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ANNUAL REPORT 2022-23

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62ND ANNUAL GENERAL MEETING

Tuesday, August 22, 2023
at 9:30 A.M.
through Video Conferencing (VC)/
Other Audio-Visual Means (OAVM)

CONTENTS

Company Information

Board of Directors

Sri Challa Rajendra Prasad, Chairman
(Executive Director)

Smt. Challa Shantha Prasad
(Non-Executive Director)

Sri Vipin K Singal
(Independent Non-Executive Director)

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

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

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

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

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

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

Dr. Krishnanand Lanka
(Independent Director-w.e.f., 14.07.2023)

Sri Satyavada Venkata Ramachandra Rao
(Non-Executive Director-w.e.f., 14.07.2023)

Sri B. Mohan Krishna
(Executive Director)

Sri Challa Srishant, Managing Director
(Executive Director)

Key Managerial Personnel (KMP)

Chief Executive Officer
Sri Praveen Jaipuriar

Chief Financial Officer
Sri V. Lakshmi Narayana

Company Secretary & Compliance Officer
Smt. Sridevi Dasari

Registered Office

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

CIN : L15110AP1961PLC000874

Statutory Auditors

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

Internal Auditors

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

Secretarial Auditors

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

Cost Auditors

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

Bankers

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

Registrars & Share Transfer Agent (Physical & Demat)

M/s. Venture Capital &
Corporate Investments Pvt. Ltd.
“AURUM” Door No: 4-50/P-II/57/4F & 5F
Plot No.:57, Jayabheri Enclave, Phase:II,
Gachibowli, Hyderabad 500 032
Phone : +91 40 2381 8475 / 35164940
Fax : +91 40 2386 8024
E.mail : info@vccipl.com

Board Committees

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

NOTICE

Notice is hereby given that the 62nd Annual General Meeting of the Members of CCL Products (India) Limited will be held on August 22, 2023 at 09:30 A.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 Financial Statement of the Company for the financial year ended March 31, 2023 and the Report of the Board of Directors and Auditors thereon; and (b) the audited Consolidated Financial Statement of the Company for the financial year ended March 31, 2023 and the Report of Auditors thereon and, in this regard, to consider and if thought fit, to pass the following resolutions as Ordinary Resolutions:

   a) **"RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2023 and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby received, considered and adopted."

   b) **"RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2023 and the report of Auditors thereon, as circulated to the Members, be and are hereby received, considered and adopted."

2. To confirm the interim dividend on equity shares for the financial year 2022-23, and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

   "RESOLVED THAT the interim dividend of ₹ 3/- per Equity Share (nominal value ₹ 2/- each) to the shareholders of the Company, declared by the Board of Directors in their meeting held on January 18, 2023 for the financial year 2022-23 be and is hereby confirmed."

3. To declare final dividend on equity shares for the financial year ended March 31, 2023 and, in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

   "RESOLVED THAT a final dividend of ₹ 2.50/- per Equity Share (nominal value ₹ 2/- each) to the shareholders of the Company, as recommended by the Board of Directors, be and is hereby declared for the financial year ended March 31, 2023."

4. To appoint Smt. Challa Shantha Prasad (DIN 00746477), who retires by rotation as a Director and, in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Smt. Challa Shantha Prasad (DIN 00746477), who retires by rotation at this meeting, be and is hereby reappointed as a Director of the Company, whose period of office shall be liable to retire by rotation."

5. To appoint Sri K. K. Sarma (DIN 06672873), who retires by rotation as a Director and, in this regard, to consider and if thought fit, to pass the following resolution as a Special Resolution.

   "RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 and in terms of Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Sri K. K. Sarma (DIN 06672873), who retires by rotation at this meeting and who attains the age of seventy-five years during the currency of his forthcoming tenure, be and is hereby re-appointed as a Director of the Company, whose period of office shall be liable to retire by rotation.

   RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this resolution."

Special Business:

6. Reappointment of Sri Durga Prasad Kode (DIN 07946821) to the office of Independent Director

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

"RESOLVED THAT pursuant to the provisions of Sections 152, 160 and all other applicable provisions contained under the Companies Act, 2013 ("Act"), and in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Sri. Durga Prasad Kode (DIN 07946821), who was appointed as an Additional Director by the Board of Directors under section 161(1) of the said Act and in accordance with the Articles of Association of the Company, effective July 14, 2023 and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Act proposing his candidature to the office of Director of the Company, and as recommended by the Nomination and Remuneration Committee, be and is hereby appointed to the office of Director of the Company.

"RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule IV to the Act, as amended from time to time, and in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), the reappointment of Sri Durga Prasad Kode (DIN 07946821) to the office of Independent Director, who meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation, for another term of five years commencing July 14, 2023 as recommended by the Nomination and Remuneration Committee, be and is hereby approved.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this resolution."

7. Reappointment of Smt. Kulsoom Noor Saifullah (DIN 02544686) to the office of Independent Director

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, read with Schedule IV to the Companies Act, 2013 and Regulation 17, Regulation 25 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Smt. Kulsoom Noor Saifullah (DIN 02544686), who was appointed as an Independent Director at the 58th Annual General Meeting of the Company and who holds office as such upto February 13, 2024 and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Act proposing her candidature to the office of Director of the Company, be and is hereby reappointed to the office of Independent Director of the Company, whose office is not liable to retire by rotation, for another term of five years, that is upto February 13, 2029.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this resolution."

8. Reappointment of Sri K. V. Chowdary (DIN 08485334) to the office of Independent Director

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, read with Schedule IV to the Companies Act, 2013 and Regulation 17, Regulation 25 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Sri K. V. Chowdary (DIN 08485334) who was appointed as an Independent Director at the 58th Annual General Meeting of the Company and who holds office as such upto June 24, 2024 and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Act proposing his candidature to the office of Director of the Company, be and is hereby reappointed to the office of Independent Director of the Company, whose office is not liable to retire by rotation, for another term of five years, that is upto June 24, 2029.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this resolution."

9. Appointment of Dr. Krishnanand Lanka (DIN 07576368) to the office of Independent Director

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

"RESOLVED THAT pursuant to the provisions of Sections 152, 160 and all other applicable provisions contained under the Companies Act, 2013 ("Act"), and in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Dr. Krishnanand Lanka (DIN 07576368), who was appointed as an Additional Director by the Board of Directors under section 161(1) of the said Act and in accordance with the Articles of Association of the Company, effective July 14, 2023 and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Act proposing his candidature to the office of Director of the Company, and as recommended by the Nomination and Remuneration Committee, be and is hereby appointed to the office of Director of the Company."

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule IV to the Act, as amended from time to time, and in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), the appointment of Dr. Krishnanand Lanka (DIN 07576368) to the office of Independent Director, who meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation, for a term of five years commencing July 14, 2023 as recommended by the Nomination and Remuneration Committee, be and is hereby approved.

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this resolution."

10. Appointment of Sri Satyavada Venkata Ramachandra Rao (DIN 01869061) to the office of Non-Executive Director

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

"RESOLVED THAT pursuant to the provisions of Sections 152, 160 and all other applicable provisions contained under the Companies Act, 2013 ("Act"), and in terms of Regulation 17(1A) and any other applicable provisions of the SEBI Regulations of the (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Sri Satyavada Venkata Ramachandra Rao (DIN 01869061), who was appointed as an Additional Director by the Board of Directors under section 161(1) of the said Act and in accordance with the Articles of Association of the Company, effective July 14, 2023 and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Act along with the requisite deposit amount, proposing his candidature to the office of Director of the Company, and who attains the age of seventy-five years during the currency of his forthcoming tenure and as recommended by the Nomination and Remuneration Committee, be and is hereby appointed to the office of Director of the Company, whose period of office shall be liable to retire by rotation."

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this resolution."

11. Reappointment of Sri Challa Srishant (DIN 00016035) to the office of Managing Director:

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and in terms of Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) and all other applicable provisions, the reappointment of Sri Challa Srishant (DIN 00016035) to the office of Managing Director of the Company, a Key Managerial Personnel as defined under Section 2(51) of the said Act, for a period of 5 years effective February 14, 2024, who shall not be liable to retire by rotation, on the terms and conditions including remuneration payable by the Company as set out in the Statement annexed to the Notice, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said reappointment and / or remuneration as it may deem fit, be and is hereby approved.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this resolution."

12. Reappointment of Sri B. Mohan Krishna (DIN 03053172) to the office of Whole Time Director (Executive Director):

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and in terms of Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) and all other applicable provisions, the reappointment of Sri B. Mohan Krishna (DIN 03053172) to the office of Whole-time Director of the Company, designated as Executive Director, liable to retire by rotation, by the Board of directors, a Key Managerial Personnel as defined under Section 2(51) of the said Act, for a period of

5 years effective February 14, 2024 on the terms and conditions including remuneration payable by the Company as set out in the Statement annexed to the Notice, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said reappointment and / or remuneration as it may deem fit, be and is hereby approved.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this resolution.”

13. 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. M P R & Associates, Cost Accountants, (Registration No. 000413), Hyderabad, appointed as Cost Auditors by the Board of Directors of the Company to conduct the audit of the cost records maintained by the Company for the financial year ending March 31, 2024, amounting to Rs. 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

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

Place: Dak Lak Province, Vietnam
Date : July 14, 2023

NOTES FOR MEMBERS:

1. In accordance with the provisions of the Companies Act, 2013 read with the Rules made thereunder and General Circular nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 05, 2020, 02/2021 dated January 13, 2021, 21/2021 dated December 14, 2021, 2/2022 dated May 5, 2022 and 10/22 dated December 28, 2022 issued by the Ministry of Corporate Affairs (“MCA”) read with Circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 and other relevant circulars issued by the Securities and Exchange Board of India (“SEBI”), from time to time (hereinafter collectively referred to as “the Circulars”), companies are allowed to hold Annual General Meetings (AGMs) through Video Conference (“VC”) or Other Audio Visual Means (“OAVM”) upto September 30, 2023, without physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being convened through VC/OAVM and the venue of the AGM shall be deemed to be the Registered Office of the Company.

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

3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”), in respect of items of special business and a statement in respect of appointment of Sri K. K. Sarma are annexed hereto and forms part of the Notice.

4. Members may note that the Board, at its meeting held on May 16, 2023, has recommended a final dividend of ₹ 2.50/- per share. The record date for the purpose of final dividend for the financial year is fixed as August 11, 2023. The final dividend, once declared by the members in the ensuing AGM, will be paid on or before August 28, 2023 electronically through various online transfer modes to those members who have updated their bank account details. For members who have not updated their bank account details, dividend warrants / demand drafts will be sent to their registered addresses. To avoid delay in receiving dividend, members are requested to update their KYC with their depositories (where shares are held in dematerialized mode) and with the Company’s Registrar and Transfer Agent (RTA) (where shares are held in physical mode) to receive dividend directly into their bank account on the payout date.

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

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

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

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

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

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

- Copy of the PAN card allotted by the Indian income tax authorities duly attested by the shareholders or details as prescribed under rule 37BC of the Income-tax Rules, 1962
- Copy of the Tax Residency Certificate for financial year 2022-23 obtained from the revenue or tax authorities of the country of tax residence, duly attested by shareholders
- Self-declaration in Form 10F
- Self-declaration by the shareholders of having no permanent establishment in India in accordance with the applicable tax treaty
- Self-declaration of beneficial ownership by the non-resident shareholder
- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by the shareholders

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

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

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

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

   In case you are holding Company's shares in physical form, please inform Company's RTA viz. M/s. Venture Capital and Corporate Investments Pvt. Ltd., AURUM, Door No.4-50/P-II/57/4F & 5F, Plot No.57, 4th & 5th Floors, Jayabheri Enclave Phase -II, Gachibowli, Hyderabad – 500032, by enclosing a photocopy of blank cancelled cheque of your bank account.

6. As per Regulation 40 of the Listing Regulations, as amended from time to time, securities of listed companies can be transferred only in dematerialized form with effect from April 01, 2019. Even the transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form with effect from January, 24, 2022. In view of this and to eliminate all the risks associated with physical shares and for the ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. M/s. Venture Capital and Corporate Investments Pvt. Ltd., AURUM, Door No.4-50/P-II/57/4F & 5F, Plot No.57, 4th & 5th Floors, Jayabheri Enclave Phase -II, Gachibowli, Hyderabad – 500032, is the Registrar & Share Transfer Agent (RTA) of the Company. All communications in respect of share transfers, dematerialization and change in the address of the members may be communicated to the RTA.

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

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

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

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

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

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

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

    Members who have not yet encashed the dividend warrants from the financial year ended March 31, 2016 onwards are requested to forward their claims to the Company's Registrar and Share Transfer Agents without any further delay. It is in the Members' interest to claim any un-encashed dividends and for future, opt for Electronic Clearing Service, so that dividends paid by the Company are credited to the members' account on time.

It may be noted that once the unclaimed dividend is transferred to IEPF as above, no claim shall rest with the Company in respect of such amount. It may also be noted that the unclaimed dividend amount which were lying with the Company upto and in respect of the year ended on March 31, 2015, have already been transferred to the IEPF. The details of the unclaimed dividends are available on the Company's website at www.cclproducts.com and on the website of Ministry of Corporate Affairs at www.mca.gov.in. Members are requested to contact the Company's Registrar and Share Transfer Agent or the Company to claim the unclaimed/unpaid dividends.

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

13. Pursuant to the directions/notifications of Securities and Exchange Board of India (SEBI) and Depositories, the demat account holders can operate their accounts if they had already provided Income Tax Permanent Account Number 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 circular, all share transfer requests are therefore to be accompanied with PAN details. Members holding shares in physical form can submit their PAN details to the Company / RTA.

    Securities and Exchange Board of India (SEBI) vide its Circular dated November 3, 2021, December 15, 2021 and March 16, 2023, has mandated the submission of PAN, KYC details and nomination by holders of physical securities by September 30, 2023. Members are requested to submit their PAN, KYC and nomination details to the RTA of the Company Venture Capital and Corporate Investments Pvt. Ltd. The format of mandatory KYC documents is available on the Company's Website www.cclproducts.com.

    Members holding shares in electronic form are, requested to submit their PAN to their depository participant(s). In case a holder of physical securities fails to furnish these details or link their PAN with Aadhaar before the due date, our registrars are obligated to freeze such folios. The securities in the frozen folios shall be eligible to receive payments (including dividend) and lodge grievances only after furnishing the complete documents. If the securities continue to remain frozen as on December 31, 2025, the registrar/the Company shall refer such securities to the administering authority under the Benami Transactions (Prohibitions) Act, 1988, and/ or the Prevention of Money Laundering Act, 2002.

14. Members may also note that the Notice of the 62nd Annual General Meeting is available on the Company's website: www.cclproducts.com. All documents referred to in the accompanying Notice and the Statement pursuant to Section 102(1) of the Companies Act, 2013 shall be open for inspection by the Members by writing an e-mail to the Company at investors@continental.coffee.

    In compliance with the aforesaid MCA Circulars and SEBI Circular dated January, 5, 2023, Notice of the AGM along with Annual Report 2022-23 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 2022-23 will also be available on the Company's website at www.cclproducts.com, on the website of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of CDSL www.evotingindia.com.

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

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

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

17. Retirement of Directors by rotation: Smt. Challa Shantha Prasad, Non-Executive Director and Sri K. K. Sarma, Non-Executive Director of the Company, retire by rotation at the ensuing Annual General Meeting and, being eligible, offer themselves for reappointment. The Board of directors recommend their reappointment.

Instructions for E-VOTING

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

1. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated 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.

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

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

4. Pursuant to MCA Circular No. 14/2020 dated 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.

5. 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 August 19, 2023 at 09:00 A.M. and ends on August 21, 2023 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., August 15, 2023 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 to the detailed procedure on e-voting given hereunder.

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

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

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

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

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

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

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

Type of Shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL Depository**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/my-easi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting. Additionally, there 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 https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered Mobile and Email as recorded in the demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Individual Shareholders holding securities in demat mode with **NSDL Depository**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their Depository **Participants (DP)**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL depository site after successful authentication, wherein you can see e-Voting feature. Click on the company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at investors@continental.coffee. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/ folio number, email id, mobile number at 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 AVC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

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

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

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

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

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

General Instructions

i. The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on August 15, 2023.

ii. The scrutinizer shall, immediately after the conclusion of voting at the AGM, unlock the votes through e-voting and remote e-voting in the presence of at least two witnesses, not in the employment of the Company and make, not later than 48 hours from the conclusion of the Meeting, a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.cclproducts.com and on the website of CDSL www.cdslindia.com. The results shall simultaneously be communicated to the Stock Exchanges. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e., August 22, 2023.

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 and SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015)

Item No. 5

The members, at the Annual General Meeting of the Company held on August 26, 2021, reappointed Sri K. K. Sarma (DIN 06672873), a Non-Executive Director, to the office of director liable to retire by rotation. In terms of Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the Members by way of Special Resolution is required for appointment / continuation of a non-executive director beyond the age of seventy-five years. Sri K. K. Sarma (DIN 06672873), aged 73 years attains the age of seventy-five years in April, 2025, i.e., during his tenure of the office of Non-Executive Director.

Sri K. K. Sarma, is a Commerce Graduate from Osmania University, having more than 35 years of experience in the fields of setting up of various projects and administration of Companies. 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 your Company 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 and is now providing valuable inputs in setting up of the new Plants.

Considering Sri K. K. Sarma's profile and rich experience, your Board believes that his services would be highly beneficial for the various ongoing / upcoming projects of the Company. Accordingly, the Board of Directors, at its meeting held on July, 14, 2023, on the recommendation of the Nomination & Remuneration Committee, have in turn recommended the reappointment of Sri K. K. Sarma as Director of the Company, liable to retire by rotation, for the approval of the Members, by way of Special Resolution as set out in the resolution at Item No.5 of this Notice.

The information pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to directors seeking appointment / re-appointment is provided in the "Annexure" to the Notice.

Except Sri K. K. Sarma, being the appointee, and his relatives, none of the other Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution.

Item No. 6

As the members are aware, Sri Durga Prasad Kode (DIN 07946821) was appointed as an Independent Director of the Company by the members in their 57th Annual General Meeting held on July 14, 2018 for a period of 5 consecutive years, i.e., for a period of five years with effect from July 14, 2018. Pursuant to the provisions of Section 149 read with Schedule IV to the Companies Act, 2013, an Independent Director may be reappointed for another term of 5 years, if approved by members by way of Special Resolution.

Sri Durga Prasad Kode is a Commerce Graduate, who joined Indian Police Service in 1981 in the undivided Andhra Pradesh Cadre. Subsequently upon the bifurcation of the State in 2014, he was relocated to Telangana Cadre. He served with distinction in various fields, such as Law and Order, Training, Provisioning, Anti-naxal operations, Vigilance in Energy Sector, Intelligence in the State Police and in VIP protection and Para Military Forces in the Central Government. He served in several departments of the Government like Law and Order, State Intelligence, Anti Naxal operations, Training and Administration, Vigilance, Special protection Group and Central Reserve Police Force. More details about Sri Durga Prasad Kode are provided in the "Annexure" to the Notice pursuant to SEBI Listing Regulations and Secretarial Standards on General Meetings issued by ICSI. He is paid remuneration by way of fee for attending meetings of the Board and Committees thereof or for any other purpose as may be decided by the Board, reimbursement of expenses for participating in the Board / other meetings and profit based commission within the limits as laid under Section 197 of the Act.

Sri Durga Prasad Kode is registered as an Independent Director in the Data Bank maintained by The Indian Institute of Corporate Affairs.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Sri Durga Prasad Kode be reappointed to the office of Independent Director of the Company.

In the opinion of the Board, Sri Durga Prasad Kode has the integrity, expertise, and proficiency required to get appointed to the office of Independent Director of the Company.

Sri Durga Prasad Kode's 1st term as Independent Director expired on the close of July 13, 2023. The Board of Directors, at its meeting held on July 14, 2023, based on the performance evaluation of Sri Durga Prasad Kode and the recommendation of the Nomination and Remuneration Committee, and considering the background and experience of Sri Durga Prasad Kode and his significant contribution to the Company as a Board Member and as a member of various Committees, appointed him to the office of Additional Director (Independent category), pursuant to the provisions of Section 149, 161(1) of the Act read with the Articles of Association of the Company, who shall hold the office of Independent Director of the Company for a period of five consecutive years with effect from July 14, 2023 to July 13, 2028, subject to the approval of members of the Company. The Board of Directors are of the view that the continued association of Sri Durga Prasad Kode would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director, in the best interest of the Company.

The Board is of the opinion that Sri Durga Prasad Kode fulfils the conditions for his reappointment as an Independent Director as specified in the Companies Act, 2013 and the SEBI Listing Regulations. Sri Durga Prasad Kode is independent of the management and possesses appropriate skills, experience and knowledge.

Section 149(10) of the Act provides that an Independent Director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for reappointment on passing a Special Resolution by the Company and disclosure of such appointment in its Board's Report. Section 149(11) provides that an Independent Director may hold office for up to two consecutive terms.

Pursuant to the provisions of Section 160 of the Companies Act, 2013 read with Rules thereunder, any proposal to appoint a Director needs to be approved by the members in their General Meeting. Pursuant to Regulation 17(1C) of the SEBI Listing Regulations, approval of shareholders for appointment of a person on the Board of Directors is required to be taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. Further, in terms of Regulation 25(2A) of the SEBI Listing Regulations, the appointment, reappointment or removal of an independent director shall be subject to the approval of shareholders by way of a special resolution. Accordingly, the appointment of Sri Durga Prasad Kode requires the approval of the members by way of a special resolution.

The Company has received a Notice from a Member in writing under Section 160(1) of the Act proposing his candidature for the office of Director. The Company has also received from Sri Durga Prasad Kode (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified to act as Director under Section 164(2) of the Act and (iii) a declaration to the effect that he meets the criteria of independence as provided under Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations (iv) declaration that he is not debarred or restrained from acting as a Director by any SEBI order or any other such authority.

Hence, in view of the aforementioned provisions, the Company is seeking the approval of its members for appointment of Sri Durga Prasad Kode, as an Independent Director on the Board of the Company for a term of five consecutive years effective from July 14, 2023 to July 13, 2028.

A copy of the letter of appointment, setting out the terms and conditions of appointment of Sri Durga Prasad Kode, and all other documents referred to in the accompanying Notice and this Statement are available for inspection by the members, at the Company's registered office during business hours on all working days from the date of dispatch of this Notice till Tuesday, August 22, 2023 and also electronically. Members may send a request along with their DP/Client ID or Folio No. from their registered e-mail address to the Company at investors@continental.coffee.

Except Sri Durga Prasad Kode, being an appointee, and his relatives, 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 in the Notice. This Explanatory Statement may also be regarded as a disclosure under Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Your Board of Directors recommend the Special Resolution for your consideration and approval.

Item No. 7

As the members are aware, Smt. Kulsoom Noor Saifullah (DIN 02544686) was appointed as an Independent Director of the Company by the members in their 58th Annual General Meeting held on August 7, 2019 for a period of 5 consecutive years, i.e., for a period of five years with effect from February 14, 2019 till February 13, 2024. Pursuant to the provisions of Section 149 read with Schedule IV to the Companies Act, 2013, an Independent Director may be reappointed for another term of 5 years, if approved by members by way of Special Resolution.

Smt. Kulsoom Noor Saifullah has an illustrious academic record and a successful entrepreneurial journey until she opted to retire from active commercial career and dedicate her services for philanthropic cause in different spheres. More details about Smt. Kulsoom Noor Saifullah are provided in the “Annexure” to the Notice pursuant to SEBI Listing Regulations and Secretarial Standards on General Meetings issued by ICSI. She is paid remuneration by way of fee for attending meetings of the Board and Committees thereof or for any other purpose as may be decided by the Board, reimbursement of expenses for participating in the Board / other meetings and profit based commission within the limits as laid under Section 197 of the Act.

She has the skills and capabilities required for the role of Independent Director and has leadership skills and immense business acumen.

Smt. Kulsoom Noor Saifullah is registered as an Independent Director in the Data Bank maintained by The Indian Institute of Corporate Affairs.

In the opinion of the Board, Smt. Kulsoom Noor Saifullah has the integrity, expertise, and proficiency required to get appointed to the office of Independent Director of the Company.

The Board, at their meeting held on July 14, 2023, based on the performance evaluation and as per the recommendation of the Nomination and Remuneration Committee, considered and unanimously agreed that, given her professional background and experience and valuable contributions made by her during her tenure, the continued association of Smt. Kulsoom Noor Saifullah would be beneficial to the Company and it is desirable to continue to avail her services as an Independent Director. Accordingly, it is proposed to reappoint Smt. Kulsoom Noor Saifullah as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company with effect from February 14, 2024 till February 13, 2029.

Section 149(10) of the Act provides that an Independent Director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for reappointment on passing a Special Resolution by the Company and disclosure of such appointment in its Board’s Report. Section 149(11) provides that an Independent Director may hold office for upto two consecutive terms.

The Company has received a Notice from a Member in writing under Section 160(1) of the Act proposing her candidature for the office of Director. The Company has also received from Smt. Kulsoom Noor Saifullah (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified to act as Director under Section 164(2) of the Act and (iii) a declaration to the effect that she meets the criteria of independence as provided under Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations (iv) declaration that she is not debarred or restrained from acting as a Director by any SEBI order or any other such authority.

The Board is of the opinion that Smt. Kulsoom Noor Saifullah fulfils the conditions for her reappointment as an Independent Director as specified in the Companies Act, 2013 and the SEBI Listing Regulations. Smt. Kulsoom Noor Saifullah is independent of the management and possesses appropriate skills, experience and knowledge.

A copy of the letter of appointment, setting out the terms and conditions of appointment of Smt. Kulsoom Noor Saifullah, and all other documents referred to in the accompanying Notice and this Statement are available for inspection by the members, at the Company’s registered office during business hours on all working days from the date of dispatch of this Notice till Tuesday, August 22, 2023 and also electronically. Members may send a request along with their DP/Client ID or Folio No. from their registered e-mail address to the Company at investors@continental.coffee.

Except Smt. Kulsoom Noor Saifullah, being an appointee, and her relatives, 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 in the Notice. This Explanatory Statement may also be regarded as a disclosure under Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Your Board of Directors recommend the Special Resolution for your consideration and approval.

Item No. 8

As the members are aware, Sri K. V. Chowdary (DIN 08485334) was appointed as an Independent Director of the Company by the members in their 58th Annual General Meeting held on August 7, 2019 for a period of 5 consecutive years, i.e., for a period of five years with effect from June 25, 2019 till June 24, 2024. Pursuant to the provisions of Section 149 read with Schedule IV to the Companies Act, 2013, an Independent Director may be reappointed for another term of 5 years, if approved by members by way of Special Resolution.

Sri K. V. Chowdary is accredited with an illustrious academic record and a successful professional career in various capacities. More details about Sri K. V. Chowdary are provided in the “Annexure” to the Notice pursuant to SEBI Listing Regulations and Secretarial Standards on General Meetings issued by ICSI. He is paid remuneration by way of fee for attending meetings of the Board and Committees thereof or for any other purpose as may be decided by the Board, reimbursement of expenses for participating in the Board / other meetings and profit based commission within the limits as laid under Section 197 of the Act.

He has the skills and capabilities required for the role of Independent Director and has leadership skills and vast operational experience. He possesses deep understanding of taxation matters and has vast experience having served as Chairman, Central Board of Direct Taxes and the Central Vigilance Commissioner of the country. He also possesses skills in strategic planning, financial, regulatory / legal matters, risk management, corporate governance, etc.

Sri K. V. Chowdary is registered as an Independent Director in the Data Bank maintained by The Indian Institute of Corporate Affairs.

In the opinion of the Board, Sri K. V. Chowdary has the integrity, expertise, and proficiency required to get appointed to the office of Independent Director of the Company.

The Board, at its meeting held on July 14, 2023, based on the performance evaluation and as per the recommendation of the Nomination and Remuneration Committee, considered and unanimously agreed that, given his professional background and experience and contributions made by him during his tenure, the continued association of Sri K. V. Chowdary would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, it is proposed to reappoint Sri K. V. Chowdary as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company with effect from June 25, 2024 till June 24, 2029.

Section 149(10) of the Act provides that an Independent Director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a Special Resolution by the Company and disclosure of such appointment in its Board’s Report. Section 149(11) provides that an Independent Director may hold office for upto two consecutive terms.

The Company has received a Notice from a Member in writing under Section 160(1) of the Act proposing his candidature for the office of Director. The Company has also received from Sri K. V. Chowdary (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified to act as Director under Section 164(2) of the Act and (iii) a declaration to the effect that he meets the criteria of independence as provided under Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations (iv) declaration that he is not debarred or restrained from acting as a Director by any SEBI order or any other such authority.

The Board is of the opinion that Sri K. V. Chowdary fulfils the conditions for his reappointment as an Independent Director as specified in the Companies Act, 2013 and the SEBI Listing Regulations. Sri K. V. Chowdary is independent of the management and possesses appropriate skills, experience and knowledge.

A copy of the letter of appointment, setting out the terms and conditions of appointment of Sri K. V. Chowdary, and all other documents referred to in the accompanying Notice and this Statement are available for inspection by the members, at the Company's registered office during business hours on all working days from the date of dispatch of this Notice till Tuesday, August 22, 2023 and also electronically. Members may send a request along with their DP/Client ID or Folio No. from their registered e-mail address to the Company at investors@continental.coffee.

Except Sri K. V. Chowdary, being an appointee, and his relatives, 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 in the Notice. This Explanatory Statement may also be regarded as a disclosure under Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Your Board of Directors recommend the Special Resolution for your consideration and approval.

Item No. 9

As the members are aware, Dr. Krishnanand Lanka (DIN 07576368), based on the recommendation of the Nomination and Remuneration Committee of the Company, was reappointed to the office of Non-Executive Director, liable to retire by rotation, by the members in their 61st AGM held on August 30, 2022. Dr. Krishnanand Lanka has been associated with the Company since 2016 and has been rendering his advisory services to the Board and to the Company towards the growth of business and imparting technical knowledge. In the said context, it is pertinent to note that Dr. Krishnanand Lanka, fulfills all the criteria of an Independent Director as prescribed under the Companies Act, 2013 and the SEBI Listing Regulations. Further, apart from receiving director's remuneration, Dr. Krishnanand Lanka did not have any material pecuniary relationship with the Company, its holding, subsidiary or associate company, or their promoters, or directors as per the requirements of the SEBI Listing Regulations. In view of the above, the Nomination and Remuneration Committee of the Company, at its meeting held on July 14, 2023, considered and recommended the appointment of Dr. Krishnanand Lanka as an Independent Director of the Company. Upon such recommendation, Dr. Krishnanand Lanka resigned as a Non-Executive Director of the Company with effect from the close of business hours on July 13, 2023. The Board of Directors subsequently appointed Dr. Krishnanand Lanka as an Additional Director (Independent category) of the Company, with effect from July 14, 2023 pursuant to the provisions of Section 149, 161(1) of the Act read with the Articles of Association of the Company, who shall hold the office of Independent Director of the Company for a period of five consecutive years with effect from July 14, 2023 to July 13, 2028, subject to the approval of members of the Company.

Pursuant to the provisions of Section 149 of the Act, an independent director shall hold office for a maximum term upto 5 (Five) consecutive years on the Board of a company and such Director shall not be included in the total number of directors for calculating the number of directors who would retire by rotation.

Pursuant to the provisions of Section 160 of the Companies Act, 2013 read with Rules thereunder, any proposal to appoint a Director needs to be approved by the members in their General Meeting. Pursuant to Regulation 17(1C) of the SEBI Listing Regulations, approval of shareholders for appointment of a person on the Board of Directors is required to be taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. Further, in terms of Regulation 25(2A) of the SEBI Listing Regulations, the appointment, reappointment or removal of an independent director shall be subject to the approval of shareholders by way of a special resolution. Accordingly, the appointment of Dr. Krishnanand Lanka requires the approval of the members by way of a special resolution.

The Company has received a Notice from a Member in writing under Section 160(1) of the Act proposing his candidature for the office of Director. The Company has also received from Dr. Krishnanand Lanka (i) consent in writing to act as Director in Form DIR-2 (ii) intimation in Form DIR-8 to the effect that he is not disqualified to act as Director under Section 164(2) of the Act and (iii) a declaration to the effect that he meets the criteria of independence (iv) declaration that he is not debarred or restrained from acting as a Director by any SEBI order or any other such authority.

Dr. Krishnanand Lanka is registered as an Independent Director in the Data Bank maintained by The Indian Institute of Corporate Affairs.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Dr. Krishnanand Lanka be appointed to the office of Independent Director of the Company.

Dr. Krishnanand Lanka has the integrity, expertise, and proficiency commensurate to that of the office of Independent Director of the Company. He possesses leadership skills and vast experience. More details about Dr. Krishnanand Lanka pursuant to SEBI Listing Regulations and Secretarial Standards on General Meetings issued by ICSI are provided in the "Annexure" to the Notice. He shall be paid remuneration by way of fee for attending meetings of the Board and Committees thereof or for any other purpose as may be decided by the Board, reimbursement of expenses for participating in the Board / other meetings and profit based commission within the limits as laid under Section 197 of the Act.

The Board is of the opinion that Dr. Krishnanand Lanka fulfils the conditions for his reappointment as an Independent Director as specified in the Companies Act, 2013 and the SEBI Listing Regulations. Dr. Lanka Krishnanand is independent of the management and possesses appropriate skills, experience and knowledge.

Hence, in view of the aforementioned provisions, the Company is seeking the approval of its members for appointment of Dr. Krishnanand Lanka, as an Independent Director on the Board of the Company for a term of five consecutive years effective from July 14, 2023 to July 13, 2028.

A copy of the letter of appointment, setting out the terms and conditions of appointment of Dr. Krishnanand Lanka, and all other documents referred to in the accompanying Notice and this Statement are available for inspection by the members, at the Company's registered office during business hours on all working days from the date of dispatch of this Notice till Tuesday, August 22, 2023 and also electronically. Members may send a request along with their DP/Client ID or Folio No. from their registered e-mail address to the Company at investors@continental.coffee.

Except Dr. Krishnanand Lanka being an appointee, and his relatives, 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 in the Notice. This Explanatory Statement may also be regarded as a disclosure under Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Your Board of Directors recommend the Special Resolution for your consideration and approval.

Item No. 10

Your Board of Directors, with an objective of supplementing the increasing business operations, market dynamics and growing compliance responsibilities at Board level and in order to further broadbase the Board strength, appointed Sri Satyavada Venkata Ramachandra Rao (DIN 07576368) to the office of Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2103, effective July 14, 2023. He shall hold the office as such till the ensuing AGM.

Sri Satyavada Venkata Ramachandra Rao started his career with M/s. B H P V Ltd. and then moved to Visakhapatnam Steel Plant. In pursuit of his professional goals, he moved to Private Sector organizations M/s. Sriram Refrigerations Ltd. and M/s. Bakelite Hylam Ltd. at Hyderabad. He became CEO of Andhra Cements SBU Visakhapatnam. In the year 2000 he quit his employment as Group Vice President HR & Legal, Pennar Group of Industries to promote Resource Inputs Limited. He has worked with major industrial organizations both in Public and Private sector for over 25 years in senior management positions in HR, Legal and General Management functions.

More details about Sri S V Rama Chandra Rao are provided in the "Annexure" to the Notice pursuant to SEBI Listing Regulations and Secretarial Standards on General Meetings issued by ICSI.

Pursuant to the provisions of Section 160 of the Companies Act, 2013 read with Rules thereunder, any proposal to appoint a Director needs to be approved by the members in their General Meeting. Pursuant to Regulation 17(1C) of the SEBI Listing Regulations, approval of shareholders for appointment of a person on the Board of Directors is required to be taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. In terms of Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the Members by way of Special Resolution is required for appointment / continuation of a non-executive director beyond the age of seventy-five years. Sri Satyavada Venkata Ramachandra Rao (DIN 07576368), aged 73 years attains the age of seventy-five years in August, 2025, i.e., during his tenure of the office of Non-Executive Director.

The Company has received a Notice from a Member in writing under Section 160(1) of the Act, along with requisite deposit, proposing his candidature for the office of Director. The Company has also received from Sri Satyavada Venkata Ramachandra Rao (i) consent in writing to act as Director in Form DIR-2 (ii) intimation in Form DIR-8 to the effect that he is not disqualified to act as Director under Section 164(2) of the Act and (iii) declaration that he is not debarred or restrained from acting as a Director by any SEBI order or any other such authority.

Hence, in view of the aforementioned provisions, the Company is seeking the approval of its members for appointment of Sri Satyavada Venkata Ramachandra Rao , as a Non-Executive Director on the Board of the Company, who shall be liable to retire by rotation in terms of Section 152 of the Companies Act, 2013.

A copy of the letter of appointment, setting out the terms and conditions of appointment of Sri Satyavada Venkata Ramachandra Rao , and all other documents referred to in the accompanying Notice and this Statement are available for inspection by the members, at the Company's registered office during business hours on all working days from the date of dispatch of this Notice till Tuesday, August 22, 2023 and also electronically. Members may send a request along with their DP/Client ID or Folio No. from their registered e-mail address to the Company at investors@continental.coffee.

Except Sri Satyavada Venkata Ramachandra Rao , being an appointee, and his relatives, 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 in the Notice. This Explanatory Statement may also be regarded as a disclosure under Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Your Board of Directors recommend the Special Resolution for your consideration and approval.

Item Nos. 11 & 12

The members are aware, that the synchronized efforts of Sri Challa Srishant, the Managing Director and Sri B. Mohan Krishna, the Executive Director have helped the Group establish itself as leading private label coffee manufacturers in the world. Complementing each other in their respective work profiles, both the said Directors have been playing an instrumental role in placing the Group at significant level in the international coffee markets. On a consolidated basis, CCL Group recorded 91% growth in turnover and 74% increase in net profit over the past five years under the able leadership of the Management. Further the Group's turnover has exceeded Rs.2000 Crore mark, while the Net Profit is more than Rs.250 Crores. CCL Group is currently exporting its products to more than 100 countries across the globe. The management of the Parent Company that of and its subsidiaries are planning for aggressive growth in the years to come as well.

The strategic business acumen of Sri Challa Srishant towards the vision of the Group has been instrumental in driving the business to achieve the growth guidance year on year. His ability to seize lucrative business opportunities by expanding into new geographies and forge new partnerships has strengthened the company's market presence on a broader scale.

Sri B. Mohan Krishna with his technical proficiency implemented state-of-the-art manufacturing facilities both in India and Vietnam. He played a pivotal role in spearheading the capacity expansion efforts, driving them forward with exceptional efficiency and relentless pursuit of competitiveness.

Under their leadership, the organization not only expanded its capacity, but also achieved a competitive edge in the market, positioning the Group as the largest private label manufacturer in the world. CCL Group capacity which was at 30,000 MTs per annum 7 years ago, increased to 55,000 MTs per annum in FY 23 and now aiming to expand to 77,000 MTs per annum by FY 25.

In the present context, it is worth noting that during the year under review, the plant expansion of M/s Ngon Coffee Company Limited (NCCL), the wholly owned subsidiary company based out of Vietnam, has been successfully completed. This capacity enhancement of spray dried coffee manufacturing to 30,000 MTs per annum has made NCCL the largest coffee manufacturing unit in Vietnam. This was possible under the direct guidance and untiring joint efforts of Sri Challa Srishant and Sri B. Mohan Krishna.

The Holding Company has nominated its core managerial personnel, Sri Challa Srishant and Sri B. Mohan Krishna on the Board of NCCL. The said managerial personnel, while rendering their services to the parent Company, have simultaneously dedicated their services towards the operations of NCCL, thus directly contributing to optimize production and generating higher sales over the upcoming years.

The Board of NCCL and its shareholders in their respective meetings held on 05.05.2023 and 13.07.2023 approved the payment of 3% and 2.5% of its profits to Sri Challa Srishant and Sri B. Mohan Krishna respectively, as remuneration. This is permissible under Section 197(14) of the Companies Act 2013.

Upon the recommendation of the Nomination and Remuneration Committee, adopting a more progressive, forward looking and decentralized approach, seeking to align the core managements' efforts and contribution with their remuneration structure, remuneration structure of similarly placed executives in other comparable companies in this line of business and taking note of the remuneration approved by the subsidiary company (NCCL), and to achieve a justified balance amongst the entities in the Group, the Board has proposed restructuring of the remuneration to be paid to the said Directors as laid hereunder.

As their present tenure of 5 years is till the closing hours of February, 13, 2024, considering their invaluable contribution to the growth of CCL Group, they were reappointed to their respective office(s) by the Board of Directors in its Meeting held on July 14, 2023 for another term of 5 years, effective February 14, 2024, based on the recommendations of the Nomination and Remuneration Committee. In other words Sri Challa Srishant, has been reappointed to the office of Managing Director and Sri B. Mohan Krishna has been reappointed to the office of whole time Director, designated as Executive Director, subject to approval of members in their meeting by passing special resolution.

The remuneration structure of **Sri Challa Srishant, Managing Director:**

CCL Products (India) Limited:

a. Salary, Perquisites and Allowances: Salary shall be ₹ 33,00,000/- per month along with other perquisites and allowances as per the Rules of the Company;

b. Contribution to provident fund, superannuation, gratuity etc.: The Company's contribution to provident fund, superannuation, gratuity payable as per the rules of the Company shall be included in the total remuneration.

c. Commission based on net profits: In addition to the salary, perquisites and allowances as set out above, Sri Challa Srishant shall be entitled to receive commission based on net profits of the Company and calculated in such a manner that the aggregate of salary and commission shall not exceed 3% of the Net Profits of the Company computed in terms of Section 197 and 198 of the Companies Act, 2013.

d. Reimbursement of Expenses: Expenses incurred for travelling, boarding and lodging during business trips on Company's business shall be reimbursed at actuals and not considered as perquisites.

The remuneration structure of **Sri B. Mohan Krishna, Executive Director:**

CCL Products (India) Limited:

a. Salary, Perquisites and Allowances: Salary shall be ₹ 28,00,000/- per month along with other perquisites and allowances as per the Rules of the Company;

b. Contribution to provident fund, superannuation, gratuity etc.: The Company's contribution to provident fund, superannuation, gratuity payable as per the rules of the Company shall be included in the total remuneration.

c. Commission based on net profits: In addition to the salary, perquisites and allowances as set out above, Sri B. Mohan Krishna shall be entitled to receive commission based on net profits of the Company and calculated in such a manner that the aggregate of salary and commission shall not exceed 2.5% of the Net Profits of the Company computed in terms of Section 197 and 198 of the Companies Act, 2013.

d. Reimbursement of Expenses: Expenses incurred for travelling, boarding and lodging during business trips on Company's business shall be reimbursed at actuals and not considered as perquisites.

Pursuant to the provisions of Section 196, 197 read with Schedule V of the Companies Act, 2013 any such reappointment / remuneration shall be subject to the approval of members in their General Meeting.

The draft agreements (proposed to be executed) in respect of Sri Challa Srishant, Managing Director and Sri B. Mohan Krishna, Executive Director, containing the terms and conditions of their appointment and all other documents referred to in the accompanying Notice and this Statement are available for inspection by the members, at the Company's registered office during business hours on all working days from the date of dispatch of this Notice till Tuesday, August 22, 2023 and also electronically. Members interested in perusing / inspecting may send a request along with their DP/Client ID or Folio No. from their registered e-mail address to the Company at investors@continental.coffee.Your Board of Directors recommend the Special Resolutions at item No. 11 and 12 for your consideration and approval.

Except Sri Challa Rajendra Prasad, Executive Chairman, Smt. Challa Shantha Prasad, Non-Executive Director of the Company, Sri Challa Srishant, Managing Director and Sri B. Mohan Krishna, Executive Director, being the appointees, and their relatives who are also shareholders in the Company, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolutions set out at Item No.11 and 12 of the Notice.

This Explanatory Statement may also be regarded as a disclosure under Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Brief profile of Sri Challa Srishant

Sri Challa Srishant is a lawyer by education, having graduated in Law from the National Academy of Legal Studies And Research (NALSAR), University of Law, Hyderabad. In addition, he holds a Diploma in Information Technology Laws from the Asian School of Cyber Laws.

He was awarded a gold medal in Corporate Law at the NALSAR, University of Law. He was also awarded a gold medal for topping in Mathematics in Andhra Pradesh.

Sri Srishant has around 20 years experience in the coffee industry. He is one of the Promoters of the Company and holds 1,41,15,723 equity shares of the Company as on March 31, 2023. Sri Srishant is also a Member of the Coffee Board of India as a representative of Instant Coffee Manufacturers with effect from 09.09.2022 for a period of 3 years.

Details of directorships and other details of Sri Challa Srishant required as per Regulation 36 of the Listing Regulations and Secretarial Standards of Institute of Company Secretaries of India are furnished as annexure to this Notice.

Brief profile of Sri B. Mohan Krishna

Sri B. Mohan Krishna is a Civil Engineer with more than 20 years of varied experience in the field of implementation of Civil, Mechanical, Electrical and Food Processing Projects. He is acquainted with the latest technological innovations in the fields of Civil, Mechanical and Electrical Engineering and execution and operation of Plants.

He has extensive experience in dealing with various issues involved in obtaining of approvals from various Government Departments, related compliances and overseeing implementation of the projects on turnkey basis.

He is part of the Promoters Group of the Company and holds 10,00,000 equity shares of the Company as on March 31, 2023.

Details of directorships and other details of Sri B. Mohan Krishna required as per Regulation 36 of the Listing Regulations and Secretarial Standards of Institute of Company Secretaries of India are furnished as annexure to this Notice.

Item No. 13

Pursuant to the recommendation of the Audit Committee, the Board of Directors at its meeting held on May 16, 2022, reappointed M/s. M P R & Associates, Cost Accountants, (Registration No. 000413) to the office of Cost Auditors of the Company for the FY 2023-24 at a remuneration of ₹ 2,00,000/- Lakhs, subject to the approval of members of the Company.

In accordance with Rule 14 of Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditors requires ratification by the Shareholders and hence the resolutions at No. 13 in the Notice attached herewith is put up for the consideration of the members.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolutions set out at Item No. 13 in the Notice attached herewith.

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

Place: Dak Lak Province, Vietnam
Date : July 14, 2023

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

Annexure

Information in respect of Director seeking appointment as required under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 read with Secretarial Standards on General Meetings issued by ICSI

Detailed Profile of Sri Challa Srishant is available and can be accessed at www.cclproducts.com

Name of the Director	Sri Challa Srishant
Date of Appointment including terms and conditions of appointment	Presently Sri Challa Srishant is serving as Managing Director of the Company whose term of office would continue till February 13, 2024. He has been reappointed to the office of Managing Director for another term of 5 years w.e.f. 14.02.2024 by the Board in its meeting held on July 14, 2023 subject to approval of members by passing special resolution.
Date of first appointment on the Board	18.07.2005
Date of Birth	15.04.1983 (Age: 40 years)
Expertise in Specific Functional areas and Experience	He has around 20 years of experience in the coffee industry. He also holds Directorships in several national and international companies across the world, engaged in diverse businesses ranging from manufacturing to construction and Information Technology and a passionate investor in e-commerce ventures.
Educational Qualification	LLB from NALSAR, University of Law, Hyderabad and also holds Diploma in Information Technology Laws from the Asian School of Cyber Laws.
Directorships in other Companies (Other than CCL Products (India) Limited)	• Continental Coffee Private Limited • Karafa Products Private Limited • Karafa Private Limited • Facemap Infotechnologies Private Limited • Re-Cog Infotechnologies Private Limited • Aries Habitat Private Limited • C R Prasad Family Foundation • CCL Food and Beverages Private Limited
Membership / Chairmanship of committees of Other Boards (other than CCL Products (India) Limited)	Nil
Details of Remuneration sought to be paid and the remuneration last drawn by such person	As mentioned in the resolution read with explanatory statement
Shareholding in the Company as on 31.03.2023	14115723 shares
Relationship between Directors inter-se/ Manager and KMPs	Sri Challa Srishant - son of Sri Challa Rajendra Prasad, Executive Chairman and Smt. Challa Shantha Prasad, Non-Executive Director and brother-in-law of Sri B. Mohan Krishna, Executive Director of the Company.
Number of Meetings of the Board attended during the year	6 of 6

Information in respect of Director seeking appointment as required under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 read with Secretarial Standards on General Meetings issued by ICSI.

Detailed Profile of Sri B. Mohan Krishna is available and can be accessed at www.cclproducts.com

Name of the Director	Sri B. Mohan Krishna
Date of Appointment including terms and conditions of appointment	Presently Sri. B. Mohan Krishna holds the office of Executive Director of the Company whose term of office would continue till February 13, 2024. He has been reappointed to the office of Executive Director for another term of 5 years w.e.f. 14.02.2024 by the Board in its meeting held on July 14, 2023 subject to approval of members by passing special resolution.
Date of first appointment on the Board	03.07.2013
Date of Birth	21.01.1981 (Age: 42 years)
Expertise in Specific Functional areas and Experience	He has around 19 years of varied experience in the field of implementation of Civil, Mechanical and Electrical Projects. He is acquainted with the latest technological innovations in the field of Civil Engineering and implementation of Plants. He has hands on experience dealing with various issues involved in obtaining of approvals from various Government Departments and overseeing implementation of the projects on turnkey basis.
Educational Qualification	Civil Engineering from JNTU, Hyderabad.
Directorships in other Companies (Other than CCL Products (India) Limited)	• Continental Coffee Private Limited • Helical Tubes and Ducts Pvt Ltd • CCL Food and Beverages Private Limited
Membership / Chairmanship of committees of Other Boards (other than CCL Products (India) Limited)	Nil
Details of Remuneration sought to be paid and the remuneration last drawn by such person	As mentioned in the resolution.
Shareholding in the Company as on 31.03.2023	10,00,000 shares
Relationship between Directors inter-se/ Manager and KMPs	Sri B. Mohan Krishna - son-in-law of Sri Challa Rajendra Prasad, Executive Chairman and Smt. Challa Shantha Prasad, Non-Executive Director and brother-in law of Sri Challa Srishant, Managing Director of the Company
Number of Meetings of the Board attended during the year	6 of 6

Information in respect of Director seeking appointment as required under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 read with Secretarial Standards on General Meetings issued by ICSI.

Detailed Profile of Smt. Challa Shantha Prasad is available and can be accessed at www.cclproducts.com

Name of the Director	Smt. Challa Shantha Prasad
Date of Appointment including terms and conditions of appointment	She was appointed as a Non-Executive Director in the Annual General Meeting of the Company held on 26.08.2021. There are no specific terms and conditions of appointment.
Date of first appointment on the Board	29.07.2016
Date of Birth	09.12.1953 (Age: 69 years)
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 (Other than CCL Products (India) Limited)	Nil
Membership / Chairmanship of committees of Other Boards (other than CCL Products (India) Limited)	Nil
Remuneration (including sitting fees, if any) last drawn (FY 2022-23)	₹ 17.85 lakhs (for remuneration details, please refer Corporate Governance Report)
Remuneration Proposed to be paid	As per existing approved terms of appoinment
Shareholding in the Company as on 31.03.2023	185,65,334 equity shares (as on July 14, 2023 - 3,20,38,520 equity shares)
Relationship between Directors inter-se/ Manager and KMPs	Smt. Challa Shantha Prasad - spouse of Sri Challa Rajendra Prasad, Executive Chairman; mother of Sri Challa Srishant, Managing Director and mother-in-law of Sri B. Mohan Krishna, Executive Director of the Company.
Number of Meetings of the Board attended during the year	5 of 6

Information in respect of Director seeking appointment as required under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 read with Secretarial Standards on General Meetings issued by ICSI.

Detailed Profile of Sri. K. K. Sarma is available and can be accessed at www.cclproducts.com

Name of the Director	Sri K. K. Sarma
Date of Appointment including terms and conditions of appointment	He was appointed as a Non-Executive Director in the Annual General Meeting of the Company held on 26.08.2021 There are no specific terms and conditions of Appointment
Date of first appointment on the Board	03.07.2013
Date of Birth	11.04.1950 (Age: 73 years)
Expertise in Specific Functional areas and Experience	He is having more than 30 years of experience in the fields of setting up of various projects and administration of Companies. 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.
Educational Qualification	Commerce Graduate from Osmania University
Directorships in other Companies (Other than CCL Products (India) Limited)	• Daily Food Products Private Limited • Continental Coffee Private Limited
Membership / Chairmanship of committees of Other Boards (other than CCL Products (India) Limited)	Nil
Remuneration (including sitting fees, if any) last drawn (FY 2022-23)	₹ 21.05 lakhs (for remuneration details, please refer Corporate Governance Report)
Remuneration Proposed to be paid	As per existing approved terms of appoinment
Shareholding in the Company as on 31.03.2023	Nil
Relationship between Directors inter-se/ Manager and KMPs	Nil
Number of Meetings of the Board attended during the year	6 of 6

Information in respect of Director seeking appointment as required under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 read with Secretarial Standards on General Meetings issued by ICSI.

Detailed Profile of Sri Durga Prasad Kode is available and can be accessed at www.cclproducts.com

Name of the Director	Sri Durga Prasad Kode
Date of Appointment including terms and conditions of appointment	He was appointed as Independent Director of the Company by members in their meeting held on 14.07.2018 for a term of 5 years. Reappointed for another term of 5 years subject to approval of members by passing special resolution.
Date of first appointment on the Board	01.02.2018
Date of Birth	26.02.1957 (Age: 66 years)
Expertise in Specific Functional areas and Experience	He served in several Government Departments like Law and Order, State Intelligence, Anti Naxal operations, Training and Administration, Vigilance, Special protection Group and Central Reserve Police Force. He is presently serving as Advisor, Home Government of Andhra Pradesh for laying roads in interior Naxal affected agency areas and heading a committee for advising Government on Inland Waterways in Andhra Pradesh
Educational Qualification	Commerce Graduate and Indian Police Service officer of 1981 batch
Directorships in other Companies (Other than CCL Products (India) Limited)	• Nava Limited • Nava Bharat Energy India Limited
Membership / Chairmanship of committees of Other Boards (other than CCL Products (India) Limited)	**Nava Limited** Audit Committee: Chairperson Nomination and Remuneration Committee: Chairperson Stakeholders Relation Committee: Chairperson CSR Committee: Member **Nava Bharat Energy India Limited** Audit Committee: Chairperson Nomination and Remuneration Committee: Chairperson CSR Committee: Member
Remuneration (including sitting fees, if any) last drawn (FY 2022-23)	₹ 21.30 lakhs (for remuneration details, please refer Corporate Governance Report)
Remuneration Proposed to be paid	As per existing approved terms of appoinment
Shareholding in the Company as on 31.03.2023	10,000 shares
Relationship between Directors inter-se/ Manager and KMPs	Nil
Number of Meetings of the Board attended during the year	6 of 6

Information in respect of Director seeking appointment as required under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 read with Secretarial Standards on General Meetings issued by ICSI.

Detailed Profile of Smt. Kulsoom Noor Saifullah is available and can be accessed at www.cclproducts.com

Name of the Director	Smt. Kulsoom Noor Saifullah
Date of Appointment including terms and conditions of appointment	She was appointed as Independent Director of the Company by members in their meeting held on 07.08.2019 for a term of 5 years and is reappointed for another term of 5 years subject to approval of members by passing special resolution
Date of first appointment on the Board	19.01.2015
Date of Birth	01.09.1956 (Age: 66 years)
Expertise in Specific Functional areas and Experience	As an entrepreneur exporter she has exported leather products to both East and West Europe. She was also appointed as advisor and sole representative of the Donetsk Regional Administration, Government of Ukraine in India. She has been actively involved in social welfare projects. She is the founder of The India Harmony Foundation.
Educational Qualification	BA (English Honors)
Directorships in other Companies (Other than CCL Products (India) Limited)	• Good Earth Mining Private Limited
Membership / Chairmanship of committees of Other Boards (other than CCL Products (India) Limited)	Nil
Remuneration (including sitting fees, if any) last drawn (FY 2022-23)	₹ 21.55 lakhs (for remuneration details, please refer Corporate Governance Report)
Remuneration Proposed to be paid	As per existing approved terms of appoinment
Shareholding in the Company as on 31.03.2023	Nil
Relationship between Directors inter-se/ Manager and KMPs	Nil
Number of Meetings of the Board attended during the year	6 of 6

Information in respect of Director seeking appointment as required under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 read with Secretarial Standards on General Meetings issued by ICSI.

Detailed Profile of Sri K. V. Chowdary is available and can be accessed at www.cclproducts.com

Name of the Director	Sri K. V. Chowdary
Date of Appointment including terms and conditions of appointment	He was appointed as Independent Director of the Company by members in their meeting held on 07.08.2019 for a term of 5 years and is reappointed for another term of 5 years subject to approval of members by passing special resolution.
Date of first appointment on the Board	25.06.2019
Date of Birth	10.10.1954 (Age: 68 years)
Expertise in Specific Functional areas and Experience	He started his career as a probationary officer in Andhra Bank from 1976 to 1978. He later joined Indian Revenue Service in September, 1978 through Civil Services Examination of 1977. On deputation, he went to the Department of Revenue as Under Secretary during 1985-87 and to the Department of Company Affairs as Deputy Secretary from 1987 to 1989. He was Secretary to the Company Law Board for about one and half years and held several Executive Positions until he retired as Chairman of CBDT on 31st October, 2014. On Superannuation, he was appointed as an Advisor to the Department of the Revenue on issues relating to black money. He was appointed as the Central Vigilance Commissioner from June, 2015 to June, 2019 by a warrant issued by The President of India. He is a Member on the Advisory Board of Comptroller and Auditor General of India. He was elected as a Member of The Executive Committee of International Association of Anti-Corruption Agencies.
Educational Qualification	Graduation in Mathematics from Loyola College, Chennai and Post Graduation in Mathematics from IIT Chennai.
Directorships in other Companies (Other than CCL Products (India) Limited)	• Reliance Industries Limited • Divi's Laboratories Limited • Tata Motors Limited • Eugia Pharma Specialities Limited • My Home Industries Private Limited • Reliance Jio Infocomm Limited • Genome Foundation • GMR Varalakshmi Foundation • Anant Raj Limited

Membership / Chairmanship of committees of Other Boards (other than CCL Products (India) Limited)	**Reliance Industries Limited** Audit Committee: Member Nomination and Remuneration Committee: Member Stakeholders Relation committee: Chairperson CSR Committee: Member Risk Management Committee: Member **Divi's Laboratories Limited** Audit Committee: Member Nomination and Remuneration Committee: Member Stakeholders Relation committee: Member **Tata Motors Limited** Audit Committee: Member CSR Committee: Member **Eugia Pharma Specialities Limited** Audit Committee: Chairperson Nomination and Remuneration Committee: Member
Remuneration (including sitting fees, if any) last drawn (FY 2022-23)	₹ 19.50 lakhs (for remuneration details, please refer Corporate Governance Report)
Remuneration Proposed to be paid	As per existing approved terms of appoinment
Shareholding in the Company as on 31.03.2023	Nil
Relationship between Directors inter-se/ Manager and KMPs	Nil
Number of Meetings of the Board attended during the year	6 of 6

formation in respect of Director seeking appointment as required under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 read with Secretarial Standards on General Meetings issued by ICSI.

Detailed Profile of Dr. Krishnanand Lanka is available and can be accessed at www.cclproducts.com

Name of the Director	Dr. Krishnanand Lanka
Date of Appointment including terms and conditions of appointment	He was reappointed as a Non-executive Director of the Company in the AGM held on 30.08.022, liable to retire by rotation. Presently, appointed to the office of Independent Category of the Company effective July 14, 2023 for a term of 5 years subject to the approval of members by passing special resolution.
Date of first appointment on the Board	29.07.2016
Date of Birth	06.03.1962 (Age: 61 years)
Expertise in Specific Functional areas and Experience	Dr. Krishnanand Lanka is a Professor in Mechanical Engineering Department, National Institute of Technology (NIT), Warangal. He has written several articles which were published in International Journal of Supply Chain Inventory Management, Procedia Engineering, Journal of Manufacturing Processes, Journal of The Institution of Engineers (India). He has attended several national and international conferences. Dr. Krishnanand Lanka has undertaken several projects and few of them are Development of Feature based CAD/CAM with reference of Machining Processes & Evaluation of Sculptured Surfaces, Development of Networked Digital Library as an online learning resource etc.
Educational Qualification	B. Tech in Mechanical engineering from VRSEC, Vijayawada, Nagarjuna University. M. Tech in Industrial engineering from NIT, Calicut, Calicut University. Ph. D in Automatic Feature Recognition from NIT, Warangal, Kakatiya University.
Directorships in other Companies (Other than CCL Products (India) Limited)	Nil
Membership / Chairmanship of committees of Other Boards (other than CCL Products (India) Limited)	Nil
Remuneration (including sitting fees, if any) last drawn (FY 2022-23)	₹ 21.05 lakhs (for remuneration details, please refer Corporate Governance Report)
Remuneration Proposed to be paid	As per existing approved terms of appoinment
Shareholding in the Company as on 31.03.2023	Nil
Relationship between Directors inter-se/ Manager and KMPs	Nil
Number of Meetings of the Board attended during the year	6 of 6

Information in respect of Director seeking appointment as required under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 read with Secretarial Standards on General Meetings issued by ICSI.

Detailed Profile of Sri Satyavada Venkata Ramachandra Rao is available and can be accessed at www.cclproducts.com

Name of the Director	Sri Satyavada Venkata Ramachandra Rao
Date of Appointment including terms and conditions of appointment	He was appointed as Additional Director (Non – Executive Director) of the Company on 14.07.2023 whose term of office would continue till the ensuing AGM. Special resolution proposing for his appointment to the office of Director, liable to retire by rotation forms part of Notice.
Date of first appointment on the Board	14.07.2023
Date of Birth	06.08.1950 (Age: 72 years)
Expertise in Specific Functional areas and Experience	Sri Satyavada Vankata Ramachnadra Rao has worked with major industrial organizations both in Public and Private sector for over 25 years in senior management positions in HR, Legal and General Management functions before promoting HR consulting company, Resource Inputs Limited. He was the founder secretary for National HRD Network Hyderabad chapter and contributed to its growth in the state of Andhra Pradesh. Currently, he is the Telangana State Council member of CII and Member Industrial Relations Committee of FTCCI, Chairman, Employers Federation of Southern India, AP&TS Branch, Regional Board Member Employees Provident Fund Organization (Government of India) Telangana Region, Advisory Committee Member National Board for Workers Education and Development and HR Consultant to Tirumala Tirupathi Devasthanam. He has authored several articles on productivity, human relations, labor laws and his latest book is 'Handbook on Social Security' published in March 2023

Educational Qualification	Post Graduate degree in Social Work with Personnel Management and Industrial Relations Specialization, LLB and Post Graduate Diploma in Labour and Administrative Laws.
Directorships in other Companies (Other than CCL Products (India) Limited)	• Thermal Systems (Hyderabad) Private Limited • Resource Inputs Private Limited • HR Chambers Outsourcing Private Limited
Membership / Chairmanship of committees of Other Boards (other than CCL Products (India) Limited)	Nil
Remuneration (including sitting fees, if any) last drawn (FY 2022-23)	Not Applicable
Remuneration Proposed to be paid	As per approved terms of appointment
Shareholding in the Company as on 31.03.2023	Nil
Relationship between Directors inter-se/ Manager and KMPs	Nil
Number of Meetings of the Board attended during the year	Not Applicable

DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2022-23

The Members

The Board of Directors are pleased to present your Company's report on business and operations along with the audited financial statements (standalone and consolidated) for the financial year ended March 31, 2023.

Financial Performance

The financial results and performance of your Company for the year ended on March 31, 2023 on Standalone and Consolidated Basis is summarized below:

Standalone Basis

(₹ in Lakhs)

Particulars	**2022-2023**	**2021-2022**
Revenue from operations	133525	92294
Profit for the year (before Interest, Depreciation & Tax)	26497	22826
Less:		
Interest	2597	1380
Depreciation	3508	3077
Provision for Taxation (including deferred tax)	3599	5649
Net Profit	16793	12720

For the financial year 2022-23, your Company recorded a turnover of ₹ 133525 Lakhs and earned a net profit of ₹ 16793 Lakhs as compared to the previous year's turnover of ₹ 92,294 Lakhs and net profit of ₹ 12720 Lakhs. Profit includes dividend received (₹ 3723.69 Lakhs for FY 2022-23 and ₹ 2634.30 Lakhs for FY 2021-22) from M/s. Ngon Coffee Company Limited, wholly owned subsidiary of your Company.

Consolidated basis

(₹ in Lakhs)

Particulars	**2022-2023**	**2021-2022**
Revenue from operations	207122	146203
Profit for the year (before Interest, Depreciation & Tax)	40310	33516
Less:		
Interest	3440	1636
Depreciation	6370	5746
Provision for Taxation (including deferred tax)	3612	5699
Net Profit	26888	20435

For the financial year 2022-23, on a consolidated basis, your Company recorded a turnover of ₹ 207122 Lakhs and net profit of ₹ 26888 Lakhs as compared to previous year's turnover of ₹ 146203 Lakhs and net profit of ₹ 20435 Lakhs.

Transfer of amount to General Reserve

No amount has been transferred to reserves during the year.

Capex

Your Company has spent an amount of ₹ 75.52 Crores towards its capital expenditure requirements.

Business Review

Despite the increasing recessionary trends and unstable global political scenarios, your Company continued to grow at a healthy pace. This growth has been driven by all product types in our portfolio and has been spread across all geographies. During the year under review, your Company has secured the business of a few prestigious new customers. The inclusion of their brands in its portfolio has given further confidence to the innovation and R&D efforts. Capacity expansion at Ngon Coffee Company Limited, Vietnam has been completed and the additional capacity been operating at 50% utilization, driving the growth further.

The branded business in domestic market has been growing consistently and is firmly entrenched as one of the top 3 coffee brands in India. The brand has generated strong awareness among consumers, backed by an above-the-line marketing campaigns and below-the-line sampling activities. New products and variants were launched to cater to different market segments, including the launch of 'Continental Greenbird' products in the plant-based meat product category.

Acquisition of brands

With an objective of gaining more penetration and access in European coffee markets with the help of locally popular brands, your Company has acquired Percol, Rocket Fuel, Plantation Wharf, The London Blend, Perk Up and Percol Fusion from Food Brands Group, a subsidiary of Löfbergs Group, UK. The agreement helps accelerate your Company's strategy in expanding the manufacturing and distribution of FMCG products globally. Percol is a much-loved progressive brand, launched in 1987 which achieved several notable milestones and has stood for sustainability all along. The Percol product range currently comprises of Instant Coffee, Roast & Ground Coffee and Coffee Bags. Further, 'ROCKETFUEL', one of the most successful brands, was co-developed by Food Brands Group along with CCL. Eventually Food Brands has created an exceptional brand position and reputation for premium products with an impressive level of product listings with the UK's leading supermarket chains, thus providing your Company a readily available market for its various products.

Global Coffee Scenario

The Global Coffee Market size is estimated at $126.17 billion in 2023, and it is expected to reach $158.89 billion by 2028, growing at a CAGR of 4.72% during the forecast period (2023-2028) (Mordor Intelligence).

According to the International Coffee Organisation (ICO), world coffee production was reported at 171.3 million bags in 2022-23, up from 168.5 million bags in coffee year 2021-22. On the other hand, world coffee consumption was at 178.5 million bags in 2022-23 up from 175.6 million bags in coffee year 2021-22. Due to consecutive years of shortfalls and a further shortfall anticipated in 2023-24, coffee prices have witnessed a sharp increase across all origins. In this backdrop, decelerating global economic growth rates coupled with sticky inflationary pressures will have a strong impact on coffee consumption for the upcoming year 2023-24.

Dividend

As you are aware, an interim dividend of ₹ 3/- per equity share (face value ₹ 2/- per share) was paid during the FY 2022-2023. Further your Board of Directors have recommended a final dividend of ₹ 2.5/- per equity share of ₹ 2/- each in their meeting held on May 16, 2023, which shall be subject to the approval of the Members in the forthcoming Annual General Meeting. If aggregated, total dividend for the financial year 2022-23 shall stand at ₹ 5.5/- per equity share. Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the shareholders w.e.f. April 1, 2020 and your Company is required to deduct tax at source (TDS) from dividend paid to the Members at prescribed rates as per the Income-tax Act, 1961.

The record date for the purpose of payment of final dividend for the financial year ended March 31, 2023 shall be August 11, 2023.

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

Demerger / Scheme of Arrangement

As you are aware, Continental Coffee Private Limited, a WOS of CCL Products (India) Limited has two divisions namely, Marketing and Distribution of Coffee and FMCG Products division (Coffee division) and the Food and Beverage Kiosks including 'Coffee on Wheels' (F & B division). During the year under review, CCL Products (India) Limited (the Resulting Company) and Continental Coffee Private Limited (the Demerged Company) entered into a Scheme of Arrangement whereby the coffee division of the Demerged Company shall be demerged into the Resulting Company, effective 01.10.2022, being the Appointed Date. Considering various advantages that would endure upon the proposed demerger, such as dedicated focus on their respective business, insulation from each other's business risks, enhancement of shareholders value, greater economies of scale and efficient utilization of resources, the Board of Directors of both the said Companies, in their respective Meetings, have approved the said Scheme. Further, the respective secured creditors and unsecured creditors have also provided their consents / No Objections to the said Scheme.

Subsequently, both the said Companies have made applications with the Hon'ble National Company Law Tribunals (NCLT), seeking directions for / dispensations from convening Meetings of shareholders and creditors for their respective Companies. The Hon'ble NCLTs have allowed the applications and dispensed with the requirement of holding Meetings of shareholders and creditors. Further, requisite petitions have been filed with the respective NCLTs seeking their sanction to the proposed Scheme of Arrangement. The matter is listed for hearing and remains to be disposed off as on date.

Material Changes and Commitments

Save and except as discussed and stated in this Report, there were no material changes and commitments affecting the financial position of your Company that have occurred between the end of the Financial Year 2022-23 and the date of this report.

Share Capital

During the year under review, there was no change in the paid-up share capital of your Company. The paid-up Equity Share Capital of your Company as on March 31, 2023 stood at ₹ 2660.56 Lakhs, comprising of 13,30,27,920 equity shares of face value of ₹ 2/- each. During the year under review, your Company has neither issued any shares with differential voting rights or sweat equity.

However, during the year under review, 264750 options have been granted pursuant to the CCL Employee Stock Option Scheme – 2022, which shall be convertible into equal number of shares, subject to fulfillment of certain conditions, as laid in the said Scheme.

Employee Stock Options:

Share based employee benefits are an effective mode aimed at promoting the culture of employee ownership, creating long term wealth in their hands which also helps the organisation to attract, motivate and retain the employees in the competitive environment and to reduce the employees retention rate in the organization.

With the said objective, your Company, pursuant to the resolutions passed by the Board of Directors on August 5, 2022, and by the Shareholders on August 30, 2022, adopted a Scheme under the name and style "CCL Employee Stock Option Scheme – 2022" (the CCL Scheme 2022/ the Scheme) for the eventual benefits of its employees and the employees of its subsidiaries. A Trust under the name and style "CCL Employees Trust" has been formed in this regard, inter alia, for the purpose of administration of the Scheme. Your Company, pursuant to the said Scheme may grant upto a maximum of 4 Lakhs options convertible into equal number of Equity shares of ₹ 2/- each, in one or more tranches. Upon exercise and payment of the exercise price, the option holder will be entitled to one Equity Share per employee stock option.

During the year, 264750 options have been granted to the employees of your Company / employees of subsidiary(ies).

Further, information pursuant to Section 62 of the Companies Act, 2013 read with Rules made thereunder and details of the Scheme as specified in Part F of Schedule – I of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 are provided as ***Annexure I*** to this Report and also available on Company's website and may be accessed at https://www.cclproducts.com/wp-content/uploads/2023/07/ESOP-disclosure-pursuant-to-SEBI-SBEB-Regulations-2021.pdf

Further, your Company has framed a Policy with respect to the death or permanent incapacity of an employee, subject to compliance with applicable laws and the same may be accessed at https://www.cclproducts.com/wp-content/uploads/2023/07/Policy-for-death-and-disablement-as-per-CCL-ESOP-Scheme-2022.pdf

Further, it is confirmed that the Scheme is in compliance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and during the year under review there were no material changes in the Scheme.

Certificate from M/s. P.S. Rao & Associates, Company Secretaries, Secretarial Auditors of your Company confirming that the scheme has been implemented in accordance with the SEBI Regulations will be placed at the forthcoming Annual General Meeting and on the website of your Company for inspection by the members.

Subsidiaries

The subsidiary companies situated in India and outside India continue to contribute to the business and overall performance of your Company. As of March 31, 2023, your Company has the following wholly owned subsidiaries:

1. Jayanti Pte Limited (Singapore)
2. Continental Coffee SA (Switzerland)
3. Ngon Coffee Company Limited (Vietnam)
4. Continental Coffee Private Limited (India)
5. CCL Food and Beverages Private Limited (India) (incorporated during the FY 2022-23)

Performance and contribution of each of the Subsidiaries

As per Rule 8 of Companies (Accounts) Rules, 2014, a report on the financial performance of the subsidiary companies during the financial year ended March 31, 2023 is summarized below:

i. Jayanti Pte Limited (Singapore)

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

ii. Continental Coffee SA (Switzerland)

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

(₹ in Lakhs)

Particulars	2022-2023	2021-2022
Revenue from operations	29642	21807
Profit for the year (before Interest, Depreciation & Tax)	1461	905
Less:		
Interest	110	79
Depreciation	105	90
Provision for Taxation	38	31
Net Profit	1208	705

iii. Ngon Coffee Company Limited (Vietnam)

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

(₹ in Lakhs)

Particulars	2022-2023	2021-2022
Revenue from operations	64724	45125
Profit for the year (before Interest, Depreciation & Tax)	17655	12928
Less:		
Interest	547	81
Depreciation	2498	2443
Provision for Taxation	-	-
Net Profit	14610	10404

iv. Continental Coffee Private Limited

Continental Coffee Private Limited is a wholly owned subsidiary of your Company, incorporated in India, established with an objective of promoting instant coffee brands of your Company in the domestic market. It has two divisions namely, Marketing and Distribution of Coffee and FMCG Products division (Coffee division) and the Food and Beverage Kiosks including 'Coffee on Wheels' (F & B division). As stated elsewhere in this Report, it is proposed to demerge the Coffee division into your Company. The operational performance of the Company, in brief, is hereunder:

(₹ in Lakhs)

Particulars	2022-2023	2021-2022
Revenue from operations	20885	17376
Profit for the year (before Interest, Depreciation & Tax)	(1281)	(319)
Less:		
Interest	305	239
Depreciation	260	136
Provision for Taxation	6	14
Net Profit/Loss	(1852)	(708)

v. CCL Food and Beverages Private Limited

CCL Food and Beverages Private Limited is a wholly owned subsidiary of your Company, incorporated in India on September 07, 2022. The Company was incorporated with an objective of augmenting the current set of capacities of your Company. The Company is yet to commence its commercial operations. The performance of the Company, in brief, is hereunder:

(₹ in Lakhs)

Particulars	2022-2023
Revenue from operations	-
Profit for the year (before Interest, Depreciation & Tax)	(11.08)
Less:	
Interest	0.56
Depreciation and other write offs	-
Provision for Taxation	-
Net Profit/Loss	(11.64)

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 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, 2023 forms part of the Annual Report.

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

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

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

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

Your Company does not have any associate or joint venture Company falling within the definition under the Companies Act, 2013. During the year under report, your Company has incorporated a wholly owned subsidiary under the name and style “CCL Food and Beverages Private Limited” on September 7, 2022. There was no other change in the list of subsidiaries of your Company.

Listing of Equity Shares

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

(i) BSE Limited, Phiroze JeeJeebhoy Towers, Dalal Street, Mumbai- 400001, Maharashtra, India; and

(ii) National Stock Exchange of India Limited, Exchange Plaza, Floor 5, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400051, Maharashtra, India.

Your Company has paid the Annual Listing Fees to the said Stock Exchanges for the Financial Year 2023-24.

Corporate Social Responsibility

Your Company, as part of its Corporate Social Responsibility (CSR) initiative, undertook and supported activities like contributions to old age homes, orphanages, promotion of education and health care activities, facilitating infrastructural and rural development to the identified rural areas in Anantapur District and also around the factories situated at Guntur District and Tirupati District of Andhra Pradesh including setting up of R.O plants for providing safe drinking water and also environmental preservation in rural areas around Hyderabad and Tirupati.

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

Further, pursuant to the provisions of Section 135 of the Companies Act, 2013 your Company was required to spend an amount of ₹ 461.63 Lakhs towards CSR Activities.

Your management feels proud to mention that for the financial year ended March 31, 2023, your Company has spent a total amount of ₹ 479.26 Lakhs towards various CSR activities which was in excess of its CSR Obligation under the Act.

Internal Control Systems & their adequacy

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

Statutory Auditors & their Report

M/s. Ramanatham & Rao, Chartered Accountants (FRN: 2934S) who were appointed as the Statutory Auditors of your Company at the 61st Annual General Meeting held on August 30, 2022 for a period of 5 years shall hold their office till the conclusion of 66th Annual General Meeting. The Statutory Auditors have confirmed that they are not disqualified from continuing as Auditors of your Company.

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

The Statutory Auditors were present in the last AGM held on August 30, 2022.

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 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, the Board of Directors, upon the recommendation of Audit Committee has appointed M/s. M P R & Associates, Cost Accountants, Hyderabad as the Cost Auditors of your Company to carry out the cost audit of the products manufactured by your Company during the financial year 2023-24 at a remuneration of ₹ 200000/-. 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. M P R & Associates, Cost Accountants, is included in the Notice convening the Annual General Meeting. Your Company is maintaining cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013.

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

Reporting of Frauds

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

Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company appointed M/s. P.S. Rao & Associates, Company Secretaries (Peer Review Number: 710/2020) to undertake the Secretarial Audit of your Company for the FY 2022-23. The Secretarial Audit Report issued by M/s. P.S. Rao & Associates for the FY 2022-23 is enclosed as ***Annexure IV*** to this Report.

The said Secretarial Audit Report does not contain any observation or qualification or reservation or adverse remark or disclaimer except as regards constitution of Nomination and Remuneration Committee during the period between 01.01.2022 to 05.08.2022, which did not meet the requirements of minimum 2/3rd Directors being Independent. It is clarified that the alleged non-compliance was purely a mathematical error, occurred on account of misinterpretation as regards rounding off to the nearest whole number. However, upon realising the mistake, your Company paid the prescribed fine and undertook requisite reporting and other compliances in accordance with the Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/12, issued by SEBI.

Further, the Secretarial Audit Report of the material unlisted subsidiary of your Company, i.e., Continental Coffee Private Limited, as per Regulation 24(A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed as ***Annexure IVA*** to this Report.

Compliance with Secretarial Standards

Your 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, your Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India.

Directors & Key Managerial Personnel

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

i. Retirement by rotation

In accordance with the provisions of Section 152 of the Companies Act, 2013, Sri B. Mohan Krishna and Dr. Krishnanand Lanka, the Directors of your Company retired by rotation in the 61st AGM and were reappointed thereat.

Further, Sri K. K. Sarma and Smt. Challa Shantha Prasad, Non-Executive Directors of your Company retire by rotation in the ensuing AGM and being eligible, have offered themselves for reappointment. The Board of Directors recommend their reappointment. Further, it may be noted that Sri K. K. Sarma is aged 73 years and if reappointed in the ensuing AGM, attains the age of 75 years during his forthcoming tenure. Hence, pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the members is sought by way of Special Resolution as proposed in the Notice attached hereto.

ii. Reappointments (Non-Executive / Independent Directors)

Your Board of Directors draw your kind attention to the following changes / reappointments that took place in the office of Non-Executive / Independent Directors of your Company, which are already detailed in the Statement to the Notice of the AGM attached hereto.

- appointment of Sri. Durga Prasad Kode (DIN 07946821) as an Additional Director in the capacity of Independent category in the Board Meeting held on July 14, 2023. If approved by the members in their ensuing AGM, Sri. Durga Prasad Kode shall hold office of Independent Director for another term of 5 years, i.e., upto July 13, 2028. Corresponding resolution forms part of Notice attached hereto.

- the current tenure of Smt. Kulsoom Noor Saifullah (DIN 02544686) as an Independent Director of the Company expires on February 13, 2024. In view of the said, resolution proposing her reappointment to the office of Independent Director for another term of 5 years, effective February 14, 2024 forms part of Notice attached hereto.

- the current tenure of Sri K. V. Chowdary (DIN 08485334) as an Independent Director of the Company expires on June 24, 2024. In view of the said, resolution proposing his reappointment to the office of Independent Director for another term of 5 years, effective June 25, 2024 forms part of Notice attached hereto.

- appointment of Dr. Krishnanand Lanka (DIN 07576368) as an Additional Director in the capacity of Independent category in the Board Meeting held on July 14 , 2023, who stepped down from his office of Non-Executive Director effective July 13, 2023. If approved by the members in their ensuing AGM, Dr. Krishnanand Lanka shall hold office of Independent Director upto July 13, 2028. Corresponding resolution forms part of Notice attached hereto.

- appointment of Sri Satyavada Venkata Ramachandra Rao (DIN 01869061) as an Additional Director in the capacity of Non-Executive Director in the Board Meeting held on July 14, 2023. If appointed by the members in their ensuing AGM, Sri Satyavada Venkata Ramachandra Rao shall hold office of Non-Executive Director of the Company, liable to retire by rotation.

iii. Reappointments (Whole Time Directors)

Your Board of Directors draw your kind attention to the following changes / reappointments that took place in the office of Whole Time Directors of your Company, which are already detailed in the Statement to the Notice of the AGM attached hereto.

- approved the reappointment of Sri Challa Srishant (DIN: 00016035) to the office of Managing Director for another term of 5 years, effective February 14, 2024, subject to the approval of members in their ensuing AGM.

- approved the reappointment of Sri B. Mohan Krishna (DIN: 03053172) to the office of Whole Time Director designated as an Executive Director, effective February 14, 2024, subject to the approval of members in their ensuing AGM.

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

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

In terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, all the Independent Directors of your Company have got their names included in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

Further, during the year under review, Sri Bharat Kumar Mahendrabhai Vyas (DIN 00043804), who was appointed as an Additional Director (Independent Director) of your Company effective December 02, 2022, resigned from his office effective January 18, 2023.

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

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

Meetings of the Board

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

Your Company 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

i. 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 the Corporate Governance Report which forms part of this Annual Report. All the recommendations made by the Audit Committee were accepted by the Board of Directors.

ii. Other Committees

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

❖ Nomination and Remuneration Committee / Compensation 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 the Corporate Governance Report which forms part of this Annual Report.

Policy on Director's Appointment and Remuneration and other matters

(a) Procedure for Nomination and Appointment of Directors:

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

On the recommendation of the Nomination and Remuneration Committee, the Board has adopted and framed a Remuneration Policy for the Directors, Key Managerial Personnel and other Employees pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulations and the same is enclosed as ***Annexure V*** and is posted on the website of your Company which may be accessed at https://www.cclproducts.com/wp-content/uploads/2023/07/Remuneration-Policy.pdf

The remuneration determined for Executive/Non-Executive Directors is subject to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors. The Non-Executive Directors are compensated by way of profit- sharing Commission and 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 your Company.

Neither the Managing Director nor any Whole Time Director of your Company received any remuneration or commission from any of its Subsidiaries. However it is proposed to pay commission to Sri Challa Srishant, Managing Director and Sri B. Mohan Krishna, Executive Director from Ngon Coffee Company Limited, Vietnam for the financial year 2023-24 as proposed in the notice attached hereto.

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) Familiarization/ Orientation program for Independent Directors:

A formal familiarization program 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 your Company and all the directors were also apprised about the business activities of your Company.

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

The details of such familiarization programs for Independent Directors are posted on the website of your Company and web link is https://www.cclproducts.com/wp-content/uploads/2021/07/Familiarization-programme-for-Independent-Directors.pdf

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

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

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

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

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

The Directors expressed their satisfaction with the evaluation process.

Particulars of Loans, Guarantees and Investments

Details of Loans, Guarantees and Investments made during the Financial Year ended March 31, 2023, 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 your company at the end of the financial year 2022-23 and of the profit or loss of your company for that period;

iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of your company and for preventing and detecting fraud and other irregularities;

iv) The annual accounts for the year 2022-23 have been prepared on a going concern basis.

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

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

Vigil Mechanism / Whistle Blower Policy

The Vigil Mechanism as envisaged in the Companies Act, 2013, the Rules prescribed thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is implemented through your Company's Whistle Blower Policy, to deal with instance 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 your Company and the web link is https://www.cclproducts.com/wp-content/uploads/2021/07/whistle-blower-policy.pdf

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

Risk Management

Your Company has constituted a Risk Management Committee and formulated a policy on 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 your Company. The Committee is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. Furthermore, your Company has set up a robust internal audit function which reviews and ensures sustained effectiveness of internal financial controls by adopting a systematic approach to its work. The details of Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Board's Report. The Risk Management Policy of your Company is posted on the website of your Company and the web link is https://www.cclproducts.com/wp-content/uploads/2021/07/risk-management-policy.pdf

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

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

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

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

The policy on materiality of Related Party Transactions and dealings in related party transactions, as approved by the Board is uploaded on the website of your Company and the web link is:
https://www.cclproducts.com/wp-content/uploads/2023/07/Policy-on-Related-Party-Transactions.pdf

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

Related Party disclosures as per Schedule V of the Listing Regulations

S.No	In the accounts of	Particulars	Amount at the year ended 2022-23	Maximum amount of Loans/Advances/ Investments outstanding during the year 2022-23
1	CCL Products (India) Limited (Holding Company)	(i) Loans/advances to subsidiaries -Continental Coffee Private Limited (Wholly owned subsidiary)	₹ 9.98 Crores (including interest)	₹ 23.43 Crores (including interest)
		- CCL Food and Beverages Private Limited (Wholly owned subsidiary)	₹ 22.04 Crores	₹ 22.04 Crores
		(ii) Loans/advances to associates	NA	NA
		(iii) Loans/advances to firms/ companies in which Directors are interested	NA	NA
2	CCL Products (India) Limited (Holding Company)	Investment by the Loanee in the shares of parent company/ subsidiary company when the company has made a loan or advance	NA	NA

Policy on Material Subsidiaries

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

Annual Return

In accordance with Section 134 (3) (a) of the Companies Act, 2013, a copy of Annual Return in the prescribed format i.e. Form MGT-7 is placed on the website of your Company which may be accessed at https://www.cclproducts.com/wp-content/uploads/2023/07/MGT-7-2022-23.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 VII*** to this report.

Change in the nature of business

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

Transfer of amounts to Investor Education and Protection Fund

Pursuant to the provisions of Section 124 (5) of the Companies Act, 2013, an amount of ₹ 7,13,145/- pertaining to financial year 2014-15, which remained unclaimed for a period of seven years has been transferred by your Company to the Investor Education and Protection Fund established by the Central Government during the financial year 2022-23.

Transfer of unclaimed shares to Investor Education and Protection Fund

Pursuant to the provisions of Section 124 of the Companies Act, 2013, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more upto and including the financial year 2014-15 were transferred by your Company to Investor Education and Protection Fund during the financial year 2022-23 and the statement containing such details as may be prescribed is placed on the website of your Company. Information in respect of unclaimed dividend and due dates for transfer to the IEPF are given below:

Sl	For the Financial year ended	Percentage of Dividend	Date of Declaration	Due date for transfer to IEPF
1	2015-16 (Final)	50%	26.09.2016	30.11.2023
2	2016-17 (Final)	125%	11.07.2017	14.09.2024
3	2017-18 (Final)	125%	14.07.2018	17.09.2025
4	2018-19 (Interim dividend)	87.5%	23.03.2019	27.05.2026
5	2018-19 (Final)	87.5%	07.08.2019	11.10.2026
6	2019-20 (First interim dividend)	100%	27.01.2020	31.03.2027
7	2019-20 (Second interim dividend)	150%	26.02.2020	30.04.2027
8	2020-21 (Interim dividend)	100%	20.10.2020	24.12.2027
9	2020-21 (Final dividend)	100%	26.08.2021	30.10.2028
10	2021-22 (Interim dividend)	150%	19.01.2022	23.03.2029
11	2021-22 (Final dividend)	100%	30.08.2022	31.10.2029
12	2022-23 (Interim dividend)	150%	18.01.2023	22.03.2030

Insurance

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

Particulars of Employees and Remuneration

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

Corporate Governance

Your Company has been making every endeavor to bring more transparency in the conduct of its business. As per the requirements of Regulation 34 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a report on Corporate Governance for the year 2022-23 and a Certificate from M/s. P S Rao & Associates, Practising Company Secretaries is furnished which forms a part of this Annual Report.

Human Resources

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

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

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

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

Energy conservation, technology absorption and foreign exchange earnings and outgo

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

Business Responsibility and Sustainability Report

Pursuant to the amended Regulation 34(2)(f) of the SEBI Listing Regulations, the Business Responsibility and Sustainability Report (BRSR) of your Company for the financial year ended March 31, 2023 forms part of this Annual Report and is annexed herewith as ***Annexure X.***

Significant and material orders passed by the regulators or Courts

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

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

No application was made or any proceedings were pending under the IBC, 2016 during the year ended on March 31, 2023.

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

Not Applicable

Green initiative in Corporate Governance

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

Acknowledgments

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

For and on behalf of the Board

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

Place: Dak Lak Province, Vietnam
Date : July 14, 2023

Annexure I

Disclosures pursuant to Section 62 of the Companies Act, 2013 read with rules made thereunder and SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as specified in Schedule I of the said Regulations.

A. Disclosures in terms of the accounting standards : Not Applicable during the year under report.

B. Diluted EPS on issue of shares : Not Applicable during the year under report.

C. Description of ESOPs

(i) **(a) Date of shareholders' approval –** 30.08.2022

(b) Total number of options approved under ESOS – 4,00,000 (Four Lakhs)

(c) Vesting requirements –

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

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

❖ Maximum period within which the Options shall be vested: Options granted under the Scheme would vest in accordance with the terms of each grant, subject to a maximum period of 5 (five) years from the date of grant of such options (i.e., vesting period)

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

❖ Minimum vesting gap of 1 (One) year shall not apply in the event of death or permanent disability of the employee while in employment; all the options, granted under the scheme to him/her till his/her death or permanent incapacitation shall vest, with effect from the date of his/her death or permanent incapacitation on the legal heir or nominee of the deceased employee / employee, as the case may be.

(d) Exercise price or pricing formula

❖ Subject to SBEBASE Regulations, the Exercise Price of the options granted shall be the face value of the share, i.e., ₹ 2/- (as adjusted by the corporate action(s)). No amount shall be payable at the time of grant of options.

(e) Maximum term of options granted

❖ Options granted under the Scheme would vest in accordance with the terms of each grant, subject to maximum period of 5 years from the date of grant of such options.

(f) Source of shares (primary, secondary or combination)

Primary. Further, subject to the approval of shareholders, the Trust shall acquire shares by way of subscribing to the fresh shares issued and allotted by the Company.

(g) Variation in terms of options: Not Applicable

(ii) Method used to account for ESOS:

The Company shall use the Fair Value method or such other valuation method as may be prescribed from time to time in accordance with applicable laws for computing the compensation cost for the options granted including any Guidance Note on Accounting for employee share based Payments issued in this regard from time to time.

(iii) Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed – N.A

(iv) Option movement during the year (For each ESOS):

Particulars	Details
Number of options outstanding at the beginning of the period	NA
Number of options granted during the year	2,64,750
Number of options forfeited / lapsed during the year	Nil
Number of options vested during the year	Nil
Number of options exercised during the year	N.A
Number of shares arising as a result of exercise of options	N.A
Money realized by exercise of options	
(INR), if scheme is implemented directly by the company	N.A
Loan repaid by the Trust during the year from exercise price received	N.A
Number of options outstanding at the end of the year	2,64,750
Number of options exercisable at the end of the year (subject to terms and conditions as laid in the Scheme)	2,64,750

(v) Weighted-average exercise prices and weighted-average fair values of options if the options' exercise price either equals or exceeds or is less than the market price of the stock - Not Applicable.

(vi) Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to –

(a) senior managerial personnel as defined under Regulation 16(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

Name of employee	Designation	Number of options granted during the year	Exercise Price
CCL Products (India) Limited – Employees			
Mr. Praveen Jaipuriar	Chief Executive Officer	1,00,000	
Mr. V. Lakshmi Narayana	Chief Financial Officer	13,000	
Mr. R.V. Rama Rao	Sr. General Manager	4,000	
Mr. Kolluru Shiva Rama Prasad	Sr. General Manager	9,000	
Ms. Dasari Sridevi	Company Secretary	5,000	
Mr. Keshava Naidu Gudiputi	General Manager	7,500	
Mr. V. Mahesh Kumar	General Manager	6,000	
Mr. S. S. S. Atchuta Rao	General Manager	5,000	
Mr. CH. V. S. S. R. S. Sastry	General Manager	5,000	
Ms. Sridevi Undavalli	General Manager	5,000	
Mr. B. Vaishak	Asst. General Manager	6,500	
Mr. R. Thirumala Prasad	Dy. General Manager	4,250	
Mr. Vadlamudi Ravi Sai Teja	Sr. Manager	3,500	
Mr. Bobba Aditya	Sr. Manager	3,500	
Continental Coffee Private Limited – Employees			
Mr. Preetam Patnaik	Head- Consumer Marketing	6,000	
Mr. Mallesh Boyapally	Sr. Zonal Manager	6,000	
Mr. Asheesh Sharma	Zonal Manager	6,000	
Ngon Coffee Complete Limited – Employees			
Mr. Shyam Sunder	Deputy General Director	9,000	

(b) any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year;

Name of employee	Designation	Number of options granted during the year
	- forms part of table above -	

(c) identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant – Not applicable.

(vii) Description of the method and significant assumptions used during the year to estimate the fair value of options: Not Applicable during the year under report.

For and on behalf of the Board

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

Place: Dak Lak Province, Vietnam
Date : July 14, 2023

Annexure II
Form AOC-1

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

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

Part "A": Subsidiaries

SUBSIDIARY COMPANIES FINANCIAL HIGHLIGHTS – 2022-23

(₹ in Lakhs)

Sl No	Particulars	Continental Coffee Private Limited	Continental Beverages Private Limited	Jayanti Pte. Ltd.	Continental Coffee SA	Ngon Coffee Company Ltd
1	Capital	700,00	1.00	17906.13	9956.77	18550.00
	Reserves	(4046.40)	11.64	(17763.26)	(659.17)	30017.65
	Total Assets	8738.10	2260.26	149.78	19590.31	80676.82
	Total Liabilities	8738.10	2260.26	149.78	19590.31	80676.82
	Turnover	20885.05	-	-	29620.31	64723.69
	Profit/(Loss) before Taxation	(1846.23)	(11.64)	(7.65)	1245.85	14609.77
	Provision for Taxation	6.28	-	-	38.27	-
	Profit/(Loss) after Taxation	(1852.51)	(11.64)	(7.65)	1207.58	14609.77
	Dividend-	-	-	-	-	
	Investment-	-	-	-	-	
	Reporting Currency	INR	INR	INR	INR	INR
	Exchange Rate used for Conversion :					
	- Average Yearly Rates for Profit and Loss Account Items	-	-	79.0120	85.7350	0.003405
	- Year end rates for Balance Sheet Items	-	-	82.2169	89.7006	0.003500

By order of the Board

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

Sd/-
Kata Chandrahas
Director
DIN : 02994302

Sd/-
Challa Rajendra Prasad
Executive Chairman
DIN : 00702292

Place: Hyderabad
Date :May 16,2023

Sd/-
Praveen Jaipuriar
Chief Executive Officer

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

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 utililsation of financial and human resources engaging in like-minded stakeholder partnerships for higher out-reach benefiting more lives.

2. Composition of CSR Committee:

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

Note: Dr. Krishnanand Lanka, a Non-Executive Director until July 13, 2023 has been appointed as an Independent Director effective July 14, 2023.

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/2021/07/csr-policy.pdf

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

5. Details of the amount available for set-off in pursuance of sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set-off for the financial year, if any : Not applicable

6. Average Net Profit of the Company as per Section 135 (5) of the Act : ₹ 23081.41 Lakhs

7. (a) Two percent of average net profit of the Company as per Section 135(5) of the Act : ₹ 461.63 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) : ₹ 461.63 Lakhs

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

Total amount spent for the Financial Year	**Amount unspent (in Rupees)**				
	Total amount transferred to unspent CSR Account as per section 135 (6)		Amount transferred to any fund specified under schedule vii as per the second provision of Section 135 (5)		
	Amount	**Date of Transfer**	**Name of the Fund**	**Amount**	**Date of Transfer**
₹ 4,79,26,661	-	-	-	-	-

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

(c) Details of CSR amount spent against other than ongoing projects for the Financial Year: **₹ 4,79,26,661**

S No	**Name of the Project**	**Item from the List of Activities in ScheduleVII**	**Local Area (Yes /No)**	**Location of the Project**		**Amount Spent for the project (in ₹)**	**Mode of implemen-tation Direct / agency.**	**Mode of implementation Through implementing Authority**
				State	**District**			
1.	Elderly care and orphanages	Contribution to old age homes and orphanages	Yes	Andhra Pradesh	Guntur	450000	Direct	-
2.	Promotion of Education	Education	Yes	Andhra Pradesh, Telangana	Guntur, Hyderabad Rural	14933791	Direct	-
3	Promotion of Health care activities	Health and Hygiene	Yes	Andhra Pradesh, Telangana Srikakulam	Guntur, Hyderabad Visakhapatnam	10205100	Direct	-
4.	Housing to economically weaker sections	Development of Infrastructure	Yes	Andhra Pradesh	Guntur, Anantapur	15000000	Direct	-
5.	Environment Protection	Environmental Sustainability	Yes	Andhra Pradesh	Guntur, Tirupati	2932000	Direct	-
6.	Rural Development	Rural Development Projects	Yes	Andhra Pradesh	Guntur, Tirupati	4008995	Direct	-
7.	Setting up of RO Plant for Providing Drinking water	Safe drinking Water	Yes	Andhra Pradesh	Guntur, Tirupati	396775	Direct	-

(d) Amount spent in administrative overheads : Nil

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

(f) Total amount spent for the financial year (8c+8d+8e) : ₹ 47926661

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

S.No	Particulars	Amount (in ₹)
i)	Two perecent of average profit of the company as per Sec. 135(5)	46162822
ii)	Total amount spent for the financial year	47926661
iii)	Excess amount spent for the financial year (ii -i)	1763839
iv)	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years, if any	Nil
v)	Amount available for set-off in Suceeding financial years (iii+iv)	1763839

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 and on behalf of the Board

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

Place: Dak Lak Province, Vietnam
Date : July 14, 2023

Annexure IV
FORM NO: MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2023
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of
The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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

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

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

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

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

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

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

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

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

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

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

   (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

   (e) The Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021; **(Not applicable to the Company during the audit period)**

   (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

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

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

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

vi. Other specifically applicable laws to the Company:

- Food Safety and Standards Act, 2006 and Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011 and Food Safety and Standards (Packaging and Labelling) Regulations, 2011;
- Factories Act, 1948;
- The Industrial Disputes Act, 1947;
- Coffee Act, 1942 and the rules made thereunder;
- The Indian Boilers Act, 1923 and Indian Boiler Regulations 1950;
- Legal Metrology Act, 2009 and The Legal Metrology (Packaged Commodities) Rules, 2011
- Special Economic Zone Act, 2005 and Special Economic Zone Rules, 2006.

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

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

- During the period 01.01.2022 to August 5, 2022, the constitution of the Nomination and Remuneration Committee of the Company did not meet the requirement of minimum 2/3rd Directors being Independent. The Stock Exchanges issued letters / advisory to the Company. We have been informed that the said non-compliance was purely a mathematical error, occurred on account of misinterpretation as regards rounding off to the nearest whole number. However, upon realizing the mistake, the Company paid the prescribed fine in accordance with the Circular SEBI/HO/CFD/CMD/CIR/P/2020/12, issued by SEBI.

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

We further report that:

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

We further report that:

1. As per the information provided by the management and based on the review of compliance reports by the respective department / functional heads, there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

2. The Company, in one of the instances of non-compliance, by one of its designated per-sons, of Code of Conduct to regulate, monitor and report trading by designated persons, as formulated and adopted by it pursuant to Reg 9(1) of SEBI (PIT) Regulations, 2015,

   read with Schedule B thereto, claimed to have occurred inadvertently and on account of mis-communication, in compliance with SEBI Circular No. SEBI/HO/ISD/CIR/P/2020/135 dated July 23, 2020, has duly reported the said violation to the Stock Exchanges.

3. 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 Scheme of Arrangement contemplating the Demerger of coffee division of Continental Coffee Private Limited (i.e., the Demerged Company into itself (i.e., the Resulting Company, effective 01.10.2022, being the Appointed Date was approved by the board of both the companies dated 02.12.2022. Both the said Companies have made applications with the Hon'ble National Company Law Tribunals (NCLT), seeking directions for / dispensations from convening Meetings of share-holders and creditors for their respective Companies. The Hon'ble NCLTs have al-lowed the applications and dispensed with the requirement of holding Meetings of shareholders and creditors. Further, requisite petitions have been filed with the re-spective NCLTs seeking their sanction to the proposed Scheme of Arrangement. The petitions remain to be heard and eventual disposal.

For P S Rao & Associates
Company Secretaries

Sd/-
Vikas Sirohiya
Partner
M. No.: 15116
C.P. No.: 5246
ICSI Unique Code: P2001TL078000
PR No.710/2020
UDIN: A015116E000614572

Place: Hyderabad
Date : 14.07.2023

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

Annexure A

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

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

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

2. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

3. We have followed the audit practises and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on random basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

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

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

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

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

Disclaimer

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

For P S Rao & Associates
Company Secretaries

Sd/-
Vikas Sirohiya
Partner
M. No.: 15116
C.P. No.: 5246
ICSI Unique Code: P2001TL078000
PR No.710/2020
UDIN: A015116E000614572

Place: Hyderabad
Date : 14.07.2023

Annexure IVA
FORM NO: MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2022
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of
The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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

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

Note: 1. The Company, though private limited by virtue of its incorporation, is a wholly owned subsidiary of CCL Products (India) Limited; hence a Public Limited Company pursuant to Section 2(71) of the Companies Act, 2013.

2. Considering the threshold limits prescribed under Section 204 of the Companies Act, 2013, the Secretarial Audit prescribed therein is not applicable to the Company. However, the Company being a material subsidiary of CCL Products (India) Limited, a listed entity, the reported Secretarial Audit has been conducted in pursuance of Regulation 24A of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, for the purpose of audit and eventual reporting we have adhered to the format as per MR-3 and the Audit guidelines issued by the ICSI in this regard.

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 March 31, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

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

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

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

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

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

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 – **(Not applicable)**

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(Not applicable)**

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

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

(e) The Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021; **(Not applicable)**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

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

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

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

vi. Other specifically applicable laws to the Company:

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

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

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

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

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

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

We further report that:

- The Board of Directors of the Company is duly constituted, comprising of Non-Executive Directors only. There were no changes in the composition of the Board of Directors during the period under review, except appointment of Directors upon retirement by rotation.

- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, (in case of shorter duration, the same were subject to requisite confirmation(s) by the Directors) and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

- All the decisions at the Board Meetings have been carried out unanimously as recorded in the Minutes of the meetings of the Board of Directors.

We further report that:

1. As per the information provided by the management, and based on the review of compliance reports by the respective department / functional heads, there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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

   The Scheme of Arrangement contemplating the demerger of coffee division of the Company (i.e., the Demerged Company) into CCL Products (India) Limited (i.e., the Resulting Company) effective 01.10.2022, being the Appointed Date was approved by the boards of both the companies dated 02.12.2022. Both the said Companies have made applications with the Hon'ble National Company Law Tribunals (NCLT), seeking directions for / dispensations from convening Meetings of shareholders and creditors for their respective Companies. The Hon'ble NCLTs have allowed the applications and dispensed with the requirement of holding Meetings of shareholders and creditors. Further, requisite petitions have been filed with the respective NCLTs seeking their sanction to the proposed Scheme of Arrangement. The petitions remain to be heard and eventual disposal.

For P S Rao & Associates
Company Secretaries

Sd/-
Vikas Sirohiya
Partner
M. No.: 15116
C.P. No.: 5246
ICSI Unique Code: P2001TL078000
PR No.710/2020
UDIN: A015116E000614583

Place: Hyderabad
Date: 14.07.2023

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

Annexure A

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

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

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

2. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

3. We have followed the audit practises and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on random basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

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

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

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

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

Disclaimer

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

For P S Rao & Associates
Company Secretaries

Sd/-
Vikas Sirohiya
Partner
M. No.: 15116
C.P. No.: 5246
ICSI Unique Code: P2001TL078000
PR No.710/2020
UDIN: A015116E000614583

Place: Hyderabad
Date: 14.07.2023

ANNEXURE - V

Nomination and Remuneration Policy

1. Introduction

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

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

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

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

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

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

2. Scope:

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

3. Terms and References:

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

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

3.2 "Nomination and Remuneration Committee" means the committee constituted by CCL's Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulation, 2015

3.3 "Independent Director" means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation of the 16(1)(b) SEBI (LODR) Regulation, 2015

3.4 "Key Managerial Personnel" means

(i) the Chief Executive Officer or the managing director or the manager;
(ii) the company secretary;
(iii) the whole-time director;
(iv) the Chief Financial Officer; and
(v) such other officer as may be prescribed under the Companies Act, 2013

4. Selection of Directors and determining Directors' independence

4.1 Qualifications and criteria

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

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

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

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

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

4.1.3 The proposed appointee shall also fulfill the following requirements: Shall possess a Director Identification Number;

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

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

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

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

Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013, SEBI (LODR) Regulation, 2015.

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

4.2 Criteria of Independence

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

4.2.2 The criteria of independence, as laid down in Companies Act, 2013 and Regulation of the 16(1)(b) SEBI (LODR) Regulation, 2015

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

4.3 Other directorships / committee memberships

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

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

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

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

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

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

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

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

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

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

5.2 Remuneration to Non-Executive Directors

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

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

5.3 Remuneration to other employees

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

Annexure VI

Form No. AOC-2

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]

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: NIL

The Company has not entered into any contract or arrangement or transaction which is not at arm's length basis during the year under review.

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 March 31, 2023 are as follows:

Name of the related party Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts arrangements /transactions	Salient terms of the contracts or arrangements or transactions,	Date(s) of approval by the Board, if any	Amount (₹ in Lakhs)	Amount paid as advances, if any (₹ in Lakhs)
Challa Srishant (Managing Director)	Lease Rent (expense)	11 months	Lease Rentals for office premises situated at Flat No 101,102, 103, 104, 201, 202, 203 & 204 7-1-24/2/D Greendale, Ameerpet, Hyderabad, at a monthly rent of Rs 252000 vide Lease Deed dated 01.04.2022	24.03.2022	30.24	Nil
Challa Shantha Prasad (Non-Executive Director)	Lease Rent (expense)	11 months	Lease Rentals for office premises situated at Flat No 201, 202, 203, 204, 301,302, 303 & 304, 7-1-24/2/D Greendale, Ameerpet, Hyderabad, at a monthly rent of Rs 214620 vide Lease Deed dated 01.04.2022	24.03.2022	25.76	Nil
Challa Soumya (Daughter of Executive Chairman)	Lease Rent (expense)	11 months	Lease Rentals for office premises situated at • Flat No 201, 202, 203 & 204, 7-1-24/2/D Greendale, Ameerpet, Hyderabad, at a monthly rent of Rs 42000 vide Lease Deed dated 01.04.2022 • Flat No 703, Nasr Apartments, 10-2-9 & 10-2-249, A.C. Guards, Hyderabad at a monthly rent of Rs 28000 vide Lease Deed dated 01.04.2022	24.03.2022	8.40	Nil

Continental Coffee SA (Wholly owned Subsidiary)	Sale of Instant Coffee	Ongoing contract	Sale of Instant coffee as per Purchase Orders on Industry terms and conditions & Based on Transfer price guidelines	19.01.2022	25195.90	Nil
Continental Coffee Private Limited (Wholly owned Subsidiary)	Sale of Instant Coffee	Ongoing contract	Sale of Instant coffee as per Purchase Orders on Industry terms and conditions & Based on Transfer price guidelines	19.01.2022	16457.99	Nil
Karafa Products Private Limited (Company in which the directors are interested)	Sale of Coffee beans /roast & ground and instant coffee	Bi annual contract	Sale of Instant coffee as per Purchase Orders on Industry terms and conditions & prevailing market price	19.01.2022	17.29	Nil
Karafa Products Private Limited I (Company in which the directors are interested)	Lease Rent (income)	11 months	Lease Rentals for factory premises situated at Sy. No. 274/3, Kuvvakolli village, Vara-daiahpalem Mandal, Tirupati District, Andhra Pradesh at a monthly rent of ₹ 3000 vide Lease Deed dated 14.12 2022	18.01.2022	0.09	Nil
Re-cog Infotechnologies Private Limited (Company in which the directors are interested)	Purchase of vending machines	Bi annual contract	Purchase of vending machines based on the requirements of the Company at Industry terms and conditions & prevailing market price (approved limits ₹. 600 Lakhs)	26.05.2022	-	16.74

For and on behalf of the Board

Sd/-
Challa Srishant
Managing Director
DIN: 00016035

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

Place: Dal Lak Province, Vietnam
Date : July 14, 2023

Annexure - VII
MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Company is in the business of manufacturing and selling coffee products for more than 25 years. Out of all coffee products, Instant coffee is your Companies main stay and accounts for more than 90% of the sales. By virtue of its product development capabilities and pricing efficiencies, your Company today is one of the leading instant coffee manufacturers in the world.

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

Business Review

Inspite of increasing recessionary trends and unstable global geo political scenarios, your Company continued to grow at a healthy pace. This growth has been driven by all product types in our portfolio and has been spread across all geographies. During the year under review, your Company has secured the business of a few prestigious new customers. The inclusion of their brands in its portfolio has given further confidence to the innovation and R&D efforts. Capacity expansion at Ngon Coffee Company Limited, Vietnam has been completed and the additional capacity has been operating at 50% utilization, driving the growth further.

The branded business in domestic market has been growing consistently and is firmly entrenched as one of the top 3 coffee brands in India. The brand has generated strong awareness among consumers, backed by an above-the-line marketing campaigns and below-the-line sampling activities. New products and variants were launched to cater to different market segments, including the launch of 'Continental Greenbird' products in the plant-based meat product category.

With an objective of gaining more penetration and access in European coffee markets with the help of locally popular brands, your Company has acquired Percol, Rocket Fuel, Plantation Wharf, The London Blend, Perk Up and Percol Fusion from Food Brands Group, a subsidiary of Löfbergs Group, UK. The agreement helps accelerate your Company's strategy in expanding the manufacturing and distribution of FMCG products globally.

The turnover of your Company on standalone basis is ₹133525 Lakhs and the net profit of the Company is ₹16,794 Lakhs (including ₹ 3723.69 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 ₹12.62 for the year 2022-23.

The turnover of your Company on consolidated basis is ₹ 207122 Lakhs and the net profit of the Company is ₹ 26888 Lakhs. Earnings per share (EPS) (Face value of ₹ 2/- per share) for the current year is ₹ 20.21 for the year 2022-23.

Industry Structure and Development

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

The domestic coffee market in India is growing at a guestimate rate of approximately 10% year on year. With the evolving coffee culture, consumers are evaluating a lot of gourmet coffee and are open for more coffee experiences while trying different formats of coffee. Quick delivery model from key ecommerce players have helped in penetration of coffee as consumer can order coffee whenever and whatever they want to consume at the comfort of home.

Outlook

Coffee continues to thrive as one of the most consumed beverages globally. World coffee consumption is estimated to grow by 4.2% to 178.5 million bags in the coffee year 2022-23.

One notable trend in the coffee market is the growing demand for specialty coffee. Consumers are seeking unique and high-quality coffee experiences, exploring different flavour profiles, and appreciating the artistry and craftsmanship involved in coffee production.

Also, coffee brewing methods continue to evolve, offering consumers diverse and personalized coffee experiences. Alternative brewing methods like cold brew, capsule coffee, and AeroPress have gained popularity. These methods allow coffee lovers to experiment with different brewing techniques, extraction times, and flavour profiles, enhancing their overall coffee enjoyment.

Another significant trend in the coffee market is the increasing emphasis on sustainability and ethical sourcing. Consumers are becoming more conscious of the environmental and social impact of coffee production. They seek out brands that prioritize fair trade practices, promote sustainable farming methods, and support the livelihoods of coffee farmers. This trend has led to the rise of certifications like Rainforest Alliance and Fairtrade, which assure consumers that the coffee they purchase meets certain social and environmental standards.

The coffee market is expected to continue its upward trend, driven by factors such as expanding coffee consumption in emerging markets, premiumization, and the rising demand of organic and fairly traded products.

Opportunities

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

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

Risk, Concerns and Threats

Global recessionary trends and geo-political disturbances continue to persist as the most concerning risk factors.

The additional capacity being created as part of our competitors' expansion plans are expected to be completed in the upcoming year and pose a threat to future growth prospects.

As Continental Brands has been gradually grabbing market share, the competitors in coffee categories have been very aggressive from both Media, consumer offer as well as trade front. Apart from the big players, D2C players backed with investors (private equity funds) have been pumping huge amount of money on the digital platform to grab consumers' attention.

Segment-wise or Product-wise performance

The standalone operations of the Company relates to only one segment viz., Coffee and Coffee related products. Hence, segment-wise or product-wise performance is not required to be disclosed.

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 848 employees in the Company as on March 31, 2023.

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 ₹ 1,33,525 Lakhs recording a net profit of ₹ 16,794 Lakhs. Profit includes ₹ 3,723.69 Lakhs dividend received from Ngon Coffee Company Limited, wholly owned subsidiary of the Company.

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

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

Financial Ratios	Consolidated		Change(%)	Reason for change
	2022-23	2021-22		
Inventory Turnover	1.76	1.32	33	Due to increase in turnover and faster dispatches.
Net Capital Turnover	7.94	5.02	58	Decrease in inventory and trade receivables, let to increase in net capital turnover ratio.
Return on Investment	23.70	16.77	41	Due to increase in dividend income from ₹ 26.34 cr to ₹ 37.24 cr.

Financial Ratios	Consolidated		Change(%)	Reason for change
	2022-23	2021-22		
Trade Payable Turnover	23.67	32.53	(27)	Due to increase in credit period offered by suppliers.

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 2022-23, compared to previous financial year 2021-22.

Disclosure of Accounting Treatment:

The Company has prepared financial statements which comply with IndAS applicable for periods ending on March 31, 2023, together with the comparative period data as at and for the year ended March 31, 2022, as described in the summary of significant accounting policies. Primarily, a treatment different from that prescribed in an Accounting Standard has not been followed in the preparation of financial statements. However, as regards amendments to certain accounting standards, the applicability / effect on the financial statement has been evaluated and been treated accordingly as explained in Notes to the standalone Financial Statements.

Further, the financial statements represent a true and fair view of the underlying business transactions.

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 7 with Higher Level (International Featured Standards) - International Food Standard.
3. Organic Coffee Certificate (Processing & Trading)
4. Fair Trade Certificate
5. Halal Certificate
6. Kosher Certificate
7. FSSAI License - Food Safety Standards Authority of India
8. BIS License - Bureau of Indian Standards (ISI) License
9. UTZ Certificate (Chain Of Custody Standard - Coffee)
10. US.FDA Certificate of Registration
11. RFA Endorsement certificate

Social Accountability compliance

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

Awards

During the year under review, your Company's brand 'Continental Coffee' was bestowed with Brand of the Year 2022 award by Marksmen Group in association with India Today. Your Company was also conferred with third rank (Joint winner) in Best Industry category of the 4th National Water Awards, 2022 by the Ministry of Jal Shakti, Department of Water Resources, River Development and Ganga Rejuvenation.

Cautionary Statement

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

For and on behalf of the Board

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

Place: Dak Lak Province, Vietnam
Date : July 14, 2023

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 2022-23

Name	Age	Qualification	Designation	Date of Commencement of Employment	Experience (Years)	Gross Remuneration ₹	Previous Employment
Challa Rajendra Prasad	71	B.E.(Mech.)	Executive Chairman	01-04-1994	47	4,20,00,000	Asian Coffee Ltd
Challa Srishant	40	B.A., B.L.(Hons.)	Managing Director	18-07-2005	19	6,84,00,000	-
B.Mohan Krishna	42	B.Tech	Executive Director	01-06-2017	20	5,13,00,000	Elmech Enterprises Limited

Note: Relationship with Director/Managers can be referred fron the Corporate Givernance Report, annexed with the report

b) Other Top Ten Employees throughout the Financial Year 2022-23: this information is available on the website of the Company www.cclproducts.com

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

I) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Opertations Officer, Chief Financial Officer and Company Secretary during the financial year 2022-23, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2022-23, and the comparison of remuneration of each Key Magerial Personnel (KMP) against the performance of the Company are as under :

Sl. No.	Name of Director/ KMP and Designation	Remuneration of Director /KMP for the financials year 2022-23 (₹.in Lakhs)	Remuneration of Director /KMP for the financials year 2021-22 (₹.in Lakhs)	% increase in Remuneration in the Financial Year 2022-23. ₹ in Lakhs)	Ratio of remuneration of each Director/to median remuneration of employees	Comparision of the Remuneration of the KMP against the performance of the Company
1	Challa Rajendra Prasad Executive Chairman	420.00	420.00	0.00	96.98	The marginal increase is inline with the operations of the Company for the year 2022-23
2	Challa Srishant Managing Director	684.00	643.00	6.38	157.94	
3	B.Mohan Krishna Executive Director	513.00	482.00	6.43	118.46	
4	Praveen Jaipuriar (From 29.10.2021) Chief Executive Officer	254.36	79.74	218.99	Not Applicable	
5	V. Lakshmi Narayana Chief Operations Officer	115.33	97.48	18.31	Not Applicable	
6	Sridevi Dasari Company Secretary	29.57	22.57	31.01	Not Applicable	
7	Vipin K Singal Non Executive Director	15.00	12.00	25.00	3.46	
8	Kata Chandrahas Non Executive Director	15.00	12.00	25.00	3.46	
9	K. K. Sarma Non Executive Director	15.00	12.00	25.00	3.46	
10	G. V. Krishna Rau Non Executive Director	15.00	12.00	25.00	3.46	
11	Kulsoom Noor Saifullah Non Executive Director	15.00	12.00	25.00	3.46	
12	Challa Shantha Prasad Non Executive Director	15.00	12.00	25.00	3.46	
13	Krishnanand Lanka Non Executive Director	15.00	12.00	25.00	3.46	
14	Durga Prasad Kode Non Executive Director	15.00	12.00	25.00	3.46	
15	K. V. Chowdary Non Executive Director	15.00	12.00	25.00	3.46	

ii) The median remuneration of employees of the Company during the financial year was ₹ 4.33 Lakhs

iii) In the financial year, there was an increase of 22.33% in the median remuneration of employees

iv) There were 848 permanent employees on the rolls of Company as on March 31, 2023.

v) In the financial year, there was an increase of 4.66% in the managerial remuneration, which is as per the remuneration policy of the Company.

vi) Key parameters for any variable component of remuneration availed by the directors: The Variable pay, i.e., the commission payable to the Directors is determined by the Board of Directors on the basis of net profits of the Company for that particular year.

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

For and on behalf of the Board

	Sd/-	Sd/-
	Challa Srishant	**B. Mohan Krishna**
Place: Dak Lak Province, Vietnam	Managing Director	Executive Director
Date : July 14, 2023	DIN: 00016035	DIN: 03053172

Annexure-IX

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

[Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014]

A. Conservation of Energy

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

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

i) The steps taken or impact on conservation of energy

We, at CCL addressed this with detailed discussions with our boiler suppliers. The solid waste, on drying up, not only has good calorific value but is with very low ash content. Thus, jointly with the boiler suppliers i.e., Original Equipment Manufacturers, 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, towards first step into utilising energy generated from renewable sources at its Plants, the Company has commissioned 0.9 MW capacity solar plant at its EOU extension plant situated at Kuvvakolli Village, Tirupati District. Further, in the coming years the Company is mulling the idea of installing solar plants with a 5 MW capacity at its plants for generation of solar energy for captive consumption.

iii) The capital investment on energy conservation equipment

As stated above, the Company spent ₹ 4.55 crores on the capital investment on energy conservation equipment, 0.9 MW capacity solar plant.

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**
Earned	1149.81
Used	481.77

For and on behalf of the Board

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

Place: Dal Lak Province, Vietnam
Date : July 14, 2023

Annexure-X

BUSINESS RESPONSIBILITY AND SUSTAINIBLITY REPORT
for the financial year 2022-23

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

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

S.No.	Particulars	Company Information
1.	Corporate Identity Number (CIN) of the Listed Entity	L15110AP1961PLC000874
2.	Name of the Listed Entity	CCL PRODUCTS (INDIA) LIMITED
3.	Year of incorporation	1961
4.	Registered office address	Duggirala, Guntur, Andhra Pradesh – 522330, India.
5.	Corporate address	7-1-24-2/D Greendale, Ameerpet Road, Hyderabad, Telangana- 500016
6.	E-mail	companysecretary@cclproducts.com
7.	Telephone	+91 40 23730855
8.	Website	https://www.cclproducts.com/
9.	Financial year for which reporting is being done	2022-23
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited (NSE) BSE Limited (BSE)
11.	Paid-up Capital	Rs. 266055840
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	
	Name	Ms. Sridevi Dasari
	Contact email	companysecretary@cclproducts.com
	Contact No.	+91 40 23730855
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosures are made on a standalone basis under this report.

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing	Food & Beverages (Coffee and coffee related products)	100

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Coffee and coffee related products	10792	100

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	3	2	5
International	-	-	-

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	29 (The Company serves across various locations on a pan India basis covering all the states throughout the country)
International (No. of Countries)	100 + (The Company serves 100+ countries and has a wide customer base all over the world.)

b. What is the contribution of exports as a percentage of the total turnover of the entity?
The Company has exports of 86% of its total turnover.

c. **A brief on types of customers:**
The Company supplies to a diverse set of customers including brand owners, retailers, manufacturers, traders, repackers and other entities that have applications for coffee products in their processes.

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B / A)	No. (C)	% (C / A)
		EMPLOYEES				
1.	Permanent (D)	848	807	95%	41	5%
2.	Other than Permanent (E)	-	-	-	-	-
3.	**Total employees (D + E)**	**848**	**807**	**95%**	**41**	**5%**
		WORKERS				
4.	Permanent (F)	-	-	-	-	-
5.	Other than Permanent (G)	1592	1033	65%	559	35%
6.	**Total workers (F + G)**	**1592**	**1033**	**65%**	**559**	**35%**

b. Differently abled Employees and workers:

S. No.	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B / A)	No. (C)	% (C / A)
	DIFFERENTLY ABLED EMPLOYEES					
1.	Permanent (D)	1	1	100%	-	-
2.	Other than Permanent (E)	-	-	-	-	-
3.	**Total differently abled employees (D + E)**	**1**	**1**	**100%**	**-**	**-**
	DIFFERENTLY ABLED WORKERS					
4.	Permanent (F)	-	-	-	-	-
5.	Other than Permanent (G)	-	-	-	-	-
6.	**Total differently abled workers (F + G)**	**-**	**-**	**-**	**-**	**-**

19. Participation/Inclusion/Representation of women

	Total	No. and percentage of Females	
	(A)	No. (B)	% (B / A)
Board of Directors	12	2	16.66
Key Management Personnel	3	1	33.33

20. Turnover rate for permanent employees and workers
(Disclose trends for the past 3 years)

	FY 2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in the year previous FY)		
	Male	**Female**	**Total**	**Male**	**Female**	**Total**	**Male**	**Female**	**Total**
Permanent Employees	9%	2%	11%	8%	1%	9%	12%	1%	13%
Permanent Workers	-	-	-	-	-	-	-	-	-

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary/ associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Continental Coffee Private Limited	Wholly Owned Subsidiary	100%	No
2	CCL Food and Beverages Private Limited	Wholly Owned Subsidiary	100%	No
3	Ngon Coffee Company Limited	Wholly Owned Subsidiary	100%	No
4	Continental Coffee SA	Wholly Owned Subsidiary	100%	No
5	Jayanti Pte Limited	Wholly Owned Subsidiary	100%	No

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes
(ii)Turnover (in Rs.) - ₹ 133,525.21 Lakhs
(iii)Net worth (in Rs.) - ₹ 109,628.94 Lakhs

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes, the community members can send any concerns or grievances to the Company's registered office or emails-hello@continental.coffee and customercare@continental.coffee for resolving the grievances in a just, fair and timely manner.	Nil	Nil	-	Nil	Nil	-
Investors (other than shareholders)	No	The Company does not have any investors other than its shareholders.					
Shareholders	Yes, the Company has designated email ids companysecretary@continental.coffee and investors@continental.coffee for shareholders to raise their grievances. The shareholder grievances are also resolved by the Company's RTA (Venture Capital and Corporate Investments Private Limited) https://www.cclproducts.com/investors/#contact	15 * The complaints are the investor queries raised during the year according to Venture Capital and Corporate Investments Private Limited (Registrar and Transfer Agents	0		7 *The complaints are the investor queries raised during the year according to Venture Capital and Corporate Investments Private Limited (Registrar and Transfer Agents)	0	

Employees and workers	Yes, the web link for the same is: https://www.cclproducts.com/wp-content/uploads/2021/07/whistle-blower-policy.pdf	Nil	Nil	-	Nil	Nil	-
Customers	Yes, the customers are encouraged to reach out to our dedicated customer support channels such as helplines, email addresses, online contact forms on our D2C website, and Social Media Platforms. The weblink for the same is: https://www.cclproducts.com/investors/#contact	Nil	Nil	-	Nil	Nil	-
Value Chain Partners	Yes, Timely meetings are held with suppliers, contractors and vendors to address any issues or concerns faced by them. Channel partners can also raise their grievances by call/text/emails https://www.cclproducts.com/investors/#contact.	Nil	Nil	-	Nil	Nil	-

24. Overview of the entity's material responsible business conduct issues

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity
1.	Carbon footprint and emissions	Opportunity	Opportunity to move towards energy efficiency, sustainable development and reduce dependency on non-renewable sources.	The Company has commissioned a 0.9 MW solar plant at Kuvvakolli, Tirupati District, Andhra Pradesh. This allows the Company to reduce its carbon footprint and emissions and tread towards a sustainable way of production.	Positive Implications
2.	Water	Risk and opportunity	Coffee production requires water at various stages and it is essential that water is drawn in sustainable quantities from the available sources.	The manufacturing units of the Company have implemented Zero Liquid Discharge (ZLD) and are reviewing the water consumption and discharge.	Negative Implications
3.	Responsible Sourcing	Risk and opportunity	To define minimum standards and the basic principles of co- operation that Company requires from all its suppliers and business partners to ensure sound and environment practices within its own operations and its supply chain in every market it operates into.	The Company has in place a responsible sourcing policy which is based on core international labour organization conventions, the ETI base code and the UN Guiding Principles on Business and Human Rights.	Negative Implications
4.	Health, safety and employee well being	Risk	The Company places a lot of importance on its employee well-being and the safety of its human resource.	The Company continuously monitors the work-place safety measures and aims to provide its workers the best possible environment to maintain their well-being and necessary balance.	Negative Implications
5	Data privacy and cyber security	Risk	Proper handling of sensitive and confidential data so as to ensure safety from potential security threats and leakages.	The Company classifies data based on sensitivity and implements appropriate security measures to identify gaps and weakness. The Company also educates its employees about data privacy and the best cyber security measures.	Negative Implications

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Principles:

Principle 1 : Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable.

Principle 2 : Businesses should provide goods and services in a manner that is sustainable and safe.

Principle 3 : Businesses should respect and promote the well-being of all employees, including those in their value chains.

Principle 4 : Businesses should respect the interests of and be responsive to all its stakeholders.

Principle 5 : Businesses should respect and promote human rights.

Principle 6 : Businesses should respect and make efforts to protect and restore the environment.

Principle 7 : Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Principle 8 : Businesses should promote inclusive growth and equitable development.

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

Disclosure Questions9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes **1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)**	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	Code of Conduct for the directors and senior management - https://www.cclproducts.com/wp-content/uploads/2021/07/code-of-conduct.pdf Whistle Blower policy - https://www.cclproducts.com/wp-content/uploads/2021/07/whistle-blower-policy.pdf Disclosure of materiality of events or information - https://www.cclproducts.com/wp-content/uploads/2021/07/Policy-on-determination-of-materiality-of-events-or-information.pdf Responsible Sourcing Policy - https://www.cclproducts.com/wp-content/uploads/2021/07/Responsible-Sourcing-Policy.pdf Sustainability Policy - https://www.cclproducts.com/wp-content/uploads/2021/07/Sustainability-Policy.pdf								

	Dividend Distribution Policy - https://www.cclproducts.com/wp-content/uploads/2021/07/Dividend-Distribution-Policy.pdf CSR Policy - https://www.cclproducts.com/wp-content/uploads/2021/07/csr-policy.pdf Related Party Transactions Policy - www.cclproducts.com/wp-content/uploads/2023/07/Policy-on-Related-Party-Transactions.pdf Policy on determination of materiality of events or information - https://www.cclproducts.com/wp-content/uploads/2021/07/Policy-on-determination-of-materiality-of-events-or-information.pdf Modern Slavery and Anti Human Trafficking Statement- https://www.cclproducts.com/wp-content/uploads/2021/12/Modern-Slavery-and-Human-Trafficking-Statement.pdf								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3 Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes, the Company seeks to ensure that the value chain partners comply with the norms and policies laid down in true letter and spirit.								
4. Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	1. SGP (Supplier Guiding Principles and Human Rights Policy Assessment) 2. ICS (Initiative for Compliance and Sustainability) 3. SA 8000 (Social Accountability audit)								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company is sincerely committed to diligently work towards building trust and creating a safe and inclusive workplace. The employees are encouraged to report violations of the code of conduct and other laws, if any.								

6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The Company considers human rights to be an important part of its philosophy and the organizational fabric to ensure everybody gets a fair shot and an equal opportunity to contribute. The Company has set various commitments and has appropriately aligned its efforts towards the achievement of the same.

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

The Company 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.

Challa Srishant, Chairman, Risk Management Committee.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Praveen Jaipuriar, Chief Executive Officer
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, the Company has a Risk Management Committee in place for taking decision on Sustainability issues. Challa Srishant is the chairman of the Committee and comprises of the following members: Challa Srishant- Chairman Vipin K. Singal Kata Chandrahas K. K. Sarma B. Mohan Krishna G.V. Krishna Rau Kulsoom Noor Saifullah Challa Shantha Prasad Dr. Krishnanand Lanka Kode Durga Prasad Praveen Jaipuriar Sridevi Dasari V. Lakshmi Narayana

10. Details of Review of NGRBCs by the Company:		
Subject for Review	**Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee**	**Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)**
	P 1, P 2, P 3, P 4, P 5, P 6, P 7, P 8, P 9	**P 1, P 2, P 3, P 4, P 5, P 6, P 7, P 8, P 9**
Performance against above policies and follow up action	The Business responsibility policies are reviewed periodically and the necessary actions for preserving the essence of the policies are taken acodigly	Annually
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Compliance Schedule with respect to various statutory requirements is placed before the Board of Directors.	Periodically

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency	**P 1**	**P 2**	**P 3**	**P 4**	**P 5**	**P 6**	**P 7**	**P 8**
	An internal assessment by the various heads is done periodically.							

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be

Questions	**P 1**	**P 2**	**P 3**	**P 4**	**P 5**	**P 6**	**P 7**	**P 8**
The entity does not consider the Principles material to its business (Yes/No)	N.A.							
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)								
The entity does not have the financial or/human and technical resources available for the task (Yes/No)								
It is planned to be done in the next financial year (Yes/No)								
Any other reason (please specify)								

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section aims at demonstrating their performance in integrating the principles with key processes and decisions. Efforts to provide detailed information on leadership indicators are underway for the upcoming years.

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. **Percentage coverage by training and awareness programmes on any of the Principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	4	-Board and Management's role in Corporate Governance and Strategy. -Transition from BRR to BRSR	100%
Key Managerial Personnel	2		
Employees other than BoD and KMPs	2	1. Health and safety measures 2. Skill Upgradation	100%
Workers	1	Health and safety measures	100%

2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year:** Nil, no material fines were paid by the Company during the Financial Year 2022-23. You may refer to Director's report for information pertaining to fine levied under SEBI Regulations.

	NGRBC Principle	Name of the regulatory/ agencies/judicial institutions enforcement	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	No penalties/fines/fee have been levied				
Settlement					
Compounding Fee					
	Non-Monetary				
	NGRBC Principle	**Name of the regulatory/ agencies /judicial institutions enforcement**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**	
Imprisonment Punishment	N.A.				

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed:** NIL

4. **Does the entity have an anti-corruption or anti-bribery policy?**

   Yes, the Company has placed the Code of Conduct for the directors and a whistle blower policy on its website for employees to raise ethical issues. The Company ensures that appropriate mechanisms are omni present to ensure acts of corruption and bribery do not occur and on occurrence of any are appropriately reported and addressed with utmost attention and detail.

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:** NIL

6. **Details of complaints with regard to conflict of interest:** NIL

	FY 2022-23 (Current Financial Year)		FY 2021-22 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	N.A.	0	N.A.
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	N.A.	0	N.A.

7. **Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest. –** No such action was taken during the year.

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe.

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	26.75%	Nil	The Company has got its fuel system redesigned to use solid waste as fuel for its boilers instead of fossil fuels. The Company continuously improves products in terms of fuel efficiency, material use and recyclability.
Capex	17.08%	4.03%	

2. a. **Does the entity have procedures in place for sustainable sourcing? Yes**

   b. **If yes, what percentage of inputs were sourced sustainably?**
   The Company'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. Further, the Company also has various certifications like Organic Coffee Certificate (Processing & Trading), Kosher Certification, . BRC- Version 8 with A Grade (British Retail Consortium) and IFS - Food Version 7 with Higher Level (International Featured Standards) - International Food Standard in place to ensure it responsibly positions itself towards the environment and sources its inputs responsibly.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

   The Company does not manufacture any reusable products. However, the Company has mechanisms in place to sell the plastic leftovers, battery waste along with the MEE salts to CPCB authorized dealers to ensure proper disposal. 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 places greater importance on cutting down its consumption of non eco-friendly items and working towards a sustainable value chain.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards?**

   Yes, as per Plastic Waste Management Rules, 2016 and Amendment dated March, 2018, the Company has duly registered itself under the category of Brand Owner from June, 2021. It has met also the requisite year wise EPR targets through co processing the waste and the credits for the same are also reflected in the Company's EPR wallet on the portal.

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by Category										
	Total (A)	Health insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number B	% (B/A)	Number C	% (C/A)	Number D	% (D/A)	Number E	% (E/A)	Number F	% (F/A)
Permanent employees											
Male	807	432	51%	0	0	0	0	0	0	0	0
Female	41	28	68%	0	0	2	5%	0	0	0	0
Total	**848**	**460**	**54%**	**0**	**0**	**2**	**5%**	**0**	**0**	**0**	**0**
Other than Permanent employees											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

***The Company does not have any of the above insurances for its contract workers. The contractor looks into the insurance of the contract workers.**

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number	% (B/A)	Number	% (C/A)	Number	% (D/A)	Number	% (E/A)	Number	% (E/A)
Permanent workers											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	2	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**2**	**0**	**0**	**0**	**0**	**0**
Other than Permanent workers											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

2. Details of retirement benefits, for Current Financial year and Previous Financial year.

Benefits	FY 2022-23 Current Financial year.			FY 2021-22 Previous Financial year.		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	-	Yes	100%	-	Yes
Gratuity	100%	-	Yes	100%	-	Yes
ESI	-	-	-	-	-	-
Others – Superannuation	49%	-	Yes	99%	-	Yes

***The Company is of the understanding that ESI as such does not form part of retirement benefits and hence the same is not being mentioned here**

3. **Accessibility of workplaces**

   Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

   The Company strives to provides equal opportunities to its specially abled employees and provides them the necessary infrastructure to work and access to the facilities for the same.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

   The Company ensures that all its employees are provided with equal opportunities and the Company is committed to provide an inclusive work environment which remains free from discrimination. The Company follows it in true letter and spirit but does not have any specific policy for the same.

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.** :
   Not Applicable since no employees were on parental/maternity leave

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	Not Applicable			
Female				
Total				

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and worker?**

   The Company has constituted an Internal Complaints Committee to hear complaints against sexual harassment of its employees.

	Yes/No ***(If Yes, then give details of the mechanism in brief)***
Permanent Workers	Yes
Other than Permanent Workers Permanent Employees	Yes
Other than Permanent Employees	Yes

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity: NIL

Category	**FY 2022-23 Current Financial year.**			**FY 2021-22 Previous Financial year.**		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of ssociation(s) or Union (D)	% (D / C)
Total Permanent Employees						
- Male	0	0	0	0	0	0
- Female	0	0	0	0	0	0
Total Permanent Workers						
- Male	0	0	0	0	0	0
- Female	0	0	0	0	0	0

8. Details of training given to employees and workers:

Category	FY 2022-23 Current Financial year.					FY 2021-22 Previous Financial year.				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (A)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	807	807	100%	807	100%	735	735	100%	735	100%
Female	41	41	100%	41	100%	28	28	100%	28	100%
Total	**848**	**848**	**100%**	**848**	**100%**	**763**	**763**	**100%**	**763**	**100%**
Workers										
Male	1033	1033	100%	1033	100%	1025	1025	100%	1025	100%
Female	559	559	100%	559	100%	869	869	100%	869	100%
Total	**1592**	**1592**	**100%**	**1592**	**100%**	**1894**	**1894**	**100%**	**1894**	**100%**

9. Details of performance and career development reviews of employees and worker:

Category	FY 2022-23 Current Financial year.			FY 2021-22 Previous Financial year.		
	Total (A)	No. (B)	% (B / A)	Total (A)	No. (D)	% (D / C)
Employees						
Male	807	807	100%	735	100%	735
Female	41	41	100%	28	100%	28
Total	**848**	**848**	**100%**	**763**	**100%**	**763**
Workers						
Male	1033	1033	100%	1025	100%	1025
Female	559	559	100%	869	100%	869
Total	**1592**	**1592**	**100%**	**1894**	**100%**	**1894**

10.Health and safety management system:

a. **Whether an occupational health and safety management system has been implemented by the entity?**

Yes, occupational health and safety management system as per the Indian Standards (as per Factories Act) is in place.

b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

HIRA & Permit to Work System are available to identify and rectifying the Work related hazards.

c. **Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.**

Yes, adequate safety processes for workers to report the work-related hazards and remove the workers from the risks are already in place.

D . **Do the employees/ worker of the entity have access to non-occupational medical and healthcare services?**

Yes

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million- person hours worked)	Employees	Nil	Nil
	Workers	Nil	Nil
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	Nil	Nil
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

12. Describe the measures taken by the entity to ensure a safe and healthy work place.
Eliminating the Potential Hazards at work location by identifying the Unsafe Act Unsafe Condition (UAUC), identification of Near miss cases and by conducting trainings. The Company also has essential mechanisms in place to ensure that all the workers are safe and conducive environment to the workers. Ergonomics and safety training and education is provided to the workers along with regular inspections and audit to ensure that the workplace is free from any unsafe events.

13. Number of Complaints on the following made by employees and workers:

	FY 2022-23 Current Financial year.			FY 2021-22 Previous Financial year.		
	Filed during the year	Pending resolution at the end of year	Filed during the year	Pending resolution at the end of year	Filed during the year	Pending resolution at the end of year
Working Conditions	0	0	0	0	0	0
Health & Safety	0	0	0	0	0	0

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions- Not Applicable

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The Company 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 the Company to understand the needs and expectations of our stakeholders better.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder group	Whether identifies as Vulnerable & Marginalized group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Advertisement, Community Meetings, Notice Board, Websites etc)	Frequency of engagement (annually/ half yearly/ quarterly/others)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	Yes	-Website -Email -Newspaper -Social media	As required	To acquire new customers and build long lasting relations with the existing customers.
Shareholders/ investors	Yes	-Conference calls - Press release -Emails -One to one interactions	Quarterly and Annually	To discuss company's financial performance, take necessary approvals and review the future outlook.
Regulators/ Government	Yes	-Seminars -Interactions -Official communication channels - Inspections -Statutory filings	As per statutory requirements and on need basis	To ensure compliance with laws and engage with the authorities to ensure conformity with law.
Employees	Yes	-Emails -Internal Discussions -Standup calls -Trainings	As and when required	To keep the employees updated with the ongoing developments, enquiring work progress and addressing their issues.
Communities	Yes	-Website -Social Media -Newspapers	As and when required	Support CSR projects and address grievances.
Value chain partners	No	-Online meetings -One to one meets	As and when required	Betterment of the existing business relationships.

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23 Current Financial year.			FY 2021-22 Previous Financial year.		
		No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	848	848	100%	763	763	100%
Other than permanent	0	0	0	0	0	0
Total Employees	**848**	**848**	**100%**	**763**	**763**	**100%**
Workers						
Permanent	0	0	0	0	0	0
Other than permanent	1592	1592	100%	1894	1894	100%
Total Workers	**1592**	**1592**	**100%**	**1894**	**1894**	**100%**

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2022-23 Current Financial year.					FY 2021-22 Previous Financial year.				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent										
Male	807	109	13%	739	87%	763	113	15%	650	85%
Female	41	4	10%	37	90%	28	2	7%	26	93%
Other than Permanent										
Male	0	0	0	0	0	0	0	0	0	0
Female	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Workers										
Permanent										
Male	0	0	0	0	0	0	0	0	0	0
Female	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Other than Permanent										
Male	1033	1033	100%	0	0	1025	1025	100%	0	0
Female	59	59	100%	0	0	869	869	100%	0	0

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/wages of respective category in ₹	Number	Number Median remuneration/ salary/ wages of respective category in ₹
Board of Directors (BoD)	10	1,72,20,000	2	15,00,000
Key Managerial Personnel	2	1,84,85,000	1	29,57,220
Employees other than BoD and KMP	802	22,787	41	27,376
Workers	0	0	0	0

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?** Yes

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues. The Company is committed in making sure that the human rights issues and impact are addressed properly and sufficiently by it.**

   - Internal Complaints Committees (ICCs) have been constituted under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to hear and redress complaints of sexual harassment.
   - The Company also has a Whistle Blower Policy in place where the employees are free to report any malpractices to the Company.
   - The Company also has a Code of Conduct in place to ensure that issues can be addressed as and when they arise with utmost attention and detail.

6. Number of Complaints on the following made by employees and workers:

	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	N.A.	0	0	N.A.
Discrimination at workplace	0	0	N.A.	0	0	N.A.
Child Labour	0	0	N.A.	0	0	N.A.
Forced Labour /Involuntary Labour	0	0	N.A. (No child has been employed by Company)	0	0	N.A.
Wages Other human	0	0	N.A.	0	0	N.A.
rights related issues	0	0	N.A.	0	0	N.A.

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Whistle Blower Policy provides sufficient safeguards for his/her protection wherein the identity of the whistle blower is kept confidential and employee assisting the investigation is also protected to the same extent as whistle blower and sexual harassment.

8. Do human rights requirements form part of your business agreements and contracts?

Yes, the Company ensures that the Company complies with the applicable laws and the same are incorporated in the business agreements and contracts.

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	-

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above. Not Applicable

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment.

Essential Indicators

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	**FY 2022-2023 (Current Financial Year)**	**FY 2021-2022 (Previous Financial Year)**
Total electricity consumption (A)	3889.6 X 10^7 kCal	3613.3 X 10^7 kCal
Total fuel consumption (B)	**HSD** – 256.4 X 10^7 kCal	**HSD** – 136.88 X 10^7 kCal
Energy consumption through other sources (C)	**Husk** – 21103.9 X 10^7 kCal **Coal** – 7426.8 X 10^7 kCal	**Husk** – 35123 X 10^7 kCal **Coal** – 1550.5 X 10^7 kCal
Total energy consumption (A+B+C)	32676.7 X 10^7 kCal	40423.68 X 10^7 kCal
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	24.47	43.79

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. **No**

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India?** No.

3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	**FY 2022-2023 (Current Financial Year)**	**FY 2021-2022 (Previous Financial Year)**
Water withdrawal by source (in kilolitres)		
(i) Surface water	Nil	Nil
(ii) Groundwater	612362.73	563943.15
(iii) Third party water	Nil	Nil
(iv) Seawater / desalinated water	Nil	Nil
(v) Others/ Recovery Water reused	402547	373551
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**1014909.73**	**937494.15**
Total volume of water consumption (in kilolitres)	1014909.73	937494.15
Water intensity per rupee of turnover (Water consumed / turnover)	0.000076	0.00010

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? **No**

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, the Company's efforts were focused on developing energy-efficient processes for instant coffee production, which involved selecting advanced profile roasters and incorporating waste heat recovery systems to optimize roasting and drying processes.

ZLD (Zero Liquid Discharge) Technologies were chosen to minimize waste generation during instant coffee production and explore innovative methods for reusing or recycling wastewater and by-products. Technologies such as membrane filtration or reverse osmosis were employed to reduce water usage.

A state-of-the-art pilot plant has been commissioned to reduce the batch size, thereby decreasing the environmental impact. The Company has 490 KLD ZLD in operation.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	**Please specify unit**	**FY 2022-2023 (Current Financial Year)**	**FY 2021- 2022 (Previous Financial Year)**
NOx	µg/m³	20	18
Sox	µg/m³	13	11
Particulate matter (PM)	µg/m³	52	47
Persistent organic pollutants (POP)	Nil	Nil	Nil
Volatile organic compounds (VOC)	Nil	Nil	Nil
Hazardous air pollutants (HAP)	Nil	Nil	Nil
Others – please specify	Nil	Nil	Nil

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? **No**.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	**Unit**	**Fy 2022-23 (Current Financial Year)**	**Fy 2021-22 (Previous Financial Year)**
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric Tonnes of CO2 equivalent	50739.17	13445.85
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric Tonnes of CO2 equivalent	-	-
Total Scope 1 and Scope 2 emissions per rupee of turnover		**0.000003**	**0.000001**

7. Does the entity have any project related to reducing Green House Gas emission?

Yes, the Company has already commissioned a solar plant at one of its factories located at Kuvvakolli, Tirupati District, Andhra Pradesh. The solar plant has a capacity of 0.9 MW and is aimed at reducing the green house gas emissions.

8. Provide details related to waste management by the entity, in the following format:

Parameter	**FY 2022-2023 (Current Financial Year)**	**FY 2021-2022 (Previous Financial Year)**
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	Nil	Nil
E-waste **(B)**	Nil	Nil
Bio-medical waste **(C)**	0.002	Nil
Construction and demolition waste **(D)**	Nil	Nil
Battery waste **(E)**	750	782
Radioactive waste **(F)**	Nil	Nil
Other Hazardous waste. Please specify, if any. **(G)** **Forced Evaporation Salt (MEE)**	337.74	160.385
Other Non-hazardous waste generated (H). Please specify, if any. Coffee Spent Used Oil	1.0413	0.738
Total (A+B + C + D + E + F + G+ H)	**1088.78**	**943.12**
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	Nil	Nil
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	Nil	Nil
Total	**Nil**	**Nil**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	Nil	Nil
(ii) Landfilling	Nil	Nil
(iii) Other disposal operations/ Waste Oil	1088.78	943.12
Total	**1088.78**	**943.12**

*** All the waste generated is being handed over to Pollution Control Board authorised vendors.**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - No

9. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

   No such hazardous chemicals are being used by the Company at any of its plants.

10. **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

    Not Applicable since the company does not have any operations/offices in/around ecologically sensitive areas.

S. No.	Location of operations	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not Applicable			

11. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year: No**

Name and brief	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

12. **Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format: Yes**

S. No	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not Applicable				

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. **Number of affiliations with trade and industry chambers/ associations.-7**
   b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Coffee Board of India	National
2	Export Promotion Council for EOUs and SEZs (EPCES)	National
3	Federation of Indian Export Organization (FIEO)	National
4	Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry (FTAPCCI)	National
5	Indo American Chamber of Commerce (IACC)	National
6	Indo German Chamber of Commerce (IGCC)	National
7	National Coffee Association, USA (NCA)	National

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities. N.A.**

Name of authority	Brief of the case	Corrective action taken
No adverse order has been received by the Company from any regulatory authorities.		

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.** Not Applicable

Name and brief details of project	SIA notification No.	Date of notification	Whether conducted by independent external agency (yes/No)	Results communicated in public domain (yes / No)	Relevant Web Link
Not Applicable					

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:** Not Applicable

Name of project for which R&R is on going	State	District	No of Project Affected Families(PAFs)	%of PAFs Covered by R&R	Amounts paid to PAFs inthe FY(in INR)
Not Applicable					

3. **Describe the mechanisms to receive and redress grievances of the community.**

   The Company ensures that there are regular interactions with the community as a whole to be able to receive and redress the grievances on a regular basis. The Company sources its green coffee from small vendors of Karnataka, Andhra Pradesh, Tamil Nadu and Kerala and hence the local touch with the community also remains intact.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Directly sourced from MSMEs/ small producers	60%	60%
Sourced directly from within the district and neighbouring districts	65%	65%

PRINCIPLE 9 - Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

   The organization has established effective mechanisms to receive and respond to consumer complaints and feedback. These mechanisms include dedicated customer support channels such as helplines, email addresses, online contact forms on our D2C website, and Social Media Platforms. The organization ensures that consumers can easily submit their complaints or provide feedback through these channels. Regular communication is maintained with consumers to keep consumers informed about the progress and resolution of their complaints.

2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	5%
Safe and responsible usage	1%
Recycling and/or safe disposal	Nil

3. Number of consumer complaints in respect of the following:

	FY 2022-23 Current Financial year.		**Remarks**	**FY 2021-22 Previous Financial year.**		**Remarks**
	Received during the year	Pending resolution at the end of year		Received during the year	Pending resolution at the end of year	
Data privacy	0	0		0	0	
Advertising	0	0		0	0	
Cyber-security	0	0		0	0	
Delivery of essential services	0	0		0	0	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Others	0	0		0	0	

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	0	0
Forced recalls	0	0

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy?

Yes, the Company has a policy on cyber security and risks related to data privacy. However, the link for the same is not available publicly.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services. Not Applicable

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

The Company's philosophy on Corporate Governance is founded upon a rich legacy of fair, ethical and transparent governance practices, many of which were in place even before they were mandated by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. As a global organisation, the Corporate Governance practices followed by the Company and its subsidiaries are compatible with international standards and best practices. Through the Governance mechanism in the Company, the Board along with its committees undertakes its fiduciary responsibilities to all its stakeholders by ensuring transparency, fair play and independence in its decision making.

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 of your Company is in consonance with the requirements of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As on March 31, 2023, 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.

(b)The details of the Board of directors including their attendance at the meetings of Board and committees, 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 (August 30, 2022)	No. of Directorships in other Companies		Chairmanships/ memberships in Committeees of other Public Companies		Name of other listed entities where he/she is a director and the category of directorship
		Held	Attended`		Private	Public	Member ship	Chairman ship	
Challa Rajendra Prasad	Promoter & Executive Director	6	5	Yes	3	-	-	-	
Vipin K Singal	Independent Non-Executive Director	6	6	Yes	-	-	-	-	
Kata Chandrahas	Independent Non-Executive Director	6	6	Yes	-	-	-	-	
K. K. Sarma	Non-Executive Director	6	6	Yes	3	-	-	-	
B. Mohan Krishna	Promoter & Executive Director	6	6	Yes	3	-	-	-	-

G. V. Krishna Rau	Independent Non-Executive Director	6	6	Yes	-	1	1	-	Tierra Agrotech Limited: Independent Director
Kulsoom Noor Saifullah	Independent Non-Executive Director	6	6	Yes	1	-	-	-	
K. V. Chowdary	Independent Non-Executive Director	6	6	Yes	3	6	12	2	1. Reliance Industries Limited: Independent Director 2. Divi's Laboratories Limited: Independent Director 3. Tata Motors Limited: Independent Director 4. Anant Raj Limited Independent Director
Challa Shantha Prasad	Promoter & Non-Executive Director	6	5	Yes	-	-	-	-	-
Dr. Krishnanand Lanka	Non-Executive Director	6	6	Yes	-	-	-	-	-
Durga Prasad Kode	Independent Non-Executive Director	6	6	Yes	-	2	7	5	NAVA Limited: Independent Director
Challa Srishant	Promoter & Executive Director	6	6	Yes	8	-	-	-	-

Note:

1) Dr. Krishnanand Lanka was appointed as Additional Director (Indenpendent Director) effective July 14, 2023.

2) Sri Satyavada Venkata Ramachandra Rao was appointed as Additional Director (Non-Executive Director) effective July 14, 2023.

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

None of the Directors on the Board is a member on more than 10 Committees and Chairman of more than 5 Committees across all the companies in which they are directors. None of the Directors 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.

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

The Board met 6 times in the financial year 2022-23 on the following dates, with a gap not exceeding one hundred and twenty days between any two meetings:

May 26, 2022	August 5, 2022	September 30, 2022	October 28,2022	December 2, 2022	January 18, 2023

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

- Sri Challa Rajendra Prasad – spouse of Smt. Challa Shantha Prasad, Director; Father of Sri Challa Srishant, Managing Director and father -in- law of Sri B. Mohan Krishna, Executive Director of the Company.

- Sri Challa Srishant - son of Sri Challa Rajendra Prasad, Executive Chairman and Smt. Challa Shantha Prasad, Director and brother-in-law of Sri B. Mohan Krishna, Executive Director of the Company.

- Sri B. Mohan Krishna - son-in-law of Sri Challa Rajendra Prasad, Executive Chairman and Smt. Challa Shantha Prasad, Director and brother-in-law of Sri Challa Srishant, Managing Director of the Company

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

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

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

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

S.No	Name and designation of the Director	No. of Shares held (As on 30.06.2023)
1	Vipin K Singal, Independent Director	5,000
2	Kata Chandrahas, Independent Director	9,186
3	Durga Prasad Kode, Independent Director	10,000
4	G V Krishna Rau, Independent Director	600
5	Challa Shantha Prasad, Non-Executive Director	3,20,38,520

(f) Web link where details of familiarization programmes imparted to independent directors:

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

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

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

(g) 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	Challa Srishant, Kata Chandrahas, K. V. Chowdary, G.V. Krishna Rau, Durga Prasad Kode
Technical knowledge on operations, Production	Challa Rajendra Prasad, B. Mohan Krishna, Dr. Krishnanand Lanka
Corporate Governance, Strategic Management	Challa Rajendra Prasad Challa Srishant Kata Chandrahas Vipin K Singal B Mohan Krishna K. K. Sarma G. V. Krishna Rau Dr. Krishnanand Lanka Challa Shantha Prasad Kulsoom Noor Saifullah Durga Prasad Kode K. V. Chowdary
International Marketing and Sales	G.V. Krishna Rau, Vipin K Singal, 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

(h) 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 do 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.

(i) Detailed reasons for the resignation of independent director who resigns before the expiry of his/her tenure along with a confirmation by such director that there is no other material reasons other than those provided.

During the year under review, Sri Bharat Kumar Mahendrabhai Vyas (DIN: 00043804), who was appointed as an Additional Director (Independent Director) of your Company effective December 02, 2022, resigned from his office effective January 18, 2023, due to health issues. Further the Company has obtained the confirmation from the said director that there were no material reasons other than those specified thereunder.

(3) Committees of the Board

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

Compensation Committee: The Nomination and Remuneration Committee also acts as compensation committee for the purpose of administration of CCL Employee Stock Option Scheme-2022.

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

(A) Audit Committee

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

(a) Terms of reference

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

i) Powers of the Audit Committee includes:

• To investigate any activity within its terms of reference.

• To seek information from any employee.

• To obtain outside legal or other professional advice.

• To secure attendance of outsiders with relevant expertise, if it considers necessary.

ii) Role of the Audit Committee includes:

- Oversight of Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.

- Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of auditors and fixation of audit fee and approval of payment to statutory auditors for any other services rendered by them.

- Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:

- matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.

- changes, if any, in accounting policies and practices and reasons for the same.

- major accounting entries involving estimates based on the exercise of judgment by management

- significant adjustments made in the financial statements arising out of audit findings

- compliance with listing and other legal requirements relating to financial statements

- disclosure of any related party transactions

- review of draft Auditors Report, in particular qualifications / remarks / observations made by the Auditors on the financial statements

- Review of internal audit reports relating to internal control weaknesses.

- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval

- Review, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

- Approval or any subsequent modification of transactions of the listed entity with related parties

- Review of the financial statements of subsidiary Companies

- Scrutiny of inter-corporate loans and investments

- Valuation of undertakings or assets of the listed entity, wherever it is necessary

- Evaluation of internal financial controls and risk management systems

- To look into the reasons for substantial defaults in the payment to the shareholders (in case of non-payment of declared dividends) and creditors

- Reviewing, with the management, auditor's independence, performance of statutory and internal auditors, adequacy of the internal control systems

- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

- Reviewing the risk management policies, practices and the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board

- Discussion with internal auditors of any significant findings and follow up there on;

- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

- To review the functioning of the whistle blower mechanism;

- Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

- Carrying out any other function as is mentioned in the terms of reference of the audit committee

- Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing.

- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

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

- Appointment of registered valuers

- Reviewing the reports/ certificates placed before it as mandated by the statutory authorities or as required under policies framed by the Company from time to time.

- Ascertaining and ensuring that the Company has an adequate and functional vigil mechanism and for ensuring that the interest of a person, who uses such a mechanism, are not prejudicially affected on account of such use, as and when applicable and reviewing the functioning of whistle blower mechanism;

- Any other matters/ authorities / responsibilities / powers assigned as per Companies Act 2013 and Rules made thereunder, as amended from time to time

- The Committee mandatorily reviews information including internal audit reports related to internal control weakness, management discussion and analysis of financial condition and result of operations, statement of significant related party transactions, appointment and removal of the auditors and such other matters as prescribed from time to time.

(b) The composition of the Audit Committee and attendance at its meetings:

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

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. Ms. Sridevi Dasari, Company Secretary of the Company acts as the Secretary of the said Committee.

(c) Meetings during the year

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

May 26, 2022	August 5, 2022	September 30, 2022	October 28, 2022	December 2, 2022	January 18, 2023

(B) Nomination and Remuneration Committee

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

(a) Terms of reference

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

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
- Formulation of criteria for evaluation of Independent Directors and the Board.
- Devising a policy on Board diversity.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment, remuneration and removal.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Recommendation of fee/compensation if any, to be paid to Non-Executive Directors, including Independent Directors of the Board.
- Recommend to the board, all remuneration, in whatever form, payable to Senior Management.

  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 and may be accessed at, https://www.cclproducts.com/wp-content/uploads/2023/07/Remuneration-Policy.pdf

(b) The composition of the Nomination and Remuneration Committee and attendance at its meetings:

Name	Category	No. of meetings held during the year	No of meetings attended
G. V. Krishna Rau	Chairman	3	3
Vipin K Singal	Member	3	3
Kata Chandrahas	Member	3	3
K. K. Sarma	Member	3	3
Kulsoom Noor Saifullah	Member	3	3
Dr. Krishnanand Lanka	Member	3	3
*Challa Shantha Prasad	Member	3	1 (out of 2 meetings entitled to attend)
Durga Prasad Kode	Member	3	3

*Resigned from the committee in order to comply with regulation 19(1)(C) of SEBI (LODR) Regulations, 2015. The committee was reconstituted accordingly.

(c) Meetings during the year

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

May 26, 2022	August 5, 2022	December 2, 2022

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

(d) Performance evaluation criteria for Independent Directors

Independent Directors are evaluated based on below mentioned criteria:

(i) their general understanding of the Company's business dynamics

(ii) global business and social perspective

(iii) professional ethics, integrity and values

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

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

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

(C) Stakeholders Relationship Committee

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

a) Terms of reference

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

- 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.
- 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-a-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 March 31, 2023, 13,23,18,737 Equity Shares of Rs. 2/- each representing 99.46% of the total number of Shares are in dematerialized form.

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

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

b) The composition of the Stakeholders Relationship Committee and attendance at its meetings:

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

The Stakeholders Relationship Committee met four (4) times during the previous year. The said committee met on the following dates:

May 26, 2022	August 5, 2022	October 28, 2022	January 18, 2023

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 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 66 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 March 31, 2023.

(D) Risk Management Committee

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

a) Terms of reference

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

Objective of the Risk 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.

b) The composition of the Risk Management Committee and attendance at its meetings:

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

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

September 19, 2022	March 17, 2023

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.

(E) Senior Management:

Particulars of the Senior management including the changes therein since the close of the previous financial year.

Sl	Employee Name	Department	Designation	Date of Joining
1	Praveen Jaipuriar	Management	CEO	29/10/2021
2	V Lakshmi Narayana	Accounts	CFO	14/07/2018
3	Dasari Sridevi	Secretarial	Company Secretary	13/04/2012
4	Keshava Naidu Gudiputi	R & D	General Manager	03/06/2013
5	R V Rama Rao	Administration	Sr. General Manager	04/05/1995
6	Vadlamudi Ravi Sai Teja	Business Development	Senior Manager	21/01/2015
7	B. Vaishak	Projects	Asst. General Manager	01/03/2016
8	Mahesh Kumar V	Quality	General Manager	08/01/2021
9	Atchuta Rao S S S	Administration	General Manager	29/04/2021
10	Thirumala Prasad R	Commercial	Dy. General Manager	05/07/2021
11	Ch V S S R S Sastry	Production	General Manager	02/09/2021
12	Kolluru Shivaram Prasad	Operations	Sr. General Manager	15/11/2021
13	Sridevi Undavalli	Human Resources	General Manager	15/04/2022
14	Marisetty Sarveswara Rao	Packing	General Manager	31/03/2023
15	Ranjith Kumar Mukthavaram	Materials	Dy. General Manager	24/04/2023
Resigned during the year				
1	Nagulapati Rukmini Rao	HR	Sr. General Manager	10/01/2019
2	Rohiny A	Materials	Dy. General Manager	10/12/2020

(F) Corporate Social Responsibility Committee

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

a) Terms of reference:

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

- 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;
- Recommend the amount of expenditure to be incurred on the activities referred above; and
- Monitor the Corporate Social Responsibility Policy of the company from time to time.

b) The composition of the Corporate Social Responsibility Committee and attendance at its meetings:

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

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

May 26, 2022

Corporate Social Responsibility Policy

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

(4) Remuneration of Directors

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

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

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

Keeping in view the size, scale and complexity of the Company’s operations and the level of involvement of the non-executive directors in the supervision and control of 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 2022-23:

Name of the Non-Executive Director	Sitting Fees Paid for FY 2022-23 (₹)	Commission for the year 2022-23 (₹)
Vipin K Singal	655000	1500000
Kata Chandrahas	655000	1500000
K. K. Sarma	605000	15,00000
G. V. Krishna Rau	655000	1500000
K. V. Chowdary	450000	1500000
Kulsoom Noor Saifullah	655000	1500000
Challa Shantha Prasad	285000	1500000
Dr. Krishnanand Lanka	605000	1500000
Durga Prasad Kode	630000	1500000

Details of salary, commission and other benefits to Executive Directors

Name of the Executive Director	Salary Paid	Perquisites and allowances	Commission as % of profit
Challa Rajendra Prasad	6000000	36000000	--
Challa Srishant	6000000	30000000	32400,000
B. Mohan Krishna	6000000	24000000	21300,000

(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 stock options to any of the directors.

(5) General Body Meetings

Annual General Meetings (AGMs) for the financial year ended March 31, 2022, March, 31, 2021 and March 31,2020 were held through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) mode and details regarding time and special resolutions passed in the respective AGMs are as tabled below:

Financial Year Ended	Date	Day	Time	Special Resolutions passed at the AGMs by the Shareholders
March 31, 2022	30.08.2022	Tuesday	12:05 P.M	1. Re-appointment of Sri Challa Rajendra Prasad to the office of Executive Chairman at a remuneration of Rs. 35,00,000/- per month along with other perquisites as per the rules of the Company

				2. Approval of CCL Employee Stock Option Scheme-2022 and Grant of options under the Scheme 3. Approval for Grant of options pursuant to CCL Employee Stock Option Scheme -2022 to the employees of the Subsidiary Companies 4. Approval of the Implementation of CCL Employee Stock Option Scheme-2022 through Trust 5. Approval for grant of loan to CCL Employees Trust by the Company for implementation of CCL Employee Stock Option Scheme – 2022
March 31, 2021	26.08.2021	Thursday	1:15 P.M	No Special Resolution was passed at the AGM
March 31, 2020	24.07.2020	Friday	3:00 P.M	1. Appointment of Sri G. V. Krishna Rau to the office of Independent Director 2. Re-appointment of Sri Challa Rajendra Prasad to the office of Executive Chairman at a remuneration of Rs. 35,00,000/- per month along with other perquisites as per the rules of the Company. 3. Increase of NRI holding in the Company

Mr. M.B. Suneel, Practising Company Secretary, conducted the e-voting process (i.e., remote e-voting and voting during the AGM) in connection with the aforementioned AGMs.

No Special Resolution has been passed through postal ballot process during the FY 2022-23

No Extraordinary General Meeting of the members was held in the financial year 2022-23

(6) Means of communication:

(a) Quarterly results:

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

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

(b) Newspapers wherein results normally published:

The results are normally published by 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 your Company were listed and the same are hosted on the website of your Company

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

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

(7) General Shareholder Information

The 62nd Annual General Meeting of the company will be held on August 22, 2023 at 9:30 A.M. through Video Conferencing ("VC")/ Other Audio-visual Means ("OAVM") for details, please refer to the Notice of the AGM.

• Financial Calendar	:	April 1, 2023 to March 31, 2024
• Results for the quarter ending		
June 30, 2023	:	July 14, 2023
September 30, 2023	:	Fourth week of October, 2023
December 31, 2023	:	Fourth week of January, 2024
March 31, 2024	:	Second/Third week of May, 2024
• Record date	:	August 11, 2023
• Dividend Payment Date	:	On or before August 28, 2023
• Listing on Stock Exchanges	:	1) BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street. MUMBAI -400001 2) National Stock Exchange of India Limited. 'EXCHANGE PLAZA' 5th Floor, Plot No. C/1, G-Block, Bandra-Kurla Complex, Bandra(E), MUMBAI - 400051

- **Stock Code**

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

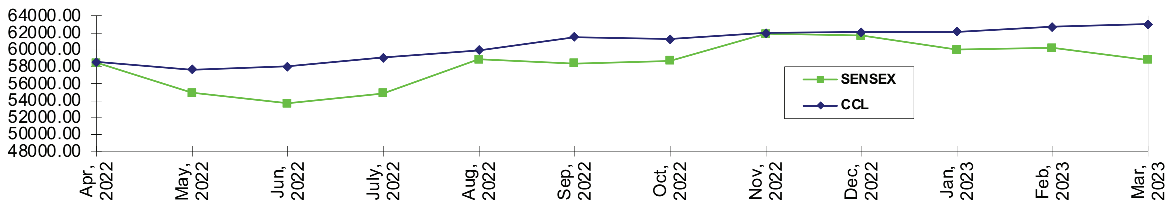
The Listing fees for the year 2023-24 has been paid to both the above Stock Exchanges.

Market Price Data

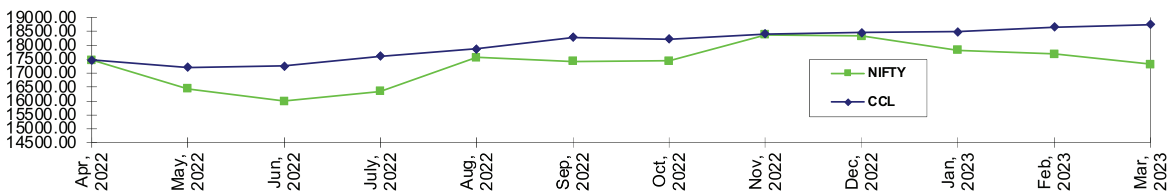
High, low during each month and trading volumes of the Company's Equity Shares during the last financial year 2022-23 at the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) are as under:

DATE	BSE			NSE		
	High	Low	Qty Traded	High	Low	Qty Traded
April, 2022	428.20	363.50	19,74,706	429.00	363.00	83,15,846
May, 2022	408.00	315.60	5,73,965	408.35	315.20	64,72,783
June, 2022	408.00	343.05	2,70,929	395.00	342.25	42,15,375
July, 2022	454.95	375.00	3,25,284	454.80	375.25	49,40,127
August, 2022	485.95	412.45	6,28,131	486.00	412.10	93,11,586
September, 2022	542.00	471.75	6,06,020	541.70	471.05	83,97,623
October, 2022	524.95	471.00	2,92,531	524.85	471.05	30,37,127
November, 2022	562.45	485.80	3,45,083	556.00	486.05	47,63,322
December,2022	571.95	486.90	3,35,838	571.80	485.85	50,98,242
January, 2023	553.55	509.00	2,63,214	553.40	509.00	39,27,646
February, 2023	579.20	524.85	1,59,054	579.40	528.20	27,47,329
March, 2023	592.55	535.15	1,58,868	593.00	542.00	36,52,992

SHARE PERFORMANCE BSE



SHARE PERFORMANCE NSE



Distribution Schedule:

Distribution Schedule as on March 31, 2023

Range of Equity Shares Held	No. of Shareholders/ Accounts	Percentage of (%) Shareholders/ Accounts	No. of of shares held (%)	Percentage shares held (%)
1 – 5000	56,743	98.87	1,10,24,637	8.29
5001 – 10000	287	0.5	21,70,510	1.63
10001 – 20000	147	0.26	21,32,901	1.6
20001 – 30000	47	0.08	11,81,715	0.89
30001 - 40000	28	0.05	9,79,798	0.74
40001 - 50000	20	0.03	9,08,533	0.68
50001 - 100000	38	0.07	26,45,211	1.99
100001 and above	84	0.15	11,19,84,615	84.18
Total	**57394**	**100**	**13,30,27,920**	**100**

Categories of Shareholders as on March 31, 2023:

S. No	Category of Shareholders	No. of Shares	Percentage
1	Promoter & Promoter Group	6,15,40,392	46.26
2	Relatives of promoters (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category)	8,91,980	0.67
3	Directors and their relatives (excluding independent directors and nominee directors)	10,000	0.01
4	Key Managerial Personnel	6,919	0.01
5	Mutual Funds	2,65,89,629	19.99
6	Alternate Investment Funds	13,82,040	1.04
7	Insurance Companies	35,155	0.03
8	NBFCs registered with RBI	974	0.00
9	Foreign Portfolio Investors	1,03,11,896	7.75
10	Bodies Corporate	16,78,286	1.26
11	Clearing Members	7,196	0.01
12	Foreign Nationals	47,83,180	3.60
13	IEPF	2,38,145	0.18
14	Trusts	50,617	0.04
15	Resident Individuals	1,82,71,272	13.73
16	Non-Resident Individuals	72,30,239	5.44
	Total	**13,30,27,920**	**100**

- **Dematerialization of shares and liquidity:**

  The shares of the Company are under compulsory demat trading. The Company has made necessary arrangements with NSDL and CDSL for demat facility, 99.46% of the Company's Shares are dematerialised as on March 31, 2023.

- 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.

• Plant Location	:	1. EOU - Duggirala, Guntur Dist Andhra Pradesh - 522 330 Ph: 08644-277294 / 277296 Fax: 08644-277295
	:	2. SEZ – Kuvvakolli Village Varadaiahpalem Mandal Tirupati District - 517 645 Andhra Pradesh
	:	3. EOU Extension Survey No. 269, 271 and 272, Sullurpeta - B.N. Kandriga Road Kuvvakolli Village Varadaiahpalem Mandal Tirupati District - 517 645 Andhra Pradesh
	:	4. Continental Coffee S.A Z.I Glaciere 3, CH2126, Les Verrierieres Switzerland
	:	5. Ngon Coffee Company Limited Cu Kuin Industrial Complex, Cu Kuin District, DakLak Province, Vietnam.
• Address for Correspondence & any query on Annual Report	:	The Company Secretary CCL Products (India) Ltd 7-1-24/2/D, Greendale Ameerpet, Hyderabad 500 016 Ph: 040 23730855 Fax: 040 23732499 Email: investors@continental.coffee Website: www.cclproducts.com

• Registrar and Transfer Agents	:	M/s. Venture Capital & Corporate Investments Pvt. Ltd. "AURUM" Door No: 4-50/P-II/57/4F & 5F Plot No.:57, Jayabheri Enclave, Phase:II, Gachibowli, Hyderabad 500 032 Phone : +91 40 2381 8475 / 35164940 Fax : +91 40 2386 8024
E.mail	:	info@vccipl.com
Contact Person	:	Mr. E S K Prasad, Chief Executive Ph: 040 23818475 / 76 Telefax: 040 23868024

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

- Transfer of unpaid/unclaimed to Investor Education & Protection Fund: Members are requested to claim any unclaimed dividend amounts for the year 2015-2016, 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.

- 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 62nd Annual Report.

- M/s P S Rao & Associates, Practicing Company Secretaries have conducted a Secretarial Audit of the Company for the year 2022-23. Their Audit Report confirms that except in few instances, 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.

- 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.

- 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).

(8) Other Disclosures

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

   The Policy on materiality of Related Party Transactions and on dealings with Related Party Transactions as approved by the Board is uploaded on the website of the Company and may be accessed at: www.cclproducts.com/wp-content/uploads/2023/07/Policy-on-Related-Party-Transactions.pdf

b. There are neither any non-compliances by the Company nor any penalties, strictures, imposed by stock exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years. However, it may be noted that the constitution of the Nomination and remuneration Committee of the Company did not meet the requirement of minimum 2/3rd Directors being Independent for certain period during the year as detailed in the Directors Report.

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 may be accessed at, https://www.cclproducts.com/wp-content/uploads/2021/07/whistle-blower-policy.pdf

d. The Company has complied with all the mandatory requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has also adopted the discretionary requirements as specified in part E of Schedule II of the Regulations and the same may be referred at point no.10 hereunder.

e. Continental Coffee Private Limited, Continental Coffee SA and Ngon Coffee Company Limited qualify as Material Non - Listed Subsidiaries of the Company in terms of SEBI (LODR) Regulations, 2015.

   Sri Vipin K Singal was appointed as an Independent Director on the Board of Ngon Coffee Company Limited pursuant to Regulation 24(1) of SEBI (LODR) Regulations, 2015. However, the Company is not required to appoint any independent director on the board of Continental Coffee Private Limited and Continental Coffee SA pursuant to said Regulations.

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

g. Disclosure of commodity price risks or foreign exchange risk and commodity hedging activities- We have started availing EPC (Export Packing in Rupee) against which we have taken forward cover partly (USD 20.00 mn) and balance is being covered under natural hedging.

h. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)- Not Applicable

i. A certificate from M/s P S Rao & Associates, company secretaries in practice has been obtained to the effect that none of the directors on the board of the Company has been debarred or disqualified from being appointed or continuing as directors of the Companies by the Board/Ministry of corporate affairs or any such statutory authority has been enclosed as separately to this report.

j. Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year:

   There were no such instances during the year where the recommendations of any of the committees were not accepted by the Board. The Board considered and accepted the recommendations of all the Committees.

k. 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- ₹ 16,60,000/-

l. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Your Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace as per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. The policy aims to provide protection to Employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where Employees feel secure. The Company has also constituted an Internal Committee, known as Anti Sexual Harassment Committee to address the concerns and complaints of sexual harassment and to recommend appropriate action. Your Company has not received any complaint on sexual harassment during the year.

m. Disclosure by the listed entity and its subsidiaries of Loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount'

a. Continental Coffee Private Limited
Nature of interest: 1. Wholly owned Subsidiary
2. Common Directors

Amount of Loans and Advances outstanding at the end of the year: ₹ 9.98 Crores

b. CCL Food and Beverages Private Limited,
Nature of Interest : 1. Wholly owned Subsidiary
2. Common Directors
Amount of Loans and Advances outstanding at the end of the year: ₹ 22.04 Crores

Save and except the aforesaid, neither the Company nor any of its subsidiaries has given any loan/ advance in the nature of loans to firms/companies in which directors are interested

n. Details of material subsidiaries of the listed entity:

S. No	Name of the Material Subsidiaries	Date & Place of Incorporation	Name of the Statutory Auditor	Date of Appointment
1	Continental Coffee Private Limited	11.05.2011 & Hyderabad, Telangana	NSVR & Associates LLP	30.11.2021
2	Ngon Coffee Company Limited	03.02.2009 & Cu Kuin Industrial Clusters, Dray Bhang Ward, Dak Lak Vietnam	KPMG Limited	09.04.2012
3	Continental Coffee SA	30.05.2007 & Les Verrieres, Switzerland	Fhs Fidufisc SA	17.08.2018

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

All the corporate governance requirements are complied.

(10) 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 the Managing Director or the CEO:

The Office of i) Chairman ii) Managing Director and that of iii) CEO are held by different persons.

v. Reporting of internal auditor:

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

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

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

Note: The constitution of the Nomination and remuneration Committee of the Company did not meet the requirement of minimum 2/3rd Directors being Independent for certain period during the year.

(12) Code of Conduct

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

Further a policy on obligation of directors and senior management personnel for disclosure of committee positions and commercial transitions pursuant to Regulation 26(2) (5) and (6) of Listing Regulations 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 which may be accessed at, https://www.cclproducts.com/wp-content/uploads/2021/07/code-of-conduct.pdf

Declaration on compliance with Code of Conduct is annexed.

• Meeting of Independent Directors

During the year under review, the Independent Directors met on March 29, 2023, 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/2021/07/Policy-on-determination-of-materiality-of-events-or-information.pdf

- Preservation of Documents:

  The Company adopted the policy on preservation of documents in accordance with the Regulation 9 of the Listing Regulations, which was placed on the Website of the Company which may be accessed at, https://www.cclproducts.com/wp-content/uploads/2021/07/Policy-on-preservation-of-documents.pdf

- Corporate governance requirements with reference to Subsidiary Companies:

  Sri. 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 Practising Company Secretary's Certificate on compliance of the Corporate Governance norms is attached.

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

- The Chief Executive Officer and the Chief Financial Officer have certified to the Board in accordance with Regulation 33(2)(a) of SEBI Listing Regulations pertaining to CEO/CFO certification for the Financial Year ended March 31, 2023 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 March 31, 2023.

For **CCL Products (India) Limited**

Sd/-

Praveen Jaipuriar

Chief Executive Officer

Place: Hyderabad

Date: May 16, 2023

CEO/CFO Certification

We, Praveen Jaipuriar, Chief Executive Officer and Lakshmi Narayana Vuduta, Chief Financial Officer, to the best of our knowledge and belief, certify that:

a. We have reviewed the financial statements including cash flow statement (standalone and consolidated) for the financial year ended March 31, 2023 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 statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.

c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to address these deficiencies.

d. We have indicated to the auditors and the Audit Committee:

   i. significant changes in the internal control over financial reporting during the year;

   ii. significant changes in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   iii. that there are no instances of significant fraud of which they have become aware of and involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **CCL Products (India) Limited**

Sd/-
Praveen Jaipuriar
Chief Executive Officer

For **CCL Products (India) Limited**

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

Place: Hyderabad
Date: May 16, 2023

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 March 31, 2023 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, except that the constitution of the Nomination and remuneration Committee of the Company did not meet the requirement of minimum 2/3rd Directors being Independent for certain period during the year.

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
ICSI Unique Code: P2001TL078000
PR No. 710/2020
UDIN: F010322E000614541

Place: Hyderabad
Date: July 14, 2023

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 March 31, 2023, 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
ICSI Unique Code: P2001TL078000
PR No. 710/2020
UDIN: F010322E000614552

Place: Hyderabad
Date: July 14, 2023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INDEPENDENT AUDITOR'S REPORT

To the Members of CCL Products (India) Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **CCL PRODUCTS (INDIA) LTD.** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act,2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significant in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
Revenue recognition Revenue from the sale of goods (hereinafter referred to as "Revenue") is recognised when the company performs its obligation to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such revenue recognition in case of sale of goods is when the control over the same is transferred to the customer, which is mainly upon delivery. The timing of revenue recognition is relevant to the reported performance of the Group. The management considers revenue as a key measure for evaluation of performance. There is a risk of revenue being recorded before control is transferred. The accuracy and of revenue amounts recorded is an inherent industry risk Disclosures relating revenue recognition are in Note 1.17.	**Principal Audit Procedures** Our audit procedures in respect of this area included: Evaluated the effectiveness of key controls over the capture and measurement of revenue transactions across all material revenue streams. Assessed the company's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from Contracts with Customers") and tested thereof. Evaluated the design, implementation and operating effectiveness of Group's controls in respect of revenue recognition. Tested the effectiveness of such controls over revenue cut off at year-end. On a sample basis, tested supporting documentation for sales transactions recorded during the year which included sales invoices, customer contracts and shipping documents. Performed an increased level of substantive testing in respect of sales transactions recorded during the period closer to the year end and subsequent to the year end. Compared revenue with historical trends and where appropriate, conducted further enquiries and testing. Assessed disclosures in financial statements in respect of revenue, as specified in Ind AS 115. Evaluated the adequacy of the disclosures included in Note 1.17.

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

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Directors Report and Corporate Governance Report but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The Directors Report and Corporate Governance Report is expected to be made available to us after the date of this auditor's report.

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

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

When we read the Directors report and Corporate Governance Report if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with Governance.

Management's Responsibility for the standalone financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the standalone Financial Statements

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

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

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

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act based on our audit, we report that:

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

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

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

(d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal with reference to the (standalone) financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure-A”.

(g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid or provided by the company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

i. The Company does not have any pending litigations which would impact the standalone financial statements;

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

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

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement

v. As stated in Note 2.10 to the standalone financial statements:

(a) the dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

(b) The Board of Directors of the Company have proposed dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires for maintaining books of accounts using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023. However, as per rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 the auditors are required to comment on audit trail (edit log) for the year 2022-23. Since requirement of maintenance of accounting software which has a feature of audit trail under rule 3 of the Companies (Accounts) Rules, 2014 has been deferred from financial year commencing from April 1, 2022 to financial year commencing from April 1, 2023, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

2. As required by the Companies (Auditor's Report) Order, 2020, ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in "Annexure- B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Ramanatham & Rao
Chartered accountants
Firm Registration No.002934S

(V V LakshmiPrasanna A)
Partner
Membership No. 243569
UDIN: 23243569BGXBWL3467

Place : Hyderabad
Date : May 16, 2023

Annexure - A to the Independent Auditors' Report
(Referred to in paragraph 1(f) under 'Report on Other Legal Regulatory Requirements' section of our report to the Members of the Company of even date)

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

We have audited the internal financial controls over financial reporting with reference to Standalone Financial Statements of **CCL PRODUCTS (INDIA)LIMITED** ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to these Standalone Financial Statements included obtaining an understanding of internal financial controls over financial reporting with reference to these Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the 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 with reference to these Standalone Financial Statements.

Meaning of Internal Financial Controls over Financial Reporting with reference to these Standalone Financial Statements

A company's internal financial control over financial reporting with reference to these Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these Standalone Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting with reference to these Standalone Financial Statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these Standalone Financial Statements and such internal financial controls over financial reporting with reference to these Standalone Financial Statements were operating effectively as at March 31, 2023, 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

(V V LakshmiPrasanna A)
Partner
Membership No. 243569
UDIN: 23243569BGXBWL3467

Place : Hyderabad
Date : May 16, 2023

Annexure – B to the Independent Auditors' Report

With reference to Paragraph 2 under 'Report on Other Legal Regulatory Requirements' section of our report to the Members of the Company, we report that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us and the records of the company examined by us, the property, plant and equipment have been physically verified by the management in a periodical manner, which in our opinion is reasonable, having regard to the size of the Company and the nature of its business. No material discrepancies were noticed on such physical verification.

(c) Based on our examination of registered sale deeds and other documents, the title deeds of all the immovable properties disclosed in the financial statements are held in the name of the Company

(d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

ii. (a) The inventory has been physically verified by the management during the year. In our opinion, the coverage, frequency and procedure of such verification is reasonable and adequate in relation to the size of the Company and the nature of its business. The discrepancies noticed on verification between the physical stocks and the book records were not exceeding 10% in the aggregate for each class of inventory and have been properly dealt with in the books of account.

(b) The Company is sanctioned working capital limits in excess of ₹ 5 Crore from banks on the basis of security of current assets. Further, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.

iii. a) During the year, the Company has made investments/ loans in a wholly owned subsidiary Company and the details of which are given as follows:

Particulars	Guarantees	Security	Loans	Advances in the nature of loans
Aggregate amount provided/ granted during the year Subsidiary	-	-	2204.33	-
Balance outstanding as at balance sheet date in respect of above cases: Subsidiary	-	-	2204.33	-

*The amounts reported are at gross amount, without considering provision made

(b) In our opinion, and according to the information and explanations given to us, the terms and conditions of Investments/ loans are, prima facie, not prejudicial to the interest of the Company. Further, the Company has not provided any guarantee or given any security during the year.

(c) In respect of loans granted or advances in the nature of loans provided by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) No loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

(f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.

i. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

ii. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

iii. We have broadly reviewed the cost records maintained by the Company as prescribed under subsection (1) of section 148 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

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

S No	Name of the Statute	Nature of Dues	Amount in Lakhs	Period	Forum Where dispute is pending
1	The Income Tax Act, 1961	Income Tax	3365.24 (2883.28 deposited under protest)	Assessment years from 2006-07 to 2010-11	Telangana High Court
2	The Income Tax Act, 1961	Income Tax	174.24	Assessment years from 2011-12 to 2013-14	AP High Court
3	The Income Tax Act, 1961	Income Tax	160.58	Assessment years from 2011-12 to 2012-13	CIT(Appeals), Guntur
4	The Income Tax Act, 1961	Income Tax	123.64	Assessment years from 2014-15	A P High Court
5	The Income Tax Act, 1961	Income Tax	221.38	Assessment year from 2015-16	A P High Court

6	The Income Tax Act 1961	Income Tax	357.31	Assessment years from 2016-17 to 2017-18	CIT(Appeals), Guntur
7	The Income Tax Act, 1961	Income Tax	542.71	Assessment years from 2021-22	CIT(Appeals), Guntur
8	Service Tax Act,	Service Tax	995.92	Financial years from 2013-14 to 2017-18	CESTAT

vii. In respect of statutory dues:

a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

b) As per the information and explanations given to us and based on records examined by us there were no undisputed amounts outstanding amounts referred in sub-clause (a) above and hence clause 3(vii)(b) of the order is not applicable.

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. a) The Company has not defaulted in repayment of loans taken from the banks. The Company has not taken loans from financial institutions and Government.

b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.

f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiary.

x. a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi. a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. a) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For Ramanatham & Rao
Chartered accountants
Firm Registration No.002934S
Sd/-
(V V Lakshmi Prasanna A)
Partner
Membership No. 243569
UDIN: 23243569BGXBWL3467

Place : Hyderabad
Date : May 16, 2023

STANDALONE BALANCE SHEET

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
(a) Property plant and equipment	2.1	79956.62	65645.31
(b) Capital work in progress	2.1.1	4391.73	14665.64
(c) Intangible assets	2.2	0.82	0.82
(d) Financial assets			
(i) Investments	2.3	15710.78	15709.78
(ii) Other financial assets	2.4	743.31	585.34
(e) Other non current assets	2.5	2883.28	2883.28
Total non-current assets (A)		**103686.54**	**99490.17**
Current assets			
(a) Inventories	2.6	41349.64	41862.54
(b) Financial assets			
(i) Trade receivables	2.7	22643.86	12036.15
(ii) Cash and cash equivalent	2.8	3065.78	1601.47
(iii) Bank balances other than above (ii)	2.8	82.89	91.47
(iv) Other financial assets	2.4	4116.94	2235.13
(c) Other current assets	2.5	6858.13	4233.98
Total current assets (B)		**78117.24**	**62060.74**
TOTAL ASSETS (A+B)		**181803.78**	**161550.91**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	2.9	2660.56	2660.56
(b) Other equity	2.10	106830.34	96675.24
Total equity (A)		**109490.90**	**99335.80**
Liabilities			
I. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	2.11	3515.63	11172.10
(ii) Other financial liabilities	2.15	-	57.19
(b) Provisions	2.16	153.16	-
(c) Deferred tax liabilities (net)	2.12	7339.64	7296.74
Total non-current liabilities (B)		**11008.43**	**18526.02**
II. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	2.11	53777.49	36967.63
(ii) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises	2.14	559.42	181.89
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	2.14	3857.02	3098.37
(iii) Other financial liabilities	2.15	2167.50	2456.96
(b) Other current liabilities	2.13	409.29	361.37
(c) Provisions	2.16	533.73	622.87
Total current liabilities (C)		**61304.45**	**43689.09**
TOTAL EQUITY AND LIABILITIES (A+B+C)		**181803.78**	**161550.91**

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

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

Sd/-
V V Lakshmi Prasanna A
Partner
M.No.243569

Place : Hyderabad
Date : May 16, 2023

By order of the Board

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

Sd/-
Kata Chandrahas
Director
DIN : 02994302

Sd/-
Challa Rajendra Prasad
Executive Chairman
DIN : 00702292

Sd/-
Praveen Jaipuriar
Chief Executive Officer

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

Sd/-
Challa Srishant
Managing Director
DIN : 00016035

STANDALONE STATEMENT OF PROFIT AND LOSS

(₹ in Lakhs)

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
Revenue from contrats with customers	2.17	133525.21	92294.29
Other income	2.18	4098.38	3127.94
Total income (A)		**137623.59**	**95422.24**
Expenses			
Cost of raw materials consumed	2.19	73000.69	49691.89
Changes in inventories of finished goods and work in progress	2.20	307.12	(5488.83)
Employee benefits expense	2.21	6826.38	5864.40
Finance costs	2.22	2596.83	1379.83
Depreciation and amortization expense	2.1 & 2.2	3507.63	3077.33
Other expenses	2.23	30992.00	22528.66
Total Expenses (B)		**117230.65**	**77053.27**
Profit before tax (A-B)		**20392.94**	**18368.97**
Tax expense			
(1) Current tax		3563.41	3868.69
(2) Deferred tax		35.97	1780.37
Profit for the year after tax		**16793.57**	**12719.92**
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss			
Re-measurement gains/ (losses) on defined benefit plans		(63.12)	-
Tax impact on above items		22.05	-
Items that will be reclassified to profit or loss			
Effective portion of changes in fair value of cashflow hedges, net		82.97	429.09
Tax impact on above items		(28.99)	-
Other comprehensive income/(loss) for the year, net of tax		**12.91**	**429.09**
Total comprehensive income for the year, net of tax attributable to:		**16806.48**	**13149.01**
Earnings per share:			
Basic earnings per share of ₹ 2/-each		12.62	9.56
Diluted earnings per share of ₹ 2/- each		12.62	9.56

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

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

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V V Lakshmi Prasanna A
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Company Secretary
M.No. A29897

Sd/-
Challa Srishant
Managing Director
DIN : 00016035

Statement of changes in equity

Statement of changes in equity for the period ended 31.03.2023

Equity share capital	Opening balance as at 1 Apr 2022	Changes in equity share capital during the year	Closing balance as at 31 Mar 2023
133027920 Equity Shares of ₹ 2 each, fully paid up	266055840	-	266055840
	266055840		**266055840**

Equity share capital	Opening balance as at 1 Apr 2021	Changes in equity share capital during the year	Closing balance as at 31 Mar 2022
133027920 Equity Shares of ₹ 2 each, fully paid up	266055840	-	266055840
	266055840	**-**	**266055840**

(₹ in Lakhs)

	Reserves and surplus		Items of Other comprehensive income		
Particulars	**Retained earnings**	**General reservice**	**Re-measurement gains/ (losses) on defined benefit**	**Cashflow plans hedge reserve**	**Total other Equity**
Balance as at April 1, 2022	**68060.34**	**28820.70**	**(148.60)**	**(57.19)**	**96675.24**
Profit for the year	16793.57	-	-	-	16793.57
Dividends	(6651.40)	-	-	-	(6651.40)
Effective portion of changes in fair value of cashflow hedges, net of tax	-	-	-	53.98	53.98
Re-measurement gains/ (losses) on defined benefit plans net of tax	-	-	(41.06)	-	(41.06)
Balance as at March 31, 2023	**78202.51**	**28820.70**	**(189.66)**	**(3.21)**	**106830.33**

	Reserves and surplus		Items of Other comprehensive income		
Particulars	**Retained earnings**	**General reservice**	**Re-measurement gains/ (losses) on defined benefit**	**Cashflow plans hedge reserve**	**Total other Equity**
Balance as at April 1, 2021	**61991.82**	**28820.70**	**(148.60)**	**(486.28)**	**90177.63**
Profit for the year	12719.92	-	-	-	12719.92
Dividends	(6651.40)	-	-	-	(6651.40)
Effective portion of changes in fair v alue of cashflow hedges, net of tax	-	-	-	429.09	429.09
Balance as at March 31, 2022	**68060.34**	**28820.70**	**(148.60)**	**(57.19)**	**96675.24**

Nature and purpose of reserves

Retained eanings

“The balance in the retained earnings primarily represents the surplus after payment of dividend and transfer to reserves.”

General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of companies act, 2013. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

Re-measurement gains/ (losses) on defined benefit plans

Remeasurements of the net defined benefits plan reserve comprises the cumulative net gains/ (losses) on actuarial valuation of post-employment obligations.

Cash flow hedge reserve

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or losses will be reclassified to statement of profit and loss in the period in which The hedged transaction occurs.

STANDALONE STATEMENT OF CASH FLOWS

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash Flows from Operating Activities		
Net profit before tax	**20392.94**	**18368.97**
Adjustments for :		
Depreciation and amortization expenses	3507.63	3077.33
Provision for allowance for expected credit loss	2.00	(58.23)
Interest income	(132.85)	(156.26)
Finance cost	2596.83	1379.83
Net foreign exchange loss/(gain)	(908.34)	(709.61)
Dividend income	(3723.69)	(2634.30)
(Profit)/loss on sale of assets	-	(2.47)
Operating profit before working capital changes	**21734.53**	**19265.26**
(Increase)/decrease in operating assets:		
Trade receivables	(9701.37)	2394.76
Other financial assets	(2120.25)	84.56
Inventories	512.90	(16899.54)
Other current assets	(2422.29)	(94.47)
Non current assets	-	1451.92
Trade payables	1136.18	1527.39
Other financial liabilities	(263.68)	(98.09)
Current liabilities and provisions	68.39	(1612.44)
Changes in working capital	**(12790.13)**	**(13245.92)**
Cash generated from operating activities	**8944.40**	**6019.34**
Income taxes paid	(3500.00)	(3900.00)
Net cash from operating activities	**5444.40**	**2119.34**
Cash flows from investing activities		
Purchase of property, plant and equipment (Including CWIP) and advances for capital goods	(7738.31)	(9220.43)
Purchase of investments	(1.00)	-
Interest income	132.85	156.26
Investments in fixed deposits and margin money deposits	(2.50)	(186.41)
Dividend income	3723.69	2634.30
Net cash from/ (used in) investing activities	**(3885.27)**	**(6616.27)**
Cash flows from financing activities		
Repayment of non-current borrowings	(8784.51)	(1494.86)
Proceeds from current borrowings	17937.90	8832.34
Finance cost	(2596.83)	(1379.83)
Dividend paid	(6651.40)	(6651.40)
Net cash from/ (used In) financing activities	**(94.82)**	**(693.74)**
Net increase/(decrease) in cash and cash equivalents	**1464.31**	**(5190.68)**
Cash and cash equivalents at the beginning of the year	1601.47	6792.15
Cash and cash equivalents at the end of the year	**3065.78**	**1601.47**

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

Sd/-
V V Lakshmi Prasanna A
Partner
M.No.243569

Place : Hyderabad
Date : May 16, 2023

By order of the Board

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

Sd/-
Praveen Jaipuriar
Chief Executive Officer

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Sd/-
Challa Rajendra Prasad
Executive Chairman
DIN : 00702292

Sd/-
Challa Srishant
Managing Director
DIN : 00016035

1. NOTES TO STANDALONE FINANCIAL STATEMENTS

DESCRIPTION OF THE COMPANY AND SIGNIFICANT ACCOUNTING POLICIES

1.1 General Information

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

1.2 Basis of preparation and presentation of Financial Statements

The financial statements of CCL Products (India) Limited ("CCL" or "the Company") have been prepared and presented in accordance with the and in compliance in all material aspects, with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 (the "Act") read along with 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.

These financial statements have been prepared by the Company as a going concern on the basis of relevant Ind AS that are effective at the Company's annual reporting date, March 31, 2023. These financial statements for the year ended March 31, 2023 were approved by the Company's Board of Directors on May 16, 2023.

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/(liabilities) are recognized as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation, and

d. Long-term borrowings are measured at amortized cost using the effective interest rate method.

Summary of significant accounting policies

1.4 Current and noncurrent classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

All the assets and liabilities have been classified as current or 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.

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.

All other assets are classified as non-current.

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

The Company classifies all other liabilities as noncurrent.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

1.5 Functional and presentation currency

These financial statements are presented in Indian rupees, which is also the functional currency of the Company.

1.6 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

• in the principal market for the asset or liability, or

• in the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the Ind AS financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the Ind AS financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for sale in discontinued operations. External valuers are involved, wherever considered necessary. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above. This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

1.7 Foreign Currency transactions

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date, the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate, if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss.

Non-monetry items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the initial transaction.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income ("OCI") or profit or loss are also recognised in OCI or profit or loss, respectively).

1.8 Property Plant & Equipment

Recognition and measurement

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

Directly attributable costs include:

a. Cost of Employee Benefits arising directly from Construction or acquisition of PPE.

b. Cost of Site Preparation.

c. Initial Delivery & Handling costs.

d. Professional Fees and

e. Costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling any item produced while bringing the asset to that location and condition (such as samples produced when testing equipment).

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

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

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

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

Depreciation

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

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

The estimated useful lives are as follows:

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

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

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

1.9 Intangible assets

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

Amortisation

Amortisation 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
Computer Software	3

The amortisation period and the amortisation 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

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost.
- Debt instruments at fair value through other comprehensive income (FVTOCI).
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL).
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost, if both of the following conditions are met: (i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and (ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI

A 'debt instrument' is classified as FVTOCI, if both of the following criteria are met: (i) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and (ii) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in OCI. However, the Company recognizes interest income, impairment losses and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity Instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as FVTPL. If the Company decides to classify an equity instrument as 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 statement of profit and loss, even on sale of investment. Equity instruments included within the FVTPL category are measured at fair value with all changes 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 Financial Assets

The company assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired.

In accordance with Ind AS 109, the company uses "Expected Credit Loss" (ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value Through Profit and Loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date);

- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

The company follows simplified approach for recognition of impairment loss allowance on trade receivables and under the simplified approach, the company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECL at each reporting date right from its initial recognition. The company uses a provision matrix to determine impairment loss allowance on trade receivables. The provision matrix is based on its historically observed default rates over the expected life of trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated

For other assets, the company uses 12-month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

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.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading, unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to the statement of profit and loss.

However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

Loans and borrowings

Borrowings is the category most relevant to the Company. After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised 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 amortisation is included as finance costs in the statement of profit and loss.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Reclassification of financial assets and liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no re-classification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a re-classification is made only if there is a change in the business model for managing those assets. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the re-classification prospectively from the re-classification date, which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

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:

- hedges of the fair value of recognised assets or liabilities (fair value hedge); or
- 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 Investment in Subsidiaries, Associates and Joint Ventures

The company has accounted for its investments in equity shares of Subsidiaries, at cost.

1.12 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.

1.13 Inventories

Inventories are valued at the lower of cost and net realisable value.

Inventories consist of raw materials, stores and spares, work-in-progress and finished goods are measured at the lower of cost and net realizable value.

The cost of all categories of inventories is based on the weighted average method.

Cost includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

In the case of finished goods and work-in-progress, cost includes an appropriate share of overheads based on normal operating capacity. Stores and spares, that do not qualify to be recognized as property, plant and equipment, consists of packing materials, engineering spares (such as machinery spare parts) and consumables which are used in operating machines or consumed as indirect materials in the manufacturing process.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

1.14 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").

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the entity operates, or for the market in which the asset is used.

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.

Reversal of Impairment of Assets

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.

1.15 Employee Benefits

Short term employee benefits

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

Defined contribution plans

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.

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 of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related defined benefit obligation. In countries where there is no deep market in such bonds, the market interest rates on government bonds are used. 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 the statement of profit and loss.

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 for defined benefit obligation and plan assets are recognized in OCI in the period in which they arise. When the benefits under a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. The Company recognises gains or losses on the settlement of a defined benefit plan obligation when the settlement occurs.

Termination benefits

Termination benefits are recognised as an expense in the statement of profit and loss 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 off er made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense in the statement of profit and loss if the Company has made an off er 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 recognised in the statement of profit and loss in the period in which they arise.

Compensated absences

The Company's current policies permit certain categories of its employees to accumulate and carry forward a portion of their unutilised compensated absences and utilise them in future periods or receive cash in lieu thereof in accordance with the terms of such policies. The Company measures the expected cost of accumulating compensated absences as the additional amount that the Company incurs as a result of the unused entitlement that has accumulated at the reporting date. Such measurement is based on actuarial valuation as at the reporting date carried out by a qualified actuary.

1.16 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.

1.17 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

Interest Income mainly comprises of dividend and 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.

1.18 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.

Grants related to assets are government grants whose primary condition is that an entity qualifying for them should purchase, construct or otherwise acquire long-term assets. Subsidiary conditions may also be attached restricting the type or location of the assets or the periods during which they are to be acquired or held.

Grants related to income are government grants other than those related to assets.

A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs shall be recognised in profit or loss of the period in which it becomes receivable.

Export incentives in the form of MEIS scrips and power subsidy receivable by the company do not fall under the scope of Ind AS 115 and are accounted for in accordance with the provisions of Ind AS 20 considering such incentives as Government Assistance. Accordingly, government grant relating to Income on account of power subsidy is recognised on accrual basis in Profit and Loss statement and export incentive in the form of MEIS scrips will be accounted on cash basis in Profit and Loss statement.

1.19 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. 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.

1.20 Tax Expenses

Tax expense consists of current and deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside the is statement of profit and loss (either in OCI or in equity in correlation to the underlying transaction). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions, where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities and assets are recognized for all taxable temporary differences and deductible temporary differences.

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside the statement of profit and loss is (either in OCI or in equity in correlation to the underlying transaction).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the Company will pay normal income tax during the specified year, i.e., the year for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The Company reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

Goods and Service Tax (GST) paid on acquisition of assets or on incurring expenses

When the tax incurred on purchase of assets or services is not recoverable from the taxation authority, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable. Otherwise, expenses and assets are recognized net of the amount of taxes paid. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

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, if any.

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 Business combinations

Business combinations are accounted as per the provisions of Ind AS 103, Business Combinations.

The Company applies the acquisition method to account for business combination. The consideration transferred for the acquisition of a subsidiary comprises of the,

- fair values of the assets transferred,
- liabilities incurred to the former owners of the acquired business,
- equity interests issued by the Group and
- fair value of any asset or liability resulting from a contingent consideration arrangement

Identifiable assets acquired liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The excess of the fair value of consideration over the identifiable net asset acquired is recorded as goodwill, If the consideration is lower, the gain is recognised directly in equity as capital reserve.

In case, business acquisition is classified as bargain purchase, the aforementioned gain is recognised in the other comprehensive income and accumulated in equity as capital reserve.

The Company recognises any non-controlling interest in the acquired entity at fair value. Changes in ownership that do not result in a change of control are accounted for as equity transactions and therefore do not have any impact on goodwill. The difference between consideration and the non-controlling share of net assets acquired is recognised within equity.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method. Under pooling of interest method, the assets and liabilities of the combining entities are reflected at their carrying amounts, with adjustments only to harmonise accounting policies.

Acquisition-related costs are expensed as incurred

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss or other comprehensive income, as appropriate.

If the initial accounting for a business combination can be determined only provisionally by the end of the first reporting period, the business combination is accounted for using provisional amounts. Adjustments to provisional amounts, and the recognition of newly identified asset and liabilities, must be made within the 'measurement period' where these reflect new information obtained about facts and circumstances that were in existence at the acquisition date. The measurement period cannot exceed one year from the acquisition date and no adjustments are permitted after one year except to correct an error.

Any contingent consideration to be transferred by the Company is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in the Statement of Profit and Loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Business combinations of entities under common control

Common control business combination means a business combination involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory.

Business combinations involving entities or businesses under common control shall be accounted for using the pooling of interests method.

The pooling of interest method is considered to involve the following:

a. The assets and liabilities of the combining entities are reflected at their carrying amounts.

b. No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies.

c. The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information shall be restated only from that date.

d. The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee. Alternatively, it is transferred to General Reserve, if any.

e. The identity of the reserves shall be preserved and shall appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor.

f. The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor shall be transferred to capital reserve and should be presented separately from other capital reserves with disclosure of its nature and purpose in the notes.

1.25 Significant accounting judgements, estimates, and assumption

The preparation of the 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:

Property, plant and equipment

The depreciation of property, plant and equipment is derived on determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time of acquisition of asset and is reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life.

Impairment of financial and non-financial assets

Significant management judgement is required to determine the amounts of impairment loss on the financial and nonfinancial assets. The calculations of impairment loss are sensitive to underlying assumptions.

Tax provisions and contingencies

Significant management judgement is required to determine the amounts of tax provisions and contingencies. Deferred tax assets are recognised for unused tax losses and MAT credit entitlements to the extent it is probable that taxable profit will be available against which these losses and credit entitlements can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Defined benefit plans

The cost of the defined benefit plan and the present value of the obligation are determined using actuarial valuation. An actuarial valuation involves various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using internal valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

1.26 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.

1.27 New standards adopted by the company

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts.

This amendment is essentially clarification and had there is no significant impact on the financial statements of the company.

Amendments to Ind AS 16- Property, Plant and Equipment: Proceeds before Intended Use

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

The amendments are effective for annual reporting periods beginning on or after 1 April 2022. These amendments had no impact on the financial statements of the company.

Amendments to Ind AS 103, Business Combinations: Reference to the Conceptual Framework

This amendment added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately. The exception requires entities to apply the criteria in Ind AS 37 or Appendix C, Levies, of Ind AS 37, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

The amendments also add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

In accordance with the transitional provisions, the company applies the amendments prospectively, i.e., to business combinations occurring after the beginning of the annual reporting period in which it first applies the amendments (the date of initial application).

These amendments had no impact on the consolidated financial statements of the Group as there were no transactions within the scope of these amendments that arose during the period.

1.28 New Accounting pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 01, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The company does not expect this amendment to have any significant impact in its standalone financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The company does not expect this amendment to have any significant impact in its standalone financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The company does not expect this amendment to have any significant impact in its standalone financial statements.

2.1: Property, plant and equipment

(₹ in Lakhs)

Particulars	Land	Buildings	Plant and equipment	Lab equipment	Material handling equipment	Vehicles	Computers	Office equipment	Furniture & Fixtures	Total
Gross carrying value										
Balance as at April 1, 2021	**2719.56**	**15029.66**	**55209.04**	**300.47**	**84.51**	**819.85**	**157.71**	**325.15**	**45.54**	**74691.49**
Additions for the year	-	2064.08	329.14	3.77	-	69.11	61.43	23.86	6.72	2558.11
Disposals for the year	-	-	-	-	-	9.68	-	-	-	9.68
Balance as at March 31, 2022	**2719.56**	**17093.74**	**55538.18**	**304.24**	**84.51**	**879.28**	**219.14**	**349.01**	**52.26**	**77239.92**
Additions for the year	490.79	9033.02	6800.46	9.49	2.63	953.57	96.07	148.34	291.60	17825.98
Disposals for the year	-	-	-	-	-	14.62	-	-	-	14.62
Balance as at March 31, 2023	**3210.35**	**26126.76**	**62338.64**	**313.73**	**87.14**	**1818.23**	**315.21**	**497.35**	**343.86**	**95051.28**
Accumulated depreciation										
Balance as at April 1, 2021	**-**	**923.05**	**6880.44**	**50.49**	**35.79**	**325.93**	**118.26**	**177.20**	**14.27**	**8525.43**
Depreciation charge for the year	-	503.16	2360.68	37.85	9.99	95.48	22.07	43.71	4.40	3077.34
On disposals	-	-	-	-	-	8.15	-	-	-	8.15
Balance as at March 31, 2022	**-**	**1426.21**	**9241.12**	**88.34**	**45.78**	**413.26**	**140.33**	**220.91**	**18.67**	**11594.62**
Depreciation charge for the year	-	693.48	2495.11	38.50	9.69	153.98	41.74	56.98	18.15	3507.63
On Disposals	-	-	-	-	-	7.59	-	-	-	7.59
Balance as at March 31, 2023	**-**	**2119.69**	**11736.23**	**126.84**	**55.47**	**559.65**	**182.07**	**277.89**	**36.82**	**15094.66**
Net carrying value										
As on April 1, 2021	**2719.56**	**14106.61**	**48328.60**	**249.98**	**48.72**	**493.92**	**39.45**	**147.95**	**31.27**	**66166.06**
As on March 31, 2022	**2719.56**	**15667.53**	**46297.06**	**215.90**	**38.73**	**466.02**	**78.81**	**128.10**	**33.59**	**65645.30**
As on March 31, 2023	**3210.35**	**24007.07**	**50602.41**	**186.89**	**31.67**	**1258.58**	**133.15**	**219.46**	**307.04**	**79956.62**

2.1.1 Capital work in progress

Particulars	Capital Work in Progress
Balance as at April 1, 2021	**7959.11**
Additions for the year	6706.53
Capitalised during the year	-
Balance as at March 31, 2022	**14665.64**
Additions for the year	3629.23
Capitalised during the year	13903.14
Balance as at March 31, 2023	**4391.73**

Ageing of Capital Work in Progress as at March 31, 2023

CWIP-Tangibles	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects-in-progress	3629.23	762.50	-	-	4391.73
Projects temporarily suspended	-	-	-	-	-
Balance as at March 31, 2023	**3629.23**	**762.50**	**-**	**-**	**4391.73**
Projects-in-progress	6706.53	7959.11	-	-	14665.64
Projects temporarily suspended	-	-	-	-	-
Balance as at March 31, 2022	**6706.53**	**7959.11**	**-**	**-**	**14665.64**

2.2: Other Intangible assets

Particulars	Computer software	Total
Gross carrying value		
Balance as at April 1, 2021	**13.53**	**13.53**
Additions for the year	-	-
Disposals for the year	-	-
Balance as at March 31, 2022	**13.53**	**13.53**
Additions for the year	-	-
Disposals for the year	-	-
Balance as at March 31, 2023	**13.53**	**13.53**
Accumulated amortization		
Balance as at April 1, 2021	**12.71**	**12.71**
Amortization charge for the year	-	-
On Disposals	-	-
Balance as at March 31, 2022	**12.71**	**12.71**
Amortization charge for the year	-	-
on disposals	-	-
Balance as at March 31, 2023	**12.71**	**12.71**
Net carrying value		
As on April 1, 2021	**0.82**	**0.82**
As on March 31, 2022	**0.82**	**0.82**
As on March 31, 2023	**0.82**	**0.82**

2.3 Non Current Investments

(₹ in Lakhs)

Particulas	As at March 31, 2023	As at March 31, 2022
Investments carried at cost (Unquoted investments)		
In subsidiary companies		
Jayanti pte ltd	11125.57	11125.57
(28084784 Equity shares face value of S$ 1/- each)		
Ngon coffee company	3877.18	3877.18
(530000000000 equity shares face value of VND 1/- each)		
Continental coffee SA (earlier known as grandsaugreen SA)	6.92	6.92
(11100000 Equity shares face value of CHF 1/- each)		
Continental coffee private limited	700.00	700.00
(7000000 Equity shares face value of ₹ 10/- each)		
CCL food & beverages private limited	1.00	-
(10000 Equity shares face value of ₹ 10/- each)		
Total of investments measured at cost	**15710.67**	**15709.67**
Investments at FVTPL(Unquoted non trade investments:)		
In equity shares of other than subsidary companys		
Coffee futures exchange india ltd	0.10	0.10
(Equity subscription for membership as ordinary member - 1 share of ₹ 10,000)		
Total of investments measured at cost	**0.10**	**0.10**
Total invetsments	**15710.78**	**15709.78**

Foot notes:

Aggreegate value of quoted investments and market value thereof	-	-
Aggreegate value of unquoted investments	15710.78	15709.78

2.4 Other Financial Assets

Particulas	As at March 31, 2023	As at March 31, 2022
I. Non-current financial assets		
Considered good, unsecured		
Rental Deposits	28.79	28.79
Electricity and other security deposits	714.52	556.55
	743.31	**585.34**
II. Current financial assets		
Considered good, unsecured		
Other receivables	3850.16	1978.14
Margin money deposit accounts with maturity more than 12 months	188.91	186.41
Interest accrued but not due on deposits	77.87	70.58
	4116.94	**2235.13**

2.5 Other assets

(₹ in Lakhs)

Particulas	As at March 31, 2023	As at March 31, 2022
I. Other non-current assets		
Deposits with statutory authorities	2883.28	2883.28
	2883.28	**2883.28**
II. Other current assets		
Advances to employees	496.38	161.02
Prepaid expenses	205.81	244.73
Input tax and other taxes receivables	3117.14	1926.93
Advance to creditors	1444.69	711.56
Advances for capital goods/services	737.61	544.33
Other receivables	856.50	645.41
	6858.13	**4233.98**

2.6 Inventories

Particulas	As at March 31, 2023	As at March 31, 2022
Raw materials	24853.44	26962.55
Raw materials in transit/finished goods in transit	2588.80	-
Work-in-progress	1489.03	372.42
Finished goods	5899.60	9912.10
Stores, spares and consumables	2977.07	2327.99
Packing materials	3541.70	2287.47
	41349.64	**41862.54**

2.7 Trade receivables

Particulas	As at March 31, 2023	As at March 31, 2022
Trade receivables		
Unsecured,considered good	22643.86	12036.15
Credit impaired	38.65	36.65
Less: Allowances for expected credit loss	38.65	36.65
	22643.86	**12036.15**

Trade receivables ageing schedule

(₹ in Lakhs)

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
UnUndisputed trade receivables - considered good	7415.30	14826.39	-	164.23	221.34	16.60	22643.86
Undisputed trade receivables - credit impaired	-	-	-	-	-	-	38.65
Less: Allowances for credit losses	-	-	-	-			(38.65)
Balance as at 31 March 2023	**7415.30**	**14826.39**	**-**	**164.23**	**221.34**	**16.60**	**22643.86**
Undisputed trade receivables - considered good	9776.49	1998.00	45.14	199.92	-	16.60	12036.15
Undisputed trade receivables - credit impaired	-	-	-	-	-	-	36.65
Less: Allowances for credit losses	-	-	-	-			(36.65)
Balance as at 31 March 2022	**9776.49**	**1998.00**	**45.14**	**199.92**	**-**	**16.60**	**12036.15**

2.8 Cash and cash Equivalents (₹ in Lakhs)

Particulas	As at March 31, 2023	As at March 31, 2022
a) Cash and cash equivalents		
i) Cash on hand	5.37	5.47
ii) Balances with banks		
- Current accounts	3060.41	1596.00
	3065.78	**1601.47**
b) Bank balances other than above		
(i) Unclaimed dividend account	82.89	91.47
	82.89	**91.47**

(₹ in Lakhs)

2.9 Share Capital

Particulars	As at March 31, 2023	As at March 31, 2022
Authorized Share Capital 150500000 Equity Shares of ₹ 2 each	3010.00	3010.00
Issued Subscribed and Paid up Share Capital 133027920 Equity Shares of ₹ 2 each, fully paid up	2660.56	2660.56
	2660.56	**2660.56**

Reconciliation of equity shares outstanding is set out below:

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Amount	No. of shares	Amount
Opening number of equity shares/share capital	133027920	2660.56	133027920	2660.56
Add: equity shares issued during the year	-	-	-	-
less: shares buy backed during the year	-	-	-	-
Closing number of equity shares/ share capital	**133027920**	**2660.56**	**133027920**	**2660.56**

Details of shareholders holding more than 5% shares :	As at March 31, 2023		As at March 31, 2022	
	No. of shares	% Holding	No. of shares	% Holding
1. Challa Rajendra Prasad	13376759	10.06%	13376759	10.06%
2. Challa Shantha Prasad	18565334	13.96%	18565334	13.96%
3. Challa Soumya	13473186	10.13%	13473186	10.13%
4. Challa Srishant	14115723	10.61%	14115723	10.61%
5. Axis Mutual Fund Trustee Limited A/C Axis Mutual Fund A/C Axis Capital Builder Fund – Series 4	7234610	5.44%	8506442	6.39%

Details of shares held by promoters	As at March 31, 2023		As at March 31, 2022		% Change during the year
	No. of shares	% Holding	No. of shares	% Holding	
1. Challa Rajendra Prasad	13376759	10.06%	13376759	10.06%	0.00%
2. Challa Shantha Prasad	18565334	13.96%	18565334	13.96%	0.00%
3. Challa Soumya	13473186	10.13%	13473186	10.13%	0.00%
4. Challa Srishant	14115723	10.61%	14115723	10.61%	0.00%

2.9.2 Rights attached to equity shares

The Company has only one class of equity shares having a face value of ₹ 2 /- each. Each holder of equity share is entitled to one vote per share. The company declares and pays dividends in indian rupees. Payment of dividend is also made in foreign currency to shareholders outside india. The final dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting.

In the event of liquidation of the company, all preferential amounts, if any, shall be discharged by the company. The remaining assets of the company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date.

Final dividends on equity shares are recorded as a liability on the date of their approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the company's board of directors. The details of dividends paid by the company are as follows:

Dividend paid **(₹ in Lakhs)**

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Dividend paid during the year (₹.in Lakh)	6651.40	6651.40
Dividend per share (₹)	5.00	5.00

2.10 Other Equity **(₹ in Lakhs)**

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Retained Earnings		
Opening balance	68060.34	61991.82
Add: Current year transfer	16793.57	12719.92
Less: Dividend paid	(6651.40)	(6651.40)
Total	**78202.51**	**68060.34**
General reserve		
Opening balance	28820.70	28820.70
Add: Current year transfer	-	-
Total	**28820.70**	**28820.70**
Acturial gains or losses (OCI)		
Opening balance	(148.60)	(148.60)
Add: Current year transfer	(41.06)	-
Total	**(189.66)**	**(148.60)**
Measurement of derivative instrument at fair value (OCI)		
Opening balance	(57.19)	(486.28)
Add: Current year transfer	53.98	429.09
Total	**(3.21)**	**(57.19)**
Total other equity	**106830.34**	**96675.24**

2.11 Borrowings (₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
I. Non-current borrowings		
Secured borrowings		
Term loans from banks	3515.63	11172.10
	3515.63	**11172.10**
II.Current borrowings		
Secured borrowings		
Working capital facilities (packing credit)	45920.71	27982.81
Current maturities of long term borrowings	7856.78	8984.82
	53777.49	**36967.63**

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 June 29, 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.

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 Deffered Tax Liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	7296.74	4973.17
Add : On account of others	6.93	2336.87
Add : On account of depreciation	35.97	(13.30)
Closing balance	**7339.64**	**7296.74**

2.13 Other Current liabilities (₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Employee benefits payable	130.58	102.90
Statutory dues	121.62	136.32
Advance from customers	157.09	122.15
	409.29	**361.37**

2.14 Trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro enterprises and small enterprises(MSME)	559.42	181.89
Total outstanding dues of creditors other than micro enterprises and small enterprises(Others)	3857.02	3098.37
	4416.44	**3280.26**

Trade payable ageing schedule

(₹ in Lakhs)

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 years	1-2 years	2-3 Years	More than 3 Years	
(i) MSME	550.94	8.48	-	-	-	559.42
(ii) Others	2673.69	1070.46	59.58	33.24	20.05	3857.02
Balance as at March 31, 2023	**3224.63**	**1078.94**	**59.58**	**33.24**	**20.05**	**4416.44**
(i) MSME	173.92	7.97	-	-	-	181.89
(ii) Others	2544.20	474.71	48.33	15.20	15.93	3098.37
Balance as at March 31, 2022	**2718.12**	**482.68**	**48.33**	**15.20**	**15.93**	**3280.26**

2.15 Other financial liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
I. Non-current financial liabilities		
Derivative financial liability	-	57.19
	-	**57.19**
II. Current financial liabilities		
Creditors for capital goods	460.51	436.58
Unpaid dividends	82.89	91.47
Interest accrued but not due on borrowings	80.84	91.60
Other payables	1543.26	1837.32
	2167.50	**2456.96**

2.16 Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
I.Non-current provisions		
Provision for employee benefits	153.16	-
	153.16	**-**
II.Current provisions		
Provision for tax (net of advance tax)	33.54	622.87
Provision for others	500.19	-
	533.73	**622.87**

(₹ in Lakhs)

2.17 Revenue from contracts with customers

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from :		
Sale of products	133317.26	90639.36
Trade licences	207.95	1654.93
Revenue from operations	**133525.21**	**92294.29**

2.18 Other income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest on deposits	132.85	156.26
Dividend income	3723.69	2634.30
Miscellaneous income	241.84	337.38
	4098.38	**3127.94**

2.19 Cost of materials consumed

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Raw Material		
Purchases	70891.58	60293.07
Add: Opening stock	26962.55	16361.37
	97854.13	76654.44
Less: Closing stock	24853.44	26962.55
	73000.69	**49691.89**

2.20 Changes in inventories of finished goods and work-in-progress

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Work-in-progress		
Opening	372.42	180.10
Closing	1489.03	372.42
	(1116.59)	**(192.32)**
Finished goods		
Opening	9912.10	4615.60
Closing	8488.39	9912.10
	1423.71	**(5296.50)**
	307.12	**(5488.83)**

2.21 Employee benefits expense

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, wages and bonus	4045.65	3248.18
Directors' remuneration	1617.00	1545.00
Contribution to provident and other funds	630.10	467.93
Staff welfare	533.63	603.29
	6826.38	**5864.40**

2.22 Finance costs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest expense	2385.13	1138.44
Other borrowing costs	211.70	241.39
	2596.83	**1379.83**

2.1 & 2.2 Depreciation and amortization expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation for the year on tangible assets	3507.63	3077.33
	3507.63	**3077.33**

2.23 Other expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Packing material consumed	6801.47	7379.99
Stores and consumable consumed	604.63	395.25
Power and fuel	9803.40	6232.28
Repairs and maintenance to buildings	74.31	48.37
Repairs and maintenance to machinery (including factory maintenance)	3541.57	1652.37
Repairs and maintenance to other assets	163.26	107.15
Transportation, ocean freight, clearing and forwarding	5377.16	3565.89
Insurance	293.74	258.91
Rent	106.64	113.55
Rates and taxes	161.89	143.87
Directors' sitting fee	51.95	20.65
Non-whole time directors' commission	135.00	108.00
Selling expenses	2365.86	1683.04
Travelling and conveyance	143.02	68.84
Communication expenses	66.59	80.37
Printing and stationery	12.80	10.89
Office maintenance	1117.26	534.85

(₹ in Lakhs)

Donations	42.35	20.28
Corporate social responsibility (CSR) expenditure	479.27	492.46
Professional fees & expenses	542.17	356.08
Subscription and membership fee	15.58	6.79
Auditor's remuneration	16.60	16.39
Foreign exchange loss (Net)	(908.34)	(709.61)
Allowance for credit losses	2.00	(58.23)
Loss on sale of vehicle	0.25	-
Bad debts written off	(17.50)	-
Miscellaneous expenses	(0.93)	0.24
	30992.00	**22528.66**

2.24 Changes in liabilities arising from financing activities
For the year ended March 31, 2023

Particulars	Current Borrowings	Non-current Borrowings
As on April 1, 2022	**8984.82**	**11229.29**
Borrowings made during the year	-	-
Borrowings repaid during the year	(1128.04)	(7713.67)
Effect of changes in foreign exchange rates	-	-
Recognition of right of use liability during the year	-	-
Payment of lease liability	-	-
As on March 31, 2023	**7856.78**	**3515.63**

For the year ended March 31, 2022

Particulars	Current Borrowings	Non-current Borrowings
As on April 1, 2021	**8460.71**	**13677.35**
Borrowings made during the year	524.11	6750.00
Borrowings repaid during the year	-	(8768.97)
Effect of changes in foreign exchange rates	-	(429.09)
Recognition of right of use liability during the year	-	-
Payment of lease liability	-	-
As on March 31, 2022	**8984.82**	**11229.29**

Does not include the movement in cash credit

2.25 Auditors Remuneration

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
a) Audit fees	11.00	11.00
b) Other charges		
Taxation matters	2.50	2.50
Certification fee	2.50	2.48
c) Reimbursement of out of pocket expenses	0.60	0.41
TOTAL	**16.60**	**16.39**

2.26 Earnings per Share

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Earnings		
Profit attributable to equity holders	16793.57	12719.92
Shares		
Number of shares at the beginning of the year	133027920.00	133027920.00
Add: Equity shares issued during the year	-	-
Less: Buy back of equity shares	-	-
Total number of equity shares outstanding at the end of the year	133027920.00	133027920.00
Weighted average number of equity shares Outstanding during the year – Basic	**133027920.00**	**133027920.00**
Add: Weighted average number of equity shares arising out of outstanding stock options (net of the stock options forfeited) that have dilutive effect on the EPS	-	-
Weighted average number of equity shares outstanding during the year – Diluted	**133027920.00**	**133027920.00**
Earnings per share of par value Rs.2/- -Basic (Rs.)	12.62	9.56
Earnings per share of par value Rs.2/- - Diluted (Rs.)	12.62	9.56

2.27 Related Parties

List of Subsidiaries:
Jayanti Pte Ltd., Singapore
Continental Coffee Pvt Ltd., India
Ngon Coffee Company Ltd., Vietnam
Continental Coffee SA, Switzerland
CCL Food and 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:

- Challa Rajendra Prasad, Executive Chairman
- Challa Srishant, Managing Director
- B. Mohan Krishna, Executive Director
- K.V.L.N.Sarma, Chief Operations Officer (Upto 27.10.2021)
- Praveen Jaipuriar, Chief Executive Officer (From 29.10.2021)
- V. Lakshmi Narayana, Chief Financial Officer
- Sridevi Dasari, Company Secretary

The following is a summary of significant related party transactions:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
a) Key managerial personnel		
i) Remuneration & Commission		
Challa Rajendra Prasad	420.00	420.00
Challa Srishant	684.00	643.00
B. Mohan Krishna	513.00	482.00
K.V.L.N.Sarma(Upto 27.10.2021)	-	67.49
Praveen Jaipuriar (From 29.10.2021)	254.36	79.74
V.Lakshmi Narayana	115.33	97.48
Sridevi Dasari	29.57	22.57
ii) Rent		
Challa Srishant	30.24	22.05
b) Non-whole time Directors		
i) Sitting Fee		
Vipin K Singal	6.55	2.65
Kata Chandrahas	6.55	2.40
K.K.Sarma	6.05	2.50
G.V. Krishna Rau	6.55	2.65
Kulsoom Noor Saifullah	6.55	2.40
Challa Shantha Prasad	2.85	1.50
Durga Prasad Kode	6.30	2.65
Dr. Krishnanand Lanka	6.05	2.25
K.V. Chowdary	4.50	1.65
ii) Commission		
Vipin K Singal	15.00	12.00
Kata. Chandrahas	15.00	12.00
K. K. Sarma	15.00	12.00
G. V. Krishna Rau	15.00	12.00
Kulsoom Noor Saifullah	15.00	12.00
Challa Shantha Prasad	15.00	12.00
Durga Prasad Kode	15.00	12.00
Dr.Krishnanand Lanka	15.00	12.00
K.V. Chowdary	15.00	12.00

(₹ in Lakhs)

iii) Rent		
Challa Shantha Prasad	25.76	19.89
c) Relatives of Key Managerial Personnel		
Rent		
Challa Soumya	8.40	5.46
d) Related Party transactions		
Sale of Goods		
Karafa Products Private Limited	17.29	2.79
Advance payment for purchase of goods		
Re-cog Infotechnologies Private Limited	16.74	-
Total	**2301.64**	**1991.12**

Transactions with Subsidiaries:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Continental Coffee SA, Switzerland		
Sale of Instant Coffee	25195.90	17550.57
	25195.90	**17550.57**
Continental Coffee Private Limited, India		
Sale of Instant Coffee	16457.99	12848.12
Interest on Short Term Loan	118.58	143.00
	16576.57	**12991.12**

Outstanding amounts for the year ended

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Continental Coffee SA, Switzerland		
Trade Receivable	4309.92	3200.09
	4309.92	**3200.09**
Continental Coffee Private Limited, India		
Trade Receivable	10112.76	2678.59
Short Term Loan	880.00	1650.00
	10992.76	**4328.59**
CCL Food & Beverages Private Limited, India		
Equity Investment	1.00	-
Loans & Advances	2204.33	-
	2205.33	**-**

(₹ in Lakhs)

2.28 Earnings/expenditure in foreign Expenditure in Foreign currency:

Expenditure in Foreign currency:

Particulars	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
Professional Fees	61.50	31.10
Purchase of Raw Materials	47200.59	37585.56
Purchase of Stores & Spares	687.90	460.30
Other expenses	227.54	236.31
Total	**48177.53**	**38313.26**

Earnings in Foreign currency:

Particulars	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
FOB Value of Exports	111257.79	74542.61
Dividend	3723.69	2634.30
Total	**114981.48**	**77176.91**

2.29 Segment Reporting:

The company is engaged in production, trading and distribution of Coffee and related products. Hence, the same becomes the reportable segment for the Company. Accordingly, disclosure of segment information as prescribed in the Indian accounting standard 108 “Operating segments” is not applicable.

2.30 Employee benefits:

Particulars	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
Salaries, wages and bonus	4045.65	3248.18
Director Remuneration	1617.00	1545.00
Contribution to provident and other funds	630.10	467.93
Staff welfare expenses	533.63	603.29
Total	**6826.38**	**5864.40**

Notes:

(i)The Code on Social Security, 2020 (‘Code’) relating to employee benefits received Presidential assent in September 2020. However, effective date and the final rules/interpretation have not yet been notified/issued. The Company is in the process of assessing the impact of the Code and will recognize the impact, if any, based on its effective date.

(ii)The Company operates defined benefit plan i.e., gratuity for its employees. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service. The fund has the form of a trust and it is governed by the Board of Trustees who is responsible for the administration of the plan assets and for the definition of the investment strategy.

(₹ in Lakhs)

During the period the Company has recognized the following amounts in the Statement of profit and loss:-

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Employers Contribution to Provident fund	252.67	223.45
Employers Contribution to Employee state insurance	24.21	20.49

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 March 31, 2023 and 2022 consist of the following:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current service cost	61.83	52.05
Interest on net defined benefit liability/(asset)	(21.28)	38.44
Gratuity cost recognized in statement of profit and loss	**40.55**	**90.49**

Details of the employee benefits obligations and plan assets are provided below:

Particulars	As at March 31,	
	2023	2022
Present value of funded obligations	720.67	579.51
Fair value of plan assets	1056.43	706.73
Net defined benefit liability / (asset) recognized	**(335.75)**	**(127.22)**

(₹ in Lakhs)

Details of changes in the present value of defined benefit obligations are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Defined benefit obligations at the begining of the year	579.51	643.87
Current service cost	61.83	52.05
Interest on defined obligations	42.20	38.44
Re-measurements due to:		
Actuarial loss/(gain) due to change in financial assumptions	(8.93)	(20.82)
Actuarial loss/(gain) due to demographic assumptions	-	-
Actuarial loss/(gain) due to experience changes	55.35	40.93
Benefits paid	(9.29)	(3.01)
Other (Employee Contribution, Taxes, Expenses, adj to Opening Balance)	-	(171.95)
Defined benefit obligations at the end of the year	720.67	579.51

Details of changes in the present value of defined benefit obligations are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Fair value of plan assets at the beginning of the year	706.73	799.28
Interest Income	63.49	-
Employer contributions	324.59	77.42
Actuarial loss/(gain) on plan assets	-	(52.77)
Re-measurements due to:		
Return on plan assets excluding interest on plan assets	-	57.76
Benefits paid	(9.29)	(3.01)
Other (Employee Contribution, Taxes, Expenses, adj to Opening Balance)	(29.09)	(171.95)
Plan assets at the end of the year	**1056.43**	**706.73**

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 at March 31, 2023	As at March 31, 2022
Discount rate	7.50%	6.87%
Rate of compensation increase	4.00%	4.00%

(₹ in Lakhs)

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 ₹ 225.35 Lakhs and ₹ 244.48 Lakhs to the superannuation Schemes during the years ended March 31, 2023 and 2022, respectively.

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 ₹ 178.84 Lakhs and ₹ 200.44 Lakhs as at March 31, 2023 and March 31, 2022, respectively

2.31 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	For the year ended March 31, 2023	For the year ended March 31, 2022
Current taxes expense		
Domestic	3563.41	3868.69
Deferred taxes expense/(benefit)		
Domestic	35.97	1780.37
Total income tax expense/(benefit) recognized in the statement of profit and loss	**3599.37**	**5649.06**

a) Reconciliation of Effective tax rate

Particulars	For the year ended March 31, 2023	For the year ended March 31,2022
Profit before income taxes	20392.94	18368.97
Enacted tax rate in India	17.47%	34.94%
Computed expected tax benefit/(expense)	**3563.06**	**6418.12**
Effect of:		
Expenses not deductible for Tax purposes	0.35	741.69
Expenses deductible for Tax purposes	-	(1862.99)
Taxable at Special Rate	-	-
Exempted income form SEZ	-	(885.67)
Reversal of excess provision created in previous years	-	(543.20)
Others	-	-
Income tax benefit/(expense)	**3563.41**	**3868.69**
Effective tax rate	**17.47%**	**21.06%**

The Company's average effective tax rate for the years ended March 31, 2023 and 2022 were 17.47% and 21.06%, respectively.

b) Deferred tax assets & Liabilities:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Deferred tax (assets)/liabilities:		
Deferred Tax Liabilities		
WDV differences of assets as per books and tax laws	9263.54	8131.20
Deferred Tax Assets		
Deferred Tax Asset on Expected credit loss	(13.51)	-
MAT Credit available (Deferred Tax Asset)	(1623.93)	(796.16)
Deferred tax Asset on 80JJAA deduction	(65.10)	(38.31)
Deferred tax Asset on leave encashment	(62.49)	-
Deferred tax Asset on provision for bonus	(165.81)	-
Others	6.93	-
Net deferred tax (assets)/liabilities	**7339.64**	**7296.73**

2.33 Financial Risk Management:

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, trade and other receivables, cash and cash equivalents, bank balances, security deposits and derivatives that are out of regular business operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's risk management is carried out by a treasury department under policies approved by the Board of Directors. The Board of Directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

a. Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk i.e. interest rate risk, currency risk and other price risk, such as commodity risk. Financial instruments affected by market risk include borrowings, derivatives financial instruments and trade payables.

i. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rate relates primarily to the Company's borrowings with floating interest rates.

If interest rate had been 50 basis points higher/ lower in case of rupee borrowings and all other variables were held constant, the Company's profit for the year ended March 31, 2023 would decrease/increase by ₹ 10.55 lakhs (March 31, 2022: ₹ 3.29 lakhs)

ii. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's foreign currency borrowings, trade payables and trade receivables

The functional currency of the Company is Indian Rupee. The Company uses forward exchange contracts to hedge its currency risk, mostly with a maturity of less than one year from the reporting date. The Company does not use derivative financial instruments for trading or speculative purposes. Following are the derivative financial instruments (forward contracts) to hedge the foreign exchange rate risk as of March 31, 2023.

Type	March 31, 2023			March 31, 2022	
	Currency	Foreign currency in lakhs	INR in lakhs	Foreign currency lakhs	INR in lakhs
Forward contracts	USD	53.84	4400.00	213.78	10600.00

The carrying amount of the company's foreign currency denominated Monetary Assets and Liabilities as at the end of reporting period are as below:

Particulars	Monetary Assets		Monetary Liabilities	
Currency	**March 31, 2023**	**March 31, 2022**	**March 31, 2023**	**March 31, 2022**
USD	152.54	104.20	38.50	71.60
EUR	19.32	11.28	-	-
	171.86	**115.48**	**38.50**	**71.60**

The following table summarizes approximate gain/(loss) on the Company's Profit before tax on account of appreciation/depreciation of underlying foreign currency amounts stated in the above table:

Amount in Lakhs

Particulars	March 31, 2023		March 31, 2022	
	5% increase	**5% decrease**	**5% increase**	**5% decrease**
Impact on profit before tax				
USD	464.36	(464.36)	120.64	(120.64)
EUR	80.54	(80.54)	46.88	(46.88)
	544.89	**(544.89)**	**167.52**	**(167.52)**

b. Credit Risk:

Credit risk is the risk of loss that may arise on outstanding financial instruments if a counterparty default on its obligations. The Company's exposure to credit risk arises majorly from trade and other receivables. Other financial assets like security deposits and bank deposits are mostly with government authorities and scheduled banks and hence, the Company does not expect any credit risk with respect to these financial assets.

Trade and other 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.

(₹ in Lakhs)

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 March 31, 2023. Of the total trade and other receivables, impairment loss is provided for ₹ 38.65 Lakhs as at March 31, 2023 and ₹ 36.65 Lakhs at March 31, 2022.

The Company's credit period for customers generally ranges from 60-90 days. The ageing of Trade

Receivables that are past due but not impaired is given below:

Particulars	As at March 31	
	2023	2022
Neither past due nor impaired	7415.30	9776.49
Past due but not impaired		
Less than 365 days	14826.39	2043.14
More than 365 days	402.17	216.52
Credit impaired	38.65	36.65
Less : Allowance for credit losses	(38.65)	(36.65)
Total	**22643.86**	**12036.15**

Other than trade receivables, the Company has no significant class of financial assets that are past due or impaired as at March 31, 2023.

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 March 31, 2023 and March 31, 2022 are as follows:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Balance at the beginning of the year	**36.65**	**94.88**
Impairment of Trade receivables	2.00	(58.23)
Balance at the end of the year	**38.65**	**36.65**

c. Liquidity Risks:

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements at all times. The Company relies on a mix of borrowings and operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium/long term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

(₹ in Lakhs)

The table below provides details regarding the contractual maturities of significant financial liabilities

Maturities	Up to 1 year	1-3 Years	3-5 Years	Above 5 Years	Total
March 31, 2023					
Non-current borrowings	7856.78	3515.63	-	-	11372.41
Lease liabilities					
Current borrowings	45920.71	-	-	-	45920.71
Trade payables	4416.44	-	-	-	4416.44
Other financial liabilities	2167.50	-	-	-	2167.50
Total	**60361.44**	**3515.63**	**-**	**-**	**63877.06**
March 31, 2022					
Non-current borrowings	8984.82	11172.10	-	-	20156.92
Lease liabilities					
Current borrowings	27982.81	-	-	-	27982.81
Trade payables	3280.26	-	-	-	3280.26
Other financial liabilities	2456.96	57.19	-	-	2456.96
Total	**42704.85**	**11229.29**	**-**	**-**	**53934.14**

2.33 Financial Instrument:

The carrying value and fair value of financial instruments as at March 31, 2023 and March 31, 2022 were as follows:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Total carrying Value	Total fair value/ amortised cost	Total carrying Value	Total fair value/ amortised cost
Financial assets				
Cash and cash equivalents	3148.67	3148.67	1692.94	1692.94
Investments	15710.78	15710.78	15709.78	15709.78
Trade receivables	22643.86	22643.86	12036.15	12036.15
Other financial assets	4860.25	4860.25	2820.47	2820.47
Total	**46363.56**	**46363.56**	**32259.34**	**32259.34**
Financial liabilities				
Trade payables	4416.44	4416.44	3280.26	3280.26
Non current borrowings	3515.63	3515.63	11172.10	11172.10
Current borrowings	53777.49	53777.49	36967.63	36967.63
Derivative instruments	-	-	57.19	57.19
Other financial liabilities	2167.50	2167.50	2456.96	2456.96
Total	**63877.06**	**63877.06**	**53934.14**	**53934.14**

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of

March 31, 2023

Particulars	Level 1	Level 2	Level 3	Total
Derivative Financial instrument (Financial liability)	-	(25.78)	-	(25.78)

March 31, 2022

Particulars	Level 1	Level 2	Level 3	Total
Derivative Financial instrument (Financial liability)	-	57.19	-	57.19

2.34 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects. A CSR committee has been formed by the company as per the Act. The funds were primarily utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31,2022
ii) Amount required to be spent by the company during the year	462.03	458.62
ii) Amount required to be set off for the financial year, if any		-
(iii) Total CSR obligation for the financial year	462.03	458.62
iv) Amount of expenditure incurred	479.27	492.46
(a) Construction/acquisition of any asset	193.46	305.97
(b) On purposes other than (a) above	285.81	186.49
v) Shortfall at the end of the year ((iii)-(iv))	-	-
vi) Total of previous years shortfall	-	-
vii) Reason for shortfall	NA	NA
viii) Nature of CSR activities	setting up of old age homes, setting up of orphanages, promotion of education, promotion of health activities, infrastructural development, environment preservation and rural development.	
ix) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	NA	NA
x) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision	NA	NA

2.35 Capital Management **(₹ in Lakhs)**

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference shares, securities premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents, excluding discontinued operations

The company's Debt Equity ratio is as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current borrowings	3515.63	11172.10
Lease liabilities	-	-
Current borrowing	53777.49	36967.63
Less: cash and cash equivalents	(3148.67)	(1692.94)
Net debt	**54144.45**	**46446.79**
Equity share capital	2660.56	2660.56
Other equity	106830.34	96675.24
Total capital	**109490.90**	**99335.80**
Capital and net debt Gearing Ratio	0.49	0.47

2.36 Contingent Liabilities and Commitments:

The following are the details of contingent liabilities and commitments:

Particulars	As at March 31, 2023	As at March 31, 2022
Contingent Liabilities		
a) Claims against the company/disputed liabilities		
Income Tax*	4945.11	4057.38
Service Tax	995.92	995.92
Sales Tax	-	151.94
Total	**5941.03**	**5205.24**
b) Guarantees		
Bank Guarantee	1825.37	1735.63
Total	**1825.37**	**1735.63**
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	1298.75	453.40
Total	**1298.75**	**453.40**
Grand Total	9065.15	7394.27

*Tax deposited under protest ₹ 2883.28 Lakhs .

2.37 Ratio analysis

Ratio	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	Variance (in %)
Current Ratio (no.of times)	Current Assets	Current Liabilities	1.27	1.42	(10)
Debt- Equity Ratio (no.of times)	Total Debt	Shareholder's Equity	0.66	0.63	5
Debt Service Coverage ratio (no.of times)	Earnings available for debt service	Debt service	2.57	2.25	(15)
Return on Equity ratio (%)	Net Profits after taxes	Average Shareholder's Equity	16.08	13.24	21
Inventory Turnover ratio (no.of times)	Cost of goods sold	Average Inventory	1.76	1.32	33@
Trade Receivable Turnover Ratio (no.of times)	Net Sales	Average Trade Receivable	7.70	7.18	7
Trade Payable Turnover Ratio (no.of times)	Net credit purchases	Average Trade Payables	23.66	31.18	(24)#
Net Capital Turnover Ratio (no.of times)	Net Sales	Working capital	7.94	5.02	58$
Net Profit ratio (%)	Net Profits after taxes	Net Sales	12.58	13.78	(9)
Return on Capital Employed (%)	Earnings before interest and taxes	Capital Employed	20.13	17.86	(12)
Return on Investment (%)	Income generated from investments	Time weighted average investments	23.70	16.77	41*

Reasons:

1. @ the increase in inventory turnover ratio is on account of finished goods in transit amounting to ₹ 2588.80
2. # The reason for decreasing the trade payables turnover ratio is on account of payments are made withing the credit period.
3. $ The reason for decreasing the net working capital turnover ration was on account of increasing the current liabilities.
4. * The reason for increasing the return on investment was on account of increasing the return on investments (increasing the dividend income).

2.38 Other statutory information:

a. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

b. The Company does not have any transactions with struck off companies.

c. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

d. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

e. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

f. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

g. The Company has not entered into any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

h. The Company has not been declared as willful defaulter by any bank or financial institution or other lender.

i. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

j. No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013, during the year.

k. The Company has borrowings from banks against security of its current assets. The reports or statements of Current assets filed by the company with banks are in agreement with the books of accounts.

l. The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were taken.

2.39 CCL Employee Stock Option Scheme, 2022 (CCL ESOP 2022 Plan):

The Company instituted the CCL ESOP 2022 Plan for eligible employees pursuant to the special resolution approved by the shareholders in the Annual General Meeting held on August 30, 2022. The CCL ESOP 2022 Plan covers eligible employees (excluding promoter directors) of the parent company and its subsidiaries (collectively, “eligible employees”).

The Nomination, Governance and Compensation Committee of the Board of the parent company (the “Committee”) administers the CCL ESOP 2022 Plan and grants stock options to eligible employees. The Committee determines which eligible employees will receive options, the number of options to be granted, the exercise price, the vesting period and the exercise period. The vesting period is determined for all options issued on the date of grant. The options issued under the CCL ESOP 2022 Plan vest in periods ranging between one and four years subject to a maximum period of five years from the date of grant of such options.

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CSR INITIATIVE

AWARDS

SEZ FACTORY KUVVAKOLLI

DUGGIRALA FACTORY

VIETNAM FACTORY

Independent Auditor's Report

To the Members of CCL Products (India) Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of M/s. CCL Products (India) Limited (hereinafter referred to as "the Holding Company") and its subsidiaries Jayanti Pte Ltd, Singapore; Continental Coffee SA,Switzerland (formerly known as Grandsaugreen SA); Ngon Coffee Company Limited, Vietnam and Continental Coffee Private Limited, India and CCL Food and Beverages Private Limited, India (the Holding Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act"), in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023,of its consolidated profit (including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significant in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
Revenue recognition The Revenues of the Company consists primarily of sale of products and is recognized when control of products being sold is transferred to customer and there is no unfulfilled obligation. Revenue from the sale of goods (hereinafter referred to as "Revenue") is recognised when the company performs its obligation to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such revenue recognition in case of sale of goods is when the control over the same is transferred to the customer, which is mainly upon delivery. The timing of revenue recognition is relevant to the reported performance of the Group. The management considers revenue as a key measure for evaluation of performance. There is a risk of revenue being recorded before control is transferred. The accuracy and of revenue amounts recorded is an inherent industry risk Disclosures relating revenue recognition are in Note 1.18.	**Principal Audit Procedures** Evaluated the effectiveness of key controls over the capture and measurement of revenue transactions across all material revenue streams. Assessed the Group's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from Contracts with Customers") and tested thereof. Evaluated the design, implementation and operating effectiveness of Group's controls in respect of revenue recognition. Tested the effectiveness of such controls over revenue cut off at year-end. On a sample basis, tested supporting documentation for sales transactions recorded during the year which included sales invoices, customer contracts and shipping documents. Performed an increased level of substantive testing in respect of sales transactions recorded during the period closer to the year end and subsequent to the year end. Compared revenue with historical trends and where appropriate, conducted further enquiries and testing. Assessed disclosures in financial statements in respect of revenue, as specified in Ind AS 115. Evaluated the adequacy of the disclosures included in Note 1.18.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's Annual Report but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The Directors Report is expected to be made available to us after the date of this auditor's report.

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

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

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

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

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Boards of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Boards of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group/Holding Company has adequate internal financial controls with reference to the Consolidated Financial statements in place and the operating effectiveness of such controls.

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

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

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

Other matters

Report on Other Legal and Regulatory Requirements

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

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

(b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss(including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of the preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and its subsidiary, none of the directors is disqualified as on March 31, 2023 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 with reference to the Consolidated Financial statements of the Holding Company and its subsidiary, which is incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company and its subsidiary, which is incorporated in India to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

i. The Group does not have any pending litigations which would impact the Consolidated financial statements;

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

iii. There is no amount required to be transferred to the Investor Education and Protection Fund by the Holding Company and subsidiary company incorporated in India.

iv. (a) The respective Management of the Company and its subsidiary which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Management of the Company and its subsidiary which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Holding Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement

v. As stated in Note 2.10 to the consolidated financial statements:

(a) The dividend proposed in the previous year by the Holding Company, declared and paid by the Holding Company during the year is in accordance with Section 123 of the Act, as applicable.

(b) The Board of Directors of the Holding Company have proposed dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiary included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For Ramanatham & Rao
Chartered accountants
Firm Registration No. 002934S

Sd/-
(V V Lakshmi Prasanna A)
Partner
Membership No. 243569
UDIN: 23243569BGXBWM2597

Place : Hyderabad
Date : May 16, 2023

Annexure - "A" to the Independent Auditors' Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting with reference to the Consolidated Financial statements of CCL Products (India)Limited ("the Holding Company") and its subsidiary, which is incorporated in India, as of March 31, 2023 in conjunction with our audit of the consolidated financial statements of the Holding Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls over financial reporting with reference to these Consolidated Financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these Consolidated Financial statements were 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 with reference to these Consolidated Financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to these Consolidated Financial statements included obtaining an understanding of internal financial controls over financial reporting with reference to these Consolidated Financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls system over financial reporting with reference to these Consolidated Financial statements.

Meaning of Internal Financial Controls over Financial Reporting with reference to these Consolidated Financial Statements

A Company's internal financial control over financial reporting with reference to these Consolidated

Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary company, incorporated in India have in all material respects, an adequate internal financial controls system over financial reporting with reference to these Consolidated Financial Statements and such internal financial controls over financial reporting with reference to these Consolidated Financial Statements were operating effectively as at 31st March, 2023, based on the internal control over financial reporting criteria established by the Holding Company and Subsidiary Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to these two subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries.

For Ramanatham & Rao
Chartered accountants
Firm Registration No. 002934S

Sd/-
(V V Lakshmi Prasanna A)
Partner
Membership No. 243569
UDIN: 23243569BGXBWM2597

Place : Hyderabad
Date : May 16, 2023

CONSOLIDATED BALANCE SHEET

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
(a) Property plant and equipment	2.1	125366.82	87797.55
(b) Capital work inprogress	2.1.1	5401.40	15999.21
(c) Right of use assets	2.1.2	327.43	425.21
(d) Intangible assets	2.2	0.82	1.50
(e) Financial assets			
(i) Investments	2.3	0.10	0.10
(ii) Other financial assets	2.4	993.25	758.93
(f) Other non current assets	2.5	2883.28	2883.28
Total Non-current assets (A)		**134973.10**	**107865.78**
Current assets			
(a) Inventories	2.6	57828.84	51914.04
(b) Financial assets			
(i) Trade receivables	2.7	44140.66	31955.31
(ii) Cash and cash equivalent	2.8	8259.92	5278.10
(iii) Bank balances other than above (ii)	2.8	82.89	91.47
(iv) Other financial assets	2.4	1032.62	585.13
(c) Other current assets	2.5	13375.27	9303.20
Total current assets (B)		**124720.20**	**99127.25**
TOTAL ASSETS (A+B)		**259693.30**	**206993.03**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	2.9	2660.56	2660.56
Other equity	2.10	145560.34	122408.83
Total equity (A)		**148220.90**	**125069.39**
Liabilities			
I.Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	2.11	20083.74	11172.10
(ii) Lease liabilities	2.15	244.23	329.45
(iii) Other financial liabilities	2.15	-	57.19
(b) Provisions	2.16	256.97	94.61
(c) Deferred tax liabilities (net)	2.12	7272.66	7261.26
Total non-current liabilities (B)		**27857.60**	**18914.61**
II.Current liabilities			
(a) Financial liabilities			
(i) Borrowings	2.11	71526.24	53903.08
(ii) Lease liabilities	2.15	106.20	100.50
(ii) Trade payables			
(a) Total out standing dues of micro enterprises and small enterprises		781.31	191.39
(b) Total out standing dues of creditors other than micro enterprises and small enterprises	2.14	6601.63	4375.13
(iii) Other financial liabilities	2.15	2230.11	2475.45
(b) Other current liabilities	2.13	1835.58	1340.61
(c) Provisions	2.16	533.73	622.87
Total current liabilities (C)		**83614.80**	**63009.03**
TOTAL EQUITY AND LIABILITIES (A+B+C)		**259693.30**	**206993.03**

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

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

Sd/-
V V Lakshmi Prasanna A
Partner
M.No.243569

Place : Hyderabad
Date : May 16, 2023

By order of the Board

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

Sd/-
Kata Chandrahas
Director
DIN : 02994302

Sd/-
Challa Rajendra Prasad
Executive Chairman
DIN : 00702292

Sd/-
Praveen Jaipuriar
Chief Executive Officer

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

Sd/-
Challa Srishant
Managing Director
DIN : 00016035

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(₹ in Lakhs)

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
Revenue from contracts with customers	2.17	207121.60	146202.89
Other income	2.18	325.58	409.32
Total income (A)		**207447.18**	**146612.21**
Expenses			
Cost of raw materials consumed	2.19	114047.35	78563.59
Changes in inventories of finished goods and work in progress	2.2	(1089.34)	(6271.33)
Employee benefits expense	2.21	11346.96	9769.24
Finance costs	2.22	3440.09	1635.90
Depreciation and amortization expense	2.1&2.2	6370.45	5746.30
Other expenses	2.23	42831.41	31035.16
Total Expenses (B)		**176946.92**	**120478.85**
Profit before tax (A-B)		**30500.26**	**26133.36**
Tax expense			
(1) Current tax		3601.68	3899.82
(2) Deferred tax		10.75	1798.49
Profit for the year after tax		**26887.83**	**20435.05**
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss			
Re-measurement gains/ (losses) on defined benefit plans		(63.12)	(19.95)
Tax impact on above item		22.05	5.55
Items that will be reclassified to profit or loss:			
Exchange differences on translating the financial statements of a foreign operation		2504.49	1465.48
Effective portion of changes in fair value of cashflow hedges, net		82.97	429.10
Tax impact on above item		(28.99)	-
Other comprehensive income/(loss) for the year, net of tax		**2517.41**	**1880.18**
Total comprehensive income for the year, net of tax		**29405.23**	**22315.23**
Profit for the year		**26887.83**	**20435.05**
Attributable to:			
Equity holders of the parent		26887.83	20435.05
Non-controlling Interests		-	-
Other comprehensive income for the year		**2517.41**	**1880.18**
Attributable to:			
Equity holders of the parent		2517.41	1880.18
Non-controlling Interests		-	-
Total Comprehensive Income for the year		**29405.23**	**22315.23**
Attributable to:			
Equity holders of the parent		29405.23	22315.23
Non-controlling Interests		-	-
Earnings per share:			
Basic earnings per share of Rs.2/-each		20.21	15.36
Diluted earnings per share of Rs.2/- each		20.21	15.36

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

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

By order of the Board

Sd/-
V V Lakshmi Prasanna A
Partner
M.No.243569

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

Sd/-
Kata Chandrahas
Director
DIN : 02994302

Sd/-
Challa Rajendra Prasad
Executive Chairman
DIN : 00702292

Place : Hyderabad
Date : May 16, 2023

Sd/-
Praveen Jaipuriar
Chief Executive Officer

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

Sd/-
Challa Srishant
Managing Director
DIN : 00016035

Statement of changes in equity

Statement of changes in equity for the period ended 31.03.2022

Equity share capital	Opening balance as at Apr 1, 2022	Changes in equity share capital during the year	Closing balance as at Mar 31, 2023
133027920 Equity Shares of ₹.2 each, fully paid up	266055840	-	266055840
	266056840		**266055840**

Equity share capital	Opening balance as at Apr 1, 2021	Changes in equity share capital during the year	Closing balance as at Mar 31, 2022
133027920 Equity Shares of ₹ 2 each, fully paid up	266055840	-	266055840
	266055840	**-**	**266055840**

(₹ in Lakhs)

	Reserves and surplus			Items of Other comprehensive income			
Particulars	**Retained earnings**	**General reservice**	**Share-based payment reserve**	**Foreign currency translation reserve**	**Re-measurement gains/ (losses) on defined benefit**	**Cashflow plans hedge reserve**	**Total other Equity**
Balance as at April 1, 2022	**86587.63**	**28820.70**	**675.79**	**6569.79**	**(187.89)**	**(57.19)**	**122408.83**
Profit for the year	26887.83	-	-	-	-	-	26887.83
Additions during the year	-	-	-	2504.49	-	-	2504.49
Dividend paid	(6651.40)	-	-	-	-	-	(6651.40)
Effective portion of changes in fair value of cashflow hedges, net of tax	-	-	-	-	-	53.98	53.98
Re-measurement gains/ (losses) on defined benefit plans net of tax	-	-	-	-	(41.06)	-	(41.06)
Share based payment expenses	-	-	397.67	-	-	-	397.67
Balance as at March 31, 2023	**106824.06**	**28820.70**	**1073.46**	**9074.28**	**(228.95)**	**(3.21)**	**145560.34**

	Reserves and surplus			Items of Other comprehensive income			
Particulars	**Retained earnings**	**General reservice**	**Share-based payment reserve**	**Foreign currency translation reserve**	**Re-measurement gains/ (losses) on defined benefit**	**Cashflow plans hedge reserve**	**Total other Equity**
Balance as at April 1, 2021	**72803.98**	**28820.70**	**-**	**5104.31**	**(173.49)**	**(486.28)**	**106069.22**
Profit for the year	20435.05	-	-	-	-	-	20435.05
Additions during the year	-	-	-	1465.48	-	-	1465.48
Dividend paid	(6651.40)	-	-	-	-	-	(6651.40)
Effective portion of changes in fair value of cashflow hedges, net of tax	-	-	-	-	-	429.09	429.09
Re-measurement gains/ (losses) on defined benefit plans net of tax	-	-	-	-	(14.40)	-	**(14.40)**
Share based payment expenses	-	-	675.79	-	-	-	675.79
Balance as at March 31, 2022	**86587.63**	**28820.70**	**675.79**	**6569.79**	**(187.89)**	**(57.19)**	**122408.83**

Nature and purpose of reserves

Retained eanings

“The balance in the Retained Earnings primarily represents the surplus after payment of dividend and transfer to reserves.“

General reserve

Under the erstwhile companies act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of companies act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of companies act, 2013. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

Share-based payment reserve

Share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees as part of their remuneration. The amounts recorded in share-based payment reserve are transferred to securities premium upon exercise of stock options and transferred to general reserve on account of stock options not exercised by employees.

Foreign currency translation reserve

The exchange differences arising from the translation of financial statements of foreign operations with function currency other than Indian rupees is recognised in other comprehensive income and is presented within equity in the foreign currency translation reserve.

Re-measurement gains/ (losses) on defined benefit plans

Remeasurements of the net defined benefits plan reserve comprises the cumulative net gains/ losses on actuarial valuation of post-employment obligations.

Cash flow hedge reserve

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or losses will be reclassified to statement of profit and loss in the period in which the hedged transaction occurs.

CONSOLIDATED STATEMENT OF CASH FLOWS

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash Flows from Operating Activities		
Net profit before tax	**30500.26**	**26133.36**
Adjustments for :		
Depreciation and amortization expense	6370.45	5746.30
Provision for expenses and expected credit loss	138.37	154.59
Share based payments to employees	397.67	675.79
Foreign exchange loss/(gain)	1169.37	1197.16
Interest income	(14.35)	(13.36)
Finance cost	3440.09	1635.90
(Profit)/loss on sale of assets	-	(2.47)
Operating profit before working capital changes	**42001.87**	**35527.27**
(Increase)/Decrease in operating assets:		
Trade receivables	(10988.60)	(1557.17)
Other financial assets	(679.31)	(503.88)
Inventories	(5914.80)	(19945.04)
Current assets	(4080.57)	(309.57)
Non current assets	-	1451.92
Trade payables	2816.42	2399.67
Other financial liabilities	(219.56)	(419.73)
Other current liabilities and provisions	397.14	(1117.21)
Changes in working capital	**(18669.29)**	**(20001.02)**
Cash generated from operations	**23332.58**	**15526.25**
Income taxes paid	(3500.00)	(3900.00)
Net Cash from operating activities	**19832.58**	**11626.25**
Cash flows from investing activities		
Purchase of property, plant and equipment (including CWIP) and advances for capital goods	(33226.38)	(18993.37)
Interest income	14.35	13.36
Investments in fixed deposits and margin money deposits	(2.50)	(186.41)
Net cash from/ (used in) investing activities	**(33214.53)**	**(19166.43)**
Cash flows from financing activities		
Proceeds from/ (repayment) Non-current borrowings	7783.59	(5994.86)
Proceeds from current borrowings	18751.21	15152.63
Repayment of lease liabilities	(79.52)	-
Finance cost	(3440.09)	(1635.90)
Dividend paid	(6651.40)	(6651.40)
Net cash from/ (used in) financing activities	**16363.77**	**870.47**
Net increase/(decrease) in cash and cash equivalents	**2981.82**	**(6669.72)**
Cash and cash equivalents at the beginning of the year	5278.10	11947.82
Cash and cash equivalents at the end of the year	**8259.92**	**5278.10**

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

Sd/-
V V Lakshmi Prasanna A
Partner
M.No.243569

Place : Hyderabad
Date : May 16, 2023

By order of the Board

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

Sd/-
Praveen Jaipuriar
Chief Executive Officer

Sd/-
Kata Chandrahas
Director
DIN : 02994302

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

Sd/-
Challa Rajendra Prasad
Executive Chairman
DIN : 00702292

Sd/-
Challa Srishant
Managing Director
DIN : 00016035

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 and Coffe related products. 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 of CCL Products (India) Limited (“CCL” or “the Company”) along with its subsidiaries (collectively termed as “group” or “the consolidated entities”) have been prepared and presented in accordance with and in compliance, in all material aspects, with Indian Accounting Standards (“Ind AS”) notified under Section 133 of the Companies Act, 2013 (the “Act”) read along with the Companies (Indian Accounting Standards) Rules, 2015 and presentation requirements of Division II of Schedule III to the Companies Act, 2013, and as amended from time to time together with the comparative period data as at and for the year ended March 31, 2022.

These consolidated financial statements have been prepared by the Company as a going concern on the basis of relevant Ind AS that are effective at the Company’s annual reporting date, March 31, 2023. These financial statements for the year ended March 31, 2023 were approved by the Company’s Board of Directors on May 16, 2023.

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.

1.4 Scope of Consolidation

The consolidated financial statements comprise the financial statements of the Company and entities controlled by the Company and its subsidiaries as at March 31, 2023.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)

- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee.
- Rights arising from other contractual arrangements.
- The Group's voting rights and potential voting rights.
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Company, i.e., year ended on 31 March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income are attributed to the equity holder of the parent of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Recognise that distribution of shares of subsidiary to Group in Group's capacity as owners
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or transferred directly to retained earnings, if required by other Ind ASs as would be required if the Group had directly disposed of the related assets or liabilities

Details of entities controlled by the company are as under :

Name of Enterprise	Country of Incorporation	Nature of Business	Shareholding/ Controlling interest
Jayanti Pte Limited	Singapore	Investment Vehicle	100%
Ngon Coffee Company Limited	Vietnam	Manufacturing of Instant Coffee	100%
Continental Coffee Private Limited	India	Trading of Instant Coffee	100%
Continental Coffee SA	Switzerland	Manufacturing of Instant Coffee	100%
CCL Food & Beverages Private Limited	India	Manufacturing of Instant Coffee	100%

Summary of significant accounting policies

1.5 Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

- Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.

- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.

- Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

  When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss in accordance with Ind AS 109. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS and shall be recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

1.6 Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

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

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

a. It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;

b. It is held primarily for the purpose of being traded;

c. It is expected to be realized within twelve months after the reporting date; or

d. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

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

a. It is expected to be settled in the Company's normal operating cycle;

b. It is held primarily for the purpose of being traded;

c. It is due to be settled within twelve months after the reporting date; or

d. The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

1.7 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.

1.8 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or

- in the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Ind AS financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the Ind AS financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for sale in discontinued operations.

External valuers are involved, wherever considered necessary. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above. This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

1.9 Foreign Currency Transaction

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date, the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate, if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss.

Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the initial transaction.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income ("OCI") or profit or loss are also recognised in OCI or profit or loss, respectively).

1.10 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
Coffee vending machines	10
Lab Equipment	7.5
Material Handling	7.5
Vehicles	8
Computers	3
Office Equipment	5
Furniture & Fixtures	10

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

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

1.11 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 in years
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.

1.12 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

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL);
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost, if both of the following conditions are met: (i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and (ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI

A 'debt instrument' is classified as FVTOCI, if both of the following criteria are met: (i) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and (ii) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in OCI. However, the Company recognizes interest income, impairment losses and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity Instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as FVTPL. If the Company decides to classify an equity instrument as 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 statement of profit and loss, even on sale of investment. Equity instruments included within the FVTPL category are measured at fair value with all changes 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 Financial Assets

The company assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired.

In accordance with Ind AS 109, the company uses "Expected Credit Loss" (ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value Through Profit and Loss (FVTPL). Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date);

- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

The company follows simplified approach for recognition of impairment loss allowance on trade receivables and under the simplified approach, the company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECL at each reporting date right from its initial recognition. The company uses a provision matrix to determine impairment loss allowance on trade receivables. The provision matrix is based on its historically observed default rates over the expected life of trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated

For other assets, the company uses 12-month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

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.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading, unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to the statement of profit and loss.

However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

Loans and borrowings

Borrowings is the category most relevant to the Company. After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised 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 amortisation is included as finance costs in the statement of profit and loss.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Reclassification of financial assets and liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no re-classification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a re-classification is made only if there is a change in the business model for managing those assets. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the re-classification prospectively from the re-classification date, which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

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.

1.13 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 Inventories

Inventories are valued at the lower of cost and net realisable value.

Inventories consist of raw materials, stores and spares, work-in-progress and finished goods are measured at the lower of cost and net realizable value.

The cost of all categories of inventories is based on the weighted average method.

Cost includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

In the case of finished goods and work-in-progress, cost includes an appropriate share of overheads based on normal operating capacity. Stores and spares, that do not qualify to be recognized as property, plant and equipment, consists of packing materials, engineering spares (such as machinery spare parts) and consumables which are used in operating machines or consumed as indirect materials in the manufacturing process.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

1.15 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").

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the entity operates, or for the market in which the asset is used.

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.

Reversal of Impairment of Assets

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.

1.16 Employee Benefits

a. Short term employee benefits

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

Defined Contribution Plan

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

b. Defined Benefit Plans

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the projected unit credit method consistent with the advice of qualified actuaries. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related defined benefit obligation. In countries where there is no deep market in such bonds, the market interest rates on government bonds are used. 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 the statement of profit and loss.

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 for defined benefit obligation and plan assets are recognized in OCI in the period in which they arise. When the benefits under a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. The group recognises gains or losses on the settlement of a defined benefit plan obligation when the settlement occurs.

c. Termination benefits

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

d. Other long-term employee benefits

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

e. Compensated absences

The Company's current policies permit certain categories of its employees to accumulate and carry forward a portion of their unutilised compensated absences and utilise them in future periods or receive cash in lieu thereof in accordance with the terms of such policies. The Company measures the expected cost of accumulating compensated absences as the additional amount that the Company incurs as a result of the unused entitlement that has accumulated at the reporting date. Such measurement is based on actuarial valuation as at the reporting date carried out by a qualified actuary.

f. Share-based payments

Employees of the group receive remuneration in the form of Share-based payments, whereby employees render services as consideration for equity instruments.

Equity-Settled Transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using Black Scholes valuation model.

That cost is recognized, together with a corresponding increase in share- based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The Statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

1.17 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.

1.18 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 dividend and 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.

1.19 Government Grants

Government grants are assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity. They exclude those forms of government assistance which cannot reasonably have a value placed upon them and transactions with government which cannot be distinguished from the normal trading transactions of the entity.

Grants related to assets are government grants whose primary condition is that an entity qualifying for them should purchase, construct or otherwise acquire long-term assets. Subsidiary conditions may also be attached restricting the type or location of the assets or the periods during which they are to be acquired or held.

Grants related to income are government grants other than those related to assets.

A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs shall be recognised in profit or loss of the period in which it becomes receivable.

Export incentives in the form of MEIS scrips and power subsidy receivable by the company do not fall under the scope of Ind AS 115 and are accounted for in accordance with the provisions of Ind AS 20 considering such incentives as Government Assistance. Accordingly, government grant relating to Income on account of power subsidy is recognised on accrual basis in Profit and Loss statement and export incentive in the form of MEIS scrips will be accounted on cash basis in Profit and Loss statement.

1.20 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.

1.21 Tax Expenses

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in Other comprehensive income.

The Company has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in OCI or in equity in correlation to the underlying transaction). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions, where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities and assets are recognized for all taxable temporary differences and deductible temporary differences.

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in OCI or in equity in correlation to the underlying transaction).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the Company will pay normal income tax during the specified year, i.e., the year for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The Company reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

Goods and Service Tax (GST) paid on acquisition of assets or on incurring expenses

When the tax incurred on purchase of assets or services is not recoverable from the taxation authority, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable. Otherwise, expenses and assets are recognized net of the amount of taxes paid. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

1.22 Leases

The group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The group as a lessee

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

Right-of-use assets

The group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section of Impairment of non-financial assets.

Lease liabilities

At the commencement date of the lease, the group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the group and payments of penalties for terminating the lease, if the lease term reflects the Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

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

Short-term leases and leases of low-value assets

The group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

1.23 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.

1.24 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.

1.25 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.

1.26 Significant accounting judgements, estimates and assumption

The preparation of the 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:

Determining the lease term of contracts with renewal and termination options

The group determines the lease term as the noncancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The group has several lease contracts that include extension and termination options. The group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

Property, plant and equipment

The depreciation of property, plant and equipment is derived on determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of group's assets are determined by management at the time of acquisition of asset and is reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life.

Impairment of financial and non-financial assets

Significant management judgement is required to determine the amounts of impairment loss on the financial and nonfinancial assets. The calculations of impairment loss are sensitive to underlying assumptions.

Tax provisions and contingencies

Significant management judgement is required to determine the amounts of tax provisions and contingencies. Deferred tax assets are recognised for unused tax losses and MAT credit entitlements to the extent it is probable that taxable profit will be available against which these losses and credit entitlements can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Defined benefit plans

The cost of the defined benefit plan and the present value of the obligation are determined using actuarial valuation. An actuarial valuation involves various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using internal valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

1.27 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) Determining the lease term of contracts with renewal and termination options

The Company determines the lease term as the noncancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

(ii) 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.

(iii) 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.

(iv) 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.

(v) 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.

(vi) 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.

(vii) 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.

1.28 New standards adopted by the group

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts.

This amendment is essentially clarification and there is no significant impact on the Consolidated financial statements of the group.

Amendments to Ind AS 16- Property, Plant and Equipment: Proceeds before Intended Use

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

The amendments are effective for annual reporting periods beginning on or after April 1, 2022. These amendments had no impact on the financial statements of the group.

Amendments to Ind AS 103, Business Combinations: Reference to the Conceptual Framework

This amendment added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately. The exception requires entities to apply the criteria in Ind AS 37 or Appendix C, Levies, of Ind AS 37, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

The amendments also add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

In accordance with the transitional provisions, the company applies the amendments prospectively, i.e., to business combinations occurring after the beginning of the annual reporting period in which it first applies the amendments (the date of initial application).

These amendments had no impact on the consolidated financial statements of the Group as there were no transactions within the scope of these amendments that arose during the period.

1.29 New Accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 01, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The company does not expect this amendment to have any significant impact in its standalone financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The company does not expect this amendment to have any significant impact in its consolidated financial statements of the group.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.

The group does not expect this amendment to have any significant impact in its consolidated financial statements of the group.

2.1: Property, plant and equipment

(₹ in Lakhs)

Particulars	Land	Buildings	Plant and equipment	Lab equipment	Material handling equipment	Vehicles	Computers	Office equipment	Furniture & fixtures	Total
Gross carrying Value										
Balance as at April 1, 2021	**3801.16**	**22721.89**	**71171.20**	**317.76**	**67.22**	**857.55**	**193.43**	**391.09**	**85.03**	**99606.33**
Additions for the year	-	3,533.40	9431.17	3.77	-	70.84	72.12	90.48	18.29	13220.07
Disposals for the year	-	-	21.55	-	-	9.68	-	-	-	31.23
Effect of changes in foreign exchange rates	52.43	404.84	904.36	-	-	2.42	-	2.81	4.19	1371.05
Balance as at March 31, 2022	**3853.59**	**26660.13**	**81485.18**	**321.53**	**67.22**	**921.13**	**265.55**	**484.38**	**107.51**	**114166.22**
Additions for the year	490.79	10789.71	29574.59	9.49	2.63	964.51	115.24	237.95	304.38	42489.29
Disposals for the year	-	-	9.33	-	-	14.62	-	2.58	-	26.53
Effect of changes in foreign exchange rates	113.25	822.69	2012.18	-	-	3.89	-	4.41	9.06	2965.48
Balance as at March 31, 2023	**4457.63**	**38272.53**	**113062.62**	**331.02**	**69.85**	**1,874.91**	**380.79**	**724.16**	**420.95**	**159594.46**
Accumulated depreciation	**Land**	**Buildings**	**Plant and equipment**	**Lab equipment**	**Material handling equipment**	**Vehicles**	**Computers**	**Office equipment**	**Furniture & fixtures**	**Total**
Balance as at April 1, 2021	**-**	**2713.91**	**16218.19**	**55.46**	**30.81**	**357.19**	**134.65**	**224.79**	**34.62**	**19769.62**
Depreciation charge for the year	-	848.48	4637.35	37.85	9.99	98.50	30.08	78.01	6.04	5746.30
On Disposals	-	-	1.04	-	-	8.15	-	-	-	9.19
Effect of changes in foreign exchange rates	-	153.78	699.41	-	-	2.42	-	2.78	3.55	861.94
Balance as at March 31, 2022	**-**	**3716.17**	**21553.91**	**93.31**	**40.80**	**449.96**	**164.73**	**305.58**	**44.21**	**26368.67**
Depreciation charge for the year	-	1126.21	4776.83	38.50	9.69	160.43	53.53	85.62	21.19	6272.00
On Disposals	-	-	0.34	-	-	7.59	-	2.58	-	10.51
Effect of changes in foreign exchange rates	-	302.46	1278.52	-	-	3.91	-	4.85	7.74	1597.48
Balance as at March 31, 2023	**-**	**5144.84**	**27608.92**	**131.81**	**50.49**	**606.71**	**218.26**	**393.47**	**73.14**	**34227.64**
Net carrying amount										
As on April 1, 2021	**3801.16**	**20007.98**	**54953.01**	**262.30**	**36.41**	**500.36**	**58.78**	**166.30**	**50.41**	**79836.71**
As on March 31, 2022	**3853.59**	**22943.96**	**59931.27**	**228.22**	**26.42**	**471.17**	**100.82**	**178.80**	**63.30**	**87797.55**
As on March 31, 2023	**4457.63**	**33127.69**	**85453.70**	**199.21**	**19.36**	**1268.20**	**162.53**	**330.69**	**347.81**	**125366.82**

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.

(₹ in Lakhs)

2.1.1 Capital work in progress

Particulars	Capital work in progress
Balance as at April 1, 2021	**7959.10**
Additions for the year	8040.11
Disposals for the year	-
Balance as at March 31, 2022	**15999.21**
Additions for the year	4638.90
Disposals for the year	15236.71
Balance as at March 31, 2023	**5401.40**

2.1.1 Capital work-in-progress (CWIP) ageing schedule

	Amount in CWIP for a period of				
Particulars	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects-in-progress	4638.90	762.50	-	-	5401.40
Projects temporarily suspended	-	-	-	-	-
Balance as at March 31, 2023	**4638.90**	**762.50**	**-**	**-**	**5401.40**
Projects-in-progress	8040.11	7959.10	-	-	15999.21
Projects temporarily suspended	-	-	-	-	-
Balance as at March 31, 2022	**8040.11**	**7959.10**	**-**	**-**	**15999.21**

2.1.2: Right-of-use assets

Particulars	Lease hold Building	Total
Gross carrying amount		
Balance as at April 1, 2021		
Additions for the year	451.69	451.69
Disposals for the year	-	-
Balance as at March 31, 2022	**451.69**	**451.69**
Additions for the year	-	-
Disposals for the year	-	-
Balance as at March 31, 2023	**451.69**	**451.69**
Accumulated Depreciation		
Balance as at April 1, 2021	**-**	**-**
Depreciation for the year	26.48	26.48
Balance as at March 31, 2022	**26.48**	**26.48**
Depreciation for the year	97.78	-
Balance as at March 31, 2023	**124.25**	**26.48**
Net carrying amount		
As on April 1, 2021	**-**	**-**
As on March 31, 2022	**425.21**	**425.21**
As on March 31, 2023	**327.43**	**327.43**

(₹ in Lakhs)

2.2: Other Intangible assets

Particulars	Computer software	Total
Gross carrying value		
Balance as at April 1, 2021	**14.21**	**14.21**
Additions for the year	-	-
Disposals for the year	-	-
Balance as at March 31, 2022	**14.21**	**14.21**
Additions for the year	-	-
Disposals for the year	0.68	0.68
Balance as at March 31, 2023	**13.53**	**13.53**
Accumulated amortization		
Balance as at April 1, 2021	**12.71**	**12.71**
Amortization charge for the year	-	-
On Disposals	-	-
Balance as at March 31, 2022	**12.71**	**12.71**
Amortization charge for the year	0.68	0.68
On Disposals	0.68	0.68
Balance as at March 31, 2023	**12.71**	**12.71**
Net carrying value		
As on April 1, 2021	**1.50**	**1.50**
As on March 31, 2022	**1.50**	**1.50**
As on March 31, 2023	**0.82**	**0.82**

Non - Current

2.3 Investments

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31 2022
Investments at FVTPL (Unquoted non trade investments:) In equity shares of other than subsidary companies Coffee futures exchange india ltd (Equity subscription for membership as ordinary member - 1 share of ₹ 10,000)	0.10	0.10
Total investments carried at FVTPL	**0.10**	**0.10**
Total invetsments	**0.10**	**0.10**
Foot notes:		
Aggreegate value of quoted investments and market value thereof	-	-
Aggreegate value of unquoted investments	**0.10**	**0.10**

2.4 Other financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
I. Non-current financial assets		
Considered good, Unsecured		
Rental deposits	93.92	71.30
Electricity and other security deposits	899.33	687.63
	993.25	**758.93**
II. Current financial assets		
Considered good, Unsecured		
Advances to employees	765.84	328.14
Prepaid expenses	188.91	186.41
Input tax and other taxes receivables	77.87	70.58
	1032.62	**585.13**

2.5 Other assets

Particulars	As at March 31, 2023	As at March 31, 2022
I. Other non-current assets		
Deposits with statutory authorities	2883.28	2883.28
	2883.28	**2883.28**
II. Other current assets		
Advances to employees	516.12	170.87
Prepaid expenses	290.31	282.00
Input tax and other taxes receivables	5388.50	2534.47
Advance to creditors	1444.69	711.56
Advances for capital goods/services	4637.21	4620.13
Other receivables	1098.44	984.17
	13375.27	**9303.20**

2.6 Inventories

(₹ in Lakhs)

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Raw materials	33904.68	31684.33
Raw materials in transit/Finished goods in transit	2588.80	-
Work-in-progress	1681.13	572.83
Finished goods	11551.69	14159.44
Stores, spares and consumables	4483.19	3110.48
Packing materials	3619.35	2386.96
	57828.84	**51914.04**

2.7 Trade receivables

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Trade receivables		
Unsecured,considered good	44140.66	31955.32
Credit impaired	292.96	154.59
Less: Allowances for credit losses	(292.96)	(154.59)
	44140.66	**31955.31**

Trade receivables ageing schedule

(₹ in Lakhs)

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed trade receivables - considered good	36872.55	5832.77	504.43	308.77	407.69	128.95	44055.16
(ii) Undisputed trade receivables - credit impaired	-	-	-	-	-	-	292.96
(iii) Disputed trade receivables - considered good	-	-	-	-	-	85.50	85.50
Less: Allowances for credit losses	-	-	-	-	-	-	(292.96)
Balance as at March 31, 2023	**36872.55**	**5832.77**	**504.43**	**308.77**	**407.69**	**214.45**	**44140.66**
(i) Undisputed trade receivables - considered good	27154.79	3989.10	157.91	460.03	62.48	50.00	31874.31
(ii) Undisputed trade receivables - credit impaired	-	-	-	-	-	-	154.59
(iii) Disputed trade receivables - considered good	-	-	-	-	0.84	80.17	81.01
Less: Allowances for credit losses	-	-	-	-	-	-	(154.59)
Balance as at March 31, 2022	**27154.79**	**3989.10**	**157.91**	**460.03**	**63.32**	**130.17**	**31955.31**

2.8 Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
a) Cash and cash equivalents		
i) Cash on hand	16.22	12.75
ii) Balances with banks		
- Current Accounts	8243.70	5265.35
	8259.92	**5278.10**
b) Bank balances other than above		
(i) Unclaimed dividend account	82.89	91.47
	82.89	**91.47**

2.9 Share Capital

Particulars	As at March 31, 2023	As at March 31, 2022
Authorized Share Capital 150500000 Equity Shares of ₹ 2 each	3010.00	3010.00
Issued Subscribed and Paid up Share Capital 133,027,920 Equity Shares of ₹ 2 each, fully paid up	2660.56	2660.56
	2660.56	**2660.56**

Reconciliation of equity shares outstanding is set out below:	**As at March 31, 2023**		**As at March 31, 2022**	
	No. of shares	**Amount**	**No. of shares**	**Amount**
Opening number of equity shares/share capital	133027920	2660.56	133027920	2660.56
Add: equity shares issued during the year	-	-	-	-
less: shares buy backed during the year	-	-	-	-
Closing number of equity shares/share capital	133027920	2660.56	133027920	2660.56

Details of shareholders holding more than 5% shares :	**As at March 31, 2023**		**As at March 31, 2022**	
	No. of shares	**% Holding**	**No. of shares**	**% Holding**
1. Challa Rajendra Prasad	13376759	10.06%	13376759	10.06%
2. Challa Shantha Prasad	18565334	13.96%	18565334	13.96%
3. Challa Soumya	13473186	10.13%	13473186	10.13%
4. Challa Srishant	14115723	10.61%	14115723	10.61%
5. Axis Mutual Fund Trustee Limited A/C Axis Mutual Fund A/C Axis Capital Builder Fund – Series 4	7234610	5.44%	8506442	6.39%

(₹ in Lakhs)

Details of shares held by promoters	As at March 31, 2023		As at March 31, 2022		
	No. of shares	% Holding	No. of shares	% Holding	% Change during the year
1. Challa Rajendra Prasad	13376759	10.06%	13376759	10.06%	-
2. Challa Shantha Prasad	18565334	13.96%	18565334	13.96%	-
3. Challa Soumya	13473186	10.13%	13473186	10.13%	-
4. Challa Srishant	14115723	10.61%	14115723	10.61%	-

2.9.1 Rights attached to equity shares

The Company has only one class of equity shares having a face value of ₹ 2 /- each. Each holder of equity share is entitled to one vote per share. The company declares and pays dividends in indian rupees. Payment of dividend is also made in foreign currency to shareholders outside India. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting.

In the event of liquidation of the company, all preferential amounts, if any, shall be discharged by the company. The remaining assets of the company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date.

Final dividends on equity shares are recorded as a liability on the date of their approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the company's board of directors. The details of dividends paid by the company are as follows:

Dividend paid

Particulars	As at March 31, 2023	As at March 31, 2022
Dividend paid during the year (₹ in Lakhs)	6651.40	6651.40
Dividend per share (₹)	5.00	5.00

2.10 Other Equity

Particulars	As at March 31, 2023	As at March 31, 2022
Retained Earnings		
Opening balance	86587.63	72803.98
Add: Current year transfer	26887.83	20435.05
Less: Dividend paid	(6651.40)	(6651.40)
Total	**106824.06**	**86587.63**
General reserve		
Opening balance	28820.70	28820.70
Add: Current year transfer	-	-
Total	**28820.70**	**28820.70**

(₹ in Lakhs)

Foreign currency translation reserve		
Opening balance	6569.79	5104.31
Add: Current year transfer	2504.49	1465.48
Total	**9074.28**	**6569.79**
Acturial gains or losses (OCI)		
Opening balance	(187.89)	(173.49)
Add: Current year transfer	(41.06)	(14.40)
Total	**(228.95)**	**(187.89)**
Measurement of derivative instrument at fair value (OCI)		
Opening balance	(57.19)	(486.28)
Add: Current year transfer	53.98	429.09
Total	**(3.21)**	**(57.19)**
Share-based payment reserve		
Opening balance	675.79	-
Add: Share based payment expenses	397.67	675.79
Total	**1073.46**	**675.79**
Total other equity	**145560.34**	**122408.83**

2.11 Borrowings

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
I. Non-current borrowings		
Secured borrowings		
Term loans from banks	20083.74	11172.10
	20083.74	**11172.10**
II.Current borrowings		
Secured borrowings		
Working capital facilities (packing credit)	63669.46	44918.26
Current maturities of long term borrowings	7856.78	8984.82
	71526.24	**53903.08**

Total term loan of ₹ 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.

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 Deffered Tax Liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	7261.26	4898.52
Add : On account of others	(24.58)	2341.31
Add : On account of depreciation	35.97	21.44
Closing balance	**7272.66**	**7261.26**

2.13 Other Non-Current Liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Salaries and employee benefits	178.98	202.67
Withholding and other taxes payable	155.93	161.82
Advance from customers	207.78	221.33
Others	1292.89	754.79
	1835.58	**1340.61**

2.14 Trade Payables

Particulars	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro enterprises and small enterprises (MSME)	781.31	191.39
Total outstanding dues of creditors other than micro enterprises and small enterprises (others)	6601.63	4375.13
	7382.94	**4566.52**

(₹ in Lakhs)

Trade Payables ageing schedule for the year ended March 31, 2023

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 Years	More than 3 Years	
(i) MSME	764.40	16.91	-	-	-	781.31
(ii) Others	2673.68	3814.98	59.68	33.24	20.05	6601.63
	3438.08	**3831.89**	**59.68**	**33.24**	**20.05**	**7382.94**

Trade Payables Ageing for the year ended March 31, 2022

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 Years	More than 3 Years	
(i) MSME	173.92	17.47	-	-	-	191.39
(ii) Others	2544.20	1,751.47	48.33	15.20	15.93	4375.13
	2718.12	**1768.94**	**48.33**	**15.20**	**15.93**	**4566.52**

2.15 Other financial liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
I. Non-current financial liabilities		
Other financial liabilities	-	57.19
	-	**57.19**
II. Current financial liabilities		
Creditors for capital goods	523.12	455.06
Unpaid dividends	82.89	91.47
Interest accrued but not due on borrowings	80.84	91.60
Other payables	1543.26	1837.33
	2230.11	**2475.45**

2.15 Lease liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current lease liabilities	244.23	329.45
	244.23	**329.45**
Current lease liabilities	106.20	100.50
	106.20	**100.50**

2.16 Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
I.Non-current provisions		
Non current provisions	256.97	94.61
	256.97	**94.61**
II.Current provisions		
Provision for tax (net of advance tax)	33.54	622.87
Provision for others	500.19	-
	533.73	**622.87**

2.17 Revenue from contract with customers

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from		
Sale of products - coffee	206913.65	144547.96
Sale of trade licences	207.95	1654.93
	207121.60	**146202.89**

2.18 Other income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest on deposits	14.35	13.36
Miscellaneous income	311.23	395.96
	325.58	**409.32**

2.19 Cost of materials consumed

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Raw Material		
Purchases	116267.70	91352.63
Add: Opening stock	31684.33	18895.29
	147952.03	**110247.92**
Less: Closing stock	33904.68	31684.33
	114047.35	**78563.59**

2.20 Changes in inventories of finished goods and work-in-progress

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Work-in-progress		
Opening	572.83	332.87
Closing	1681.13	572.83
	(1108.30)	**(239.96)**
Finished goods		
Opening	14159.44	8128.07
Closing	14140.48	14159.44
	18.96	**(6031.37)**
	(1089.34)	**(6271.33)**

2.21 Employee benefits expense (₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, wages and bonus	7771.51	6177.11
Directors' remuneration	1617.00	1545.00
Contribution to provident and other funds	764.95	592.64
Share based payment expenses	397.67	675.79
Staff welfare	795.83	778.70
	11346.96	**9769.24**

2.22 Finance costs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest expense	3126.30	1343.86
Other borrowing costs	313.79	292.04
	3440.09	**1635.90**

2.23 Other expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Packing material consumed	7986.17	8220.37
Stores and consumable consumed	2056.41	1025.92
Power and fuel	13501.90	8226.20
Repairs and maintenance to buildings	98.48	69.90
Repairs and maintenance to machinery	3658.19	1713.76
Repairs and maintenance to other assets	244.16	180.52
Transportation, ocean freight, clearing and forwarding	7770.91	5628.37
Insurance	390.86	381.69
Rent	151.41	212.95
Rates and taxes	223.02	158.90
Directors' sitting Fee	51.95	20.65
Non-whole time directors' commission	135.00	108.00
Selling expenses	4028.71	2905.67
Travelling and conveyance	577.45	497.04
Communication expenses	103.62	108.22
Printing and stationery	37.09	27.29
Office maintenance	1671.67	592.91
Donations	42.35	20.68
Corporate social responsibility (CSR) expenditure	479.27	492.46
Professional fees & expenses	674.92	804.70
Subscription and membership fee	22.47	12.20
Auditor's remuneration	42.40	44.47
Foreign exchange loss (Net)	(1335.11)	(697.42)
Allowance for credit losses	138.37	59.71
Loss on sale of vehicle	0.25	-
Bad debts written off	(17.50)	-
Miscellaneous expenses	96.99	220.01
	42831.41	**31035.16**

2.24 Changes in liabilities arising from financing activities **(₹ in Lakhs)**

For the year ended March 31, 2023

Particulars	Current Borrowings	Non-current Borrowings	Lease liabilities
As on April 1, 2022	**8984.82**	**11229.29**	**429.95**
Borrowings made during the year	-	8854.45	-
Borrowings repaid during the year	(1128.04)	-	-
Effect of changes in foreign exchange rates	-	-	-
Recognition of right of use liability during the year	-	-	-
Payment of lease liability	-	-	(79.52)
As on March 31, 2023	**7856.78**	**20083.74**	**350.43**

For the year ended March 31, 2022

Particulars	Current Borrowings	Non-current Borrowings	Lease liabilities
As on April 1, 2021	**8613.20**	**18177.35**	**-**
Borrowings made during the year	371.62	2250.00	-
Borrowings repaid during the year	-	(8768.97)	-
Effect of changes in foreign exchange rates	-	(429.09)	-
Recognition of right of use liability during the year	-	-	-
Payment of lease liability	-	-	429.95
As on March 31, 2022	**8984.82**	**11229.29**	**429.95**

Does not include the movement in cash credit.

2.25 Segment reporting

In the opinion of the management the group has only one operating segment i.e., is engaged in production, trading and distribution of Coffee and coffee related products. Hence, the same becomes the reportable segment for the Company. Accordingly, disclosure of segment information as prescribed in the Indian accounting standard 108 “Operating segments” is not applicable.

2.26 Auditors Remuneration

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
a) Audit fees	36.80	39.08
b) Other charges		
Taxation matters	2.50	2.50
Certification fee	2.50	2.48
c) Reimbursement of out-of-pocket expenses	0.60	0.41
Total	**42.40**	**44.47**

(₹ in Lakhs)

2.27 Earnings per Share

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Earnings		
Profit attributable to equity holders	26887.83	20435.05
Shares		
Number of shares at the beginning of the year	133027920	133027920
Add: Equity shares issued	-	-
Less: Buy back of equity shares	-	-
Total number of equity shares outstanding at the end of the year	133027920	133027920
Weighted average number of equity shares outstanding during the year – Basic	**133027920**	**133027920**
Add: Weighted average number of equity shares arising out of outstanding stock options (net of the stock options forfeited) that have dilutive effect on the EPS	-	-
Weighted average number of equity shares outstanding during the year – Diluted	**133027920**	**133027920**
Earnings per share of par value ₹ 2/- -Basic (₹)	20.21	15.36
Earnings per share of par value ₹ 2/- -Diluted (₹)	20.21	15.36

2.28 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:

- Challa Rajendra Prasad, Executive Chairman
- Challa Srishant, Managing Director
- B. Mohan Krishna, Executive Director
- K.V.L.N. Sarma, Chief Operations Officer (Upto 27.10.2021)
- Praveen Jaipuriar, Chief Executive Officer (From 29.10.2021)
- V. Lakshmi Narayana, Chief Financial Officer
- Sridevi Dasari, Company Secretary

The following is a summary of significant related party transactions of Parent Company

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
a) Key managerial personnel		
i) Remuneration & Commission		
Challa Rajendra Prasad	420.00	420.00
Challa Srishant	684.00	643.00
B. Mohan Krishna	513.00	482.00
K.V.L.N. Sarma (Upto 27.10.2021)	-	67.49
Praveen Jaipuriar (From 29.10.2021)	254.36	79.74
V. Lakshmi Narayana	115.33	97.48
Sridevi Dasari	29.57	22.57
ii) Rent		
Challa Srishant	30.24	22.05
b) Non-whole time Directors		
i) Sitting Fee		
Vipin K Singal	6.55	2.65
Kata Chandrahas	6.55	2.40
K.K. Sarma	6.05	2.50
G.V. Krishna Rau	6.55	2.65
Kulsoom Noor Saifullah	6.55	2.40
Challa Shantha Prasad	2.85	1.50
Durga Prasad Kode	6.30	2.65
Dr. Krishnanand Lanka	6.05	2.25
K.V. Chowdary	4.50	1.65
ii) Commission		
Vipin K Singal	15.00	12.00
Kata Chandrahas	15.00	12.00
K.K. Sarma	15.00	12.00
G.V. Krishna Rau	15.00	12.00
Kulsoom Noor Saifullah	15.00	12.00
Challa Shantha Prasad	15.00	12.00
Durga Prasad Kode	15.00	12.00
Dr. Krishnanand Lanka	15.00	12.00
K.V. Chowdary	15.00	12.00
iii) Rent		
Challa Shantha Prasad	25.76	19.89
c) Relatives of Key Managerial Personnel		
Rent		
Challa Soumya	8.40	5.46
d) Related Party transactions		
Sale of Goods		
Karafa Products Private Limited	17.29	2.79
Advance payment for purchase of goods		
Re-cog Infotechnologies Private Limited	16.74	-
Total	**2301.64**	**1991.12**

2.29 Employee benefits:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, wages and bonus	7771.51	6177.11
Director Remuneration	1617.00	1545.00
Contribution to provident and other funds	764.95	592.64
Share based payment expenses	397.67	675.79
Staff welfare expenses	795.83	778.70
Total	**11346.96**	**9769.24**

Notes:

(i) The Code on Social Security, 2020 ('Code') relating to employee benefits received Presidential assent in September 2020. However, effective date and the final rules/interpretation have not yet been notified/issued. The Company is in the process of assessing the impact of the Code and will recognize the impact, if any, based on its effective date.

(ii) The Company operates defined benefit plan i.e., gratuity for its employees. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service. The fund has the form of a trust and it is governed by the Board of Trustees who is responsible for the administration of the plan assets and for the definition of the investment strategy.

During the period the Company has recognized the following amounts in the statement of profit and loss:-

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Employers Contribution to Provident fund	363.94	326.12
Employers Contribution to Employee state insurance	29.53	25.81

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 2023 and 2022 consist of the following:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current service cost	84.88	71.10
Interest cost on net defined benefit liability/(asset)	(17.40)	41.42
Gratuity cost recognized in statement of profit and loss	**67.48**	**112.52**

Details of the employee benefits obligations and plan assets are provided below:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Present value of funded obligations	795.65	632.52
Fair value of plan assets	1203.42	803.27
Net defined benefit liability/(asset)	**(407.76)**	**(170.75)**

Details of changes in the present value of defined benefit obligations are as follows: **(₹ in Lakhs)**

Particulars	**As at March 31**	
	2023	**2022**
Defined benefit obligations at the beginning of the year	632.52	687.03
Current service cost	84.88	71.10
Interest cost on defined obligations	46.09	41.42
Re-measurements due to:		
Actuarial loss/(gain) due to change in financial assumptions	(9.98)	(22.78)
Actuarial loss/(gain) due to demographic assumptions	-	0.69
Actuarial loss/(gain) due to experience changes	51.43	30.01
Benefits paid	(9.29)	(3.01)
Other (Employee Contribution, Taxes, Expenses, adj to Opening Balance)	-	(171.95)
Defined benefit obligations at the end of the year	**795.65**	**632.52**

Details of changes in the fair value of plan assets are as follows:

Particulars	**As at March 31**	
	2023	**2022**
Fair value of plan assets at the beginning of the year	803.27	889.20
Employer contributions	368.27	78.02
Interest Income	72.17	
Actuarial loss/(gain) on plan assets	-	(52.98)
Re-measurements due to:		
Return on plan assets excluding interest on plan assets	(1.91)	63.99
Benefits paid	(9.29)	(3.01)
Other (Employee Contribution, Taxes, Expenses, adj to Opening Balance)	(29.09)	(171.95)
Plan assets at the end of the year	**1203.42**	**803.27**

Summary of Actuarial Assumptions:

The actuarial assumptions used in accounting for the Gratuity Plan are as follows:

Particulars	**As at March 31**	
	2023	**2022**
Discount rate	7.50%	6.87%
Rate of compensation increase	4.00%	4.00%

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 group contributed ₹ 243.61 Lakhs and ₹ 266.50 Lakhs to the superannuation Schemes during the years ended March 31, 2023 and 2022, respectively.

Leave Encashment

The Holding Company provides for accumulation of compensated absences by certain categories of its employees. These employees can carry forward a portion of the un utilised compensated absences and utilise them in future periods or receive cash in lieu thereof as per the Company's policy. The Company records a liability for compensated absences in the period in which the employee renders the services that increases this entitlement.

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 March 31**	
	2023	**2022**
Domestic	3563.41	3868.69
Foreign	38.27	31.13
Deferred taxes expense/(benefit)		
Domestic	10.75	1798.48
Total income tax expense/(benefit) recognized in the statement of profit and loss	**3612.43**	**5698.30**

Reconciliation of Effective tax rate:

Particulars	**For the Year Ended March 31**	
	2023	**2022**
Profit before income taxes	**30500.26**	**26133.36**
Enacted tax rate in India	17.47%	34.94%
Computed expected tax benefit/(expense)	5328.40	9131.00
Effect of:		
Expenses not deductible for Tax purposes	0.35	741.69
Expenses deductible for Tax purposes	-	(1862.99)
Taxable at Special Rates	-	-
Others	-	(543.20)
Foreign Taxes	-	31.13
Tax effect due to non-taxable for Indian Tax Purpose	(1727.07)	(885.67)
Income tax benefit/(expense)	**3601.68**	**3899.82**
Effective tax rate	**11.81%**	**14.92%**

The Company's average effective tax rate for the years ended March 31, 2023 and 2022 were 11.81% and 14.92%. respectively.

Deferred tax assets & Liabilities: **(₹ in Lakhs)**

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 March 31**	
	2023	**2022**
Deferred tax (assets)/liabilities:		
Deferred Tax Liabilities		
WDV differences of assets as per books and tax laws	9263.54	8131.20
Deferred Tax Assets		
Deferred Tax Asset on Expected credit loss	(13.51)	-
MAT Credit available (Deferred Tax Asset)	(1623.93)	(796.16)
Deferred tax Asset on 80JJAA deduction	(65.10)	(38.31)
Deferred tax Asset on leave encashment	(62.49)	-
Deferred tax Asset on provision for bonus	(165.81)	-
Others	(60.06)	(35.47)
Net deferred tax assets/(liabilities)	**7272.66**	**7261.26**

2.31 Financial Risk Management:

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, trade and other receivables, cash and cash equivalents, bank balances, security deposits and derivatives that are out of regular business operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's risk management is carried out by a treasury department under policies approved by the Board of Directors. The Board of Directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

a. Market risk:
Market risk is the risk that the fair value of future cash flows of a financial instrument that will fluctuate because of changes in market prices. Market risk comprises three types of risk i.e. Interest rate risk, currency risk and other price risk, such as commodity risk. Financial instruments affected by market risk include borrowings, derivatives, financial instruments and trade payables.

i. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rate relates primarily to the Company's borrowings with floating interest rates.

If interest rate had been 50 basis points higher/ lower in case of rupee borrowings and all other variables were held constant, the Company's profit for the year ended March 31, 2023 would decrease/increase by ₹14.26 lakhs (March 31, 2022: ₹ 4.32 lakhs)

ii. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's foreign currency borrowings, trade payables and trade receivables. The functional currency of the Company is Indian Rupee. The Company uses forward exchange contracts to hedge its currency risk, mostly with a maturity of less than one year from the reporting date. The Company does not use derivative financial instruments for trading or speculative purposes. Following are the derivative financial instruments to hedge the foreign exchange rate risk as of March 31, 2023

Derivatives (not designated as hedges) outstanding as at the reporting date **(₹ in Lakhs)**

Type	Currency	March 31, 2023		March 31, 2022	
		Foreign currency in lakhs	INR in lakhs	Foreign currency in lakhs	INR in lakhs
Forward contracts	USD	53.84	4400.00	213.78	10600.00

The carrying amount of the company's foreign currency denominated Monetary Assets and Liabilities as at the end of reporting period are as below:

Currency	Monetary Assets		Monetary Liabilities	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
CHF	-	-	60.00	60.00
EUR	12.40	11.80	20.03	15.07
USD	225.97	244.48	383.12	123.41
Total	**238.37**	**256.28**	**463.15**	**198.49**

The following table summarizes approximate gain/(loss) on the Company's Profit before tax on account of appreciation/depreciation of underlying foreign currency amounts stated in the above table

Particulars	March 31, 2023		March 31, 2022	
	5% increase	5% decrease	5% increase	5% decrease
CHF	(269.46)	269.46	(246.47)	246.47
USD	(642.09)	642.09	453.06	(453.06)
EURO	(31.80)	31.80	(13.61)	13.61
Total	**(943.35)**	**943.35**	**192.98**	**(192.98)**

b. Credit Risk:

Credit risk is the risk of loss that may arise on outstanding financial instruments if a counterparty default on its obligations. The Company's exposure to credit risk arises majorly from trade and other receivables. Other financial assets like security deposits and bank deposits are mostly with government authorities and scheduled banks and hence, the Company does not expect any credit risk with respect to these financial assets.

Trade and other 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

(₹ in Lakhs)

Particulars	As of March 3,	
Period (in days)	**2023**	**2022**
Neither past due nor impaired	36872.55	27154.79
Past due but not impaired		
Less than 365 days	6337.20	4147.01
More than 365 days	930.91	653.52
Credit impaired	292.96	154.59
Less : Allowance for credit losses	(292.96)	(154.59)
Total	**44140.66**	**31955.31**

Other than trade receivables, the Company has no significant class of financial assets that are past due or impaired as at March 31, 2023.

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 2023 and 31st March 2022 are as follows:

Particulars	As of March 31,	
	2023	**2022**
Balance at the beginning of the year	**154.59**	**160.69**
Impairment of Trade receivables	138.37	(6.10)
Balance at the end of the year	**292.96**	**154.59**

c. Liquidity Risks:

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements at all times. The Company relies on a mix of borrowings and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium/long term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

(₹ in Lakhs)

Maturities	Up to 1 year	1-3 Years	3-5 Years	Above 5 Years	Total
March 31, 2023					
Non-current borrowings	7856.78	16533.43	3550.31	-	27940.52
Lease liabilities	106.20	244.23	-	-	350.43
Current borrowings	63669.46	-	-	-	63669.46
Trade payables	7382.94	-	-	-	7382.94
Other financial liabilities	2230.11	-	-	-	2230.11
Total	**81245.49**	**16777.66**	**3550.31**	**-**	**101573.46**
March 31, 2022					
Non-current borrowings	8984.82	11172.10	-	-	20156.92
Lease liabilities	100.50	329.45	-	-	429.95
Current borrowings	44918.26	-	-	-	44918.26
Trade payables	4566.52	-	-	-	4566.52
Other financial liabilities	2475.45	57.19	-	-	2532.64
Total	**61045.55**	**11501.55**	**-**	**-**	**72604.29**

2.32 Financial Instrument:

The carrying value and fair value of financial instruments as at March 31, 2023 and March 31, 2022 were as follows:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Total carrying Value	Total fair value/ amortised cost	Total carrying Value	Total fair value/ amortised cost
Financial assets				
Cash and cash equivalents	8259.92	8259.92	5278.10	5278.10
Other cash and bank balances	82.89	82.89	91.47	91.47
Investments	0.10	0.10	0.10	0.10
Trade receivables	44140.66	44140.66	31955.31	31955.31
Other financial assets	2025.87	2025.87	1344.06	1344.06
Total	**54509.44**	**54509.44**	**38669.04**	**38669.04**
Financial liabilities				
Trade payables	7382.94	7382.94	4566.52	4566.52
Non-current borrowings	20083.74	20083.74	11172.10	11172.10
Short-term borrowings	71526.24	71526.24	53903.08	53903.08
Lease Liabilities	350.43	350.43	429.95	429.95
Other financial liabilities	2230.11	2230.11	2532.64	2532.64
Total	**101573.46**	**101573.46**	**72604.29**	**72604.29**

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of:

(₹ in Lakhs)

31 March 2023

Particulars	Level 1	Level 2	Level 3	Total
Derivative Financial instrument (Financial liability)	-	(25.78)	-	(25.78)

31 March 2022

Particulars	Level 1	Level 2	Level 3	Total
Derivative Financial instrument (Financial liability)	-	57.19	-	57.19

2.33 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents, excluding discontinued operations.

Particulars	As at March 31,	
	2023	2022
Non-current borrowings	**20083.74**	**11172.10**
Lease liabilities	350.43	429.95
Current borrowing	71526.24	53903.08
Less: cash and cash equivalents	(8342.81)	(5396.57)
Net debt	**83617.60**	**60135.56**
Equity share capital	2660.56	2660.56
Other equity	145560.34	122408.83
Total capital	**148220.90**	**125069.39**
Capital and net debt Gearing Ratio	**0.56**	**0.48**

2.34 Contingent Liabilities and Commitments

The following are the details of contingent liabilities and commitments:

(₹ in Lakhs)

Particulars	**As at March 31,**	
	2023	**2022**
Contingent Liabilities		
a) Claims against the company/disputed liabilities		
Income Tax	4945.11	4057.38
Service Tax	995.92	995.92
Sales Tax	-	151.94
Total	**5941.03**	**5205.24**
b) Guarantees		
Bank Guarantee	1825.37	1735.63
Total	**1825.37**	**1735.63**
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	57319.48	15917.75
Total	**57319.48**	**15917.75**
Grand Total	**65085.88**	**22858.62**

2.35 Ratio analysis

Ratio	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	Variance (in %)
Current Ratio (no.of times)	Current Assets	Current Liabilities	1.49	1.62	(8)
Debt- Equity Ratio (no.of times)	Total Debt	Shareholder's Equity	0.75	0.66	15
Debt Service Coverage ratio (no.of times)	Earnings available for debt service	Debt service	3.64	3.24	13
Return on Equity ratio (%)	Net Profits after taxes	Average Shareholder's Equity	19.68	17.48	13
Inventory Turnover ratio (no.of times)	Cost of goods sold	Average Inventory	2.06	1.72	19
Trade Receivable Turnover Ratio (no.of times)	Net Sales	Average Trade Receivable	66.94	4.73	15
Trade Payable Turnover Ratio (no.of times)	Net credit purchases	Average Trade Payables	15.42	32.53	(29)@
Net Capital Turnover Ratio) (no.of times	Net Sales	Working capital	5.05	4.05	24 #
Net Profit ratio (%)	Net Profits after taxes	Net Sales	12.96	13.98	(7)
Return on Capital Employed (%)	Earnings before interest and taxes	Capital Employed	19.92	20.31	(2)

Reasons:

1. @ The reason for decreasing the trade payables turnover ratio is on account of payments are made within the credit period.
2. # The reason for decreasing the net working capital turnover ratio was on account of increasing the current liabilities.

2.36 Other statutory information:

a. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

b. The Company does not have any transactions with struck off companies.

c. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

d. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

e. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

   i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

   ii. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

f. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

   i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

   ii. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

g. The Company has not entered into any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

h. The Company has not been declared as willful defaulter by any bank or financial institution or other lender.

   i. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

   ii. No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013, during the year.

i. The Company has borrowings from banks against security of its current assets. The reports or statements of Current assets filed by the company with banks are in agreement with the books of accounts.

j. The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were taken.

2.37 Leases

The group has lease contracts for buildings. The leases generally have lease terms between 5 to 6 years. The group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and sub-leasing the leased assets. These lease contracts that include extension and termination options, which are further discussed below.

The group also has certain leases with lease terms of 12 months or less and leases with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Refer Note 2.2 for details of carrying amounts of right-of-use assets recognised and the movements during the year. Set out below are the carrying amounts of lease liabilities (included under interest-bearing borrowings) and the movements during the year:

(₹ in Lakhs)

Particulars	**For the Year Ended March 31**	
	2023	**2022**
At the beginning of the year	**429.96**	**-**
Additions	-	451.69
Leases terminated	-	-
Accretion of interest	-	-
Payments	79.53	21.73
At the end of the year	**350.43**	**429.96**
Current	**106.20**	**100.50**
Non-current	**244.23**	**329.45**

The maturity analysis of lease liabilities is disclosed in Note 2.32. The following are the amounts recognised in the statement of profit or loss:

Particulars	**For the Year Ended March 31**	
	2023	**2022**
Depreciation expense of right-of-use assets	97.77	26.47
Interest expense on lease liabilities	106.64	113.55
Expense relating to short-term leases	106.64	113.55
Total amount recognized in the P&L account	**355.82**	**352.97**

The group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

Particulars	**For the Year Ended March 31**	
	2023	**2022**
Expense relating to leases of low-value assets	-	-
Expense relating to short-term leases	106.64	113.55
Variable lease payments	-	-
Total Lease Payments not considered as Lease payments under Ind AS 116	**106.64**	**113.55**

2.38 CCL Employee Stock Option Scheme, 2022 (CCL ESOP 2022 Plan):

The Company instituted the CCL ESOP 2022 Plan for all eligible employees pursuant to the special resolution approved by the shareholders in the Annual General Meeting held on August 30, 2022. The CCL ESOP 2022 Plan covers eligible employees (excluding promoter directors) of the parent company and its subsidiaries (collectively, “eligible employees”).

The Nomination, Governance and Compensation Committee of the Board of the parent company (the “Committee”) administers the CCL ESOP 2022 Plan and grants stock options to eligible employees. The Committee determines which eligible employees will receive options, the number of options to be granted, the exercise price, the vesting period and the exercise period. The vesting period is determined for all options issued on the date of grant. The options issued under the CCL ESOP 2022 Plan vest in periods ranging between one and four years and generally have a maximum contractual term of five years.


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