and relative humidity.

Commodity Price Risk

The Company exposure to Market risk for commodity prices can result in changes to realisation for its Cost of Production for its products. The company mitigates risk by entering into Coffee Future Contracts and with the natural hedge arising on export of Products vis a vis import of Coffee Beans.

Coffee Futures

The Company uses Coffee future contract to reduce its price risk associated with forecasted purchases of Coffee beans. Throughout the year, the company enters into coffee futures based on market price and anticipated production requirements.

Foreign currency risk

The Company is exposed to currency risk on account of its borrowings and other payables in foreign currency. The functional currency of the Company is Indian Rupee. The company mitigates the currency risk with natural hedge arising on export of Products vis a vis import of Coffee Beans.

Interest rate risk

Interest rate risk refers to risk that the fair value of future cash flows of a financial instrument may fluctuate because of changes in market interest rates.

2.32 Capital Management

The Company's objective for capital management is to maximize shareholder wealth, safeguard business continuity and support the growth of the Company. The Company determines the capital management requirement based on annual operating plans and long term and other strategic investment plans. The funding requirements are met through equity, borrowings and operating cash flows required.

The company's Debt Equity ratio is as follows:

Particulars	2021	2020
Total Debt	53740.81	55551.89
Total Equity	92838.19	79241.40
Debt Equity Ratio	0.58:1	0.70:1

2.33 Contingent Liabilities and Commitments:

The following are the details of contingent liabilities and commitments:

(₹ in Lakhs)

Particulars	2021	2020
Contingent Liabilities		
a) Claims against the company/disputed liabilities not acknowledged as debts		
Income Tax*	4057.38	4402.40
Service Tax	995.92	995.92
Sales Tax	151.94	47.16
b) Guarantees		
Bank Guarantee	1516.12	1423.27
	6721.36	6868.75
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	343.46	836.31
	343.46	836.31

* Tax deposited under protest ₹ 2883.28 Lakhs

As per our report of even date
For RAMANATHAM & RAO
Chartered Accountants

Sd/-
K.SREENIVASAN
Partner
M.No.206421

Place : Hyderabad
Date : 21st May, 2021

Sd/-
V.Lakshmi Narayana
Chief Financial Officer
M. No. 028499

Sd/-
Sridevi Dasari
Company Secretary
M.No. A29897

Sd/-
K. Chandrahas
Director
DIN : 02994302

By order of the Board

Sd/-
Challa Rajendra Prasad
Executive Chairman
DIN : 00702292

Sd/-
Challa Srishant
Managing Director
DIN : 00016035

Independent Auditor's Report**To the Members of CCL Products (India) Limited****Report on the Audit of the Consolidated Financial Statements****Opinion**

We have audited the accompanying Consolidated financial statements of **CCL Products (India) Limited** (hereinafter referred to as "the Parent") and its subsidiaries Jayanti Pte Ltd, Singapore; Continental Coffee SA, Switzerland (formerly known as Grandsaugreen SA); Ngon Coffee Company Limited, Vietnam; Continental Coffee Private Limited, India and CCL Beverages Private Limited, India (the Parent and its subsidiaries together referred to as "the Group") which comprise of the Consolidated Balance Sheet as at 31st March, 2021, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity the for the year then ended, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("IND AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2021, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 1.26 of the consolidated financial statements, which describes the extent to which the COVID-19 Pandemic will impact the Company's results which depend on future developments that are highly uncertain. Our opinion is not modified in respect of this matter.

Key Audit Matters

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

Key Audit Matter	How the Matter was addressed in Audit
<p>1. Evaluation of uncertain tax position:</p> <p>The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.</p> <p>Refer Notes 2.32 to the Financial Statements</p>	<p><u>Principal Audit Procedures</u></p> <p>Obtained details of completed tax assessments and demands up to the year ended March 31, 2021 from management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax positions as at 1st April 2020 to evaluate whether any change was required to management's position on these uncertainties.</p> <p>We conclude that tax provisions and related disclosures are appropriately disclosed.</p>

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

The Parent's Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, for example, 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 consolidated financial statements and our auditor's report thereon. The other information as stated above is expected to be made available to us after the date of this auditor's report.

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

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

When we read the other information as stated above, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with Governance.

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of

the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

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

We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the parent of which we are the independent auditors, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Other Matters

We did not audit the financial information of 5 subsidiaries whose financial statements reflect total assets of Rs. 54,008.39 Lakhs as at 31st March, 2021, total revenues of Rs. 69,259.59 Lakhs and total net profit after tax amounting to Rs. 8,557.42 Lakhs, total comprehensive income of Rs. 8,539.90 Lakhs for the year ended on that date as considered in the consolidated financial statements. These financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors. Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the consolidated financial statements have been kept by the Company so far as it appears from our examination of those books.
 - c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss including Other Comprehensive Income, the consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors of the parent as on 31st March, 2021 taken on record by the Board of Directors of the parent, none of the directors of the parent 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 A" which is based on the auditor's report of the Parent. Our report expresses an unmodified opinion on the adequacy and operation effectiveness of internal financial controls over financial reporting of the Parent.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the

best of our information and according to the explanations given to us, the remuneration paid/ provided by the Parent to its directors during the year is in accordance with the provisions of the section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial positions of the Group – Refer Note 2.32 to the consolidated financial statements;
 - ii. Provision has been made in the Consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts included derivative contracts;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For RAMANATHAM & RAO
Chartered Accountants
Firm Registration. No. 002934S

(K SREENIVASAN)
Partner
ICAI Membership No. 206421
UDIN: 21206421AAAAHB8289

Place: Hyderabad
Date: 21st May, 2021

Annexure - A to the Independent Auditors' Report
(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements'
section of our report of even date)

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

We have audited the internal financial controls over financial reporting of **CCL Products (India) Limited** ("the Company") as of 31st March, 2021 in conjunction with our audit of the Consolidated 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 (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are

recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For RAMANATHAM & RAO
Chartered Accountants
Firm Registration. No. 002934S

(K SREENIVASAN)
Partner
ICAI Membership No. 206421
UDIN: 21206421AAAAHB8289

Place: Hyderabad
Date: 21st May, 2021

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2021
(₹ in Lakhs)

	Note No.	2021	2020
ASSETS			
Non-current assets			
Property plant and Equipment	2.1	79836.70	72362.00
Capital Work Inprogress		14894.50	10017.91
Intangible assets	2.2	1.50	1.50
Financial assets			
(i) Investments	2.3	0.10	148.01
(ii) Other financial assets	2.4	645.48	556.97
Other non current assets	2.5	4335.20	4249.95
		99713.48	87336.34
Current assets			
Inventories	2.6	31969.00	26041.95
Financial assets			
Trade receivables	2.7	29855.31	26811.36
Cash and cash equivalent	2.8	12035.22	3869.25
Other financial assets	2.4	8.28	8.28
Other current assets	2.5	5237.32	6870.59
		79105.13	63601.44
TOTAL ASSETS		178818.61	150937.78
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	2.9	2660.56	2660.56
Other Equity	2.10	106069.21	90178.97
		108729.78	92839.53
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings 2.11		17691.07	24945.71
Other Financial Liability	2.15	486.28	874.68
Provisions	2.12	145.96	32.12
Deferred tax liabilities (net)	2.16	4898.52	4624.94
		23221.82	30477.45
Current liabilities			
Financial Liabilities			
Borrowings	2.11	29765.63	14270.14
Trade payables			
a. Total out standing dues of Micro and Small Enterprises			
b. Total out standing dues of creditors other than Micro and Small Enterprises	2.14	1980.91	2463.54
Other financial liabilities	2.15	11542.68	9827.96
Other current liabilities	2.16	3547.70	1059.17
Provisions	2.13	30.09	-
		46867.01	27620.80
		178818.61	150937.78

The accompanying Significant accounting policies and notes form an integral part of the Standalone financial statements.

As per our report of even date

For RAMANATHAM & RAO
Chartered Accountants

By order of the Board

Sd/-
K.SREENIVASAN
Partner
M.No.206421

Sd/-
V.Lakshmi Narayana
Chief Financial Officer
M. No. 028499

Sd/-
Sridevi Dasari
Company Secretary
M.No. A29897

Sd/-
K. Chandrahas
Director
DIN : 02994302

Sd/-
Challa Rajendra Prasad
Executive Chairman
DIN : 00702292

Sd/-
Challa Srishant
Managing Director
DIN : 00016035

Place : Hyderabad
Date : 21st May, 2021

CONSOLIDATED PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31st MARCH, 2021
(₹ in Lakhs)

	Note No.	2021	2020
Income			
Revenue from operations	2.17	124248.04	113915.27
Other income	2.18	339.16	449.77
Total Revenue		124587.20	114365.05
Expenses			
Cost of materials consumed	2.19	57951.34	59191.49
Changes in inventories	2.2	1070.60	(3250.11)
Employee benefits expense	2.21	7953.76	7034.11
Finance costs	2.22	1695.45	1796.33
Depreciation and amortization expense	2.1&2.22	4941.15	4711.22
Other expenses	2.3	27496.60	22350.50
Total Expenses		101108.90	91833.54
Profit before tax		23478.30	22531.51
Tax expense			
(1) Current tax		4969.10	5274.31
(2) Deferred tax		283.05	663.60
Profit for the year		18226.16	16593.60
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss		(17.52)	(28.57)
Tax on items that will not be reclassified to profit or loss		-	7.41
		(17.52)	(21.16)
Items that will be reclassified to profit or loss:			
Items that may be reclassified subsequently to profit or loss		342.17	1354.95
Tax on items that will be reclassified subsequently to profit or loss		-	-
		342.17	1354.95
Total other comprehensive income/(loss) for the year, net of tax		324.65	1333.79
Total comprehensive income for the year		18550.81	17927.39
Earnings per share:			
Basic earnings per share of Rs.2/-each		13.70	12.47
Diluted earnings per share of Rs.2/- each		13.70	12.47

The accompanying Significant accounting policies and notes form an integral part of the Standalone financial statements.

As per our report of even date
For RAMANATHAM & RAO
Chartered Accountants

Sd/-
K.SREENIVASAN
Partner
M.No.206421

Place : Hyderabad
Date : 21st May, 2021

Sd/-
V.Lakshmi Narayana
Chief Financial Officer
M. No. 028499

Sd/-
Sridevi Dasari
Company Secretary
M.No. A29897

Sd/-
K. Chandras
Director
DIN : 02994302

By order of the Board
Sd/-
Challa Rajendra Prasad
Executive Chairman
DIN : 00702292

Sd/-
Challa Srishant
Managing Director
DIN : 00016035

Statement of changes in equity

Statement of changes in equity for the period ended 31.03.2021

Equity share capital	Opening balance as at 1 Apr 2020	Changes in equity share capital during the year	Closing balance as at 31 Mar 2021
133,027,920 Equity Shares of ₹ 2 each, fully paid up	26,60,56,000	-	26,60,56,000
	26,60,56,000		26,60,56,000
Equity share capital	Opening balance as at 1 Apr 2019	Changes in equity share capital during the year	Closing balance as at 31 Mar 2020
13,30,27,920 Equity Shares of ₹ 2 each, fully paid up	26,60,56,000	-	26,60,56,000
	26,60,56,000		26,60,56,000

(₹ in Lakhs)

	Retained Earnings	General Reserve	Capital Reserve	Actuarial Gains or Losses	Derivative at Fair Value	Total Equity
Balance as at 1/4/2020	57238.38	28820.70	5150.54	(155.97)	(874.68)	90178.97
Profit for the year	18226.16	-	-	-	-	18226.16
Additions during the year	-	-	(46.23)	-	-	(46.23)
Dividend paid	(2660.56)	-	-	-	-	(2660.56)
Amount transfer to general reserve	-	-	-	-	-	-
Net change in fair value of FVTPL investments and others	-	-	-	-	-	-
Measurement of derivatives at fair value	-	-	-	-	388.40	388.40
Actuarial gain/(loss) on post-employment benefit obligations, net of tax benefit	-	-	-	(17.52)	-	(17.52)
Balance as at 31/03/2021	72803.98	28820.70	5104.31	(173.49)	(486.28)	106069.21

	Retained Earnings	General Reserve	Capital Reserve	Actuarial Gains or Losses	Derivative at Fair Value	Total Equity
Balance as at 1/4/2019	49624.16	28820.70	3232.44	(134.81)	(311.53)	81230.96
Profit for the year	16593.60	-	-	-	-	16593.60
Additions during the year	-	-	1918.10	-	-	1918.10
Dividend paid	(8979.38)	-	-	-	-	(8979.38)
Amount transfer to general reserve	-	-	-	-	-	-
Net change in fair value of FVTPL investments and others	-	-	-	-	(563.15)	(563.15)
Measurement of derivatives at fair value	-	-	-	-	-	-
Actuarial gain/(loss) on post-employment benefit obligations, net of tax benefit	-	-	-	(21.16)	-	(21.16)
Balance as at 31/03/2020	57238.38	28820.70	5150.54	(155.97)	(874.68)	90178.97

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2021
(₹ in Lakhs)

	2021	2020
Cash Flows from Operating Activities		
Net profit before tax	23478.30	22531.51
Adjustments for :		
Depreciation and amortization expense	4941.15	4711.22
Provision for doubtful debts/advances/ impairment/expenses	146.68	(10.54)
Dividend Income	-	(16.92)
Foreign currency Translation	324.65	1918.10
Other Comprehensive Income	(17.52)	(28.57)
Gain on sale of preference shares	(42.77)	-
Operating profit before working capital changes	28830.48	29104.80
Movements in Working Capital		
(Increase)/Decrease in Trade Receivables	(3029.18)	(3266.84)
(Increase)/Decrease in Other financial assets	(95.64)	441.55
(Increase)/Decrease in Inventories	(5927.04)	(5847.12)
(Increase)/Decrease in Other Current Assets	724.67	(2437.90)
(Increase)/Decrease in Other Non Current Assets	(85.25)	(399.65)
Increase/(Decrease) in Trade Payables	(482.63)	(3242.43)
Increase/(Decrease) in Other financial liabilities	1326.33	801.71
Increase/(Decrease) in Other Current liabilities	(1585.24)	(741.49)
Changes in Working Capital	(9153.98)	(14692.19)
Cash generated from operations	19676.51	14412.61
Direct Taxes Paid	(2592.92)	(5347.01)
Net Cash from operating activities	17083.59	9065.61
Cash flows from Investing Activities		
Purchase of Fixed Assets (Including CWIP)	(15461.65)	(8860.30)
Proceeds from sale of shares	190.68	16.92
Loans and advances to subsidiary	7.13	-
Net Cash From/ (Used In) Investing Activities	(15263.84)	(8843.38)
Cash flows from Financing Activities		
Proceeds from/ (Repayment) Long term borrowings	(6472.22)	9331.17
Proceeds from/(Repayment of) Short-term borrowings	15495.49	(4075.46)
Dividend and corporate dividend tax paid	(2660.56)	(8979.38)
Net Cash From/ (Used In) Financing Activities	6362.71	(3723.67)
Net Increase/(Decrease) in cash and cash equivalents	8182.45	(3501.45)
Cash and Cash equivalents at the beginning of the year	3765.37	7266.82
Cash and Cash equivalents at the ending of the year	11947.83	3765.37

Notes :- 1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard on "Cash Flow Statements". (Ind AS-7)

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

As per our report of even date

For RAMANATHAM & RAO
Chartered Accountants

By order of the Board

Sd/-
K.SREENIVASAN
Partner
M.No.206421

Sd/-
V.Lakshmi Narayana
Chief Financial Officer
M. No. 028499

Sd/-
Sridevi Dasari
Company Secretary
M.No. A29897

Sd/-
K. Chandras
Director
DIN : 02994302

Sd/-
Challa Rajendra Prasad
Executive Chairman
DIN : 00702292

Sd/-
Challa Srishant
Managing Director
DIN : 00016035

Place : Hyderabad
Date : 21st May, 2021

1. NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DESCRIPTION OF THE COMPANY AND SIGNIFICANT ACCOUNTING POLICIES

1.1 General Information

CCL Products (India) Limited ("the Holding Company") and its subsidiaries (together "the Group") are engaged in the production, trading and distribution of Coffee. The Company has business operations mainly in India, Vietnam and Switzerland. The Company is a public limited Company incorporated and domiciled in India and has its registered office at Duggirala, Guntur, Andhra Pradesh. The Company has its primary listings on the Bombay Stock Exchange and National Stock Exchange in India. The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.2 Basis of Preparation of Consolidated Financial Statements

The Consolidated Financial Statements have been prepared and presented in accordance with the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

1.3 Basis of Measurement

These Consolidated financial statements have been prepared on the historical cost convention and on an accrual basis, except for the following material items in the balance sheet:

- a. Certain financial assets are measured either at fair value or at amortized cost depending on the classification;
- b. Employee defined benefit assets/(liability) are recognized as the net total of the fair value of plan assets, plus actuarial losses, less Actuarial gains and the present value of the defined benefit obligation; and
- c. Long-term borrowings, except obligations under finance leases, are measured at amortized cost using the effective interest rate method.
- d. All assets and liabilities are classified into current and non-current based on the operating cycle of less than twelve months or based on the criteria of realization / settlement within twelve months period from the balance sheet date.

The following are the details of subsidiaries considered for the purpose of Consolidation:

Name of Enterprise	Country of Incorporation	Nature of Business	Shareholding/ Controlling interest
Jayanti Pte Limited	Singapore	Investment Vehicle	100%
Ngon Coffeee Company Limited	Vietnam	Manufacturing of Instant Coffee	100%
Continental Coffeee Private Limited	India	Trading of Instant Coffee	100%
Coninental Coffee SA	Switzerland	Manufacturing of Instant Coffee	100%
CCL Beverages Private Limited	India	Agglomeration and Packing Facility	100%

1.4 Use of judgment, estimates and assumptions.

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on historical experiences and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, the areas involving critical estimates or judgments are:

a. Depreciation and amortization

Depreciation and amortization is based on management estimates of the future useful lives of certain class of property, plant and equipment and intangible assets.

b. Employee Benefits

The present value of the employee benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) includes the discount rate, wage escalation and employee attrition. The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

c. Provision and contingencies

Provisions and contingencies are based on the Management's best estimate of the liabilities based on the facts known at the balance sheet date.

d. Fair valuation

Fair value is the market based measurement of observable market transaction or available market information. All financial instruments are measured at fair value as at the balance sheet date, as provided in Ind AS 109 and 113. Being a critical estimate, judgment is exercised to determine the carrying values. The fair value of financial instruments that are unlisted and not traded in an active market is determined at fair values assessed based on recent transactions entered into with third parties, based on valuation done by external appraisers etc., as applicable based on the fair value hierarchy i.e, Level I inputs, Level II inputs and Level III inputs specified in IND AS 113.

1.5 Scope of Consolidation

The consolidated financial statements have been prepared on the following basis:

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Fully consolidated means recognition of all assets and liabilities and items in the income statement in full. Thereafter the portion of net profit and equity is allocated between the owners of the Holding Company and non-controlling interest. Changes in ownership that do not result in a change of control are accounted for as equity transactions and therefore do not have any impact on goodwill. The difference between consideration and the non-controlling share of net assets acquired is recognised within equity.

The financial statements of group companies are consolidated on line by line basis and Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated if there is a profit on ultimate sale of goods. When necessary, amounts reported by subsidiaries have been adjusted to conform with the group's accounting policies.

1.6 Functional and Presentation Currency

These Consolidated Financial Statements are presented in Indian rupees, which is also the functional currency of the Company. All financial information presented in Indian rupees has been rounded to the nearest Lakhs. In respect of all non-Indian subsidiaries that operate as marketing arms of our parent company in their respective countries/regions, the functional currency has been determined to be the functional currency of our parent company (i.e., the Indian rupee). The operations of these subsidiaries are largely restricted to the import of finished goods from our parent company in India, sale of these products in the foreign country and making of import payments to our parent company. The cash flows realized from sale of goods are available for making import payments to our parent company and cash is paid to our parent company on a regular basis. The costs incurred by these subsidiaries are primarily the cost of goods imported from our parent company. The financing of these subsidiaries is done directly or indirectly by our parent company.

In respect of subsidiaries whose operations are self-contained and integrated within their respective countries/regions, the functional currency has been determined to be the local currency of those countries/regions.

1.7 Current and Non-Current Classification

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

Assets: An asset is classified as current when it satisfies any of the following criteria:

- a. It is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b. It is held primarily for the purpose of being traded;
- c. It is expected to be realised within twelve months after the reporting date; or
- d. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Liabilities: A liability is classified as current when it satisfies any of the following criteria:

- a. It is expected to be settled in the Company's normal operating cycle;
- b. It is held primarily for the purpose of being traded;
- c. It is due to be settled within twelve months after the reporting date; or
- d. The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets / liabilities include the current portion of non-current assets / liabilities respectively. All other assets/ liabilities are classified as non-current.

1.8 Foreign Currencies

Foreign Currency Transactions

Transactions in foreign currencies are translated to the respective functional currencies of entities within the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at that date. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognized in the consolidated statement of profit and loss in the period in which they arise.

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction, if any.

Group Entities

The results and financial position of all the group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- a. Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- b. Income and expenses for each Statement of Profit and Loss are translated at date of transaction exchange rates and
- c. All resulting exchange differences are recognized in Foreign Currency Translation Reserve
- d. On disposal of a foreign operation, the associated exchange differences are reclassified to the Statement of Profit and Loss, as part of the gain or loss on disposal.

1.9 Property Plant & Equipment

Recognition and measurement

Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment loss, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset i.e., freight, duties and taxes applicable and other expenses related to acquisition and installation. The cost of self-constructed assets includes the cost of materials and other costs directly attributable to bringing the asset to a working condition for its intended use. Borrowing costs that are directly attributable to the construction or production of a qualifying asset are capitalised as part of the cost of that asset.

Directly attributable costs include:

- a. Cost of Employee Benefits arising directly from Construction or acquisition of PPE.
- b. Cost of Site Preparation.
- c. Initial Delivery & Handling costs.
- d. Professional Fees and

- e. Costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling any items produced while bringing the asset to that location and condition (such as samples produced when testing equipment)

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

Gains and losses upon disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized net within in the consolidated statement of profit and loss.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of repairs and maintenance are recognized in the consolidated statement of profit and loss as incurred.

Items of property, plant and equipment acquired through exchange of non-monetary assets are measured at fair value, unless the exchange transaction lacks commercial substance or the fair value of either the asset received or asset given up is not reliably measurable, in which case the asset exchanged is recorded at the carrying amount of the asset given up.

Depreciation

Depreciation is recognized in the consolidated statement of profit and loss on a straight line basis over the estimated useful lives of property, plant and equipment based on Schedule II to the Companies Act, 2013 ("Schedule"), which prescribes the useful lives for various classes of tangible assets. For assets acquired or disposed off during the year, depreciation is provided on pro-rata basis. Land is not depreciated.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

The estimated useful lives are as follows:

Type of Asset	Estimated useful life
Buildings	
i) Main Plant Building	30
ii) Other Building	60
Plant & Machinery	25
Lab Equipment	7.5
Material Handling	7.5
Fire fighting	7.5
Vehicles	8
Computers	3
Office Equipment	5
Furniture & Fixtures	10

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is disclosed as capital advances under other non-current assets. The cost of property, plant and equipment not ready to use before such date are disclosed under capital work-in-progress. Assets not ready for use are not depreciated.

1.10 Intangible assets

Acquired computer software is capitalised on the basis of the costs incurred to acquire and bring to use the specific software. The Intangible assets that are acquired by the Company and that have finite useful lives are measured at cost less accumulated amortization and accumulated impairment losses.

Amortization

Amortization is recognized in the consolidated statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets or on any other basis that reflects the pattern in which the asset's future economic benefits are expected to be consumed by the entity. Intangible assets that are not available for use are amortized from the date they are available for use.

The estimated useful lives are as follows:

Type of Asset	Estimated useful life
Intangible Assets	
Computer Software	3

The amortization period and the amortization method for intangible assets with a finite useful life are reviewed at each reporting date.

1.11 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

Debt instrument at FVTPL

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss. The Company has not designated any debt instrument as at FVTPL.

Investment in Preference Shares and Unquoted trade Investments

Investment in Preference Shares and Unquoted trade Investments are measured at amortised cost using Effective Rate of Return (EIR).

Investment in equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments i.e., investments in equity shares included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's Consolidated Balance Sheet) when:

- a. The rights to receive cash flows from the asset have expired, or
- b. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Impairment of trade receivables

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18. Expected credit loss model takes into consideration the present value of all the cash shortfalls over the expected life of a financial instrument. In simple terms, it is weighted average of credit losses with the respective

risks of default occurring as weights. The credit loss is the difference between all contractual cash flows that are due to an entity as per the contract and all the contractual cash flows that the entity expects to receive, discounted to the effective interest rate. The Standard presumes that entities would suffer credit loss even if the entity expects to be paid in full but later than when contractually due. In other words, it simply focuses on DELAYS in collection of receivables.

For the purpose of identifying the days of delay, the Company took into consideration the weighted average number of delays taking into consideration the date of billing, the credit period and the collection days.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the consolidated statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement of profit and loss.

Derivative financial instruments and hedging activities:

A derivative is a financial instrument which changes value in response to changes in an underlying asset and is settled at future date. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Company designates certain derivatives as either

- a. hedges of the fair value of recognised assets or liabilities (fair value hedge); or
- b. hedges of a particular risk associated with a firm commitment or a highly probable forecasted transaction (cash flow hedge);

The Company documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Company also documents its assessment, both at hedge inception and on an on-going basis, of whether the derivatives that are used in hedging transactions are effective in offsetting changes in cash flows of hedged items.

Movements in the hedging reserve are accounted in other comprehensive income and are shown within the statement of changes in equity. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of hedged item is more than 12 months and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

(a) Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

(b) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The ineffective portion of changes in the fair value of the derivative is recognised in the statement of profit and loss. Gains or losses accumulated in equity are reclassified to the statement of profit and loss in the periods when the hedged item affects the statement of profit and loss.

When a hedging instrument expires or swapped or unwound, or when a hedge no longer meets the criteria for hedge accounting, any accumulated gain or loss existing in statement of changes in equity is recognised in the Statement of Profit and Loss.

When a forecasted transaction is no longer expected to occur, the cumulative gains/losses that were reported in equity are immediately transferred to the statement of profit and loss.

Fair value measurement

Fair value of financial assets and liabilities is normally determined by references to the transaction price or market price. If the fair value is not reliably determinable, the Company determines the fair value using valuation techniques that are appropriate in the circumstances and for which sufficient data are available, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

1.12 Inventories

Inventories consist of raw materials, stores and spares, work-in-progress and finished goods and are measured at the lower of cost and net realisable value. The cost of all categories of inventories is based on the weighted average method. Cost includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of finished goods and work-in-progress, cost includes an appropriate share of overheads based on normal operating capacity. Stores and spares, that do not qualify to be recognised as property, plant and equipment, consists of packing materials, engineering spares (such as machinery spare parts) and consumables which are used in operating machines or consumed as indirect materials in the manufacturing process. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

1.13 Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax

assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, an impairment test is performed each year at March 31.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognized in the consolidated statement of profit and loss if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

1.14 Cash & Cash Equivalents

Cash and bank balances comprise of cash balance in hand, in current accounts with banks, demand deposit, short-term deposits, Margin Money deposits and Unclaimed dividend accounts. For this purpose, "short-term" means investments having maturity of three months or less from the date of investment Bank overdrafts that are repayable on demand and form an integral part of our cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows. The Margin money deposits and unclaimed dividend balances shall be disclosed as restricted cash balances.

1.15 Employee Benefits

Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined Contribution Plan

The Company's contributions to defined contribution plans are charged to the consolidated statement of profit and loss as and when the services are received from the employees.

Defined Benefit Plan

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the projected unit credit method consistent with the advice of qualified actuaries. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates based on prevailing market yields of Indian Government Bonds and that have terms to maturity approximating to the terms of the related defined benefit obligation. The current service cost of the defined benefit plan, recognised in the statement of profit and loss in employee benefit expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognised immediately in income. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Termination benefits

Termination benefits are recognized as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

Other long-term employee benefits

The Company's net obligation in respect of other long term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and previous periods. That benefit is discounted to determine its present value. Re-measurements are recognized in the statement of profit and loss in the period in which they arise.

1.16 Provisions, contingent liabilities and contingent assets

Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

1.17 Revenue Recognition**Revenue from contracts with customers**

Revenue is recognized when the company substantially satisfies its performance obligation while transferring a promised good or service to its customers. The company considers the terms of the contract and its customary business practices to determine the transaction price. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.

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

Other Income:**Interest Income**

Interest Income mainly comprises of interest on Margin money deposit with banks relating to bank guarantee. Interest income should be recorded using the effective interest rate (EIR). However, the amount of margin money deposits relating to bank guarantee are purely current in nature, hence effective interest rate has not been applied. Interest is recognised using the time-proportion method, based on rates implicit in the transactions.

Dividend

Dividend income is recognized when the Company's right to receive dividend is established.

1.18 Government Grants:

Government grants are assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity. They exclude those forms of government assistance which cannot reasonably have a value placed upon them and transactions with government which cannot be distinguished from the normal trading transactions of the entity.

The company receives export incentives in the form of MEIS scripts which do not fall under the scope of Ind AS 115 and are accounted for in accordance with the provisions of Ind AS 20 considering such incentives as Government Assistance. Accordingly government grant relating to Income is recognised on accrual basis in Profit and Loss statement and when the terms and conditions related to export performance obligations are met.

1.19 Borrowing Costs

Borrowing costs consist of interest, ancillary and other costs that the Company incurs in connection with the borrowing of funds and interest relating to other financial liabilities. Exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

1.20 Tax Expenses

Tax expense consists of current and deferred tax.

Income Tax

Income tax expense is recognized in the consolidated statement of profit and loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred Tax

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

1.21 Earnings Per Share

The Company presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

1.22 Trade receivables

Trade receivables are initially recognized at fair value and subsequently measured at amortised cost using effective interest method, less provision for impairment.

1.23 Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are presented as current liabilities unless payment is not due within twelve months after the reporting period. They are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

1.24 Determination of fair values

The Company's accounting policies and disclosures require the determination of fair value, for certain financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefit by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

(i) Property, plant and equipment

Property, plant and equipment, if acquired in a business combination or through an exchange of non-monetary assets, is measured at fair value on the acquisition date. For this purpose, fair value is based on appraised market values and replacement cost.

(ii) Intangible assets

The fair value of brands, technology related intangibles, and patents and trademarks acquired in a business combination is based on the discounted estimated royalty payments that have been avoided as a result of these brands, technology related intangibles, patents or trademarks being owned (the "relief of royalty method"). The fair value of customer related, product related and other intangibles acquired in a business combination has been determined using the multi-period excess earnings method after deduction of a fair return on other assets that are part of creating the related cash flows.

(iii) Inventories

The fair value of inventories acquired in a business combination is determined based on its estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

(iv) Investments in equity and debt securities and units of mutual funds

The fair value of marketable equity and debt securities is determined by reference to their quoted market price at the reporting date. For debt securities where quoted market prices are not available, fair value is determined using pricing techniques such as discounted cash flow analysis.

In respect of investments in mutual funds, the fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors.

Accordingly, such net asset values are analogous to fair market value with respect to these investments, as transactions of these mutual funds are carried out at such prices between investors and the issuers of these units of mutual funds.

(v) Derivatives

The fair value of foreign exchange forward contracts is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk-free interest rate (based on government bonds). The fair value of foreign currency option and swap contracts and interest rate swap contracts is determined based on the appropriate valuation techniques, considering the terms of the contract.

(vi) Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For finance leases the market rate of interest is determined by reference to similar lease agreements. In respect of the Company's borrowings that have floating rates of interest, their fair value approximates carrying value.

1.25 Note on "Code on Security, 2020"

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

1.26 Impact of COVID-19

The Company has considered the possible effects that may result from the pandemic relating to Covid-19 in the preparation of these standalone financial statements including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date of approval of these financial statements, used internal and external sources of information including credit reports and related information and economic forecasts and expects that the carrying amount of these assets will be recovered. The impact of Covid-19 on the Company's financial statements may differ from that estimated as at the date of approval of these standalone financial statements.

2.1: Property, plant and equipment

PARTICULARS	Gross carrying value					Accumulated depreciation / impairment					Net carrying value		
	As at 1 st April, 2020	Additions	Disposals	Foreign Exchange Fluctuation	As at 31 st March, 2021	As at 1 st April, 2020	For the year	Impairment for the year	Disposals	Foreign Exchange Fluctuation	As at 31 st March, 2021	As at 31 st March, 2021	As at 31 st March, 2020
Land	3645.56	165.05	-	(9.45)	3801.16	-	-	-	-	-	-	3801.16	3645.56
Buildings	17371.60	5399.71	-	(49.42)	22721.89	2132.73	612.24	-	-	(31.06)	2713.91	20007.98	15238.87
Plant and equipment	65549.55	6871.42	1155.80	(93.97)	71171.20	13138.46	4084.51	-	-	(1004.78)	16218.19	54953.01	52411.09
Lab Equipment	314.43	3.33	-	-	317.76	18.03	37.43	-	-	-	55.46	262.30	296.40
Material Handling Equipment	60.27	6.95	-	-	67.22	20.49	10.32	-	-	-	30.81	36.41	39.78
Fire fighting Expenses	0.83	-	-	-	0.83	0.06	-	-	-	-	0.06	0.77	0.77
Vehicles	733.09	178.38	53.62	(0.30)	857.55	300.33	103.03	-	36.14	(10.03)	357.19	500.36	432.76
Computers	167.76	25.67	-	-	193.43	103.20	31.45	-	-	-	134.65	58.78	64.56
Office Equipment	351.93	38.56	-	(0.23)	390.26	167.91	57.04	-	-	(0.22)	224.73	165.53	184.02
Furniture & Fixtures	78.31	7.47	-	(0.75)	85.03	30.13	5.12	-	-	(0.63)	34.62	50.41	48.18
Total	88273.33	12696.54	1209.42	(154.12)	99606.33	15911.34	4941.14	-	36.14	(1046.72)	19769.62	79836.71	72362.00

PARTICULARS	Gross carrying value					Accumulated depreciation / impairment					Net carrying value	
	As at 1 st April, 2019	Additions	Disposals	Foreign Exchange Fluctuation	As at 31 st March, 2020	As at 1 st April, 2019	For the year	Impairment for the year	Disposals	Foreign Exchange Fluctuation	As at 31 st March, 2020	As at 31 st March, 2019
Land	3522.80	-	-	122.76	3645.56	-	-	-	-	-	3645.56	3522.80
Buildings	9731.66	6892.91	-	747.03	17371.60	1321.40	570.34	-	-	240.99	2132.73	15238.87
Plant and equipment	33830.94	30198.13	45.00	1565.48	65549.55	8242.54	3912.40	-	-	983.52	13138.46	52411.09
Lab Equipment	26.68	287.75	-	-	314.43	5.88	12.15	-	-	-	18.03	296.40
Material Handling Equipment	55.97	4.30	-	-	60.27	10.85	9.64	-	-	-	20.49	39.78
Fire fighting Expenses	0.83	-	-	-	0.83	0.06	-	-	-	-	0.06	0.77
Vehicles	685.74	75.68	33.29	4.96	733.09	200.46	103.23	-	7.71	4.35	300.33	432.76
Computers	145.28	22.48	-	-	167.76	64.28	38.92	-	-	-	103.20	64.56
Office Equipment	220.64	127.32	-	3.97	351.93	104.71	59.19	-	-	4.01	167.91	184.02
Furniture & Fixtures	44.74	25.45	-	8.12	78.31	16.62	5.35	-	-	8.16	30.13	48.18
Total	48265.28	37634.02	78.29	2452.32	88273.33	9966.80	4711.22	-	7.71	1241.03	15911.34	72362.00
												38298.48

a. All fixed assets including Factory land and buildings located at Duggirala, Guntur district and proposed new manufacturing unit located at kuvvakoli village, chittoor district, have been given as a security for availing Credit facilities from banks.

2.2: Other Intangible assets (₹ in Lakhs)

PARTICULARS	Gross carrying value			Accumulated depreciation / impairment				Net carrying value	
	As at 1 st April, 2020	Additions	Disposals	As at 31 st March, 2021	As at 1 st April, 2020	For the year	Impairment for the year	Disposals	As at 31 st March, 2021
Computer Software	14.21	-	-	14.21	12.71	-	-	-	1.50
Total	14.21	-	-	14.21	12.71	-	-	-	1.50

PARTICULARS	Gross carrying value			Accumulated depreciation / impairment				Net carrying value	
	As at 1 st April, 2019	Additions	Disposals	As at 31 st March, 2020	As at 1 st April, 2019	For the year	Impairment for the year	Disposals	As at 31 st March, 2020
Computer Software	14.21	-	-	14.21	12.71	-	-	-	1.50
Total	14.21	-	-	14.21	12.71	-	-	-	1.50

(₹ in Lakhs)

2.3 Investments

	2021		2020	
	Current	Non Current	Current	Non Current
Investments at amortized cost(Unquoted Non Trade Investments:) Coffee Futures Exchange India Ltd (Equity Subscription for Membership as Ordinary member - 1 share of Rs.10,000) Preference shares in Associated Coffee Merchants (Int'l) Ltd (1,87,400 Preference Shares Face value of GBP 1/-each) Total investments carried at Amortized cost	-	0.10	-	0.10
	-	-	-	147.91
	-	0.10	-	148.01
Total Investments	-	0.10	-	148.01

2.4 Other Financial Assets

	2021		2020	
	Current	Non Current	Current	Non Current
Rental Deposits	-	41.74	-	27.89
Electricity and Other Security Deposits	-	603.74	-	529.08
Tender Deposit	8.28	-	8.28	-
	8.28	645.48	8.28	556.97

2.5 Other Non Current Assets and Current Assets

	2021		2020	
	Current	Non Current	Current	Non Current
Advance Tax (Net of Provision for tax)	-	1451.92	80.10	1366.67
Deposits with Statutory authorities	-	2883.28	-	2883.28
Advances to Employees	69.46	-	53.51	-
Prepaid Expenses	274.47	-	246.89	-
Input tax and other taxes receivables	2916.86	-	1223.71	-
Advance to Creditors	523.31	-	889.18	-
Advances for Capital goods/services	863.82	-	1772.42	-
Other receivables	589.40	-	2604.77	-
	5237.32	4335.20	6870.59	4249.95

2.6 Inventories

(₹ in Lakhs)

	2021 Current	2020 Current
Raw materials	18895.29	13149.78
Work-in-progress	332.87	370.45
Finished goods	8128.07	9161.09
Stores, spares and consumables	2871.52	2076.37
Packing materials	1741.24	1284.26
	31969.00	26041.95

The mode of valuation of Inventories has been stated in Note 1.12 of Significant Accounting Policies Inventories hypothecated as security for availing working capital facilities from banks

2.7 Trade receivables

	2021 Current	2020 Current
Trade Receivables		
Unsecured, considered good	30016.00	26969.36
Less: Allowances for credit losses	160.69	158.00
	29855.31	26811.36

Trade Receivables hypothecated as security for availing working capital facilities

2.8 Cash and Cash Equivalents

	2021	2020
a) Cash and Cash equivalents		
i) Cash on hand	5.46	6.25
ii) Balances with banks - Current Accounts	11701.57	3529.33
b) Other Bank Balances (with restricted use)		
(i) Margin Money Deposit Accounts (against Bank Guarantees)	182.16	182.16
(ii) Unclaimed Dividend Account	87.40	103.89
Interest accrued but not due on deposits	58.64	47.63
	12035.22	3869.25

Cash and Cash Equivalents include the following for Cash flow purpose

	2021	2020
Cash and Cash Equivalents/ Bank Balances	12035.22	3869.25
Less: Unclaim dividend	87.40	103.89
Cash and Cash Equivalents/ Bank Balances	11947.82	3765.37

2.9 Share Capital

(₹ in Lakhs)

	2021	2020
Authorized Share Capital 150,000,000 Equity Shares of ₹ 2 each (Previous year :150,000,000 Equity Shares of ₹ 2 each)	3000.00	3000.00
Issued Subscribed and Paid up Share Capital 133,027,920 Equity Shares of ₹ 2 each, fully paid up (Previous year :133,027,920 Equity Shares of ₹ 2 each, fully paid up)	2660.56	2660.56
	2660.56	2660.56

Details of shareholders holding more than 5% shares :	No. of shares	% Holding	No. of shares	% Holding
1. Challa Rajendra Prasad	13364249	10.05%	13237481	9.95%
2. Challa Shantha Prasad	18539699	13.94%	18431659	13.86%
3. Challa Srishant	14088388	10.59%	13944914	10.48%
4. Challa Soumya	13447616	10.11%	13350898	10.04%

2.9.1 Reconciliation of Number of Shares :

	2021	2020
Number of Shares at the beginning of the year	13,30,27,920	13,30,27,920
Add : Shares issued during the year	-	-
Number of Shares at the end of the year	13,30,27,920	13,30,27,920

2.9.2 Rights attached to equity shares

“The Company has only one class of equity shares having a face value of Rs.2 /- each. Each holder of equity share is entitled to one vote per share. The company declares and pays dividends in Indian Rupees. In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

“2.10 “ Other Equity”

(₹ in Lakhs)

	2021	2020
Retained Earnings		
Opening Balance	57238.38	49624.16
Add: Current year Transfer	18226.16	16593.60
Less: Dividend Paid(Including Dividend distribution Tax)	(2660.56)	(8979.38)
Total	72803.98	57238.38
General Reserve		
Opening Balance	28820.70	28820.70
Add: Current year Transfer	-	-
Less: Written Back in Current year	-	-
Total	28820.70	28820.70
Foreign Currency Translation Reserve		
Opening Balance	5150.54	3232.44
Add: Current year Transfer	(46.23)	1918.10
Less: Written Back in Current year	-	-
Total	5104.31	5150.54
Acturial Gains or Losses (OCI)		
Opening Balance	(155.97)	(134.81)
Add: Current year Transfer	(17.52)	(21.16)
Less: Written Back in Current year	-	-
Total	(173.49)	(155.97)
Measurement of derivative instrument at Fair Value (OCI)		
Opening Balance	(874.68)	(311.53)
Add: Current year Transfer	388.40	(563.15)
Less: Written Back in Current year	-	-
Total	(486.28)	(874.68)
Total Other Equity	106069.21	90178.97

2.11 Borrowings

	2021		2020	
	Current	Non Current	Current	Non Current
Secured Borrowings:				
Term loans from Banks				
HDFC Bank	-	6300.00	-	10166.67
Citi Bank	-	4500.00	-	3000.00
Citi Bank External commercial borrowings	-	6891.07	-	11779.05
Working Capital Facilities	29765.63	-	14270.14	-
	29765.63	17691.07	14270.14	24945.71

The term loan of Rs.50.00 Crs and Rs.10.00 Crs from HDFC Bank carrying floating interest rate of Monthly MCLR+15 bps repayable in twelve and ten equal quarterly installments respectively at the end of each quarter commencing from 29th June, 2019 and 29th Dec. 2019 respectively.

Total term loan of Rs.90.00 Crs from HDFC Bank carrying floating interest rate of Monthly MCLR+5 bps repayable in sixteen quarterly installments at the end of each quarter commencing from 29th June, 2020.

Term loans from HDFC Bank is secured by first pari passu charge on movable assets of the company and second pari passu charge on current assets of the Company.

External commercial borrowings from Citi bank is secured by first ranking exclusive charge over all the fixed assets EOU located at Duggirala, Guntur district and SEZ Unit located at kuvvakoli village, Chittoor district of Andhra Pradesh. The coupon for External Commercial Borrowings is linked to LIBOR plus applicable spread.

Term loans repayable in next twelve months period was segregated as current maturities of long term debt as Other financial liabilities under Current liabilities.

Working Capital Facilities (Packing credit) from State Bank of India, Citi Bank and ICICI Bank Limited under consortium are secured by way of first pari-passu charge on current assets and second pari-passu charge on fixed assets of the company . The Working Capital is repayable on demand.

2.12 Deferred Tax Liabilities

(₹ in Lakhs)

	2021	2020
Opening Balance	4624.94	3961.34
Add : On account of IND AS Adjustment	-	-
Add : On account of depreciation	209.90	3955.10
Add : On account of Others	63.68	(3291.50)
Closing Balance	4898.52	4624.94

2.13 Other Non Current Liabilities & Current liabilities

	2021		2020	
	Current	Non Current	Current	Non Current
Salaries and employee benefits	448.30	-	423.30	-
Withholding and other taxes payable	109.74	-	159.01	-
Advance from customers	295.12	-	223.46	-
Others	2694.53	-	253.40	-
	3547.70	-	1059.17	-

2.14 Trade Payables

(₹ in Lakhs)

	2021 Current	2020 Current
Due to Micro & Small Enterprises		
Dues to others		
For Raw material	484.35	956.67
For Packing material	676.54	820.64
For Stores and Consumables	198.25	147.14
For Services	621.77	539.09
	1980.91	2463.54

2.15 Other financial liabilities

	2021		2020	
	Current	Non Current	Current	Non Current
Creditors For Capital goods	1584.17	-	669.00	-
Unpaid dividends	87.40	-	103.89	-
Interest accrued but not due on borrowings	152.49	-	220.89	-
Current maturities of long term debt	8460.71	-	7678.29	-
Derivative Financial liability	-	486.28	-	874.68
Other Payables	1257.91	-	1155.90	-
	11542.68	486.28	9827.96	874.68

2.16 Provisions

	2021		2020	
	Current	Non Current	Current	Non Current
Leave Encashment	30.09	105.78	-	7.16
Gratuity	-	40.18	-	24.96
	30.09	145.96	-	32.12

2.17 Revenue from operations

(₹ in Lakhs)

	2021	2020
Revenue from		
Sale of Products - Coffee	122601.06	110521.19
Sale of Trade Licences	1646.97	3394.08
Revenue from operations	124248.04	113915.27

2.18 Other income

	2021	2020
Interest on Deposits	21.62	167.57
Dividend Income on long-term investments	-	16.92
Scrap sales	10.61	0.93
Miscellaneous Income	306.93	264.35
	339.16	449.77

2.19 Cost of materials consumed

	2021	2020
Raw Material		
Purchases	63696.86	61188.21
Add: Opening Stock	13149.78	11153.05
	76846.64	72341.26
Less: Closing Stock	18895.29	13149.78
	57951.34	59191.49

2.20 Changes in inventories

	2021	2020
Work-in-progress		
Opening	370.45	167.89
Closing	332.87	370.45
	37.58	(202.56)
Finished goods		
Opening	9161.09	6113.55
Closing	8128.07	9161.09
	1033.02	(3047.54)
	1070.60	(3250.11)

2.21 Employee benefits expense

(₹ in Lakhs)

	2021	2020
Salaries, Wages and Bonus	5323.33	4336.12
Directors' Remuneration	1451.00	1582.00
Contribution to provident and other funds	553.93	463.21
Staff welfare	625.50	652.78
	7953.76	7034.11

2.22 Finance costs

	2021	2020
Interest Expense	1591.59	1561.28
Other borrowing costs	103.86	235.05
	1695.45	1796.33

2.23 Other expenses

	2021	2020
Packing material consumed	8638.85	5980.14
Stores and Consumable consumed	1201.89	947.56
Power and fuel	5693.49	6469.39
Repairs and Maintenance to Buildings	61.38	38.19
Repairs and Maintenance to Machinery	776.59	1099.75
Repairs and Maintenance to Other assets	126.86	130.27
Transportation, Ocean Freight, Clearing and Forwarding	4302.89	3019.26
Insurance	285.89	203.72
Rent	131.84	106.40
Rates and Taxes	168.06	140.01
Directors' Sitting Fee	14.70	17.45
Non-whole time Directors' Commission	90.00	81.00
Selling Expenses	4176.60	2804.06
Travelling and Conveyance	301.52	378.24
Communication Expenses	82.64	110.60
Printing and Stationery	27.87	25.01
Office Maintenance	755.27	578.71
Donations	263.11	96.06
Corporate Social Responsibility (CSR) Expenditure	436.15	328.22
Professional Fees & Expenses	321.68	352.20
Subscription and Membership fee	3.77	9.46
Auditor's Remuneration	45.46	39.68
Foreign Exchange Loss (Net)	(521.33)	(745.90)
Miscellaneous expenses	108.76	161.57
Allowance for credit losses	2.69	(26.13)
Loss on sale of Asset	-	5.59
	27496.60	22350.50

2.24 Auditors Remuneration

(₹ in Lakhs)

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
a) Audit fees	38.63	35.49
b) Other charges		
Taxation matters	2.50	2.50
Certification fee	4.18	1.20
c) Reimbursement of out of pocket expenses	0.15	0.49
TOTAL	45.46	39.68

2.25 Earnings per Share

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Earnings		
Profit attributable to equity holders	18,226.16	23,893.26
Shares		
Number of shares at the beginning of the year	13,30,27,920	13,30,27,920
Add: Equity shares issued	-	-
Less: Buy back of equity shares	-	-
Total number of equity shares outstanding at the end of the year	13,30,27,920	13,30,27,920
Weighted average number of equity shares outstanding during the year – Basic	13,30,27,920	13,30,27,920
Add: Weighted average number of equity shares arising out of outstanding stock options (net of the stock options forfeited) that have dilutive effect on the EPS	-	-
Weighted average number of equity shares outstanding during the year – Diluted	13,30,27,920	13,30,27,920
Earnings per share of par value ₹ 2/- -Basic (₹)	13.70	17.96
Earnings per share of par value ₹ 2/- – Diluted (₹)	13.70	17.96

2.26 Related Parties

In accordance with the provisions of Ind AS 24 “Related Party Disclosures” and the Companies Act, 2013, Company’s Directors, members of the Company’s Management Council and Company Secretary are considered as Key Managerial Personnel. List of Key Managerial Personnel of the Company is as below:

- Mr. Challa Rajendra Prasad, Whole time Director
- Mr. Challa Srishant, Managing Director
- Mr. B.Mohan Krishna, Executive Director
- Mr. K.V.L.N.Sarma, Chief Operations Officer
- Mr. V. Lakshmi Narayana, Chief Financial officer
- Ms. Sridevi Dasari, Company Secretary

The following is a summary of significant related party transactions of Parent Company (₹ in Lakhs)

Particulars	For the year ended 31 st March 2021	For the year ended 31 st March 2020
a) Key managerial personnel Remuneration & Commission		
Mr. Challa Rajendra Prasad	420.00	420.00
Mr. Challa Srishant	589.00	665.00
Mr. B.Mohan Krishna	442.00	497.00
Mr. K.V.L.N.Sarma	95.08	89.57
Mr. V. Lakshmi Narayana	93.74	83.88
Ms.Sridevi Dasari	19.18	16.94
Rent		
Mr. Challa Srishant	22.30	22.30
b) Non-whole time Directors		
Sitting Fee		
Mr.Vipin K.Singal	1.85	2.15
Mr.K.Chandrabhas	1.85	2.45
Mr.K.K.Sarma	1.70	2.30
Mr.G.V.Krishna Rau	1.85	2.00
Ms.Kulsoom Noor Saifullah	1.85	1.45
Ms.Challa Shantha Prasad	0.90	1.20
Mr.K Durga Prasad	1.85	2.45
Dr.L.Krishnanand	1.70	2.15
Mr.K.V.Chowdary	1.15	1.30
Commission		
Mr.Vipin K.Singal	10.00	9.00
Mr.K.Chandrabhas	10.00	9.00
Mr.K.K.Sarma	10.00	9.00
Mr.G.V.Krishna Rau	10.00	9.00
Ms.Kulsoom Noor Saifullah	10.00	9.00
Ms.Challa Shantha Prasad	10.00	9.00
Mr.K Durga Prasad	10.00	9.00
Dr.L.Krishnanand	10.00	9.00
Mr.K.V.Chowdary	10.00	9.00
Rent		
Ms.Challa Shantha Prasad	21.46	21.46
c) Relatives of Key Managerial Personnel		
Rent		
Ms.Challa Soumya	7.04	7.04
TOTAL	1,814.50	1921.64

2.27 Segment Reporting:

The Company concluded that there is only one operating segment i.e, Coffee products. Hence, the same becomes the reportable segment for the Company. Accordingly, the Company has only one operating and reportable segment, the disclosure requirements specified in paragraphs 22 to 30 are not applicable. Accordingly, the Company shall present entity-wide disclosures enumerated in paragraphs 32, 33 and 34 of Ind AS 108.

2.28 Employee benefits:
Gratuity benefits

In accordance with applicable laws, the Company has a defined benefit plan which provides for gratuity payments (the "Gratuity Plan") and covers certain categories of employees in India. The Gratuity Plan provides a lump sum gratuity payment to eligible employees at retirement or termination of their employment. The amount of the payment is based on the respective employee's last drawn salary and the years of employment with the Company. Liabilities in respect of the Gratuity Plan are determined by an actuarial valuation, based upon which the Holding Company makes contributions to the Life Insurance Corporation of India (LIC).

The components of gratuity cost recognized in the statement of profit and loss for the years ended 31st March 2020 and 2019 consist of the following:

(₹ in Lakhs)

Particulars	For the Year Ended 31 st March	
	2021	2020
Current service cost	104.85	53.02
Interest cost on net defined benefit liability/(asset)	37.42	37.52
Gratuity cost recognized in statement of profit and loss	142.27	90.54

Details of the employee benefits obligations and plan assets are provided below:

Particulars	As of 31 March	
	2021	2020
Present value of funded obligations	687.03	596.84
Fair value of plan assets	889.20	628.16
Net defined benefit liability/(asset)	(202.17)	(81.57)

Details of changes in the present value of defined benefit obligations are as follows:

Particulars	As of 31 March	
	2021	2020
Defined benefit obligations at the beginning of the year	567.25	493.79
Current service cost	104.85	53.02
Interest cost on defined obligations	37.42	37.52
Re-measurements due to:		
Actuarial loss/(gain) due to change in financial assumptions	(0.40)	19.27
Actuarial loss/(gain) due to demographic assumptions	(5.60)	
Actuarial loss/(gain) due to experience changes	14.31	
Benefits paid	(30.80)	(6.76)
Defined benefit obligations at the end of the year	639.47	596.83

Details of changes in the fair value of plan assets are as follows: (₹ in Lakhs)

Particulars	As of 31 March	
	2021	2020
Fair value of plan assets at the beginning of the year	576.12	576.12
Employer contributions	16.06	16.06
Actuarial loss/(gain) on plan assets	(1.69)	(1.69)
Re-measurements due to:		
Return on plan assets excluding interest on plan assets	44.42	44.42
Benefits paid	(6.76)	(6.76)
Plan assets at the end of the year	628.16	628.16

Summary of Actuarial Assumptions:

The actuarial assumptions used in accounting for the Gratuity Plan are as follows: The assumptions used to determine benefit obligations:

Particulars	As of 31 March	
	2021	2020
Discount rate	6.87%	8.00%
Rate of compensation increase	4.00%	4.00%

Leave Encashment

The Holding Company provides for accumulation of compensated absences by certain categories of its employees. These employees can carry forward a portion of the unutilised compensated absences and utilise them in future periods or receive cash in lieu thereof as per the Company's policy. The Company records a liability for compensated absences in the period in which the employee renders the services that increases this entitlement.

The Subsidiary company, M/s. Continental coffee Private limited:

The components of Leave Encashment recognized by The Subsidiary company M/s. Continental coffee Private limited, in the Financial Statements for the years ended 31st March 2021 and 2020 as per Actuarial Valuation consist of the following:

Particulars	As of 31 March	
	2021	2020
Past service cost	8.80	8.80
Present Value of Obligations at the end of the Period	12.02	12.02

Summary of Actuarial Assumptions:

The actuarial assumptions used in accounting for the Leave Encashment are as follows:
The assumptions used to determine benefit obligations:

Particulars	As of 31 March	
	2021	2020
Discount rate	6.87%	8.00%
Rate of compensation increase	4.00%	4.00%

Contribution to Provident Fund

The employees of the Company receive benefits from a provident fund, a defined contribution plan. Both the employee and employer each make monthly contributions to a government administered fund equal to 12% of the covered employee's qualifying salary. The Company has no further obligations under the plan beyond its monthly contributions. The Company contributed ₹ 280.28 Lakhs and ₹ 307.58 Lakhs to the provident fund plan during the years ended 31st March 2021 and 2020, respectively

Contribution to Superannuation schemes

Certain categories of employees of the Company participate in superannuation, a defined contribution plan administered by the Life Insurance Corporation of India. The Company makes annual contributions based on a specified percentage of each covered employee's salary. The Company has no further obligations under the plan beyond its annual contributions. The Company contributed ₹ 292.73 Lakhs and ₹ 166.93 Lakhs to the superannuation Schemes during the years ended 31st March 2021 and 2020, respectively.

2.29 Income Taxes:
Income tax expense/ (benefit) recognized in the statement of profit and loss:

Income tax expense/ (benefit) recognized in the statement of profit and loss consists of the following:

Particulars	(₹ in Lakhs)	
	For the Year Ended 31 st March	
	2021	2020
Current taxes expense		
Domestic	4,897.37	5221.64
Foreign	71.72	52.67
Deferred taxes expense/(benefit)		
Domestic	283.05	663.60
Total income tax expense/(benefit) recognized in the statement of profit and loss	5252.14	5937.90

Income tax expense/ (benefit) recognized directly in equity:

Income tax expense/ (benefit) recognized directly in equity consist of the following:

Reconciliation of Effective tax rate:

(₹in Lakhs)

Particulars	For the Year Ended 31 st March	
	2021	2020
Profit before income taxes	23478.30	22531.51
Enacted tax rate in India	34.94%	34.94%
Computed expected tax benefit/(expense)	8,203.32	7872.51
Effect of:		
Expenses not deductible for Tax purposes	1,004.39	1054.94
Expenses deductible for Tax purposes	(4,112.81)	(7432.31)
Taxable at Special Rates	1,086.28	2287.68
Others		
Foreign Taxes	71.72	52.67
Tax effect due to non-taxable for Indian Tax Purpose	(1283.80)	(1635.52)
Tax effect due to loss in Indian Subsidiary	-	(124.08)
Income tax benefit/(expense)	4969.10	2075.90
Effective tax rate	21.16%	9.20%

The Company's average effective tax rate for the years ended March 31, 2021 and 2020 were 21.16% and 9.20%, respectively.

Deferred tax assets & Liabilities:

The tax effects of significant temporary differences that resulted in deferred tax assets and liabilities and a description of the items that created these differences is given below:

Particulars	As of 31 March	
	2021	2020
<u>Deferred tax assets/(liabilities):</u>		
Property, plant and equipment	(8,126.34)	(7916.44)
Others	3227.82	3219.50
Net deferred tax assets/(liabilities)	4898.52	4624.94

2.30 Financial Risk Management:

The Company's activities expose it to a variety of financial risks, including credit risk, liquidity risk and Market risk. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors, risk management committee and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

Credit Risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of expected losses in respect of trade and other receivables and investments.

Trade Receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The total trade and other receivables impairment loss provided ₹ 160.69 lakhs as at 31st March 2021 and ₹ 158.00 lakhs as at 31st March 2020.

(₹ in Lakhs)

Particulars	As of 31 March	
	2021	2020
Period (in days)		
1 – 90	28139.98	20267.32
90 – 180	390.59	4679.60
More than 180	1485.43	2022.44
Total	30016.00	26969.36

The Company's credit period for customers generally ranges from 60-90 days. The aging of trade receivables that are past due but not impaired is given below:

On account of adoption of Ind AS 109, the Company uses Expected Credit Loss (ECL) model for assessing the impairment loss. For this purpose, it is weighted average of credit losses with the respective risks of default occurring as weights. The credit loss is the difference between all contractual cash flows that are due to an entity as per the contract and all the contractual cash flows that the entity expects to receive, discounted to the effective interest rate.

Financial assets that are neither past due nor impaired - None of the Company's cash equivalents, including deposits with banks, were past due or impaired as at 31st March 2021

Reconciliation of allowance for credit losses

The details of changes in allowance for credit losses during the year ended 31 March 2020 and 31 March 2019 are as follows:

Particulars	As of 31 March	
	2021	2020
Balance at the beginning of the year	158.00	184.13
Impairment of Trade receivables	2.69	(26.13)
Balance at the end of the year	160.69	158.00

Liquidity Risks:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

As of 31 March 2021 and 2020, the Company has utilized working capital credit limits from banks for ₹ 29765.63 Lakhs and ₹ 14270.14 Lakhs respectively.

As of 31st March 2021, the Company had working capital (current assets less current liabilities) of ₹ 32238.12 Lakhs including cash and cash equivalents of ₹ 12035.22 Lakhs. As of 31st March 2020, the Company had working capital of ₹ 35980.64 Lakhs, including cash and cash equivalents of ₹ 3869.25 Lakhs.

(₹ in Lakhs)					
Particulars	2022	2023	2024	2025	Total
Trade payables	1980.91	-	-	-	1980.91
Long term borrowings	8419.04	7022.03	1125.00	1125.00	17691.07
Bank overdraft, short-term loans and borrowings*	29765.63	-	-	-	29765.63
Other liabilities*	15752.71	-	-	-	15752.71

* The bank overdraft and other liabilities are payable on demand

Market Risks:

Market risk is the risk that changes in market prices such as commodity prices risk, foreign exchange rates and interest rates which will affect the Company's financial position. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The Coffee Industry is dependent on nature, making it susceptible to climate vagaries. The major weather factors that influence coffee yield are rainfall, temperature, light intensity and relative humidity.

Commodity Price Risk

The Company exposure to Market risk for commodity prices can result in changes to realisation for its Cost of Production for its products. The company mitigates risk by entering into Coffee Future Contracts and with the natural hedge arising on export of Products vis a vis import of Coffee Beans.

Coffee Futures

The Company uses Coffee future contract to reduce its price risk associated with forecasted purchases of Coffee beans. Throughout the year, the company enters into coffee futures based on market price and anticipated production requirements.

Currency Risk

The Company is exposed to currency risk on account of its borrowings and other payables in foreign currency. The functional currency of the Company is Indian Rupee. The company mitigates the currency risk with natural hedge arising on export of Products vis a vis import of Coffee Beans.

Interest rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

2.31 Capital Management
(₹ in Lakhs)

The Company's objective for capital management is to maximize shareholder wealth, safeguard business continuity and support the growth of the Company. The Company determines the capital management requirement based on annual operating plans and long term and other strategic investment plans. The funding requirements are met through equity, borrowings and operating cash flows required.

Particulars	2021	2020
Total Debt	70088.83	58098.26
Total Equity	108729.78	92839.53
Debt Equity Ratio	0.64:1	0.62:1

2.32 Contingent Liabilities and Commitments

The following are the details of contingent liabilities and commitments:

Particulars	2021	2020
Contingent Liabilities		
a) Claims against the company/disputed liabilities not acknowledged as debts		
Income Tax*	4057.38	4402.40
Service tax	995.92	995.92
Sales Tax	151.94	47.16
b) Guarantees		
Bank Guarantees	1516.12	1423.27
	6721.36	6868.75
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	343.43	4713.19
	343.43	4713.19

* Tax deposited under protest ₹ 2883.28 Lakhs

As per our report of even date
For RAMANATHAM & RAO
Chartered Accountants

Sd/-
K.SREENIVASAN
Partner
M.No.206421

Place : Hyderabad
Date : 21st May, 2021

Sd/-
V.Lakshmi Narayana
Chief Financial Officer
M. No. 028499

Sd/-
Sridevi Dasari
Company Secretary
M.No. A29897

Sd/-
K. Chandrahas
Director
DIN : 02994302

By order of the Board

Sd/-
Challa Rajendra Prasad
Executive Chairman
DIN : 00702292

Sd/-
Challa Srishant
Managing Director
DIN : 00016035

OUR CSR INITIATIVES





CCL PRODUCTS (INDIA) LIMITED

Registered office: Duggirala Mandal, Guntur District - 522330, Andhra Pradesh, India.

☎ +91 8644 277294 | ☎ +91 8644 277295 | ✉ info@continental.coffee

🌐 www.continental.coffee | 🌐 www.cclproducts.com