



# KANCO TEA & INDUSTRIES LIMITED

Registered Office : "Jasmine Tower", 3rd Floor  
31 Shakespeare Sarani, Kolkata - 700 017, India, Telefax : 2281-5217  
E-mail : [contact@kancotea.in](mailto:contact@kancotea.in), Website : [www.kancotea.in](http://www.kancotea.in)  
Corporate Identity Number (CIN)-L15491WB1983PLC035793

Ref: KTIL/25-26//AGM

28th July, 2025

To,  
The Manager,  
Corporate Affairs Department,  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street,  
Mumbai – 400 001

**Scrip Code/ID-541005/KANCOTEA**

Dear Sir,

**Sub: Submission of Annual Report including Notice of 42nd Annual General Meeting ("AGM") under SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015**

Further to our letter dated 30th May, 2025 and pursuant to Regulations 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), we are enclosing herewith the Annual Report of the Company including the Notice convening the 42nd AGM and other Statutory Reports for the Financial Year 2024-25, which is being sent through electronic mode to those Members whose e-mail addresses are registered with the Company/Registrar & Share Transfer Agent ('RTA')/Depository Participant(s) ('DPs').

The aforesaid Annual Report of the Company including the Notice convening the 42nd AGM and other Statutory Reports for the Financial Year 2024-25 is also available on the Company's website at [www.kancotea.in](http://www.kancotea.in).

Thanking you,  
For **Kanco Tea & Industries Limited**

Charulata Kabra  
Company Secretary and Compliance Officer  
Membership No: F9417

Encl: a/a

# KANCO TEA & INDUSTRIES LIMITED

ANNUAL REPORT 2024-25





# KANCO TEA & INDUSTRIES LIMITED

CIN: L15491WB1983PLC035793

## Annual Report & Accounts 2024-2025

### BOARD OF DIRECTORS

**Mr. Umang Kanoria**

Chairman & Managing Director

**Mrs. Anuradha Kanoria**

Whole-time Director

Mr. Navin Nayar (Tenure completed on 13/08/2024)

Ms. Shruti Swaika

Mr. Ravindra Suchanti

Mr. Dipankar Samanta

Mr. Rohinton Kurus Babaycon (w.e.f. 30th May, 2024)  
Directors

### COMPANY SECRETARY

Ms. Charulata Kabra

### CHIEF FINANCIAL OFFICER

Mr. Subhra Kanta Parhi

### AUDITORS

M/s. NKSJ & Associates  
Chartered Accountants

### BANKERS

Punjab National Bank

### REGISTERED OFFICE

Jasmine Tower, 3rd Floor  
31, Shakespeare Sarani, Kolkata 700 017  
Telefax : +91 33 2281 5217  
Email : [contact@kancotea.in](mailto:contact@kancotea.in)  
Website : [www.kancotea.in](http://www.kancotea.in)

### TEA ESTATES

Mackeypore Tea Estate  
Lakmijan Tea Estate  
Bamonpookrie Tea Estate  
P.O. Nazira 785 685  
Dist. Sivasagar (Assam)

### SHARE REGISTRARS

C. B. Managalement Services (P) Ltd.  
Rasoi Court, 5th Floor,  
20, R. N. Mukherjee Road,  
Kolkata - 700001  
Phone: +91 33 6906 6200  
Email: [rta@cbmsl.com](mailto:rta@cbmsl.com)

### BETWEEN THE COVERS

Notice	2-19
Directors' Report	20-66
Standalone Independent Auditors' Report	67-77
Standalone Financial Statements	78
Standalone Statement of Profit & Loss	79
Standalone Cash Flow Statement	80-81
Standalone Statement of Changes in Equity	82
Notes on Standalone Financial Statements	83-122
Consolidated Accounts	123-174

## Notice

Notice is hereby given that the Forty Second (42nd) Annual General Meeting (AGM) of Kanco Tea & Industries Limited will be held on Tuesday, 26th August, 2025 at 11:30 a.m. IST through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM") to transact the following business:

### Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements (Standalone and Consolidated) of the Company for the financial year ended 31st March, 2025, together with the reports of the Board of Directors and Auditors thereon;
2. To appoint a director in place of Mr. Umang Kanoria (DIN: 00081108) who retires by rotation and being eligible, offers himself for re-appointment.

### Special Business:

3. **Re-appointment and Remuneration Payable to Mr. Umang Kanoria as the Managing Director of the Company**

To consider and if thought fit, to pass the following resolution as Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the rules made there under read with Schedule V of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force) and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) or any other applicable laws for the time being in force and in accordance with the provisions of the Articles of Association of the Company, pursuant to recommendation of the Nomination & Remuneration Committee and approval of the Board of Directors of the Company, approval of the Members of the Company, be and is hereby accorded for the reappointment of Mr. Umang Kanoria (DIN: 00081108) as the Managing Director of the Company for a term of 3 years with effect from 1st August, 2025 to 31st July, 2028 whose office shall be liable to retire by rotation, on such terms and conditions including remuneration as set out in the explanatory statement attached hereto."

**"RESOLVED FURTHER THAT** the Board be and is hereby authorized to alter and vary the terms and conditions of the appointment in such manner as may be agreed to by the Board and Mr. Umang Kanoria but so as not to exceed the limits specified in Schedule V of the Companies Act, 2013 or any amendments thereto or enactments thereof, with effect from such date as may be decided by it."

**"RESOLVED FURTHER THAT** the Board be and is hereby authorized to take all steps and perform such acts, deeds, matters and things, as may be considered necessary, desirable or expedient to give effect to this resolution."

4. **Ratification of remuneration payable to M/s A.C. Dutta & Co., Cost Auditors**

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder, as amended from time to time, the shareholders of the Company do hereby ratify the remuneration of Rs. 60,000/- p.a. (Rupees Sixty Thousand Only) in addition to applicable taxes and reimbursement of related expenses, to M/s A.C. Dutta & Co (Registration No.000125), Cost Accountants), who were appointed by the Board of Directors of the Company, as Cost Auditors, to conduct audit of the cost records maintained by the Company, for the financial year ending 31st March, 2026."

**"RESOLVED FURTHER THAT** the Board be and is hereby authorized to take all steps and perform such acts, deeds, matters and things, as may be considered necessary, desirable or expedient to give effect to this resolution."

5. **Appointment of M/s. LABH & LABH Associates, Company Secretaries, as Secretarial Auditor of the Company:**

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

## Notice *(Contd.)*

**"RESOLVED THAT** pursuant to the provisions of Regulation 24A 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), Section 204 of the Companies Act, 2013 ("the Act") and the rules made thereunder and other applicable provisions, if any, of the Act, M/s. LABH & LABH Associates, Company Secretaries (FIRM Registration No. : P2025WB105500) be and are hereby appointed as Secretarial Auditor of the Company, for a period of five consecutive financial years, i.e., 2025-2026 to 2029-2030, at such remuneration as may be decided by the Board of Directors of the Company in consultation with the Secretarial Auditor of the Company.

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to decide and/or alter the terms and conditions of the appointment including the remuneration for subsequent financial years as it may deem fit."

Registered Office:  
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Website: [www.kancotea.in](http://www.kancotea.in)  
Dated: 30th May, 2025

By Order of the Board  
**For Kanco Tea & Industries Limited**

**Charulata Kabra**  
Company Secretary  
Membership No. F9417

### NOTES:

- I. The Ministry of Corporate Affairs, Government of India ('MCA') has vide its circular no. 9/2024 dated 19 September 2024, read with general circulars no. 14/2020 dated 8 April 2020, no. 17/2020 dated 13 April 2020, no. 20/2020 dated 5 May 2020 (collectively referred to as 'MCA Circulars') and the Securities and Exchange Board of India ('SEBI') has vide its circular no. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated 3 October 2024 read with its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12 May 2020 (collectively referred to as 'SEBI Circulars'), permitted the holding of the Annual General Meeting ('AGM' or 'Meeting') through Video Conferencing facility / Other Audio Visual Means ('VC/OAVM'), on or before 30 September 2025, without the physical presence of the shareholders at a common venue. In compliance with the provisions of the Companies Act, 2013 ('the Act'), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and MCA & SEBI Circulars, the 42nd AGM of the Company is being held through VC/OAVM.
- II. The AGM being held pursuant to the 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 Attendance Slip are not annexed to this Notice. Since the AGM will be held through VC / OAVM, the Route map is not annexed to this Notice. Corporate Members authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting or e-voting during the AGM, are requested to send scanned copy (PDF/JPG) of its Board or governing body Resolution / authority letter, together with attested specimen signature of the duly authorized signatory through email to the Scrutinizer or the Company at [aklabhcs@gmail.com](mailto:aklabhcs@gmail.com) with copies marked to the Company at [compliance@kancotea.in](mailto:compliance@kancotea.in) and to its RTA at [rta@cbmsl.com](mailto:rta@cbmsl.com).
- III. 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 at least 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



## Notice *(Contd.)*

and Remuneration Committee and Stakeholders Relationship Committee, Auditors, Scrutinizer, etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

- IV. 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.
- V. 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.kancotea.in](http://www.kancotea.in). The Notice can also be accessed from the websites of the Stock Exchanges i.e., BSE Limited, and the Calcutta Stock Exchange Limited at [www.bseindia.com](http://www.bseindia.com) and [www.cse-india.com](http://www.cse-india.com), respectively, and the AGM Notice is also available on the website of CDSL i.e. [www.evotingindia.com](http://www.evotingindia.com).
- VI. Statement setting out material facts, pursuant to Section 102 of the Companies Act, 2013, in respect to Special Business- 3 and 4 of the accompanying Notice is annexed hereto.
- VII. Pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standards-2 on General Meetings issued by the Institute of Company Secretaries of India, the details in respect of Directors seeking appointment and re-appointment at this AGM are provided as an annexure to the Notice (Annexure – “A”).
- VIII. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 20th August, 2025 to Tuesday, 26th August, 2025 (both days inclusive) for the purpose of 42nd Annual General Meeting.
- IX. SEBI, vide its circular dated 3 November, 2021 (subsequently amended by circulars dated 14 December, 2021, 16 March, 2023 and 17 November, 2023) mandated that the security holders (holding securities in physical form), whose folio(s) do not have PAN or Choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature updated, shall be eligible for any dividend payment in respect of such folios, only through electronic mode with effect from 1 April, 2024, only upon furnishing the PAN, choice of nomination, contact details including mobile number, bank account details and specimen signature.
- X. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019. Further, transmission or transposition of securities held in physical or dematerialised form shall be affected only in dematerialized form. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, M/s. C B Management Services (P) Ltd for assistance.

Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests, viz. Issue of duplicate securities certificate; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Further SEBI vide its circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/65 dated May 18, 2022 has simplified the procedure and standardized the format of documents for transmission of securities. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4 & ISR-5, as the case may be.

- XI. Shareholders are informed that in terms of the provisions of the Listing Regulations, the Company is required to intimate the Stock Exchanges the details of the agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel and employees of the Company or of its holding, subsidiary or associate company, among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon the Company, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the Company is a party to such agreements. Accordingly, it is hereby advised to the shareholders to inform the Com-

## Notice (Contd.)

pany about any such agreement to which the Company is not a party, within two working days of entering into such agreements or signing an agreement to enter into such agreements. The Company will inform the details of such agreements to the Stock Exchanges on it becoming aware of it within the prescribed timelines.

[Explanation: For the purpose of this clause, the term 'directly or indirectly' includes agreements creating an obligation on the parties to such agreements to ensure that the listed entity shall or shall not act in a particular manner.]

- XII. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
- XIII. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Registrar and Share Transfer Agent of the Company, in case the shares are held by them in physical form.
- XIV. Members who have neither received or encashed their dividend warrant(s) for the financial years 2017-2018 and 2020-2021 to 2022-2023, are requested to write to the Company or its Registrar and Share Transfer Agent, mentioning the relevant Folio Number or DP ID and Client ID, for issuance of duplicate/revalidated dividend warrant(s). Members are requested to note that the dividends not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per Section 124 of the Companies Act, 2013, be transferred to the Investor Education and Protection Fund.
- XV. To avoid loss of dividend warrants in transit and undue delay in receipt of dividend warrants, the Company provides the facility to the Members for remittance of dividend directly in electronic mode through National Automated Clearing House (NACH). Members holding shares in physical form and desirous of availing this facility of electronic remittance are requested to provide their latest bank account details (Core Banking Solutions Enabled Account Number, 9-digit MICR and 11-digit IFS Code), along with their Folio Number, to the Company's Registrar and Share Transfer Agent - C B Management Services (P) Ltd. Members holding shares in electronic form are requested to provide the said details to their respective Depository Participants.
- XVI. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members.
- XVII. Members holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar and Share Transfer Agent. Members holding shares in electronic form must send the advice about change in address to their respective Depository Participant only and not to the Company or the Company's Registrar and Share Transfer Agent.
- XVIII. SEBI VIDE CIRCULAR NOS. SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, the investors can initiate dispute resolution through the ODR Portal (<https://smar-todr.in/login>).
- XIX. Notice of the 42nd AGM along with the Annual Report for the year 1st April 2024 to 31st March, 2025, instructions for e-voting and instructions for attending AGM through VC/OAVM, is being sent through electronic mode only to the members whose email addresses are registered with the Company/Depository Participant(s), unless any Member has requested for physical copy of the same. Members may note that the aforesaid documents will also be available on the Company's website [www.kancotea.in](http://www.kancotea.in), websites of the Stock Exchanges i.e. Calcutta Stock Exchange Limited and BSE Limited at [www.cse-india.com](http://www.cse-india.com) and [www.bseindia.com](http://www.bseindia.com) respectively and on the

02-66

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Statutory Reports

67-122

&gt;&gt;&gt;

Standalone Financials

123-174

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Consolidated Financials

## Notice *(Contd.)*

website of CDSL i.e [www.evotingindia.com](http://www.evotingindia.com). As per Regulation 36 (1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations, 2015'), as amended, the web-link, including the exact path, where complete details of the Annual Report are available will also be sent to those member(s) who have not registered their email address(es) either with the Company or with any Depository or CB Management Services (P) Ltd, Registrar & Share Transfer Agent (RTA) of the Company.

- XX. All the documents referred to in the accompanying Notice and the Explanatory Statement shall be available for inspection. Scanned copies of the Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act and the Register of Contracts or Agreements in which the Directors are interested maintained under Section 189 of the Act will be available for inspection by the Members in electronic mode during the AGM.
- XXI. Members having queries may send their queries in advance seven (7) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
- XXII. Voting through electronic means: Remote e-voting and e-voting during AGM
- a. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
  - b. The remote e-voting period begins on Thursday, 21st August, 2025 (9:00 a.m. IST) and ends on Monday, 25th August, 2025 (5:00 P.M) During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Tuesday, 19th August, 2025, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast 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 during the AGM. The voting rights of Shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the Cut-Off Date.
  - c. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e. Tuesday, 19th August, 2025.
  - d. The Members who have cast their vote by remote e-voting prior to the AGM may also attend / participate in the AGM through VC / OAVM, but shall not be entitled to cast their vote again.
  - e. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Tuesday, 19th August, 2025 may obtain the login ID and password by sending a request at [compliance@kancotea.in](mailto:compliance@kancotea.in)/ [rta@cbmsl.com](mailto:rta@cbmsl.com).
  - f. Mr. A.K. Labh, Practising Company Secretary (FCS – 4848 / CP-3238) (Address: A.K.Labh & Co, 40, Weston Street, 3rd Floor, Kolkata - 700013) has been appointed as the Scrutinizer for conducting the remote e-voting and e-voting process at the AGM in a fair and transparent manner.
  - g. E-voting Instructions: The details of the process and manner for remote e-voting are explained herein below:
    - i) Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:



## Notice (Contd.)

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<ol style="list-style-type: none"> <li>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; My Easi New (Token) Tab.</li> <li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> </ol>
	<ol style="list-style-type: none"> <li>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; My Easi New (Token) Tab and then click on registration option.</li> </ol>
	<ol style="list-style-type: none"> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>	<ol style="list-style-type: none"> <li>1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS" Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</li> </ol>

Type of shareholders	Login Method
	4. For OTP based login you can click on <a href="https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp">https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp</a> . You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. 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 re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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 company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 21 09911
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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at: 022 - 4886 7000 and 022 - 2499 7000

- (ii) Login method for e-Voting and joining virtual meeting for physical shareholders other than individual shareholders holding in Demat form.

- The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- Click on "Shareholders" module.
- Now enter your User ID
  - For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

## Notice (Contd.)

- d. Next enter the Image Verification as displayed and Click on Login.
- e. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- f. If you are a first-time user follow the steps given below:

	For Shareholders holding shares in Demat Form other than individual and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number indicated in the PAN field of the email sent to them.</li> <li>Members who have not registered their email address may obtain the sequence number from the Company after registering their email address as per process defined in point no. h</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>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.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (iii) After entering these details appropriately, click on "SUBMIT" tab.
- (iv) 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.
- (v) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (vi) Click on the EVSN for the relevant <KANCO TEA & INDUSTRIES LIMITED>.
- (vii) 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.
- (viii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (ix) 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.
- (x) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xiii) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app

## Notice *(Contd.)*

while Remote Voting on your mobile.

(xiv) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://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](mailto: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 & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution / Authority Letter / Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively non-individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [aklabhcs@gmail.com](mailto:aklabhcs@gmail.com)/ [compliance@kancotea.in](mailto:compliance@kancotea.in), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- Please note that in case of Non-Individual Shareholders (i.e. other than individuals, HUF, NRI, etc.), furnishing of the Board Resolution/Authority Letter/ Power of Attorney, in any mode as mentioned hereinabove is mandatory and in lack of it, the vote would be considered invalid by the Scrutinizer.
- All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 21 09911.

(xv) **Process for those shareholders whose email addresses/mobile nos. are not registered with the Depositories/Company**

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

**Instructions for Members attending the Annual General Meeting (AGM) through VC/OAVM and e-voting during the Annual General Meeting (AGM) are as under:**

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be

## Notice (Contd.)

displayed after successful login as per the instructions mentioned above for Remote e-voting.

3. 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.
4. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
5. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM. If a member casts vote(s) by both modes, then voting done through remote e-voting shall prevail and vote(s) cast at the Meeting shall be treated as "INVALID"
6. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
7. Further Shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
8. 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.
9. Shareholders who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at [compliance@kancotea.in](mailto:compliance@kancotea.in) from Monday, 11th August, 2025 (9:00 a.m. IST) to Monday, 18th August, 2025 (5:00 p.m. IST). Those Shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
10. If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no.1800 21 09911.

### h. General Information

1. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-Voting in the presence of at least two witnesses who are not in the employment of the Company and make, not later than 48 hours of conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or to a person authorized by the Chairman in writing who shall countersign the same.
2. The Chairman or the person authorized by him in writing shall forthwith on receipt of the consolidated Scrutinizer's Report, declare the Results of the voting. The Results declared, along with the Scrutinizer's Report, shall be placed on the Company's website and on the website of CDSL immediately after the results is declared and communicated to the Stock Exchanges where the equity shares of the Company are listed.
3. Subject to the receipt of requisite number of votes, the Resolutions forming part of the Notice of Annual General Meeting shall be deemed to be passed on the date of the AGM i.e., 26th August, 2025.



## Notice *(Contd.)*

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

#### Item No-3

Mr. Umang Kanoria (DIN:00081108), born on 2nd November, 1959, aged about 66 years is a Commerce Graduate with Honours from St. Xavier's College, Kolkata and an Associate Member of the Institute of Cost Accountants of India. He also holds a Masters in Business Administration from International Institute for Management Development, Switzerland. He has vast experience in Tea Industry and has served as past president of Indian Chamber of Commerce and Tea Associations of India. He is at present member of the Committees in Indian Tea Association and Tea Association of India. He is the Non-Executive Director of the Company since 23rd September, 2013. His present tenure as Managing Director will end on 31st July, 2025.

The Board of Directors of the Company at their meeting held on 30th May, 2025 has, on the recommendation of the Nomination and Remuneration Committee reappointed Mr. Umang Kanoria as the Managing Director of the Company for a period of three years w.e.f. 1st August, 2025 on such terms and conditions as mentioned in the draft agreement, to be entered into between the Company and Mr. Umang Kanoria subject to the approval of the members. In accordance with the requirements of Schedule V to the Companies Act, 2013 the Company has not committed any default in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor. A statement containing the requisite information in accordance with the requirement of Section II of Part II to Schedule V to the Companies Act, 2013 is also attached to this notice and marked as Annexure – "B".

The Board considers that his financial and management skills and robust knowledge in Tea Industry, along with better understanding of Company's structure and policies shall continue to play a pivotal role in the Company's growth.

Mr. U. Kanoria holds directorship/committee membership in the following Public Companies in addition to his directorship in Kanco Tea & Industries Limited: -

1. Kanco Enterprises Limited
2. Saregama India Limited
3. PCBL Chemical Limited
4. Spencer and Company Limited
5. Woodlands Multispeciality Hospital Limited
6. Winnow Investments and Securities Private Limited

Sl No.	Name of Company	Nature of Office
1	Kanco Enterprises Limited	Chairman- Share Transfer Committee Member- Stakeholders Relationship Committee Member- Finance and Investment Committee
2	Kanco Tea & Industries Limited	Chairman- Share Transfer Committee Member- Stakeholders Relationship Committee Chairman- CSR Committee Member- Finance and Investment Committee
3	Saregama India Limited	Chairman- Audit Committee Member- Nomination and Remuneration Committee Member- Stakeholders Relationship Committee Member- CSR Committee Member- Independent Directors' Committee

## Notice *(Contd.)*

Sl No.	Name of Company	Nature of Office
4	Woodlands Multispeciality Hospital Limited	Member- Audit Committee Chairman- Nomination and Remuneration Committee

The abstract of terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee and approved by the Audit Committee and Board of Directors, governing the appointment of Mr. Umang Kanoria as the Managing Director of the Company is as under:

1. Salary (Basic) per month: ₹ 2,25,000/-
2. Commission- 5% of the net profits subject to 100% of Salary
3. Allowances/Perquisites:

### **Gas/Electricity/ Water and Furniture/fixtures: -**

Expenditure incurred to be valued as per Income Tax Rules, 1962

### **Medical Reimbursement**

Expenditure incurred by the Managing Director and his family, subject to a ceiling of one month's salary (basic) in a year or three months' salary (basic) over a period of three years.

### **Club Fees**

Actual Fees for a maximum of two clubs. Admission fee and life membership fee shall not be paid by the Company.

4. The following shall not be included in the computation of ceiling on remuneration specified above:
  - (a) One and a Half month's leave with full pay and perquisites, subject to a maximum accumulation of leave for 90 days.
  - (b) Encashment of un-availed leave at the end of the tenure or at specified intervals will be as per Scheme of the Company
  - (c) Provision of car for use in relation to Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the Managing Director.

### **5. Minimum Remuneration:**

In the event of loss or inadequacy of profit in any financial year, the Managing Director shall be paid monthly remuneration not exceeding the applicable ceiling laid down in Section ii of Part II of Schedule V to the Companies Act, 2013.

### **6. General:**

-That the Managing Director shall not be entitled for any sitting fees for attending the meeting of the Board of Directors of the Company or any Committees thereof, as long as he functions as the Managing Director.

-That the Managing Director shall be liable to retire by rotation in accordance with the provisions of Section 152 of the Companies Act, 2013.

-That the Managing Director as well as the Company shall have the rights to terminate this agreement by giving the other six months' notice in writing, subject to the discretion of the Board of Directors of the Company, to agree at a shorter notice.

## Notice *(Contd.)*

-That the terms and conditions of this agreement of service may be varied from time to time by the Board of Directors of the Company, within the maximum amount payable to the Managing Director in accordance with the applicable provisions of the Companies Act, 2013.

Mr. Kanoria satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out in sub-section (3) of Section 196 of the Act for being eligible for his re-appointment. He is not disqualified from being appointed as a Director under Section 164(2) of the Companies Act, 2013 read with Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014. He holds 466605 equity shares in the Company, on beneficial basis.

Approval of shareholders by Special Resolution is also required under Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015.

Mr. Umang Kanoria is interested in the resolution set out at item No. 3 which pertains to his appointment and remuneration payable to him as a Managing Director. Mrs. Anuradha Kanoria, who is the spouse of Mr. Umang Kanoria and also the whole time Director of the Company and their other relatives, to the extent of their shareholding interest in the Company, may be deemed to be concerned or interested in the appointment and remuneration payable to Mr. Kanoria.

Save and except the above, none of the other Directors or Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at item No.6 of the Notice.

The Board of Directors recommends the Special Resolution set out at item No. 3 of the accompanying Notice for approval of the Members.

### **Item No-4**

The Board, on the recommendation of the Audit Committee, in its meeting held on 30th May, 2025, has approved the appointment and remuneration of M/s A. C. Dutta & Co., as the Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2026.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with rules made thereunder, the remuneration payable of Rs. 60,000/- (Rupees Sixty Thousand Only) plus taxes as applicable and reimbursement of out-of-pocket expenses payable to the Cost Auditors has to be ratified by the members of the Company. Accordingly, the consent of the members is sought for passing an Ordinary Resolution as set at item No. 4 of the Notice for ratification of remuneration payable to the Cost Auditors for the financial year ending 31st March, 2026.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item No. 4 of the Notice.

The Board recommends the Resolution to be passed as Ordinary Resolution by the Members.

### **Item No-5**

Securities Exchange Board of India (SEBI) vide SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 dated December 12, 2024 has mandated appointment or re-appointment of an audit firm registered with the Institute of Company Secretaries of India as Secretarial Auditor for not more than two (2) terms of five (5) consecutive years with the approval of its shareholders in its Annual General Meeting w.e.f. April 1, 2025. Any association of the individual or the firm as the Secretarial Auditor of the listed entity before 31st March, 2025 shall not be considered for the purpose of calculating the tenure under 24A(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

## Notice *(Contd.)*

Pursuant to the above requirement, the Board of Directors of the Company vide its meeting held on 30th May, 2025 .has appointed "LABH & LABH Associates", Company Secretaries (FRN : P2025WB105500) as Secretarial Auditor of the Company for a period of five consecutive financial years, i.e., 2025-2026 to 2029-2030 in terms of Regulation 24A of the Listing Regulations and SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/CIR/P/ 2024/185 dated December 31, 2024 ("SEBI Circular") read with provisions of Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The firm has consented to the said appointment, and confirmed that their appointment, if made, would be within the limits specified under the Act. They have further confirmed that they are eligible for the proposed appointment as Secretarial Auditors of the Company and has not incurred any of the disqualifications as specified vide the said SEBI Circular.

### Brief Profile & Credentials

"LABH & LABH Associates" is a firm of Practicing Company Secretaries registered with the Institute of Company Secretaries of India. The firm is engaged in rendering services related to company law, SEBI matters, capital markets, corporate restructuring, business planning and other gamut of corporate affairs.

The Firm comprises of competent team members and associates having expertise in legal, secretarial, financial and other allied subjects. The Firm leverages a modern infrastructure, competent staff and a network of associates across India to meet the dynamic evolving needs of the corporate world. All the partners of the firm are having the Peer Review Certificate from the Institute of Company Secretaries of India.

### Terms of Appointment

Appointment is proposed for a period of five consecutive financial years, i.e., 2025-2026 to 2029-2030, subject to approval of the shareholders of the Company in the forthcoming 42nd Annual General Meeting of the Company, as Secretarial Auditor of the Company at a remuneration of Rs. 1,50,000/- (Rupees One Lakh Fifty Thousand only) plus out of pocket expenses at actuals, for each financial year subject to revision as mutually agreed between the Board and the Auditors in due course during the tenure of appointment. The proposed fee is based on knowledge, expertise, industry experience, time and efforts required to be put in by them, which is in line with the industry benchmarks.

Considering the expertise and profile of the firm, the resolution for appointment of the firm is proposed for approval of the members of the Company.

None of the Directors or Key Managerial Personnel and/or their relatives in any way, financially or otherwise, is interested or deemed to be interested in the proposed resolution.

The Board recommends the Resolution to be passed as Ordinary Resolution by the Members.

02-66

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Statutory Reports

67-122

&gt;&gt;&gt;

Standalone Financials

123-174

&gt;&gt;&gt;

Consolidated Financials

## Notice *(Contd.)*

### Annexure – “B”

#### STATEMENT CONTAINING INFORMATION AS REQUIRED UNDER SECTION II (B) (iv) OF PART II OF SCHEDULE V OF THE COMPANIES ACT, 2013 AND FORMING PART OF THE NOTICE OF 42nd ANNUAL GENERAL MEETING

##### I. GENERAL INFORMATION:

###### (1) Nature of Industry

Manufacturer of Black Tea

###### (2) Date or expected date of commencement of commercial production

The Company took over the Tea Gardens at Assam in the year 2010 under a Scheme of Arrangement from Kanco Enterprises Limited. After the demerger, the Company changed its name from Dhanvaridhi Concerns Limited (being operational since 1983) to Kanco Tea & Industries Limited with effect from 21st April, 2010.

###### (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable

###### (4) Financial performance based on given indicators

Amount (₹) in Lakhs

Financial Year ended	31.03.2025	31.03.2024
Gross Sales & Other Income	6765.90	7797.67
Profit before Tax	(831.23)	(858.25)
Profit After Tax	(866.42)	(918.82)
Equity Share Capital	512.28	512.28
Reserves & Surplus (excluding revaluation reserve)	3256.40	3880.56
Net Worth	3768.68	4392.85

###### (5) Export performance and net foreign exchange collaborations:

Amount (₹) in Lakhs

Financial Year ended	31.03.2025	31.03.2024
Foreign Exchange Earnings	-	-
Foreign Exchange Outgo	56.83	85.84

###### (6) Foreign Investments or collaborators, if any: Not Applicable.

##### II. INFORMATION ABOUT THE APPOINTEE: Mr. Umang Kanoria

###### 1) Background details:

Mr. Umang Kanoria (DIN:00081108), an Associate Member of the Institute of Cost Accountants of India (now known as ACMA) has vast experience in Tea and Textile Industry and has served as past Joint Managing Director of Bengal Tea & Fabrics Limited and past President of Indian Chamber of Commerce and former Chairman of Tea Association of India. Under his leadership the tea business of Bengal Tea & Fabrics Limited and Kanco Tea & Industries Ltd. reached new heights. He has completed his B. Com (Hons.) from St. Xavier's College, Kolkata, ACMA (formerly AICWA) and MBA from International Institute for Management Development, Switzerland. He is pivotal for enhancing the performance, efficient management and future growth of the Company. He has over 36 years of experience in Tea and Textile business.

###### 2) Past remuneration

Mr. Umang Kanoria was associated with the Company as Non-Executive Director since 23rd September, 2013 and received sitting fees of Rs. 15000/- for every Board Meeting attended by him. He was appointed as Managing Director of the Company for a period of three years from 1st August, 2022 at the remuneration as detailed below:



## Notice (Contd.)

**1. Salary (Basic) per month:** Rs.2,00,000/- Rs.2,25,000/- Rs.2,50,000/-

**2. Commission-** 5% of the net profits subject to 100% of Salary

**3. Allowances/Perquisites:**

Gas/Electricity/ Water and Furniture/fixtures: -

Expenditure incurred to be valued as per Income Tax Rules, 1962

### Medical Reimbursement

Expenditure incurred by the Managing Director and his family, subject to a ceiling of one month's salary (basic) in a year or three months' salary (basic) over a period of three years.

### Club Fees

Actual Fees for a maximum of two clubs. Admission fee and life membership fee shall not be paid by the Company.

**4. The following shall not be included in the computation of ceiling on remuneration specified above:**

- (d) One and a Half month's leave with full pay and perquisites, subject to a maximum accumulation of leave for 90 days.
- (e) Encashment of un-availed leave at the end of the tenure or at specified intervals will be as per Scheme of the Company
- (f) Provision of car for use in relation to Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the Managing Director.

**5. Minimum Remuneration:**

In the event of loss or inadequacy of profit in any financial year, the Managing Director shall be paid monthly remuneration not exceeding the applicable ceiling laid down in Section ii of Part II of Schedule V to the Companies Act, 2013.

**3) Recognition**

Mr. Umang Kanoria is an imminent industrialist. He was past President of Indian Chamber of Commerce and former Chairman of Tea Association of India.

**4) Job Profile and his suitability**

Mr. Kanoria as a Director of the Company has contributed to the strategy and areas impacting company performance. His financial and management skills and robust knowledge in Tea Industry, along with better understanding of Company's structure and policies has played a pivotal role in the Company's growth.

**5) Remuneration proposed**

**As referred in the Explanatory Statement (item no. 3) of the Notice.**

**6) Comparative remuneration Profile with respect to industry, size of the company, profile of the position and person**

It is not possible to find out comparative remuneration with respect to the profile of the position for similar size of Company in the industry. Rossel India Limited is paying Rs.130.95 Lakhs to its managing director and Diana Tea Company Limited is paying Rs.67.20 Lakhs to its Managing Director. The remuneration of Mr. Umang Kanoria is purely based on merits.

**7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any**

Mr. Umang Kanoria has no pecuniary relationship with the Company other than his remuneration as Managing Director and member/promoter of the Company. Relationships by way of Indian Accounting Standard (Ind AS) 24 are disclosed in the Annual Report. He is related to Mrs. Anuradha Kanoria, Whole time Director as spouse.

## Notice *(Contd.)*

### III. Other information:

#### (1) Reasons of loss or inadequate profits

The Cost of Production is increasing every year due to higher wages and increase in other inputs, whereas the increase in average price realization is not in tandem with the increase in cost of production. It's anticipated that with appointment of Mr. Umang Kanoria as Managing Director, the profits may be inadequate for payment of salary to Managing Director and Whole-time Director.

#### (2) Steps taken or proposed to be taken for improvement

The Company has focused on improving the filed practices and over the years have uprooted sections which are above 50 years age. The Company has also focus on manufacture of quality teas.

#### (3) Expected increase in productivity and profits in measurable terms

Continuous focus on improving field practices, system of uprooting old tea bushes and re-planting every year and thrust on producing superior quality teas will improve the bottom line of the company in coming years.

The above remuneration is to be paid as minimum remuneration in the absence or inadequacy of profits, subject to the provisions of Schedule V of the Companies Act, 2013.

### IV. Disclosure:

- (1) The Shareholders of the Company are being informed of the remuneration package of Mr. Umang Kanoria and all elements thereof are given in explanatory statement attached to the Notice of 42nd Annual General Meeting.
- (2) As required, the disclosure relating to remuneration packages such as salary and benefits, service contracts and notice period of Mr. Umang Kanoria has been mentioned in the Corporate Governance Report annexed to the Directors Report.

#### Annexure – “A”

Details of Director seeking appointment/reappointment at the Annual General Meeting pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standard on General Meeting (SS-2) as amended.

Name of Director	Mr. Umang Kanoria
DIN	00081108
Date of Birth / Age	2nd November, 1959 / 66 years
Date of first Appointment on the Board	23 <sup>rd</sup> September, 2013
Category	Executive Director
Qualifications	B. Com (Hons.), ACMA, M.B.A.
Nature of Expertise in functional areas	Has rich experience in Tea industry and has served as past president of Indian Chamber of Commerce and Tea Association of India. He is at present member of the Committees in Indian Tea Association and Tea Association of India.
Number of Meetings of the Board attended during the year	4 (Four)
List of Directorships of other Board, including listed entities	1. Kanco Enterprises Limited 2. PCBL Chemical Limited 3. Saregama India Limited 4. Spencer & Company Limited 5. Winnow Investments and Securities Private Limited 6. Woodlands Multispeciality Hospital Limited Private Companies: 1. E.T. Resources Private Limited 2. Cosmos Resources Private Limited 3. Kanco Speciality Packaging Private Limited

## Notice (Contd.)

Names of other listed entities from which the person has resigned in the past three years	Stel Holdings Limited
List of Membership/Chairmanship of Committees of other Board	<b>Kanco Enterprises Limited</b> Chairman- Share Transfer Committee Member- Stakeholders Relationship Committee Member- Finance and Investment Committee <b>Saregama India Limited</b> Chairman- Audit Committee Member- Nomination and Remuneration Committee Member- Stakeholders Relationship Committee Member- CSR Committee Member-Independent Directors' Committee <b>Woodlands Multispeciality Hospital Limited</b> Member- Audit Committee Chairman- Nomination and Remuneration Committee
Number of shares held by him in Kanco Tea & Industries Limited:	
Equity	Nil
a) Own	466605
b) Beneficial basis	Nil
Preference	
Relationship with any Director(s) and KMPs of the Company	Mrs. Anuradha Kanoria and Mr. Umang Kanoria are related as Spouse.
Skills and capabilities for the role of Independent Director and how he meets such requirements	N.A.

### Registered Office:

Jasmine Tower, 3<sup>rd</sup> Floor  
31, Shakespeare Sarani, Kolkata – 700017  
CIN: L15491WB1983PLC035793  
Telefax: (033) 22815217  
Email: contact@kancotea.in  
Website: www.kancotea.in  
Dated: 30<sup>th</sup> May, 2025

By Order of the Board  
For **Kanco Tea & Industries Limited**

**Charulata Kabra**  
Company Secretary  
Membership No. F9417

02-66

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Statutory Reports

67-122

&gt;&gt;&gt;

Standalone Financials

123-174

&gt;&gt;&gt;

Consolidated Financials

## Directors' Report

*Dear Members,*

Your directors are pleased to present their 42nd (Forty Second) Annual Report and the Company's audited financial statement for the financial year ended 31st March, 2025.

### Financial Results

The Company's financial performance, for the year ended 31st March, 2025 is summarized below:

₹ in Lakhs

Particulars	Standalone		Consolidated	
	2025	2024	2025	2024
Revenue from Operations	6,360.19	7,651.92	6,360.19	7,651.92
Other Income	40.57	145.75	463.03	217.05
<b>Total Income</b>	<b>6765.90</b>	<b>7,797.67</b>	<b>6,823.22</b>	<b>7,868.97</b>
<b>Expenses</b>				
Operating Expenditure	7,334.65	8,387.83	7,347.91	8,411.13
Depreciation & Amortisation Expenses	262.48	268.08	262.60	268.20
<b>Total Expenses</b>	<b>7,597.13</b>	<b>8,655.91</b>	<b>7,610.51</b>	<b>8,679.33</b>
<b>(Loss)/Profit Before Exceptional Items and Tax</b>	<b>(831.23)</b>	<b>(858.24)</b>	<b>(787.29)</b>	<b>(810.36)</b>
Less: Exceptional Items	-	-	-	-
<b>(Loss)/Profit Before Tax</b>	<b>(831.23)</b>	<b>(858.24)</b>	<b>(787.29)</b>	<b>(810.36)</b>
Less: Tax expense	35.19	60.57	46.64	73.61
<b>(Loss)/Profit After Tax</b>	<b>(866.42)</b>	<b>(918.81)</b>	<b>(833.93)</b>	<b>(883.97)</b>
Other Comprehensive Income / (Loss) for the year, net of tax	242.25	42.19	242.25	42.19
<b>Total Comprehensive (Loss) / Income for the year</b>	<b>(624.17)</b>	<b>(876.62)</b>	<b>(591.68)</b>	<b>(841.78)</b>

### Results of Operations and the State of the Company's Affairs

The year under review was a challenging year for tea industry. The annual production of teas in North India for the f.y. 2024-2025 was 1020.06 million Kgs compared to 1068.14 million Kgs in f.y. 2023-2024. The average realisation of teas for North India went down from Rs. 222.55 in f.y. 2024-2025 to Rs.183.89 in f.y. 2023-2024. The average realization of our teas till 31st March, 2025 was Rs.290.95 as compared to Rs.233.79 for the previous year.

The results for the year ended 31st March, 2025 are lower mainly on account of decline in production of own teas.

The production of tea in the current season are higher than last year. The North India Production figure for April, 2025 was 72.99 million Kgs compared to 63.76 million Kgs in the corresponding period of 2024. Our Own Tea Productions are also higher.

Overall market sentiment at present is fairly depressed with over supply and weak domestic & international demands. The year ahead looks difficult for the tea industry. The company with its focus on production of quality tea will also be affected by the market sentiments but to a lesser degree.

In the financial year 2024-2025, 32.49 hectares, 14.79 hectares and 12.22 hectares of the plantation area were replanted, rehabilitated and uprooted respectively. Investment in factory machinery has also been made to upgrade the machineries and also to enhance quality of teas.

## Directors' Report *(Contd.)*

The Company is registered as a medium enterprise under Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 bearing Udyam Registration Number UDYAM-WB-10-0003498. This has resulted in lower interest rate charged by the Bank and the Company will also avail other benefits as and when announced for MSME.

### Certifications

Mackeypore Tea Estate & Lakmijan Tea Estate has been issued verification certificate bearing no.TS-VC/CB/00001286/2023 under trustea code for sustainable tea in India by Control Union. Bamonpookrie Tea Estate has also been issued verification certificate bearing no. TS-VC/CB/00000471/2021 under trustea code for sustainable tea in India by Control Union. The trustea code covers social, agronomic, food safety, occupational health & safety and environmental criteria.

### Dividend

The Directors of your Company has not recommended any dividend for the year under review.

### Transfer to Reserves

During the year under review, Rs.40,00,000/- (Rupees Forty lakhs only) was transferred from Preference Share Redemption Reserve to General Reserve.

### Share Capital

As on 31st March, 2025, the issued, subscribed and paid-up share capital of your Company stood at Rs. 5,12,28,270. During the year under review, the Company has not issued any shares or any other securities.

### Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on 31st March, 2025 is available on the Company's website on <https://www.kancotea.in/pdf/2025-2026/annual%20year%20ended%2031st-20March%202025.pdf>

### Directors

As of the date of this report, the Board of Directors of the Company comprises of 6 (Six) members with 2 (two) Executive Directors, 1(one) Non-Executive Director and 3 (Three) Non-Executive Independent Directors.

During the year under review, Mr. Dipankar Samanta (DIN: 10176966) was appointed as Non-Executive Non-Independent Director, liable to retire by rotation. Mr. Rohinton Kurus Babaycon (DIN: 00178546) was also appointed as Non-Executive Independent Director of the Company for a period of 5 consecutive years with effect from 30th May, 2024 to 29th May, 2029 not liable to retire by rotation. Mrs. Anuradha Kanoria (DIN: 00081172) was also reappointed as Whole time Director for a period of 3 years effective from 1st December, 2024, not liable to retire by rotation. Mr. Navin Nayar (DIN: 00136057), Independent Director completed two terms of five year each on 13th August, 2024, hence retired.

In accordance with the provisions of Section 152 of the Act read with rules made there under and the Articles of Association of the Company, Mr. Umang Kanoria (DIN: 00081108) is liable to retire by rotation at the ensuing Annual General Meeting and being eligible has offered himself for reappointment. The Board of Directors on the recommendation of the Nomination and Remuneration Committee in their meeting held on 30th May, 2025 had re-appointed Mr. Umang Kanoria (DIN:00081108) as Managing Director for a period of 3 years effective from 1st August, 2025, liable to retire by rotation. Accordingly, the Board recommends the resolution for re-appointment Mr. Umang Kanoria as Managing Director, liable to retire by rotation for approval by the members of the Company.

The Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 read with rules related thereto and Regulations 16(1)(b) and 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Directors of the Company have confirmed that they have complied with the Company's Code of Conduct. In the opinion of the Board, the Independent Directors, fulfill the conditions of independence specified in Section 149(6) of the Companies Act, 2013

02-66

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Statutory Reports

67-122

&gt;&gt;&gt;

Standalone Financials

123-174

&gt;&gt;&gt;

Consolidated Financials



## Directors' Report *(Contd.)*

and Regulations 16(1)(b) and 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Separate meeting of the Independent Directors was held once during the year under report.

### Board Evaluation

The Company has devised a Policy for Performance Evaluation of Independent Directors, Board, Committees and other Directors which includes criteria for performance evaluation of the non-executive Directors and Executive Directors under section 178(1) of the Companies Act, 2013 and SEBI Listing Regulations. On the basis of the Policy, a structured questionnaire was prepared after taking into consideration the various aspects of the Boards' functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance.

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations. The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings wherein adequate opportunity is given to the members to share their views, effective contribution in Board's decision by recommendations made by Committee etc.

The Board and 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, Communication and contribution in the discussions in a positive and constructive manner impacting company performance etc. At the board meeting the performance of the Board, its committees, and individual directors was also discussed. Performance evaluation of independent directors was done by the entire Board, excluding the independent director being evaluated. The Board of Directors expressed their satisfaction with the evaluation process.

### Policy on Directors' Appointment, Remuneration etc.

The Nomination and Remuneration Committee selects the candidates to be appointed as the Director on the basis of the requirement and enhancing the competencies of the Board. The policy ascertains balance of executive and non-executive Independent Directors to maintain the independence of the Board. The composition of Board of Directors during the year ended 31st March, 2025 is in conformity with Regulation 17 of the SEBI Listing Regulations, read with Section 149 of the Companies Act, 2013. The Company has policy, namely Nomination and Remuneration Policy, to govern directors' appointment, including criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013 and the remuneration to the Directors. The policy can be viewed at <http://kancotea.in/pdf/2017-2018/NOMINATION%20AND%20REMUNERATION%20POLICY.pdf>.

### Key Managerial Personnel

The following persons are the Key Managerial Personnel (KMP) of the Company in compliance with the provisions of Section 203 of the Companies Act, 2013:

- a) Mr. U. Kanoria (DIN:00081108), Managing Director
- b) Mrs. A. Kanoria (DIN:00081172), Whole-time Director
- c) Ms. Charulata Kabra, Company Secretary
- d) Mr. S. K. Parhi, Chief Financial Officer

### Number of Meetings of the Board

During the FY 2024-25, 4(four) Meetings of the Board of Directors of the Company were convened and held. The particulars of Meetings held and attended by each Director are detailed in the Corporate Governance Report that form

## Directors' Report *(Contd.)*

part of this Annual Report.

### Audit Committee

In accordance with the provisions of Section 177(8), the Company has duly constituted an Audit Committee which performs the roles and functions as mandated under the Act, SEBI Listing Regulations and such other matters as prescribed by the Board from time to time. Details of the composition, attendance at its meetings and other details have been furnished as a part of the Corporate Governance Report. There have not been any instances during the year under review, when the recommendations of the Committee were not accepted by the Board.

### Other Committees

The Company has various other committees, viz, Nomination and Remuneration Committee, Finance and Investment Committee, CSR Committee, Share Transfer Committee and Stakeholder Relationship Committee in compliance with the provisions of the Companies Act, 2013 read with rules related thereto and Securities and SEBI Listing Regulations. The detail of such committees are given in the segment of Corporate Governance Report.

### Directors' Responsibility Statement

The Directors hereby confirms that

- in the preparation of the annual accounts, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- they had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2025 and of the loss of the Company for the year ended on that date;
- they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- they had prepared the annual accounts on a going concern basis;
- they had laid down internal financial control to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### Statutory Auditors

The Members of the Company at the Annual General Meeting held on 13th August, 2024 approved the appointment of M/s NKSJ & Associates, Chartered Accountants (Registration No. 329563E) as the Statutory Auditors of the Company for a period of five years commencing from the conclusion of the 41st AGM till the conclusion of the 46th AGM. The Company has received the consent and eligibility certificate from M/s NKSJ & Associates stating that they are not disqualified within the meaning of Section 141 of the Companies Act 2013. They have also confirmed that they hold a valid peer review certificate as prescribed under regulation 33(1) (d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The details relating to fees paid to the Statutory Auditors are given in the Note No.33.1 of the Financial Statements.

### Statutory Auditor's Report

The Reports given by M/s NKSJ & Associates, Chartered Accountants on the Financial Statements of the Company for Financial Year 2024-25 does not contain any qualification, reservation or adverse remarks and forms part of the

## Directors' Report *(Contd.)*

Annual Report.

### Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed Mr. Asit Kumar Labh, Practicing Company Secretary (C.P No.14664) to undertake the Secretarial Audit of the Company for the Financial Year 2024-25.

### Secretarial Audit Report

The Report of Secretarial Audit in form MR-3 in accordance to Section 204 of Companies Act, 2013 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements Regulations, 2015 for the financial year ended 31st March, 2025 is annexed herewith and marked as Annexure A to this Report.

There are no audit qualifications, reservations or any adverse remark in the said Secretarial Audit Report.

Pursuant to Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the report of the Secretarial Auditor of Winnow Investments and Securities Private Limited, material subsidiary of the Company is annexed herewith marked as Annexure B to this report.

### Cost Audit

In accordance with the provisions of Section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 the Company was required to appoint Cost Auditors to audit the cost records. The Board of Directors, on the recommendation of Audit Committee, have re-appointed M/s A. C. Dutta & Co, Cost Accountants (Registration No.000125) as the Cost Auditor for the financial year 2025-26. As required under the Act, a resolution seeking member's approval for the remuneration payable to the Cost Auditor forms part of the Notice convening the Annual General Meeting for their ratification.

The Cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, are prepared, maintained and the same are audited by the Cost Auditor. The Cost Audit Report for the year 2023-24 was filed with the Ministry of Corporate Affairs.

### Secretarial Standards

The Directors state that applicable Secretarial Standards, i.e. SS-1 (Meetings of the Board of Directors), SS-2 (General Meetings), SS-3 (Dividend) and SS-4 (Report of the Board of Directors) respectively, have been duly followed by the Company.

### Particulars of Loans, Guarantees or Investments by Company

The particulars of investments made and loan given by the Company under Section 186 of the Companies Act, 2013 are provided in note nos. 7 and 9 to the financial statements.

### Related Party Transactions

All Related Party Transactions that were entered into during the Financial Year under review were on an arm's length basis, and in the ordinary course of business and are in compliance with the applicable provisions of the Act and the Listing Regulations. There were no materially significant Related Party Transactions made by the Company during the year that required shareholders' approval under Regulation 23 of the Listing Regulations. All Related Party Transactions are placed before the Audit Committee for prior approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are repetitive in nature or when the need for these transactions cannot be foreseen in advance. None of the transactions entered into with Related Parties fall under the scope of Section 188(1) of the Act. Details of transactions with Related Parties as required under Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Annexure - C in Form AOC - 2 and forms part of this Report. The Company has adopted a Policy for dealing with Related Party Transactions. The Policy as approved by the Board is available at the web link: <https://www.kancotea.in/pdf/2021-2022/POLICY%20ON%20DEALING%20>

## Directors' Report *(Contd.)*

[WITH%20RELATED%20PARTY%20TRANSACTIONS%20AND%20MATERIALITY%20OF%20RELATED%20PARTY%20TRANSACTIONS.pdf](#)

### Material Changes and commitments occurred between the end of the Financial Year under Review and the date of this report.

No material changes and commitments have occurred between the end of the financial year under review and the date of this report.

### One-time settlement with Banks or lending institutions, if any

During the year under review, the Company has not entered into any one-time settlement with Banks or lending institutions.

Cases registered with NCLT under the provisions of insolvency and Bankruptcy Code, 2016, either by the Company or against the Company

During the year under review, no cases have been registered with NCLT under the provisions of Insolvency and Bankruptcy Code, 2016, either by the Company or against the Company.

### Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

A statement pursuant to Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 on conservation of energy, technology absorption, foreign exchange earnings and outgo is annexed herewith marked as Annexure D to this report.

### Risk Management

As per requirement of Section 134(3) (n) of the Companies Act, 2013 the Board of Directors in its meeting held on 9th May, 2014 had approved the Risk Management Policy. The Board had in its policy had envisaged various elements of risks which may threaten the existence of the Company. Risk evaluation and management is an ongoing process within the Company. The Risk Management Policy is reviewed by the Board every year. The Risk Management Policy of the Company is available on the website of the Company at <https://kancotea.in/pdf/2023-2024/Risk%20Management%20%20Policy.pdf>

### Corporate Social Responsibility

The Company has a Policy on Corporate Social Responsibility and the same has been posted on the website of the Company at <https://www.kancotea.in/pdf/2021-2022/CSR%20POLICY.pdf>. The Annual Report on CSR activities in terms of the requirements of Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed as Annexure - E, which forms part of this Report

### Subsidiaries, Joint Ventures and Associate Companies

As on 31st March, 2025, we have one wholly owned material subsidiary namely Winnow Investments and Securities Private Limited. During the year, the Board of Directors reviewed the affairs of the subsidiary. In accordance with Section 129(3) of the Companies Act, 2013, we have prepared the consolidated financial statement of the company and its subsidiary, which forms part of the Annual Report. The revenue and total comprehensive income of the subsidiary for the financial year ended 31st March, 2025 was Rs.57.32 Lakhs (P.Y Rs. 71.30 Lakhs) and Rs. 57.32 Lakhs (P.Y. Rs. 71.30 Lakhs) respectively. The total asset of the subsidiary as on 31st March, 2025 was Rs.2467.76 Lakhs (P.Y Rs. 2435.91 Lakhs). Further, a statement containing the salient features of the financial statement of our subsidiary, in Form AOC-1, is annexed as Annexure - F, which forms part of this Report

### Deposits

During the year under review, the Company has not accepted any deposits, within the meaning of Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014. Pursuant to Rule 2(c) (viii) of

## Directors' Report *(Contd.)*

the Companies (Acceptance of Deposits) Rules, 2014, the Company has received money from its directors, the details of which are provided in the Financial Statement.

### Material Orders Passed by the Regulators /Courts/ Tribunal

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

### Changes in the nature of business

During the year under review, there was no change in the nature of the business of the Company.

### Internal Controls

The Company has adopted and implemented robust policies and procedures for ensuring the orderly and efficient conduct of its business. The Audit Committee of the Board of Directors reviews the adequacy and effectiveness of the Internal Control System. The Company's internal Control System is commensurate with its size, scale and complexities of its operations and ensures safeguarding of its assets, compliance with the applicable laws, prevention and detection of fraud, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures.

### Vigil Mechanism/ Whistle Blower policy

The Company has a Vigil Mechanism / Whistle Blower policy to report genuine concerns and grievances. Protected disclosures can be made by a whistle blower through an email or dedicated telephone line or a letter to the Chairman of the Audit Committee. No complaint was received during the year nor was pending at the end of the year. The policy can be viewed at [http://kancotea.in/pdf/Code%20of%20Conduct/VIGIL%20MECHANISM\\_WHISTLE%20BLOWER%20POLICY.PDF](http://kancotea.in/pdf/Code%20of%20Conduct/VIGIL%20MECHANISM_WHISTLE%20BLOWER%20POLICY.PDF).

### Stock Exchange

At present, the Company's equity shares are listed at BSE Limited (Scrip Code- 541005) and the Calcutta Stock Exchange Limited (Scrip Code-14107) and Listing Fees for the financial year 2025-2026 has been paid.

### Management Discussion and Analysis

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(3) read with Schedule V to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed herewith marked as Annexure G to this report.

### Corporate Governance

The Report on Corporate Governance provisions in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed herewith marked as Annexure H to this report.

### Transfer to Investor Education and Protection Fund

During the year under review, the declared dividend (2016-2017) which remained unpaid or unclaimed for a period of seven years has been duly transferred by the Company to the Investor Education and Protection Fund (IEPF). Further, all shares in respect of which dividend remained unpaid or unclaimed for seven consecutive years, the corresponding shares were also transferred to the Demat Account of IEPF Authority.

Dividend which has remained unpaid or unclaimed out of the dividend declared by the Company for the year ended 31st March, 2017 will be transferred to the Investor Education and Protection Fund ("IEPF"), pursuant to Sections 124 and 125 of the Companies Act, 2013. Pursuant to Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (the "IEPF Rules") as amended, the equity shares corresponding to the dividend for the financial year ended 31st March, 2018 onwards has remained unpaid or unclaimed for seven consecutive years will also be transferred to the demat account of the IEPF Authority. Thereafter no claim shall lie on the Company for the said unpaid or unclaimed dividend



## Directors' Report *(Contd.)*

and equity shares. Shareholders will have to make their claims with the IEPF Authority following the appropriate rules in this regard.

In compliance with the said IEPF Rules, the Company had sent notices to all members who have not claimed dividend for seven consecutive years, published the requisite advertisements in the newspapers and had also informed Stock Exchanges where shares of the Company are listed.

List of shareholders whose dividend remains unclaimed as on the date of closure of financial year i.e. 31st March, 2025 is available on the Company's website "www.kancotea.in". Further the list of shareholders whose shares are liable to be transferred to IEPF in FY 2025-2026 is available on the Company's website "www.kancotea.in".

### Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has a policy for prevention of sexual harassment of women at workplace and also complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Number of complaints received and resolved in relation to Sexual Harassment of Women at Workplace (Prevention, Protection, and Redressal) Act, 2013: during the year under review and their breakup is as under:

No. of Complaints pending as on 1st April, 2024: Nil

No. of Complaints received: Nil

No. of Complaints Disposed off: Nil

No. of cases pending as on 31st March, 2025: Nil

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

Sl. No.	Particulars	Details
(i)	The ratio of the remuneration of each director to the median remuneration of the company for the financial year	Mr.Umang Kanoria - MD – 6.59:1 Mrs.Anuradha Kanoria - WTD – 16.43:1 Mr.Navin Nayar - N.A. Ms.Shruti Swaika- N.A. Mr.Ravindra Suchanti - N.A. Mr.Dipankar Samanta – N.A. Mr. Rohinton Kurus Babaycon – N.A.
(ii)	The percentage increase in remuneration of each Director, Company Secretary and Chief Financial Officer	Directors: Mr.Umang Kanoria- MD – Nil Mrs.Anuradha Kanoria - WTD – (7.11)% Mr.Navin Nayar - N.A. Ms.Shruti Swaika- N.A. Mr.Govind Ram Banka - N.A. Mr.Ravindra Suchanti - N.A. Mr.Dipankar Samanta – N.A. Mr. Rohinton Kurus Babaycon Key Managerial Personnel Ms.Charulata Kabra - CS – 9.36% Mr.Subhra Kanta Parhi - CFO – 6.82%
(iii)	The percentage increase in the median remuneration of employees in the financial year	8.73%

## Directors' Report *(Contd.)*

Sl. No.	Particulars	Details
(iv)	The number of permanent employees on the rolls of the Company	2312
(v)	Ratio of remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	Not applicable as there are no employees receiving higher remuneration than the highest paid director.
(vi)	Affirmation that the remuneration is as per the remuneration policy of the Company	Remuneration paid during the year ended 31st March, 2025 is as per the Remuneration Policy of the Company

1. Mr. Navin Nayar ceased to be Director w.e.f. 13.08.2024.

2. Mr. Rohinton Kurus Babaycon was appointed as an Independent Director w.e.f. 30.05.2024

#Non-Executive /Independent Directors have been paid only sitting fees for meetings attended by them and hence the remuneration paid to them is not comparable to the median remuneration.

Note- Liability for gratuity and leave encashment as required by Indian Accounting Standard 19 (Ind AS-19) is provided on actuarial valuation report for the Company as a whole. The amount pertaining to individual employee is not ascertainable and therefore not included in the above calculation.

### Particulars of Employees

The Company has no employee who were in receipt of remuneration of more than Rs.1.02 Crores per annum during the year ended 31st March, 2025 or of more than Rs. 8.50 Lakhs per month during any part thereof. The disclosures pertaining to remuneration and other particulars as prescribed under the provisions of Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 are annexed herewith marked as Annexure I to this report.

### Acknowledgement

Your directors place on records their appreciation for the cooperation and support extended by the Employees, Banks/ Financial Institutions and all other business partners.

For and on behalf of the Board of Directors

**U. Kanoria**

*Chairman & Managing Director*

DIN: 00081108

Place: Kolkata

Dated: 30th May, 2025

# Directors' Report *(Contd.)*

## Annexure A

### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED 31.03.2025

[Pursuant to Section 204(1) of the Companies Act, 2013 read with Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To  
The Members,  
**Kanco Tea & Industries Limited**  
"Jasmine Tower"  
31, Shakespeare Sarani, 3rd Floor,  
Kolkata - 700 017

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Kanco Tea & Industries Limited** having its Registered Office at Jasmine Tower, 31, Shakespeare Sarani, 3rd Floor, Kolkata – 700017, West Bengal (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended 31.03.2025 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.

#### Auditors' Responsibility

Maintenance of Secretarial Records is the responsibility of the management of the Company. My responsibility is to express an opinion on existence of adequate Board process and compliance management system, commensurate to the size of the Company, based on these secretarial records as shown to me during the said audit and also based on the information furnished to me by the officers' and the agents of the Company during the said audit.

I have followed the audit practices and processes as were appropriate to the best of my understanding to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion.

I have not verified the correctness, appropriateness and bases of financial records, books of accounts and decisions taken by the Board and by various committees of the Company during the period under scrutiny. I have checked the Board process and compliance management system to understand and to form an opinion as to whether there is an adequate system of seeking approval of respective committees of the Board, of the Board, of the members of the Company and of other authorities as per the provisions of various statutes as mentioned hereinafter.

Wherever required I have obtained the management representation about the compliance of the laws, rules and regulations and happening of events, etc.

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

02-66

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Statutory Reports

67-122

&gt;&gt;&gt;

Standalone Financials

123-174

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Consolidated Financials

## Directors' Report *(Contd.)*

My report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness or accuracy with which the management has conducted the affairs of the Company.

**I report that,** I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31.03.2025 according to the provisions of (as amended):

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) Secretarial Standards as issued by The Institute of Company Secretaries of India;
- (iii) The Securities Contracts (Regulation) Act, 1956 and the rules made there under;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (v) Foreign Exchange Management Act, 1999 and the rules and regulation made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:
  - (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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**I further report that,** having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has specifically complied with the provisions of the following Act:

- 1. Food Safety and Standards Act, 2006
- 2. Tea Act, 1953
- 3. Tea Waste Control Order, 1959
- 4. Tea (Marketing) Control Order, 2003
- 5. Tea (Distribution & Export) Control Order, 2005
- 6. Plant Protection Code (Formulated by Tea Board of India)
- 7. Plantations Labour Act, 1951 and Rules framed thereunder to the extent of its applicability to the Company during the financial year ended 31.03.2025 and my examination and reporting is based on the documents, records and files as produced and shown to and the information and explanations as provided to me by the Company and its management and to the best of my judgment and understanding of the applicability of the different enactments upon the Company. Further, to the best of my knowledge and understanding there are adequate systems and processes in the Company commensurate with its size and operation to monitor and ensure compliances with applicable laws.

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

## Directors' Report *(Contd.)*

During the period under review, provisions of the following regulations/guidelines/standards were not applicable to the Company:

- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (ii) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (iii) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (iv) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (v) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021.

### I further report that:

- (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors 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.
- (b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (c) Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.
- (d) 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.

This report is to be read with my letter of even date which is annexed as **Annexure – A**, which forms an integral part of this report.

Place : Kolkata  
Dated : 30th May, 2025

**(Asit Kumar Labh)**  
*Practicing Company Secretary*  
ACS – 32891 / C.P. No. – 14664  
UDIN: A032891G00553994

02-66

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Statutory Reports

67-122

&gt;&gt;&gt;

Standalone Financials

123-174

&gt;&gt;&gt;

Consolidated Financials

## Directors' Report *(Contd.)*

### Annexure – A

To,  
The Members,  
**Kanco Tea & Industries Limited**

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. 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.

Place : Kolkata  
Dated : 30th May, 2025

**(Asit Kumar Labh)**  
*Practicing Company Secretary*  
ACS – 32891 / C.P. No. – 14664  
UDIN: A032891G000553994



# Directors' Report *(Contd.)*

## Annexure B

### Form No. MR-3

### SECRETARIAL AUDIT REPORT

### FOR THE FINANCIAL YEAR ENDED 31/03/2025

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

To,  
The Members,  
WINNOWN INVESTMENTS & SECURITIES PRIVATE LIMITED  
Jasmine Tower, 3rd Floor,  
31 Shakespeare Sarani  
Kolkata-700017

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Winnown Investments & Securities Private Limited** (CIN 65910WB2015PTC205912). Secretarial audit was conducted in the 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 Winnown Investments & Securities Private Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2025 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 reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Winnown Investments & Securities Private Limited for the financial year ended on 31st March, 2025 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made thereunder;
- II. The Securities Contract Regulation Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;

During the Audit period, provisions of the following acts, rules, regulations and guidelines were not applicable to the Company:

1. Foreign Exchange Management Act, 1999 and rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
2. The following Regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - a) The Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015;
  - d) The Securities and Exchange Board of India (Issue of Capital and Disclosures Requirement) Regulation, 2009
  - e) The Securities and Exchange board of India (Employees stock option scheme and Employee stock purchase scheme) Guidelines, 1999
  - f) The Securities Exchange board of India (Issue and Listing of Debt securities) Regulation 2008

02-66

&gt;&gt;&gt;

Statutory Reports

67-122

&gt;&gt;&gt;

Standalone Financials

123-174

&gt;&gt;&gt;

Consolidated Financials

## Directors' Report *(Contd.)*

- g) 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;
- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- i) The Securities and Exchange Board of India (Buyback of Securities) Regulation, 1998;

We further report that we rely on statutory auditor's reports in relation to the financial statements and accuracy of financial figures for Sales Tax, Wealth Tax, Value Added Tax, Related Party Transactions, Provident Fund, ESIC, etc. as disclosed under financial statements, Indian Accounting Standard 24 & note on foreign currency transactions during our audit period.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

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

### **We further report that**

The Board of Directors of the company is duly constituted with comprising of Executive, Non-Executive and Independent Directors. The changes in the Board made during the year were in compliance with the provisions of the Act.

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

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

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

Note: Please report specific observation / qualification, reservation or adverse remarks in respect of Board Structures/ system and processes relating to Audit period.

**We further report that** during the audit period the Company was not involved in the any specific events/ actions having a major bearing on the Company's affair in pursuance of the above referred laws, rules, regulation, guidelines, standards, etc.

The Company is a material subsidiary of Kanco Tea & Industries Limited in terms of Regulation 16(1)(c) of the Listing Regulations.

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.

For **Varsha Mehta & Co.**  
**Sanjana Mehta**  
(Proprietor)  
ACS No.: 13194  
CP No.: 3674  
PR No.: 3442/2023

UDIN: A013194G000393332  
Place: Kolkata  
Date: 21.05.2025

## Directors' Report *(Contd.)*

### ANNEXURE-A

To  
The Members  
**Winnow Investments & Securities Private Limited**  
Jasmine Tower, 3rd Floor,  
31 Shakespeare Sarani,  
Kolkata – 700017

Our report of even date is to be read along with this letter.

#### MANAGEMENT'S RESPONSIBILITY

1. It is the responsibility of the Management of the Company to maintain secretarial records and to ensure compliance of the provisions of corporate and other applicable laws, rules, regulations and standards.

#### AUDITOR'S RESPONSIBILITY

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances and our examination was limited to the verification of procedures on test-check basis.
3. We have followed the audit practices and processes as were appropriate to the best of our understanding to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test 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. Wherever required, we have obtained the Management's representation regarding compliance of laws, rules and regulations, happening of events, etc.

#### DISCLAIMER

5. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted affairs of the Company.
6. We have not verified the correctness or appropriateness of the financial records and books of accounts of the Company.

UDIN: A013194G000393332  
Place: Kolkata  
Date: 21.05.2025

For **Varsha Mehta & Co.**  
**Sanjana Mehta**  
(Proprietor)  
ACS No.: 13194  
CP No.: 3674  
PR No.: 3442/2023

## Directors' Report *(Contd.)*

### Annexure C

#### Form No. AOC – 2

[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]

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

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

Kanco Tea & Industries Limited (the "Company") has not entered into any contract / arrangement / transaction with its related parties which are not in ordinary course of business or at arm's length during the Financial Year 2023-2024. The Company has laid down policies and processes/procedures so as to ensure compliance to the subject section in the Companies Act, 2013 and the corresponding Rules. In addition, the process goes through internal and external checking, followed by quarterly reporting to the Audit Committee.

- (a) Name(s) of the related party and nature of relationship: Not Applicable
- (b) Nature of contracts / arrangements / transactions: Not Applicable
- (c) Duration of the contracts / arrangements / transactions: Not Applicable
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
- (e) Justification for entering into such contracts or arrangements or transactions: Not Applicable
- (f) Date(s) of approval by the Board: Not Applicable
- (g) Amount paid as advances, if any: Not Applicable
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188: Not Applicable

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

- (a) Name(s) of the related party and nature of relationship: Not Applicable
- (b) Nature of contracts / arrangements / transactions: Not Applicable
- (c) Duration of the contracts / arrangements / transactions: Not Applicable
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
- (e) Date(s) of approval by the Board, if any: Not Applicable
- (f) Amount paid as advances, if any: Not Applicable

For and on behalf of the Board of Directors

Place: Kolkata  
Dated: 30th May, 2025

**U. Kanoria**  
Chairman & Managing Director  
DIN: 00081108

# Directors' Report *(Contd.)*

## Annexure D

**A statement pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 on conservation of energy, technology absorption, foreign exchange earning & outgoings**

### a. Conservation of energy-

- (i) the steps taken for conservation of energy: -

The Company is aware of the importance of energy conservation in decreasing the inimical effects of global warming and climate change. The Company has undertaken various energy conservation measures for reducing the carbon foot print.

Major energy conservation initiatives taken during the year under review are: -

- Replacement of old electrical motors with new energy efficient motors
- Installation of Humidification Plant, VVFD Controller Panels
- Replacing CFL Bulbs with low wattage LED Bulbs.

- (ii) the steps taken by the company for utilising alternate sources of energy: -

The Company is exploring the possibility of using solar power at two of its tea estates.

- (iii) the capital investment on energy conservation equipment: - Rs.12.78 Lakhs

### b. Technology absorption-

- (i) the efforts made towards technology absorption

The Company has three tea estates in state of Assam and manufactures tea at its factory. The cultivation of tea is basically an agricultural operation. The Company is improving the field practices at field and the manufacturing process at factory indigenously.

The Company has adopted the following to mitigate the shortage of workers and reduce the cost of production: -

- JCB is used for uprooting of old tea bushes
- Tractor Mounted Pit Digger and Augor is used for digging holes for planting of teas in uprooted areas.
- Tea Pruners and Power Sprayers are used for pruning, spraying of pesticides and foliar application.

The Company processes vermicomposting at its tea estates to reduce the use of chemical fertilizers.

- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution

The Company has derived benefit in terms of reducing cost of production, mitigating shortage of labour to some extent and improvement in quality of work.

- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - Not Applicable

- (iv) the expenditure incurred on Research and Development

## Directors' Report *(Contd.)*

The Company subscribes to Tea Research Association which is registered under Section 35(1) (ii) of the Income Tax Act, 1961 to carry out R&D work for Tea industry and their expert advice is also taken through visits by their Advisory Officers to the estates from time to time.

The Company has given a subscription of ₹ 8,74,486 /- to Tea Research Association during the year under review.

### c. Foreign exchange earnings and Outgo

The Company has not made any direct export but its teas are sold to merchant exporters. The Company continues its efforts to find a suitable market for direct export of its teas.

Particulars	₹ in Thousands
1. Foreign Exchange earned in terms of Actual Inflows	Nil
2. Foreign Exchange Outgo	5682.80

For and on behalf of the Board of Directors

Place: Kolkata  
Dated: 30th May, 2025

**U. Kanoria**  
Chairman & Managing Director  
DIN: 00081108



# Directors' Report *(Contd.)*

## Annexure- E

### Annual Report on Corporate Social Responsibility Activities as prescribed under Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014

#### 1. Brief outline on CSR Policy of the Company.

In line with the provisions of the Companies Act, 2013, the Company has framed its CSR policy towards enhancing welfare measures of the society and the same has been approved by the CSR Committee of the Board. The Company also gives preference to the local area and areas around which it operates for spending the amount earmarked for CSR activities. The Company has proposed to undertake activities as mentioned under Schedule VII of Companies Act, 2013, inter alia, activities relating to rural development including livestock development, promotion of education, protecting fauna and health care.

#### 2. The composition of the CSR Committee of the Board as on 31st March, 2025 is as under:

SL No.	Name of Directors	Designation	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Umang Kanoria	Managing Director	2	2
2	Mr. Navin Nayar**	Independent Director		1
3	Mrs. Anuradha Kanoria	Whole time Director		2
4	Mr. Rohinton Kurus Babaycon*	Independent Director		1

\*Mr. Rohinton Kurus Babaycon was inducted in the CSR committee on 9.08.2024

\*\*Mr. Navin Nayar ceased to be Director w.e.f. 13.08.2024 due to end of tenure as Independent Director.

#### 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. The weblink for the following are as follows:

**CSR Committee:** <http://kancotea.in/management.html>

**CSR Policy:** <https://www.kancotea.in/pdf/2021-2022/CSR%20POLICY.pdf>

**CSR Projects:** [http://kancotea.in/CSR\\_updates.html](http://kancotea.in/CSR_updates.html)

Further, the Company is spending the amount through Implementing Agencies.

#### 4. Provide the 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 (attach the report).

The Company at present is not required to carry out impact assessment in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014.

5. (a) Average net profit of the company as per section 135(5): ₹ 30,31,029.86.
- (b) Two percent of average net profit of the company as per section 135(5): ₹ 60,620.59.
- (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. Nil
- (d) Amount required to be set off for the financial year, if any: ₹ 9,570.39.
- (e) Total CSR obligation for the financial year (5a+5b-5c): 51,050.20
6. (a) Amount spent on CSR projects (both Ongoing Project and other then Ongoing Projects): ₹1.80.000/-
- (b) Amount Amount spent in Administrative Overheads: Nil
- (c) Amount spent on Impact Assessment, if applicable: Nil
- (d) Total amount spent for the financial year [(a)+(b)+(c)]: ₹1.80.000/-

## Directors' Report *(Contd.)*

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the financial year (Amount in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135 of the Act		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135 of the Act		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
1,80,000	Not Applicable				

(f) Excess amount for set off, if any

Sl. No.	Particulars	Amounts (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	60,620.59
(ii)	Total amount spent for the Financial Year	1,80,000.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	1,28,949.50
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years[(iii)-(iv)]	1,28,949.50

### 7. Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per second proviso to section (5) of section 135, if any.		Amount remaining to be spent in succeeding financial years. (in ₹)	Deficit if any
					Amount (in ₹)	Date of transfer.		
Not Applicable								

8. Whether any capital assets have been created or acquired through CSR amount spent in the Financial Year: Nil

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135.: Not Applicable

Place: Kolkata  
Date: 30th May, 2025

**Umang Kanoria**  
Managing Director and  
Chairman- CSR Committee  
DIN: 00081108

**Rohinton Kurus Babaycon**  
Independent Director  
DIN: 00178546

## Directors' Report *(Contd.)*

### Annexure F

#### Form AOC-1

(Pursuant to 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

#### Part "A": Subsidiaries

(₹ in thousands)

Particulars	Details
1.Name of the Subsidiary	Winnow Investments and Securities Private Limited
2.Financial year ending on	31-03-2025
3.Reporting Currency	Indian Rupee
4.Share capital	9,600.00
5.Reserves & surplus	2,36,430.15
6.Total Assets	2,46,776.04
7.Total Liabilities	745.89
8.Investments	72,500.00
9.Turnover	5,732.05
10.Profit before taxation	4,394.14
11.Provision for taxation	1,145.33
12.Profit after taxation	3,248.81
13. Other Comprehensive Income	-
14.Total Comprehensive Income	3,248.81
13.Proposed Dividend	Nil
14.% of shareholdings	100%

Place: Kolkata  
Date: 30th May, 2025

**Umang Kanoria**  
Chairman and Managing Director  
DIN: 00081108

**C.Kabra**  
Company Secretary

**S.K.Parhi**  
Chief Financial Officer

02-66

&gt;&gt;&gt;

Statutory Reports

67-122

&gt;&gt;&gt;

Standalone Financials

123-174

&gt;&gt;&gt;

Consolidated Financials

## Directors' Report *(Contd.)*

### Annexure G

#### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

##### Overview

The Company's business is Plantation, Manufacture and Sale of Black Teas. Tea Industry is seasonal in nature and the production is carried out from March to December, which is subject to vagaries of nature. The Company has been improvising field practices on a consistent manner for better output. The Company being a producer of premium quality teas has been able to cater to the needs of its valued customers. The Company being in quality segment will gain from increase in average realisation of quality teas.

- a) Industry structure and developments:** Tea is a beverage of choice in India. Indian tea industry provides employment to more than one million people and more than half of whom are women. Originally, the tea plantation sector consisted of tea estates with factories to manufacture their teas but over the last decade or so, there has been an emergence of small tea growers and bought leaf factories contributing to more than 54% of the total country's tea production. India being the largest producer of black tea, produced 1294.54 million kgs of tea during the year ended 31st March, 2025 as against 1382.03 million kgs of tea during the year ended 31st March, 2024. The all India auction average price was ₹199.94 for the F.Y. 2024-2025 as against ₹165.20 for the F.Y. 2023-2024. (Source: Tea Board of India).

The Tea Industry is divided into two segments viz, top quality segment and medium & low segment. The increase in availability of cheap teas has a negative impact on prices of all category of teas.

- b) Opportunities & Threats:** India is the world's second largest tea consumer and the per capita consumption of teas in India is increasing every year. The customers nowadays prefer quality tea and willing to pay more for the same. Increasing consumer awareness for quality, branding and promotion will have positive impact on prices in domestic market.

The share of the unorganised sector is near about than 54% at present. The cost of production of unorganized sector is significantly lower because they don't provide various social security benefits as mentioned in Plantation Labour Act, which the organized sector provides. The lower cost of production of teas produced by small growers, climate change, import of teas from Nepal & Kenya, stiff competition from Kenya, Srilanka, China over pricing in export market and shortage of labour poses a threat to the Industry.

- c) Segment analysis and review:**

Particulars	Units	2024-2025	2023-2024
Production of Black Tea	Kgs	22,39,581	31,68,783
Sale of Black Tea	Kgs	21,86,001	32,72,936
Average Realisation	₹/Kg.	290.95	233.79
Profit before Interest but after Depreciation	₹ in Lakhs	(483.18)	(667.56)

- d) Outlook:** The demand in international market is low dues to large availability of teas for CTC. Orthodox, India is expected to be a gainer in the current year in terms of higher price. Prices in the domestic market at present are lower compared to the corresponding period in the previous year. It will be a difficult year for the Industry with costs on increase and stagnancy in selling prices.
- e) Risks & Concerns:** The tea Industry is largely dependent on vagaries of weather and weather plays a major role in determining the final output of produce. Both excess and scarcity of rainfall play havoc with the final output of produce.

## Directors' Report (Contd.)

The Tea Industry is highly labour intensive and is subject to stringent labour laws. The cost of production is substantially higher compared to other tea producing countries and as compared to Small Tea Growers sector due to high labour wage and social cost. Any further increase in wage will substantially hit the bottom line.

The share of unorganized section in Indian Tea Industry is increasing year to year basis and their cost of production is significantly lower than organised section because they operate in a totally different cost structure. To mitigate various type of risks that the Company has to face, the Board of Directors of the Company has adopted a Risk Management Policy and implemented the same.

### f) Internal control systems and their adequacy:

The Company has adequate system of internal controls and necessary checks and balances are introduced/strengthened so as to ensure: -

- that its assets are safeguarded and protected against losses.
- that all transactions are authorised, recorded and reported properly.
- that accounting records are properly maintained and its financial statements are reliable.

The significant findings, if any, are placed before the Audit Committee of the Board and corrective measures are recommended for implementation. The internal audit reports are reviewed by the management and the Audit Committee.

There is no variation than that of as prescribed under the various Accounting Standards as applicable to the Company in preparation of financial statements of the Company during the year under report

### g) Discussion on financial performance with respect to operational performance:

The results for the year ended 31st March, 2025 are lower mainly on account of decline in production of own teas.

### h) Information regarding Human Resources/Industrial Relations:

The Company is an ISO 9001:2015 certified Company. The Company has a favourable working environment that motivates performance, customer focus and innovation and adheres to the highest degree of quality and integrity amongst employees. Industrial relations at the Company remain cordial. Manpower employed with the Company as at 31st March, 2025 was 2312 compared to 2361 as on 31st March, 2024.

### i) Details of Significant Changes in Key Financial Ratios

Sl.	Key Financial Ratios	2024-25	2023-24	Difference	Remarks
1.	Debtors Turnover	67.07	58.41	14.83%	
2.	Inventory Turnover	12.25	11.02	11.16%	
3.	Interest Coverage Ratio	(1.39)	(3.50)	(60.35) %	Refer Note-1
4.	Current Ratio	0.30	0.27	11.11%	
5.	Debt Equity Ratio	1.25	0.87	43.56%	Refer Note-1
6.	Operating Profit Margin	(0.07)	(0.09)	(16.58) %	
7.	Net Profit Margin	(0.14)	(0.09)	13.45%	

Notes on significant changes in financial ratios, where change is more than 25%:

Note-1 The main difference is on account of decrease in profit by the Company in the year under review.

## Directors' Report *(Contd.)*

**j) Details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof:**

Key Financial Ratios*	2024-25	2023-24	Difference
Return on Net Worth	(0.23)	(0.21)	9.52%

### Cautionary Statement

The statements in this report describing the company's policy, strategy, projections, estimation and expectations may appear forward looking statements within the meaning of applicable securities laws or regulations. These statements are based on certain assumptions and expectations of future events and the actual results could materially differ from those expressly mentioned in this Report or implied for various factors including those mentioned in the paragraph "Risks and Concerns" herein above and subsequent developments, information or events.

For and on behalf of the Board of Directors

Place: Kolkata  
Dated: 30th May, 2025

**U. Kanoria**  
*Chairman & Managing Director*  
DIN: 00081108



# Directors' Report *(Contd.)*

## Annexure H

### REPORT ON CORPORATE GOVERNANCE

In compliance with Regulation 34(3) and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance for the financial year 2024-2025 is as below:

#### 1. Company's Corporate Governance Philosophy

The Company's corporate culture vests in the strictest standards of integrity and transparency by adhering to the policies laid down by the Board of Directors comprising of Industrialists and Professionals. The corporate governance is based on the two most important principles of team-work and professionalism where the Shareholders, Customers, Financial Institutions/Banks, Employees and other Stakeholders are the main constituents of the 'team'. The Company has adopted a Code of Conduct for the Independent Directors, Senior Management and other Employees of the Company and a Vigil Mechanism/Whistle Blower Policy is in place for the employees of the Company under the Chairmanship of the Audit Committee Chairman.

The Company places great emphasis on values such as empowerment and integrity of its employees. The Company is committed to transparency in decision making process, fair and ethical dealings with all its business associates and last but not the least, accountability to all the stakeholders. The Company's business objective is to manufacture and market the products where quality deservingly receives all the attention on a consistent basis with the ultimate aim of bringing full satisfaction to all concerned. The Company continues to be in compliance with the provisions of Corporate Governance as set out in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

#### 2. Board of Directors

The composition and category of Directors, the number of Directorships and Committee Chairmanships / Memberships held by them and Directorships held by them in other listed entities as on March 31, 2025:

Name of Director	Category of Director	Directorships <sup>A</sup> in other Public Companies (excluding Kanco Tea & Industries Limited)	Number of Committee# Positions held in Other Public Companies (excluding Kanco Tea & Industries Limited)		Directorship in other listed Companies* (category of directorships) as on March 31, 2025		Attendance at previous AGM on 13/08/2024	No. of Board Meetings attended
			Member	Chairman	Name of Listed Entity	Category of Directorship		
Mr. Umang Kanoria <sup>b</sup> DIN:00081108	Promoter-Chairman & Managing Director	5	4	1	PCBL Chemical Limited	Non-Executive Independent Director	Yes	4
					Saregama India Limited	Non-Executive Independent Director		
					Kanco Enterprises Limited	Promoter-Chairman and Managing Director		
Mrs. Anuradha Kanoria <sup>b</sup> DIN:00081172	Promoter-Whole time Director	1	1	-	Dhunseri Ventures Limited	Non-Executive Independent Director	Yes	4
Ms. Shruti Swaika DIN: 07659238	Non-Executive Independent Director	4	2	-	-	-	Yes	4

02-66

&gt;&gt;&gt;

Statutory Reports

67-122

&gt;&gt;&gt;

Standalone Financials

123-174

&gt;&gt;&gt;

Consolidated Financials

## Directors' Report *(Contd.)*

Name of Director	Category of Director	Directorships <sup>^</sup> in other Public Companies (excluding Kanco Tea & Industries Limited)	Number of Committee# Positions held in Other Public Companies (excluding Kanco Tea & Industries Limited)		Directorship in other listed Companies* (category of directorships) as on March 31, 2025		Attendance at previous AGM on 13/08/2024	No. of Board Meetings attended
			Member	Chairman	Name of Listed Entity	Category of Directorship		
Mr. Ravindra Suchanti DIN: 00143116	Non-Executive Independent Director	5	5	-	Jardine Henderson Limited The Scottish Assam (India) Ltd Dhelakat Tea Co Ltd Rydak Syndicate Limited	Non-Executive Independent Director Non-Executive Independent Director Non-Executive Independent Director Non-Executive Independent Director	Yes	4
Mr. Dipankar Samanta DIN:10176966	Non-Executive Non-Independent Director	1	-	-	-	-	Yes	4
Mr. Rohinton Kurus Babaycon <sup>a</sup> DIN: 00178546	Non-Executive Independent Director	-	-	-	-	-	Yes	3
Mr. Navin Nayar <sup>c</sup> DIN: 00136057	Non-Executive Independent Director	-	-	-	-	-	Yes	2

<sup>^</sup>Directorship of Public Limited Companies and deemed Public Companies only.

<sup>#</sup>Chairmanship/Membership of Audit Committee & Stakeholders Relationship Committee only

(a) Mr. Rohinton Kurus Babaycon was appointed as Non-Executive Independent Director on 30.05.2024

(b) Mr. Umang Kanoria and Mrs. Anuradha Kanoria are related as spouse.

(c) Mr. Navin Nayar ceased to be Director w.e.f 13.08.2024 due to end of tenure.

None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees as specified in Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Independent Directors do not serve in more than 7 listed companies.

The Directors take active part in the deliberations at the Board and Committee Meetings by providing valuable guidance and advice to the Management on various aspects of business, policy direction, governance, compliance, etc. and play a critical role on strategic issues and add value in the decision-making process of the Board of Directors.

The maximum tenure of Independent Directors is in compliance with the Act and the Listing Regulations. All the Independent Directors have confirmed that they meet the criteria as mentioned in Regulation 16(1)(b) of the Listing Regulations and section 149(6) of the Act. The Independent Directors provide an annual confirmation that they meet the criteria of Independence. They have also registered themselves in the databank with the Institute of Corporate Affairs of India as an Independent Director as per Rule 6(1) of the Companies (Appointment and Qualifications of Directors) Rules, 2014. Based on the confirmations/disclosures received from the Independent Directors, the Board is of the opinion that the Independent Directors fulfil the conditions specified in the Listing Regulations and are Independent of the Management.

### Familiarization Programme for Directors:

Familiarization Programmes are conducted for Independent Directors to enable them to understand their roles, rights

## Directors' Report *(Contd.)*

and responsibilities. The details of Familiarisation Programme imparted to Independent Directors can be viewed at [https://www.kancotea.in/pdf/Code%20of%20Conduct/Familiarisation%20Programme%20under%20Regulation%2025\(7\)%20of%20SEBI\(LODR\)Regulations,%202015.pdf](https://www.kancotea.in/pdf/Code%20of%20Conduct/Familiarisation%20Programme%20under%20Regulation%2025(7)%20of%20SEBI(LODR)Regulations,%202015.pdf)

### Meetings of the Board

During the year ended 31st March, 2025, 4 (four) Board Meetings were held on the following dates: 30th May, 2024, 9th August, 2024, 14th November, 2024 and 10th February, 2025.

### Information about the Directors seeking appointment/reappointment

Mr. Umang Kanoria (DIN:00081108), Managing Director retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself for reappointment. The Board of Directors on recommendation of the Nomination and Remuneration Committee had re-appointed Mr. Umang Kanoria (DIN: 00081108) as Managing Director for a period of 3 years with effect from 1st August, 2025, subject to the approval of the shareholders. The resolutions for appointment / reappointment have been provided in the Notice of the 42nd AGM of the Company.

### Matrix highlighting core skills/expertise/competencies of the Board of Directors:

The Board of Directors have identified the following skills required for the Company and the availability of such skills with the Board:

Skills and its description	Mr. Umang Kanoria	Mrs. Anuradha Kanoria	Ms. Shruti Swaika	Mr. Ravindra Suchanti	Mr. Dipankar Samanata	Mr. Rohinton Kurus Babaycon
Understand Company's structure, polices and culture (including its mission, vision, values, goals, current strategic plan, governance structure, role of staff)	√	√	√	√	√	√
Understand the Industry in which the Company operates and threats/challenges & emerging opportunities.	√	√	√	√	√	√
Ability to inspire and empower others, including the recruitment and monitoring of new leaders	√	√				
Financial and Management Skills, Understanding the financial statements, financial control and risk management.	√	√	√	√	√	√
Professional skills and specialized knowledge in relation to Tea industry	√	√		√		√
Corporate Governance and Administration: Formulating guideline to develop Board and management accountability	√	√	√	√	√	√
Use resources effectively to achieve set goals, including organizing tasks, delegating responsibilities that use people's skills efficiently and directing other resources.	√	√		√	√	√

### Meeting of the Independent Directors:

The Independent Directors of the Company meet without the presence of the Executive Directors and other Non-Executive Director or any other Management Personnel. These Meetings are conducted to enable the Independent Directors to, inter-alia, discuss matters pertaining to review of performance of Executive and Non-Independent Directors and the Board of Directors as a whole, assess the quality, quantity, and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to perform their duties effectively. During the year ended 31st March, 2025, the Independent Directors met once on 19th February, 2025. Mr. Ravindra Suchanti chaired the meeting.

## Directors' Report *(Contd.)*

### 3. Audit Committee

Audit Committee of the Board of Directors consists of 4 (four) Directors namely, Mr. Ravindra Suchanti- Non-Executive Independent Director, Mr. Rohinton Kurus Babaycon- Non-Executive Independent Director, Ms. Shruti Swaika - Non-Executive Independent Director and Mr. Dipankar Samanta- Non-Executive Non-Independent Director as on the date of this report. All the members of the Audit Committee possess financial/accounting expertise/exposure. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 read with rules made thereunder and the provisions of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Audit Committee acts as a link between the Internal Auditors, Statutory Auditors and the Board of Directors. Mr. Ravindra Suchanti, Non-Executive Independent Director is the Chairman of the Audit Committee. The meetings of the Audit Committee are also attended by the Chief Financial Officer and the Statutory Auditors. The Company Secretary of the Company acts as the Secretary of the Committee. The Chairman of the Committee was present at the last AGM of the Company.

The terms of reference of the Audit Committee are wide and cover all the matters specified for Audit Committee under Regulation 18 read with Part C of Schedule II to the Listing Regulations and the Act. The terms of reference of the Audit Committee include inter-alia,

- Overseeing the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (a) 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;
  - (b) changes, if any, in accounting policies and practices and reasons for the same;
  - (c) major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) significant adjustments made in the financial statements arising out of audit findings;
  - (e) compliance with listing and other legal requirements relating to financial statements;
  - (f) disclosure of any related party transactions;
  - (g) modified opinion(s) in the draft audit report;
- reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- approval or any subsequent modification of transactions of the listed entity with related parties;
- 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;

## Directors' Report *(Contd.)*

- reviewing, with the management, 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;
- discussion with internal auditors of any significant findings and follow up there on;
- reviewing 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 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 as on the date of coming into force of this provision.
- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- Reviewing the following information:
  - (1) management discussion and analysis of financial condition and results of operations;
  - (2) statement of significant related party transactions (as defined by the audit committee), submitted by management;
  - (3) management letters / letters of internal control weaknesses issued by the statutory auditors;
  - (4) internal audit reports relating to internal control weaknesses; and
  - (5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
  - (6) statement of deviations:
    - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
    - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus /notice in terms of Regulation 32(7).

**Attendance at and dates of Audit Committee meetings held are as follows:**

Name of Directors	Attendance at the Meeting				
	25.04.2024	30.05.2024	09.08.2024	14.11.2024	10.02.2025
Mr. Navin Nayar*	Present	Present	Present	-	-
Mr. Ravindra Suchanti	Present	Present	Present	Present	Present
Mr. Dipankar Samanta	Present	Present	Present	Present	Present
Mr. Rohinton Kurus Babaycon**	-	-	-	Present	Present
Ms. Shruti Swaika***	-	-	-	-	-

02-66

&gt;&gt;&gt;

Statutory Reports

67-122

&gt;&gt;&gt;

Standalone Financials

123-174

&gt;&gt;&gt;

Consolidated Financials

## Directors' Report *(Contd.)*

\* Mr. Navin Nayar ceased to be Director w.e.f 13.08.2024 due to end of tenure.

\*\*Mr. Rohinton Kurus Babaycon was inducted in the committee w.e.f 09.08.2024

\*\*\*Ms. Shruti Swaika was inducted in the committee w.e.f 10.02.2025

### 4. Nomination and Remuneration Committee

Nomination and Remuneration Committee of the Board of Directors consists of the Directors namely, Mr. Rohinton Kurus Babaycon- Non-Executive Independent Director, Ms. Shruti Swaika- Non-Executive Independent Director and Mr. Ravindra Suchanti- Non-Executive Independent Director as on the date of this report. Mr. Rohinton Kurus Babaycon, Non-Executive Independent Director is the Chairman of the Nomination and Remuneration Committee. The Committee's constitution is in compliance with Section 178 of the Companies Act, 2013 read with rules made thereunder and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Chairman of the Committee was present at the last AGM of the Company.

The terms of reference of the Committee are in line with the requirements of Regulation 19 read with Part D of Schedule II to the Listing Regulations and the Act, which include:

- formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- formulation of criteria for evaluation of performance of independent director and the board of directors;
- devising a policy on diversity of board of directors;
- 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 of directors their appointment 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.
- recommending to the Board, the remuneration of Managing and Whole-time Directors, including their annual increment and commission after reviewing their performance;
- recommend to the Board, all remuneration, in whatever form, payable to Senior Management;
- identify Independent Directors to be inducted into the Board from time to time and take steps to refresh the composition of the Board from time to time;
- such other matters as may be specified by the Board from time to time;

Attendance at and date of Nomination and Remuneration Committee meetings held are as follows:

Name of Directors	Attendance at the Meeting			
	25.04.2024	28.05.2024	31.07.2024	14.11.2024
Mr. Navin Nayar *	Present	Present	Present	-
Ms. Shruti Swaika	Present	Present	Present	Present
Mr. Ravindra Suchanti	Present	Present	Present	Present
Mr. Rohinton Kurus Babaycon **	-	-	-	Present
Ms. Shruti Swaika***	-	-	-	-

\* Mr. Navin Nayar ceased to be Director w.e.f 13.08.2024 due to end of tenure.

\*\*Mr. Rohinton Kurus Babaycon was inducted in the committee w.e.f 09.08.2024

Remuneration policy of the Company is based on the need to attract the best available talent and is in line with the Industry. The Company pays sitting fees at the rate of Rs. 25,000/- (Rupees Twenty-Five Thousand only) per meeting to the Non-Executive Directors for attending Meeting of the Board. No remuneration is paid to the Non-Executive Directors for attending Committee Meetings and any other Meetings. The Nomination and Remuneration Committee recommends to the Board, the remuneration payable to the Managing Director, Whole-time Director, the



## Directors' Report (Contd.)

Key Managerial Personnel and Senior Management. Annual increments are also recommended by the Nomination and Remuneration Committee to the Board for approval.

The total remuneration paid to the executive directors, who are promoters or members of the promoter group, during the period is in accordance with the criteria as prescribed under Regulation 17 of the SEBI (LODR) Regulations, 2015, as amended.

Remuneration of Directors for the financial year ended 31st March, 2025 and their shareholding in the Company:

Name of Directors	Sitting Fees	Salaries and Perquisites	Total	Service Contract / Notice Period	No. of Shares held
Mr. Umang Kanoria	Nil	24,00,000	24,00,000	1.08.2022 to 31.07 .2025 / 6 months	-
Mrs. Anuradha Kanoria	Nil	59,85,684	59,85,684	1.12.2024 to 30.11.2027 /6 months	549441
Mr. Navin Nayar*	50,000	-	50,000	-	-
Ms. Shruti Swaika	1,00,000	-	1,00,000	-	-
Mr. Ravindra Suchanti	1,00,000	-	1,00,000	-	-
Mr. Dipankar Samanta	1,00,000	-	1,00,000	-	-
Mr. Rohinton Kurus Babaycon**	75,000	-	75,000	-	-
Ms. Shruti Swaika***	-	-	-	-	-

\* Mr. Navin Nayar ceased to be Director w.e.f 13.08.2024 due to end of tenure.

\*\*Mr. Rohinton Kurus Babaycon was appointed as Non-Executive Independent Director on 30.04.2024.

The Company does not have a scheme for grant of stock options. No Non-Executive Director has been paid in excess of fifty percent of the total amount paid to all the Non-Executive Directors of the Company.

The Policy on Nomination, Remuneration and Performance Evaluation of Directors as framed by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company is as follows:

### I. Criteria for selection of members on the board of directors and senior management

The Committee has adopted the following criteria for selection of members on the Board of the Company and also candidates eligible to be appointed in the senior management of the Company.

#### A) Criteria for Selection of Directors

Before making any recommendation to the Board for appointment of any director, the Committee shall ensure that the candidate:

- possess positive attributes/qualities such as leadership, accumenship, and experience in running industrial units, entrepreneurship or such other attributes which in the opinion of the Committee the candidate possess, and are in the interest of the Company.
- is not disqualified under Sections 164 and 167 of the Companies Act, 2013
- complies with the conditions of being independent as stipulated under the Companies Act, 2013 and Listing Agreement entered into with Stock Exchanges in case of appointment as an independent director.
- possesses appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, corporate governance, technical operations, infrastructure or such other areas or disciplines which are relevant for the Company's business.

#### B) Criteria for selection of Senior Management Personnel

The term Senior Management shall have the same meaning as provided under the explanation to Section 178 of the Companies Act, 2013. The Committee shall, before making any recommendation to the Board for appointment should ensure that the candidate has the following attributes:

## Directors' Report *(Contd.)*

- a) rich experience in any of the areas viz. banking, financial management, legal, sales, marketing, administration, corporate governance, technical operations, or such other areas or disciplines which in the opinion of the management and committee are relevant for the Company's business.
- b) possesses qualities that demonstrate leadership skills, decision making skills, effective communication, hard work, commitment and such other attributes which in the opinion of the Committee the candidate possess and are in the interest of the Company.

If the Committee after due deliberation finds that the candidate meets the above criteria for appointment (as director on the Board or in senior management), then it shall make its recommendation to the Board.

Any amendment to the above criteria for directors and senior management shall be subject to the prior approval of the Committee and any such amendment shall be informed to the Board of Directors.

### II. Remuneration policy for directors, senior management and Key managerial Personnel

#### A) Remuneration of Managing Director, Whole Time Director and Manager:

The Committee while considering the remuneration of the Managing Director, the Whole Time Director and Manager (wherein there is no Managing Director), may take into consideration the performance, the experience of the person, his/her background, job-profile and suitability, his/her past remuneration, the comparative remuneration profile in the industry, size of the company, responsibilities shouldered by the Managing Director / Whole Time Director etc., provided that any remuneration considered by the Committee shall be in accordance and within the limits stipulated under the Companies Act, 2013.

#### B) Remuneration of Non – Executive Director (NED)

- a) The remuneration to the NEDs may be restricted to the sitting fees being paid for attendance of the meeting of the Board of the Directors
- b) The Independent Directors of the Company shall be entitled to remuneration restricted to the sitting fees being paid for attendance of the meeting of the Board of the Directors provided that any sitting fees paid to the Independent Director shall not be less than the sitting fees paid to non-executive directors.
- c) Independent Directors shall not be eligible for stock options of the Company, if any.

#### C) Remuneration of Senior Management Personnel and KMPs

The Remuneration of the Senior Management Personnel and KMPs shall be in accordance with the policy of the Company which is applicable to the employees. The Committee may consider the remuneration of a Senior Management Personnel keeping in view of the achieving yearly targets, Performance of Business/ Functions under his control, contribution for long term & strategic growth of the Company.

### III. Evaluation of performance of Directors

#### A) Evaluation of the performance of Managing Director / Whole Time Director

The performance of the Managing Director/Whole Time Director of the Company may be carried out taking into consideration the performance of the Company vis-à-vis the budgets as well as performance of its competitors, emphasis on achieving top line and bottom line targets, influencing the executives to achieve specific and predetermined goals during the financial year, looking after the interest of Shareholders and ensuring sustained long-term goals.

#### B) Evaluation of the performance of Non-Executive Directors and Independent Directors (NEDs and IDs)

The Committee while evaluating the performance of the NEDs and IDs may take into consideration various factors as mentioned below:

- a) Attendance at Meetings – attendance at Board Meetings, AGMs, Committee Meetings
- b) Other Directorships held by the NED – in listed or unlisted companies

## Directors' Report *(Contd.)*

- c) Other companies in which NED is a Chairperson
- d) Participation at Board/Committee Meetings
- e) Input in strategy decisions
- f) Review of Financial Statements, risks and business performance
- g) Time devoted towards discussion with Management
- h) Review of Minutes – Board Minutes, Committee Meeting Minutes and AGM Minutes

The policy can be viewed at <http://kancotea.in/pdf/2017-2018/NOMINATION%20AND%20REMUNERATION%20POLICY.pdf>

### Performance Evaluation:

The Company follows a structured assessment process for evaluation of performance of the Board, Committees of the Board and individual performance of each Director including the Chairman based on the criteria approved by the Nomination and Remuneration Committee. For the year ended 31st March, 2024, evaluation forms were circulated to the Board Members. Each Director completes the evaluation form and shares feedback. The feedback scores as well as qualitative comments are then shared with the Nomination and Remuneration Committee. Nomination and Remuneration Committee is convened to discuss the outcome of performance evaluation exercise. The Chairman of the Board and the Chairman of the Nomination and Remuneration Committee briefs the Board on the overall outcome. During the year, Board evaluation exercise was completed by the Company internally which included the evaluation of the Board as a whole, Board Committees and Peer evaluation of the Directors.

### 5. Stakeholders Relationship Committee

Stakeholders Relationship Committee of the Board consists of the Directors Ms. Shruti Swaika- Non-Executive Independent Director, Mr. Umang Kanoria - Managing Director, Mrs. Anuradha Kanoria- Whole time Director, and Mr. Dipankar Samanta - Non-Executive Non-Independent Director as on the date of this report. Ms. Shruti Swaika, Non-Executive Independent Director is the Chairperson of the Stakeholders Relationship Committee. The Committee's constitution is in compliance with Section 178 of the Companies Act, 2013 read with rules made thereunder and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Chairperson of the Committee was present at the last AGM of the Company.

The terms of reference of the Committee are in line with the requirements of Regulation 20 read with Part D (B) of Schedule II to the Listing Regulations and the Act, which include:

- Resolving the grievances of the security holders of the Company 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.
- Approve issue of duplicate share certificates either at meetings or through circular resolution.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent
- Frame guidelines for waiver of documents/ requirements prescribed in cases of:
  - a) Transmission of shares
  - b) Issue of duplicate share certificates
  - c) Recording of updation of signatures by shareholders
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/ statutory notices by the shareholders of the company.

## Directors' Report *(Contd.)*

Attendance at and date of Stakeholders Relationship Committee meeting held is as follows:

Name of Directors	Attendance at the Meeting	
	25.04.2024	11.03.2025
Mr. Navin Nayar*	Present	-
Mr. Umang Kanoria	Present	Present
Mrs. Anuradha Kanoria	Present	Present
Mr. Dipankar Samanta	Present	Present
Ms. Shruti Swaika**	-	Present

\* Mr. Navin Nayar ceased to be Director w.e.f 13.08.2024 due to end of tenure.

\*\*Ms. Shruti Swaika was inducted in the Committee w.e.f 09.08.2024

During the year 2024-2025, the Company has nil complaint from the Shareholder. The status of Investor Complaints with the regulatory authorities is as follows:

Sl No.	Investor Complaints	Number
1.	Investor Complaints received during the year	1
2.	Investor Complaints resolved till 31st March 2025	1
3.	Investor Complaints not solved to the satisfaction of the members	Nil
4.	Complaints pending as at 31st March, 2025	Nil

### 6. Share Transfer Committee

Board of Directors has delegated power of approving transmission/ Remat/Demat of shares, to a Share Transfer Committee. The Share Transfer Committee of the Board of Directors consists of the Directors namely, Mr. Umang Kanoria- Managing Director, Mrs. Anuradha Kanoria- Whole time Director and Ms. Shruti Swaika- Non-Executive Independent Director. Mr. Umang Kanoria is the Chairman of the Share Transfer Committee. The Board of Directors in their meeting held on 30th May, 2025 had dissolved the Share Transfer Committee with immediate effect. The scope of work of the said committee will be carried out by Stakeholders' Relationship Committee.

Attendance at and date of Share Transfer Committee meeting held is as follows:

Name of Directors	Attendance at the Meeting	
	25.04.2024	11.03.2025
Mr. Umang Kanoria	Present	Present
Mrs. Anuradha Kanoria	Present	Present
Ms. Shruti Swaika	Present	Present

Ms. Charulata Kabra, Company Secretary is the Compliance Officer of the Company. All valid requests for transmission / transposition / demat of shares received during the financial year ended 31st March, 2025 have been acted upon by the Company and so such requests are pending.

### 7. Finance and Investment Committee

The Board of Directors has delegated powers specified under Section 179(3)(d), Section 179(3)(e) and Section 179(3)(f) of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 with regard to borrowing, investing the fund and granting loans or giving guarantee or providing security in respect of loans. The Committee comprises of the following Directors viz, Mr. Umang Kanoria- Managing Director, Mrs. Anuradha Kanoria- Whole time Director and Mr. Dipankar Samanta- Non-Executive Non-Independent Director.

## Directors' Report (Contd.)

Attendance at and date of Finance and Investment Committee meetings held are as follows:

Name of Directors	Attendance at the Meeting				
	25.04.2024	03.06.2024	05.09.2024	27.11.2024	11.02.2025
Mr. Umang Kanoria	Present	Present	Present	Present	Present
Mrs. Anuradha Kanoria	Present	Present	Present	Present	Present
Mr. Dipankar Samanta	Present	Present	Present	Present	Present

### 8. Corporate Social Responsibility Committee

In accordance with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has constituted a Corporate Social Responsibility (CSR) Committee. The Committee comprises of the following Directors viz, Mr. Umang Kanoria- Managing Director, Mrs. Anuradha Kanoria- Whole time Director and Mr. Rohinton Kurus Babaycon- Non-Executive Independent Director as on the date of this report. Mr. Umang Kanoria, Managing Director is the Chairman of the CSR Committee.

The CSR Committee provides guidance on various CSR activities to be undertaken by the Company and monitors its progress. In monitoring the implementation of CSR programs. The terms of reference of the CSR Committee are:

- Formulate and recommend to the Board, a CSR Policy including the Annual Action Plans for CSR Projects to be undertaken by the Company as specified in Schedule VII to the Act.
- Recommend the amount to be spent on CSR activities referred to in clause (a).
- Monitor implementation and adherence to the CSR Policy of the Company from time to time.
- Such other activities as the Board of Directors determine as they may deem fit in line with CSR Policy.

The Board has adopted the CSR Policy as formulated and recommended by the Committee. The CSR Policy is available on the website of the Company at the web link: <http://kancotea.in/pdf/2021-2022/CSR%20POLICY.pdf>

The Annual Report on CSR activities for the Financial Year 2024-2025 forms part of the Board's Report.

Attendance at and date of Corporate Social Responsibility Committee meetings held are as follows:

Name of Directors	Attendance at the Meeting	
	25.04.2024	28.01.2025
Mr. Umang Kanoria	Present	Present
Mr. Navin Nayar*	Present	-
Mrs. Anuradha Kanoria	Present	Present
Mr. Rohinton Kurus Babaycon**	-	Present

\* Mr. Navin Nayar ceased to be Director w.e.f 13.08.2024 due to end of tenure.

\*\*Mr. Rohinto Kurus Babaycon was inducted in the Committee w.e.f 09.08.2024

### Particulars of Senior Management Personnel

Name of Senior Management Personnel	Designation	Changes during the financial year	
		Appointment	Cessation
Mr.Subhra Kanta Parhi	Chief Financial Officer		
Ms.Charulata Kabra	Company Secretary		
Mr. Binay Kumar Pandey	Manager- Lakmijan Tea Estate		
Mr.Ajay Kumar Tripathi	Group Commercial Manager		
Mr.Umesh Kumar Singh	General Manager (Estates)		03-10-2024
Mr. Bidyut Bordoloi	Manager- Mackeypore Tea Estate	02-12-2024	-
Mr. Prashil Rai	Manager- Bamonpookrie Tea Estate	30-05-2025	-

## Directors' Report *(Contd.)*

### 9. General Body Meetings

- a) Location, Venue, Dates and time of last three Annual General Meetings (AGM) held: -

Year	Kind of Meeting	Venue	Date	Time	No. of special resolution passed
April 2023-March 2024	41st Annual General Meeting	Kanco Tea & Industries Limited, Jasmine Tower, 3 <sup>rd</sup> Floor, 31, Shakespeare Sarani, Kolkata – 700017	13th August, 2024	11:00 a.m.	2***
April 2022-March 2023	40 <sup>th</sup> Annual General Meeting	Kanco Tea & Industries Limited, Jasmine Tower, 3 <sup>rd</sup> Floor, 31, Shakespeare Sarani, Kolkata – 700017	27 <sup>th</sup> July, 2023	11:30 a.m.	1**
April 2021-March 2022	39 <sup>th</sup> Annual General Meeting	Kanco Tea & Industries Limited, Jasmine Tower, 3 <sup>rd</sup> Floor, 31, Shakespeare Sarani, Kolkata – 700017	5 <sup>th</sup> August, 2022	2:00 p.m.	5*

\* To appoint a director in place of Mr. Govind Ram Banka (DIN: 00207385), who retires by rotation and being eligible, offers himself for re-appointment.

To alter Articles of Association of the Company.

To approve the Appointment and Remuneration Payable to Mr. Umang Kanoria as the Managing Director of the Company.

To confirm the continuation in payment of remuneration to Mrs. Anuradha Kanoria, Wholetime Director of the Company.

To appoint Ms. Shruti Swaika as Independent Director

\*\* To appoint Mr. Ravindra Suchanti as Independent Director

\*\*\* To re-appoint Mrs. Anuradha Kanoria as Whole time Director of the Company

To appoint Mr. Rohinton Kurus Babaycon as an Independent Director

- b) No Extra-Ordinary General Meeting of the shareholders was held during the year.
- c) No Postal ballot was conducted during the Year. None of the resolutions proposed at the ensuing Annual General Meeting need to be passed by Postal Ballot.

### 10. Means of Communication

Half-yearly report to shareholders, Quarterly Results, Newspaper in which published, Website etc.

The Quarterly, Half-yearly and Annual Results are generally published by the Company in English (Financial

Express/Business Standard) and Vernacular (Sukhabar/Arthik Lipi) dailies. Official news releases/ notices etc, the Quarterly and Annual Results are sent to the Calcutta Stock Exchange Limited and BSE Limited, where shares of the Company are listed, immediately on approval from the Board of Directors and are also posted on the Company's web site i.e [www.kancotea.in](http://www.kancotea.in). Annual Report containing Notice of the Annual General Meeting, Annual Audited Financial Statement, Directors' Report, Auditors' Report alongwith the disclosures and reports required to form part of the Annual Report is circulated to the Members and those entitled thereto. The Annual Report is displayed on the Company's Website [www.kancotea.in](http://www.kancotea.in).



# Directors' Report *(Contd.)*

## 11. General Shareholder Information

Annual General Meeting	
Date and Time	Tuesday, 26th August, 2025, at 11:30 a.m. (Meeting will be held through VC/OAVM)
Deemed Venue	Kanco Tea & Industries Limited, Jasmine Tower, 3 <sup>rd</sup> Floor, 31 Shakespeare Sarani, Kolkata-700017

**Financial Year :** 1st April, 2025 to 31st March, 2026

Adoption of Quarterly / Annual Result	Adoption on or before (Tentative)
Unaudited Results for 1 <sup>st</sup> quarter ending 30 <sup>th</sup> June, 2025	14th August, 2025
Unaudited Results for 2 <sup>nd</sup> quarter ending 30 <sup>th</sup> September, 2025	14th November, 2025
Unaudited Results for 3 <sup>rd</sup> quarter ending 31 <sup>st</sup> December, 2025	14th February, 2026
Audited Results for the Year ending 31 <sup>st</sup> March, 2026	30th May, 2026
Annual General Meeting for the year ending 31 <sup>st</sup> March, 2026	30th September, 2026

Dates of Book Closure : Wednesday, 20th August, 2025 to Tuesday, 26th August, 2025 (both days inclusive)

### Listing on Stock Exchanges and Scrip Code

Equity Shares of the Company are listed at

BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai – 400 001  
(Scrip Code/ID- 541005 / KANCOTEA)

The Calcutta Stock Exchange Ltd  
7, Lyons Range, Kolkata – 700001  
(Scrip Codes- 14107)

The Company has paid the listing fees to the Stock Exchanges for the financial year 2025-2026.

### Share Transfer System

Share transfers, dividend payments and all other investor related activities are attended to and processed at the Office of the Company's Registrar and Share Transfer Agent.

**Share Transfer Physical System:** As per directives issued by SEBI, it is compulsory to trade in the Company's equity shares in dematerialized form. Effective April 1, 2019, transfer of shares in physical form has ceased. Shareholders who had lodged their request for transfer prior to March 31, 2019 and, have received the same under objection can reodge the transfer request after rectification of the documents. Request for transmission of shares and dematerialization of shares will continue to be accepted.

**Dematerialization of Shares and Liquidity:** The process of conversion of shares from physical form to electronic form is known as dematerialization. For dematerializing the shares, the Shareholder has to open a demat account with a Depository Participant (DP). The Shareholder is required to fill in a Demat Request Form and submit the same along with the Share Certificate(s) to the DP. The DP will allocate a demat request number and shall forward the request physically and electronically, through NSDL/CDSL to the R&T Agent. On receipt of the demat request, both physically and electronically and after verification, the Shares are dematerialized, and an electronic credit of shares is given in the account of the Shareholder.

Further, with effect from 24th January, 2022, SEBI has made it mandatory for listed Companies to issue securities in demat mode only while processing any investor service requests viz. issue of duplicate share certificates, exchange/ sub-division/ splitting/consolidation of securities, transmission/ transposition of securities vide its Circular no. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25th January, 2022, SEBI has clarified that Company/ RTAs issues a Letter of Confirmation in lieu of the share certificate while processing any of the aforesaid investor service request. Hence, all the shareholders are requested to convert your physical shares into Dematerialized form immediately to avoid any further complications. The Company has also opened a "Suspense Escrow Demat Account" in accordance with the SEBI Circular SEBI/HO/MIRSD/PoD-1/OW/P/2022/64923 dated 30th December, 2022.



## Directors' Report *(Contd.)*

### Compliance Officer

Name: Ms. Charulata Kabra

Designation: Company Secretary and Compliance Officer

Telefax – (033) 2281 5217

E-mail: compliance@kancotea.in

### Categories of Shareholding as on 31st March, 2025

Category	Number of Shares held	% of Total Shares
Promoters including persons deemed to be Acting in concert	3603882	70.35
\Mutual Funds/ UTI	15804	0.31
Financial Institutions/Banks	75	0.00
State Government	4491	0.09
Others ( including Corporate Bodies)	1498575	29.25
Total	5122827	100.00

### Dematerialisation of Shares and Liquidity:

As on 31st March, 2025, 4826029 Equity Shares of the Company of Rs. 10/ each, representing 94.21% of the total paid up Equity Capital of the Company stands dematerialised.

The Company has entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) whereby shareholders have an option to dematerialise their shares with either of the Depositories.

**ISIN for Dematerialisation:** INE398L01017

Outstanding ADRs/GDRs/Warrants or any convertible instruments, conversion date and likely impact on equity: - Not Applicable.

**Information required under Regulation 39(4) read with Schedule VI to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to Shares issued under the Scheme of De-merger, remaining unclaimed and lying in the Escrow Account: -**

Aggregate No. of Share Holders whose shares are lying in the Suspense Account as on 1/04/2024	180
Aggregate No. of Shares lying in the Suspense Account as on 1/04/2024	4383
Number of shareholders who approached issuer for transfer of shares from Suspense Account during the year *	44
Number of shareholders to whom shares were transferred from Suspense Account during the year (** see note below)	2
Aggregate No. of Share Holders whose shares are lying in the Suspense Account as on 31/03/2025	134
<b>Aggregate No. of Shares lying in the Suspense Account as on 31/03/2025</b>	<b>3540</b>

- Folio No 0015252 – S MALAR KODI – 18 Shares transferred to Shareholders account.
  - Folio No 0005659 TANVI MRUNAL TAMBOSKAR - 18 Shares transferred to Shareholders account.
  - 807 shares for 44 holders were transferred from Suspense account to IEPF during the year ( on 03.12.2024)
- 1) The voting rights on these shares (as on 31/03/2025) shall remain frozen till the rightful owner of such shares claims the shares.
  - 2) In terms of the circulars issued by the Ministry of Corporate Affairs for transfer of shares to Investor Education and Protection Fund (IEPF) relevant to section 124(6) and 125 of the Companies Act 2013 read with IEPF(Ac-counting, Audit, Transfer and Refund)Rules 2016 and SEBI ( Listing Obligation and Disclosure Requirements) Regulation 2015, all shares corresponding to shares in respect of which dividend has/have remained unpaid or unclaimed for consecutive 7 years shall be transferred to IEPF Authority. In accordance to the same relevant shares have been transferred to IEPF during the year and the balance 3540 shares remain in the Escrow Account as of 31st March, 2025.

## Directors' Report (Contd.)

### Distribution of Shareholding as on 31st March, 2025

Category	Shares		Shareholders	
	Numbers	% to Shares	Number	% of Shareholders
1-500	285219	5.57	7102	96.09
501-1000	103734	2.02	139	1.88
1001-2000	107554	2.10	71	0.96
2001-3000	59025	1.15	23	0.31
3001-4000	41065	0.80	11	0.15
4001-5000	36519	0.71	8	0.11
5001-10000	73065	1.43	10	0.14
10001-50000	337437	6.59	15	0.20
50001-100000	253500	4.95	3	0.04
AND ABOVE	3825709	74.68	9	0.12
<b>TOTAL</b>	<b>5122827</b>	<b>100.00</b>	<b>7391</b>	<b>100.00</b>

### Plant Location: The Company's plant is located at:

Mackeypore Tea Estate  
Bamonpookrie Tea Estate  
P.O Nazira 785 685  
Dist. Sivasagar (Assam)  
Telephone: (03772)215317/18

### Address for correspondence:

Kanco Tea & Industries Limited  
Jasmine Tower, 3rd Floor  
31 Shakespeare Sarani,  
Kolkata-700017  
Telefax (033) 2281 5217  
Email: [compliance@kancotea.in/contact@kancotea.in](mailto:compliance@kancotea.in/contact@kancotea.in)

C.B. Management Services (P) Limited  
Corporate Office: Rasoi Court, 5th Floor,  
20, R.N. Mukherjee Road, Kolkata - 700001

### Registered Office

C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West),  
Mumbai - 400083  
Tel: 033-6906 6200, Email: [rta@cbmsl.com](mailto:rta@cbmsl.com)

## 12. Disclosures

### a. Compliances with Governance Framework

The Company is in compliance with all mandatory requirements under the Listing Regulations.

### b. Related party transactions

There were no materially significant Related Party Transactions made by the Company with its Promoters, Directors or their relatives, or the management etc. that may have potential conflict with the interests of the Company at large during the financial year. Related party transactions have been disclosed under significant accounting policies and notes forming part of the Financial Statements in accordance with "IND AS". As required under Regulation 23(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has formulated a policy on dealing with Related Party Transactions. The Policy is available on the website of the Company viz. [www.kancotea.in](http://www.kancotea.in). The policy can be viewed at <http://kancotea.in/pdf/2021-2022/POLICY%20ON%20DEALING%20WITH%20RELATED%20PARTY%20TRANSACTIONS%20AND%20MATERIALITY%20OF%20RELATED%20PARTY%20TRANSACTIONS.pdf>

As per disclosures received from Senior Management Personnel, they have not entered into any material, financial or commercial transactions, which may have a potential conflict with the interest of the Company at large.

### c. Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during last three Financial Years.

During the year under Review no penalties and strictures were imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets.

## Directors' Report *(Contd.)*

However, in the year 2023-2024, BSE Ltd. Intimated the Company that the composition of the Board and Audit Committee was in violation of Reg. 17 and 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 by BSE Ltd. The Company had filled the vacancy caused by demise of an Independent Director, on the Board and Audit Committee within the stipulated time of 3 months.

Due to typographical error in CG report submitted for the quarter ended 30.06.2022, the Composition of the Board was reflected in violation of Reg. 17(1).

The Company in its response to BSE Ltd had produced all the documentary evidences claiming compliances in aforesaid matters and submitted requisite applications seeking waiver of the fines in both the cases. The Company has not received any further communication in this regard.

### **d. Vigil Mechanism / Whistle Blower Policy**

Pursuant to Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the Company have been denied access to the Audit Committee. The Whistle Blower Policy is displayed on the Company's website viz. [www.kancotea.in](http://kancotea.in). The Vigil Mechanism/Whistle Blower policy can be viewed at [http://kancotea.in/pdf/Code%20of%20Conduct/VIGIL%20MECHANISM\\_WHISTLE%20BLOWER%20POLICY.PDF](http://kancotea.in/pdf/Code%20of%20Conduct/VIGIL%20MECHANISM_WHISTLE%20BLOWER%20POLICY.PDF)

### **e. Disclosure of Accounting Treatment**

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

### **f. List of all credit Ratings**

The ratings assigned by ACUTE for Short-term Borrowings and Long-term Borrowings of the Company during the relevant financial year is ACUTE A4 and ACUTE B Stable.

### **g. Commodity price risk and Commodity hedging activities**

The Company does not have material exposure of any commodity and accordingly, no hedging activities for the same are carried out. Therefore, there is no disclosure to offer in terms of SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/000000141 dated November 15, 2018.

### **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 a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.**

The Certificate of Company Secretary in practice is annexed herewith as a part of the 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. Not Applicable.**

### **k. Total fees for all services paid by the listed entity to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.**

Details relating to fees paid to the Statutory Auditors are given in Note 33.1 to the Financial Statements.

### **l. Subsidiary Company**

The Company has one wholly owned Material subsidiary as on date- Winnow Investments and Securities Private Limited. The Board of Directors of the Company has approved a Policy for determining Material Subsidiaries which is in line with the Listing Regulations. The said policy can be viewed at <http://kancotea.in/pdf/2019-2020/POLICY%20ON%20DETERMINING%20%E2%80%98MATERIAL%E2%80%99%20SUBSIDIARY.pdf>

## Directors' Report *(Contd.)*

### m. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The details of number of complaints filed and disposed of during the year and pending as on March 31, 2025 is given in the Directors' report.

- n. The Company and its subsidiary- Winnow Investments and Securities Private Limited has not given any loans/ advances to firms/Companies in which Directors are interested.
- o. In compliance to Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the affirmation of compliance of Code of Conduct for the year 2024-2025 has been received from all the Board Members and Senior Management Personnel. A declaration to this effect signed by the Managing Director is annexed to this report.
- p. There are no pecuniary relationships or transactions with Non-Executive Independent Directors, other than those disclosed in this report.
- q. The Company has transferred Rs.1,72,953 unclaimed dividend and 15,758 Equity Shares to Investor Education & Protection Fund (IEPF) during the year.
- r. Pursuant to Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company and its material subsidiary- Winnow Investments and Securities Private Limited undertook secretarial audit and the secretarial audit reports given by the respective company secretaries in practice forms part of 42nd Annual Report of the Company.
- s. Details of the Company's material subsidiary:
  - Name: Winnow Investments and Securities Private Limited
  - Date of incorporation: 30.03.2015
  - Place of incorporation: Kolkata, West Bengal
  - Name of the Statutory Auditors: M/s K K Jain & Co.
  - Date of appointment of statutory auditors: 1.04.2020
- t. Disclosure of certain types of agreements binding the Company, who are parties to the agreements specified in clause 5A of para A of part A of schedule III : Nil
- u. The Company has complied with all the mandatory requirements specified in Regulation 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 of the SEBI (LODR) Regulations, 2015 and examining the implementation of some of the non-mandatory requirements. The status of the non-mandatory requirements is as follows:

#### Non-mandatory requirements

- The Company has not adopted the practice of sending out half-yearly declaration of financial performance to shareholders. Quarterly results as approved by the Board are disseminated to Stock Exchanges and updated on the website of the Company.
- In accordance with the provisions of Section 138 of the Companies Act, 2013, the Company has appointed an Internal Auditor who reports to the Audit Committee. Internal audit reports are submitted to the Audit Committee which reviews the audit reports and suggests necessary action.

02-66

&gt;&gt;&gt;

Statutory Reports

67-122

&gt;&gt;&gt;

Standalone Financials

123-174

&gt;&gt;&gt;

Consolidated Financials

## Directors' Report *(Contd.)*

### CEO and CFO Certification

As per Part B of Schedule II of SEBI (LODR) Regulations, 2015, the Chairman and the CFO of the Company certifies to the Board regarding the review of the Financial Statement, Compliance with the Accounting Standards, Maintenance of the Internal Control Systems for Financial Reporting and Accounting Policies etc.

### Corporate Governance Compliance Certificate

As required by Schedule V of SEBI (LODR) Regulations, 2015, a Compliance Certificate from CS Asit Kumar Labh, Practicing Company Secretary, confirming compliance with the conditions of Corporate Governance and the same is attached to this Report forming part of the Annual Report.

For and on behalf of the Board of Directors

**U. Kanoria**

*Chairman & Managing Director*

DIN: 00081108

Place: Kolkata

Dated: 30th May, 2025

### Compliance with the Code of Conduct

As provided under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31st March, 2025.

**U. Kanoria**

*Chairman & Managing Director*

DIN: 00081108

Place: Kolkata

Dated: 30th May, 2025

# Directors' Report *(Contd.)*

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members of  
**Kanco Tea & Industries Limited**  
Jasmine Tower  
31, Shakespeare Sarani  
3rd Floor  
Kolkata - 700 017

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Kanco Tea & Industries Limited having CIN:L15491WB1983PLC035793 and having registered office at Jasmine Tower, 31, Shakespeare Sarani, 3rd Floor, Kolkata – 700017, West Bengal (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Umang Kanoria	00081108	23.09.2013
2.	Anuradha Kanoria	00081172	23.07.2009
3.	Rohinton Kurus Babaycon	00178546	30.05.2024
4.	Shruti Swaika	07659238	06.05.2022
5.	Dipankar Samanta	10176966	30.05.2023
6.	Ravindra Suchanti	00143116	28.04.2023

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 these based on our verification. This Certificate has been issued relying on the documents and information as mentioned herein above and as were made available to us or as came to our knowledge for verification without taking any cognizance of any legal dispute(s) or sub-judice matters which may have effect otherwise, if ordered so, by any concerned authority(ies). This certificate is also 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.

Place: Kolkata  
Dated: 30th May, 2025

**(Asit Kumar Labh)**  
Practicing Company Secretary  
ACS – 32891 / C.P. No. – 14664  
UDIN: A032891G000554016

02-66

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Statutory Reports

67-122

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Standalone Financials

123-174

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Consolidated Financials

## Directors' Report *(Contd.)*

### CERTIFICATE

To the Members of **Kanco Tea & Industries Limited**

I have examined the compliance of conditions of Corporate Governance by Kanco Tea & Industries Limited ("the Company") in terms of Regulation 15(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, ("Listing Regulations") for the year ended 31.03.2025.

The compliance of conditions of Corporate Governance is the responsibility of the management. My 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 my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

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

Place: Kolkata  
Dated: 30th May, 2025

**(Asit Kumar Labh)**  
*Practicing Company Secretary*  
ACS – 32891 / C.P. No. – 14664  
UDIN: A032891G000554005



## Directors' Report *(Contd.)*

### CEO/CFO CERTIFICATION

We the undersigned in our respective capacities as Managing Director, Whole-time Director and Chief Financial Officer of Kanco Tea & Industries Limited ("the Company") to the best of our knowledge and belief certify that:

1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2025 and that to the best of our knowledge and belief we state that:-
  - these statements do not contain any materially untrue statement or omit any material fact nor contain statements that might be misleading;
  - these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. We further state that 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.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit Committee:
  - I. that there are no significant changes in internal control over reporting period during the year;
  - II. significant changes, if any, in 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 we have become aware.

Kolkata, 30th May, 2025

**U. Kanoria**  
Managing Director  
(DIN: 00081108)

**A. Kanoria**  
Whole-time Director  
(DIN: 00081172)

**S. K. Parhi**  
Chief Financial Officer

02-66

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Statutory Reports

67-122

&gt;&gt;&gt;

Standalone Financials

123-174

&gt;&gt;&gt;

Consolidated Financials

## Directors' Report (Contd.)

### Annexure – I

Disclosure in Directors' Report Pursuant to Section 197(12) of the Companies Act, 2013 Read with Companies (Appointment And Remuneration of Managerial Personnel), Rules, 2014, as amended

Sl. No.	Employee Name	Designation	Remuneration Received	Qualification	Total Experience	Date of Commencement of Employment	Age	Particulars of Previous Employment		% of Share-holding
								Organisation	Designation	
1	Mrs. Anuradha Kanoria	Whole-time Director	59,85,684	B.A. (Hons.)	27	01/02/2010	63	Kanco Enterprises Limited	Executive	10.73
2	Mr. Subhra Kanta Parhi	Chief Financial Officer	34,10,232	ACA, CPA(Aust.) B.Com (Hons.)	27	01/04/2009	49	Kanco Enterprises Limited	Executive	0.002
3	Mr. Umang Kanoria	Managing Director	24,00,000	MBA, ACMA, B.Com (Hons.)	40	01/08/2022	66	Kanco Enterprises Limited	Managing Director	-
4	Ms. Charulata Kabra	Company Secretary	22,14,820	FCS, LLB, M.Com, B.Com (Hons.)	17	17/11/2015	41	Kanco Enterprises Limited	Company Secretary	-
5	Mr. Satvik Kanoria	Vice President-Operations	21,51,646	BBA	6	01/06/2019	28	-	-	5.60
6	Mr. Ajay Kumar Tripathi	Group Commercial Manager	15,46,495	M.Com.	28	12/04/2011	54	Goenka Group of Companies	Commercial Executive	-
7	Mr. Umesh Kumar Tiwari	Acting Manager	13,42,504	B.A.	28	03/06/2018	55	The Scottish Assam (India) Ltd	Sr. Factory Assistant Manager	-
8	Mr. P. Dey	Manager (Accounts)	13,42,504	B.Com (Hons.)	32	01/04/2009	56	Sunrise Products Ltd	Accounts Assistant	0.003
9	Mr. Umesh Kumar Singh Note-5	General Manager- (Estates)	13,20,650	B.E.(Mech.)	33	01/04/2009	57	Apperjay Tea Limited	Factory Assistant Manager	-
10	Deepak Nangalia	Manager-Treasury	13,17,784	B.Com (Hons.)	32	01/04/2009	54	Ruby Developers & Constructors Private Limited	Executive-Accounts	0.30

Notes: -

1. Remuneration received includes salary, commission and allowances, medial and leave travel expenses, leave encashment paid, monetary value of perquisites as per Income Tax Rules and Company's contributions to Provident and Superannuation Funds.
2. Nature of employment is contractual in case of Managing Director and Wholetime Director.
3. In respect of all other employees, the nature of employment is non-contractual, terminable by notice on either side.
4. Mr. Umang Kanoria and Mrs. Anuradha Kanoria are related as spouse and Mr. Satvik Kanoria is son of Mr. Umang Kanoria & Mrs. Anuradha Kanoria. Other employees mentioned above are not relative of any Director of the Company.
5. Mr. Umesh Kumar Singh resigned from the services of the company on 05/10/2024.

# Independent Auditors' Report

To

The members of,

**KANCO TEA & INDUSTRIES LIMITED**

## REPORT ON THE STANDALONE Ind AS FINANCIAL STATEMENTS

### OPINION

We have audited the accompanying standalone financial statements of **KANCO TEA & INDUSTRIES LIMITED**, (hereinafter referred to as "the Company") which comprises the Balance Sheet as at 31st March, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information for the year ended on that date (hereinafter referred to as "Standalone Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid IndAS 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 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2025, its profit including other comprehensive loss, its cash flow and the changes in equity for the year ended on that date

### BASIS FOR OPINION

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

### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended 31st March, 2025. These matters were addressed in the context of our audit of financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in Auditor's responsibilities for the audit of the financial statements section of our report procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for audit opinion on the accompanying financial statements.

Key Audit Matters	How Our Audit Addressed The Key Audit Matters
<p>Estimation of Useful life of Bearer Plants</p> <p>The carrying value of Bearer Plants as on March 31, 2025 is ₹ 2066.50 lakhs</p> <p>Estimation of useful life of Bearer Plants requires the management to exercise significant judgement. The changes in natural factors may affect the useful life expectancy of such assets and consequently have an impact on the carrying value of these assets and depreciation expense.</p>	<p>Our audit procedures included the following:</p> <p>Assessed the management's estimate of useful life of Bearer Plants, for which we (1) evaluated the consistency of estimates with the Company's pattern of economic benefits embodied in such assets and future operating plans including acquisitions and retirements of the</p>

02-66

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Statutory Reports

67-122

&gt;&gt;&gt;

Standalone Financials

123-174

&gt;&gt;&gt;

Consolidated Financials

## Independent Auditors' Report (Contd.)

Key Audit Matters	How Our Audit Addressed The Key Audit Matters
<p>As per Ind AS 16 'Property, Plant and Equipment', the management reviews estimated useful life and residual value of Bearer Plants annually and account for changes, where appropriate.</p> <p>This matter is identified as a key audit matter due to significant estimates / judgment involved in estimating useful life for these assets.</p>	<p>Bearer Plants; (2) compared the useful life estimates with those adopted by comparable tea producers, as per available external information; and (3) considered the Company's historical experience.</p> <p>Evaluated the assumptions and critical judgements used by the management and tested the underlying supporting documents / details.</p> <p>Assessed the adequacy of related disclosures in the standalone financial statements.</p>
<p><b>Valuation of biological assets and agriculture produce</b></p> <p>As required by Ind AS 41 "Agriculture", management estimates the fair value of unplucked tea leaves (biological assets) and plucked tea leaves (agriculture produce) as at the balance sheet date through the use of valuation model and recent transaction prices. As at March 31, 2025, the carrying value of biological assets included under current assets is Rs.19.33 lakhs.</p> <p>Finished goods produced from agricultural produce are valued at lower of cost (arrived at by adding the cost of conversion to the fair value of agricultural produce) and the net realisable value.</p> <p>The biological assets are stated at fair value less costs to sell.</p> <p>Since there is no active market for harvested or unharvested tea leaves, significant judgement is involved in considering key assumptions used in determining average prevalent selling prices of tea leaves, average quality of tea leaves and quantity of unplucked leaves. Accordingly, this matter is identified as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <p>Understood, evaluated the design and tested the operating effectiveness of internal controls over valuation of biological assets and agriculture produce inventory.</p> <p>Assessed the significant assumptions used in the valuation model with reference to available market information, on measurement of such estimates.</p> <p>Tested the data inputs used in the fair valuation and compared them with underlying supporting documents.</p> <p>Assessed the adequacy of related disclosures in the standalone financial statements for compliance with disclosure requirements</p>

### OTHER INFORMATION

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report but does not include financial statements and our auditors' report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### RESPONSIBILITY OF MANAGEMENT FOR THE INDAS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these IndAS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and oth-

## Independent Auditors' Report *(Contd.)*

er 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or 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 RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

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

Materiality is the magnitude of misstatements in the standalone 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.

## Independent Auditors' Report *(Contd.)*

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended 31st March, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Government of India, Ministry of Corporate Affairs dated 25th February, 2020 in terms of sub-section 11 of section 143 of the Act, we give in the Annexure a statement on the matters specified therein, refer to Annexure "A"-a statement on the matters specified in the Paragraph 3 and 4 of the order.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015.
  - e) On the basis of written representations received from the directors as on 31st March, 2025 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) In our opinion, there exists adequacy of internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure "B"
  - g) With respect to the other matters to be included in the Auditors Report in accordance with the requirements of the section 197(16) of the Act, as amended. In our opinion and to the best of our information & according to the explanation given to us, the remuneration paid to the directors by the company is in accordance with the said provision of Section 197 of the Act.
  - h) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements- refer note 36 of the financial statements.
    - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

## Independent Auditors' Report *(Contd.)*

- (iv) a) The management has represented that, to the best of its knowledge and belief, no funds 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 persons or entities 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 ("Ultimate Beneficiaries") by or on behalf of the Company or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any other persons or entities, including foreign entities ("Funding Parties"), 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 ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
  - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
- c) Based on such audit procedures as 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 (iv)(a) and (iv)(b) contain any material mis-statement.
- d) The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.
- e) Reporting on Audit Trails
- Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For **NKSJ & Associates**  
Chartered Accountants  
Firm Registration No- 329563E  
UDIN: 25234454BMLGZA4007

Flat No. 1B, 1st Floor, Embassy Building,  
4, Shakespeare Sarani,  
Kolkata – 700 071.

Dated the 30<sup>th</sup> day of May, 2025

**(CA Sneha Jain)**  
Partner  
Membership No. 234454

02-66

&gt;&gt;&gt;

Statutory Reports

67-122

&gt;&gt;&gt;

Standalone Financials

123-174

&gt;&gt;&gt;

Consolidated Financials



## Annexure “A” to the Auditors’ Report of even date

### REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE:

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- a) The Company has maintained proper records showing full particulars including, quantitative details and situation of Property, Plant and Equipment.
- b) The Company has maintained proper records showing full particulars of intangible assets.
- c) Property, Plant and Equipment have been physically verified by the management at reasonable intervals. We have been informed that no material discrepancies were noticed on such verification. The title deeds of immovable properties are held in the name of the Company except following:-

Description of the Property	Gross Carrying Value (₹ in Lacs)	Held in the name of	Whether promoter, director or their relative of employee	Period held indicative range, where appropriate	Reason for not being held in the name of the Company also indicate if dispute
Land at Bamonpookrie Tea Estate	2440.27	Ryam Commerce & Plantations Limited	No	Refer Note No.1 below	Refer Note No.2 below
Bearer Plants at Bamonpookrie Tea Estate	681.94				
Building & Water Supply Installation	623.17				

**Note No 1 :** The Company is the beneficial owner since 01/03/2017 as per the Business Transfer Agreement executed with Ryam Commerce & Plantations Limited

**Note No.2 :** The Company has applied for NOC for execution of conveyance deed on 05/06/2017 and the file is now with Deputy Secretary, Revenue & Disaster Management(s) Department, The Government of Assam, Assam Secretariat, Dispur

- d) The Company has not revalued its Property, Plant and Equipment during the year ended 31st March, 2025. Hence the clause 3(i)(d) is not applicable during the year to the Company.
- e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
2.
  - a) As explained to us, inventory has been physically verified during the year by the management at reasonable intervals. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
  - b) Inventory lying with third parties has been confirmed by them as at 31st March, 2025 and no material discrepancies were noticed in respect of such confirmations. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
  - c) The Company has been sanctioned working capital limits in excess of Rs. Five Crores in aggregate from banks and financial Institution during the year and the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company;
3. The Company has not granted any loan to a body corporate covered in the register maintained under Section 189 of the Companies Act, 2013.
  - a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee to other entity on behalf of a company.

## Annexure “A” to the Auditors’ Report of even date (Contd.)

- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee to others.
- c) The Company has not granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(c) to 3(iii)(f) of the Order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to loans and investments made.
5. The Company has not accepted deposits from the public covered within the meaning of directives issued by the Reserve Bank of India and provisions of Sections 73 to Section 76 or any other relevant provisions of the Act and rules framed there under are not applicable;
6. As per information & explanation given by the management, maintenance of cost records has been specified by the Central Government under sub section (1) of Section 148 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
7. a) According to the records of the company, undisputed statutory dues including Provident Fund, Employees State Insurance, Income-tax, Cess and Goods & Service Tax to the extent applicable and any other statutory dues have been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2025 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us and on the basis of the documents and records the disputed statutory dues which have not been deposited with the appropriate authorities are as under:

Sl. No	Name of Statute	Nature of Dues	Financial Year to which the matter pertains	Amount in Rs.	Forum where dispute is pending
1.	Income Tax Act, 1961	Income Tax Demand	2009-10	1,24,257/-	D.C.I.T. Circle 4(1)
2.			2016-17	40,41,850/-	D.C.I.T. Circle 4(1)
3.			2018-19	1,98,10,390/-	D.C.I.T. Circle 4(1)

8. Based on the audit procedures performed and the information and explanations given to us, we report that during the year, as reported by the management there were no transactions which were not recorded in the books of account and were liable to be surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
9. a) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of loans or borrowings to any bank during the year. Further, the Company does not have any debentures and loan from financial institution or government.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.
- c) In our opinion and according to the information and explanations given to us by the management, no term loans were obtained during the year.
- d) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
- e) The Company has invested in a wholly owned subsidiary company. The Company does not have any associate or joint venture (as defined under Companies Act, 2013) during the year ended 31 March 2025.

## Annexure “A” to the Auditors’ Report of even date (Contd.)

- 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 subsidiaries, joint ventures or associate companies (as defined under the Act).
10. a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year;
- b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
11. a) Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.
- b) According to the information and explanations given to us and based on our examination of the records of the Company, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) According to the information and explanations given to us and based on our examination of the records of the Company, no whistleblower complaints have been received by the company during the year.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. a) The company has an internal audit system commensurate with the size and nature of its business.
- b) The reports of the internal auditors for the period under audit of the company was considered by us at the time of conducting statutory audit.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him.
16. a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- d) According to the information and explanation given to us by the management, the Group has no CIC, which is required to be registered with the Reserve Bank of India.
17. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has incurred cash losses in the Financial Year and in the immediately preceding financial year.
18. There has been no resignation of the statutory auditors during the year.
19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and as informed by the Board of Directors, in our opinion, material uncertainty does not exist as on the date of the audit report and that company is 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.

## Annexure “A” to the Auditors’ Report of even date (Contd.)

20. According to the information and explanations given to us and based on our examination of the records of the Company, the company is not required to transfer unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act, in view of there being no ongoing projects during the year.
21. This being the Standalone Auditors Report, the clause no. 3 (xxi) of the order relating to reporting on Consolidated Financial Statements for any qualifications or adverse remarks by the respective auditors in the Companies (Auditor’s Report) Order (CARO) is not applicable to these financial statements of the company.

Flat No. 1B, 1st Floor, Embassy Building,  
4, Shakespeare Sarani,  
Kolkata – 700 071.

Dated the 30<sup>th</sup> day of May, 2025

For **NKSJ & Associates**  
Chartered Accountants  
Firm Registration No- 329563E  
UDIN: 25234454BMLGZA4007

**(CA Sneha Jain)**  
Partner  
Membership No. 234454

## Annexure “B” to the Independent Auditors’ Report

**(REFERRED TO IN PARAGRAPH (h) UNDER “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE.)**

### **REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (“THE ACT”)**

We have audited the internal financial controls over financial reporting of KANCO TEA & INDUSTRIES LIMITED (“the Company”) as of 31 March 2025 in conjunction with our audit of the standalone Ind AS Financial Statements of the Company for the year ended on that date.

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

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

#### **Auditors’ Responsibility**

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

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

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the standalone financial statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and

## Annexure “B” to the Independent Auditors’ Report (Contd.)

not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2025, 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.

Flat No. 1B, 1st Floor, Embassy Building,  
4, Shakespeare Sarani,  
Kolkata – 700 071.

Dated the 30<sup>th</sup> day of May, 2025

For **NKSJ & Associates**  
Chartered Accountants  
Firm Registration No- 329563E  
UDIN: 25234454BMLGZA4007

(**CA Sneha Jain**)  
Partner  
Membership No. 234454

02-66

&gt;&gt;&gt;

Statutory Reports

67-122

&gt;&gt;&gt;

Standalone Financials

123-174

&gt;&gt;&gt;

Consolidated Financials

## Standalone Balance Sheet as at 31st March, 2025

(₹ in thousands)

Particulars	Note No.	As at 31st March, 2025	As at 31st March, 2024
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	5	6,94,836.37	6,71,161.31
Capital Work-In-Progress	5A	3,584.65	10,854.21
Intangible Assets	6	936.00	1,203.02
Financial Assets			
Investments	7	1,37,189.22	1,33,710.92
Trade Receivables	8	1,749.66	1,343.97
Loans	9	517.14	604.06
Other Financial Assets	10	17,747.47	17,065.01
Deferred Tax Assets (Net)	11	24,755.23	28,274.30
Other Non-Current Assets	12	2,498.41	2,193.10
<b>CURRENT ASSETS</b>			
Inventories	14	49,055.48	45,781.23
Biological Assets other than bearer plants	15	1,932.73	1,058.21
Financial Assets			
Trade Receivables	8	5,016.10	10,854.85
Cash and Cash Equivalents	16	12,664.71	2,603.16
Other Bank Balances	17	1,716.68	1,815.06
Loans	9	415.58	1,009.13
Other Financial Assets	10	505.69	22.82
Other Current Assets	12	31,484.11	44,695.99
Current Tax Asset (Net)	13	22,711.10	15,709.29
<b>Total Assets</b>		<b>10,09,316.33</b>	<b>9,89,959.64</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	18	51,228.27	51,228.27
Other Equity	19	3,25,639.51	3,88,056.24
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Financial Liabilities			
Borrowings	20	1,68,398.25	42,915.95
Trade Payables:-	21		
(a) Total outstanding dues of Micro and Small Enterprises		-	-
(b) Total outstanding dues of creditors other than Micro and Small Enterprises		1,367.67	3,482.63
Other Financial Liabilities	22	136.04	136.04
Provisions	23	38,374.08	46,188.23
Other non-Current Liabilities	24	89.94	294.56
<b>CURRENT LIABILITIES</b>			
Financial Liabilities			
Borrowings	25	2,91,562.97	3,30,361.01
Trade Payables:-	21		
(a) Total outstanding dues of Micro and Small Enterprises		9,152.77	7,548.27
(b) Total outstanding dues of creditors other than Micro and Small Enterprises		54,210.44	46,839.01
Other Financial Liabilities	22	48,564.24	49,392.49
Provisions	23	171.16	13,045.00
Other Current Liabilities	24	20,420.99	10,471.94
<b>Total Equity and Liabilities</b>		<b>10,09,316.33</b>	<b>9,89,959.64</b>
Basis of Accounting	2		
Significant Accounting Policies	3		
Significant Judgements & Estimates	4		

The Notes are an integral part of the Financial Statements

As per our Report annexed of even date

For **NKSJ & ASSOCIATES**

Chartered Accountants

Firm Registration No. 329563E

UDIN: 25234454BMLGZA4007

**CA. Sneha Jain**

Partner

Membership No. 234454

Kolkata

Dated the 30th day of May, 2025

**U. KANORIA**Chairman & Managing Director  
(DIN: 00081108)**C. KABRA**

Company Secretary

**S. K. PARHI**

Chief Financial Officer



## Standalone Statement of Profit & Loss for the year ended 31st March, 2025

(₹ in thousands)

Particulars	Note No.	For the year ended 31st March, 2025	For the year ended 31st March, 2024
<b>INCOME</b>			
Revenue from Operations	26	6,36,019.16	7,65,191.99
Other Income	27	40,570.84	14,574.73
<b>Total Income</b>		<b>6,76,590.00</b>	<b>7,79,766.72</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	28	71,636.25	1,67,293.18
Changes in Inventories of Finished Goods	29	(10,694.95)	24,387.09
Employee Benefits Expense	30	4,19,227.57	4,12,081.78
Finance Costs	31	34,804.77	19,068.13
Depreciation and Amortisation Expense	32	26,247.79	26,807.94
Other Expenses	33	2,18,491.73	2,15,953.18
<b>Total Expenses</b>		<b>7,59,713.16</b>	<b>8,65,591.30</b>
<b>(Loss)/Profit before Tax</b>		<b>(83,123.16)</b>	<b>(85,824.58)</b>
<b>Tax Expense:</b>	34		
Deferred Tax		3,519.07	6,057.12
<b>(Loss)/Profit for the year</b>		<b>(86,642.23)</b>	<b>(91,881.70)</b>
<b>Other Comprehensive Income</b>	35		
i. Items that will not be reclassified to profit or loss	35 A	24,225.50	4,219.17
ii. Income tax relating to these items		-	-
		<b>24,225.50</b>	<b>4,219.17</b>
Other Comprehensive Income for the Year (Net of Tax)		24,225.50	4,219.17
<b>Total Comprehensive Income for the period</b>		<b>(62,416.73)</b>	<b>(87,662.53)</b>
<b>Earnings Per Share</b>			
Nominal Value of Shares (₹)		10	10
Weighted Average Number of Ordinary Shares outstanding during the year		51,22,827	51,22,827
Basic & Diluted Earnings Per Share		(16.91)	(17.94)
Basis of Accounting	2		
Significant Accounting Policies	3		
Significant Judgements & Estimates	4		

The Notes are an integral part of the Financial Statements

As per our Report annexed of even date

For **NKSJ & ASSOCIATES**

Chartered Accountants

Firm Registration No. 329563E

UDIN: 25234454BMLGZA4007

**CA. Sneha Jain**

Partner

Membership No. 234454

Kolkata

Dated the 30th day of May, 2025

**U. KANORIA**

Chairman &amp; Managing Director

(DIN: 00081108)

**C. KABRA**

Company Secretary

**S. K. PARHI**

Chief Financial Officer

02-66

&gt;&gt;&gt;

Statutory Reports

67-122

&gt;&gt;&gt;

Standalone Financials

123-174

&gt;&gt;&gt;

Consolidated Financials

## Standalone Cash Flow Statement for the year ended 31st March, 2025

(₹ in thousands)

Particulars	For the year ended	
	31st March, 2025	31st March, 2024
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net (Loss) / Profit Before Tax and after Exceptional items	(83,123.16)	(85,824.58)
Finance Cost	34,804.77	19,068.13
Depreciation (including amortization & impairment)	26,247.79	26,807.94
Changes in Fair Value of Biological Assets	(874.52)	1,788.43
Interest Received	(562.92)	(552.68)
Loss /(Profit) on Property, Plant and Equipment sold/discarded (Net)	279.92	26.02
<b>Operating Profit/ (Loss) before Working Capital Changes</b>	<b>(23,228.12)</b>	<b>(38,686.74)</b>
<b>ADJUSTMENT FOR :</b>		
Decrease/(Increase) in Non-current Trade Receivables	(405.69)	(45.75)
Decrease/(Increase) in Current Trade Receivables	5,838.75	1,848.97
Decrease/(Increase) in Non-current Other Financial Assets	(682.46)	(712.49)
Decrease/(Increase) in Current Other Financial Assets	(481.71)	2.00
Decrease /(Increase) in Non-current Other Assets	(305.31)	259.91
Decrease /(Increase) in Current Other Assets	13,148.87	(19,464.17)
Decrease /(Increase) in Inventories & Biological Assets other than bearer plants	(3,274.25)	27,534.59
(Decrease)/ Increase in Non-current Trade Payables	(2,114.96)	965.19
(Decrease)/ Increase in Current Trade Payables	8,975.93	10,250.36
(Decrease)/ Increase in Non-current Other Financial Liabilities	-	-
(Decrease)/ Increase in Current Other Financial Liabilities	(3,001.75)	(21,576.28)
Increase /(Decrease) in Non-current Other Liabilities	(204.62)	(238.01)
Increase /(Decrease) in Current Other Liabilities	9,949.05	(623.98)
Increase /(Decrease) in Non-current Provisions	(7,814.15)	16,078.44
Increase /(Decrease) in Current Provisions	6,660.45	(4,855.64)
<b>Cash Generated from Operations</b>	<b>3,060.03</b>	<b>(29,263.60)</b>
Income Tax (Paid)/ received (Net)	(7,001.81)	(8,878.69)
<b>Net Cash Flow from Operating Activities</b>	<b>(3,941.78)</b>	<b>(38,142.29)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipment	(42,793.18)	(52,456.40)
Sale of Property, Plant and Equipment	190.00	2,282.46
Redemption of Preference Share Capital	-	(4,000.00)
Loan Given (Net) Non-current	1,299.83	(116.00)
Loan Given (Net) Current	593.55	(313.28)
Fixed Deposits & other bank balances	98.38	8,166.08
Sale of Investments	-	1,462.30
Interest Received	561.76	540.88
<b>Net Cash flow from Investing Activities</b>	<b>(40,049.66)</b>	<b>(44,433.96)</b>

## Standalone Cash Flow Statement for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

Particulars	For the year ended	
	31st March, 2025	31st March, 2024
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase / (Decrease) in Short Term Borrowings from Banks	(38,798.04)	1,30,408.32
Increase / (Decrease) in Long Term Borrowings	1,25,482.30	(68,822.51)
Finance Cost	(32,631.27)	(18,401.54)
Dividend Paid	-	(5,122.83)
<b>Net Cash flow from Financing Activities</b>	<b>54,052.99</b>	<b>38,061.44</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>10,061.55</b>	<b>(44,514.81)</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>2,603.16</b>	<b>47,117.97</b>
<b>Cash and Cash Equivalents at the end of the year</b>	<b>12,664.71</b>	<b>2,603.16</b>

### Notes:

- (1) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in IND AS -7 "Statement of Cash Flows" referred to in the Companies (Accounts) Rules, 2016.
- (2) Previous year's figures have been re-grouped/re-arranged wherever necessary.

The Notes are an integral part of the Financial Statements

As per our Report annexed of even date

For **NKSJ & ASSOCIATES**

Chartered Accountants

Firm Registration No. 329563E

UDIN: 25234454BMLGZA4007

**CA. Sneha Jain**

Partner

Membership No. 234454

Kolkata

Dated the 30th day of May, 2025

**U. KANORIA**

Chairman & Managing Director

(DIN: 00081108)

**C. KABRA**

Company Secretary

**S. K. PARHI**

Chief Financial Officer

02-66

&gt;&gt;&gt;

Statutory Reports

67-122

&gt;&gt;&gt;

Standalone Financials

123-174

&gt;&gt;&gt;

Consolidated Financials

## Standalone Statement of Change in Equity for the year ended 31st March, 2025

(₹ in thousands)

### a Equity Share Capital

Balance as at 31st March 2023	51,228.27
Add/(Less): Changes during the year 2023-24	-
Balance as at 31st March 2024	51,228.27
Add/(Less): Changes during the year 2024-25	-
<b>Balance as at 31st March 2025</b>	<b>51,228.27</b>

### b Other Equity

Particulars	General Reserve	Preference Share Redemption Reserve	Retained Earnings	Other Comprehensive Income		Total
				Equity Instrument through Other Comprehensive Income	Remeasurement of Defined Benefit Plans	
<b>Balance as at 31st March, 2023</b>	<b>73,126.87</b>	<b>4,000.00</b>	<b>3,41,610.99</b>	<b>72,910.12</b>	<b>(10,806.38)</b>	<b>4,80,841.60</b>
(Loss)/Profit for the Year	-	-	(91,881.70)	-	-	(91,881.70)
Change in Fair Value	-	-	-	(2,902.84)	-	(2,902.84)
Remeasurement Gain/(Loss) (Net of Tax)	-	-	-	-	7,122.01	7,122.01
<b>Total Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>(91,881.70)</b>	<b>(2,902.84)</b>	<b>7,122.01</b>	<b>(87,662.53)</b>
Final Dividend Paid	-	-	5,122.83	-	-	5,122.83
<b>Total Distribution</b>	<b>-</b>	<b>-</b>	<b>5,122.83</b>	<b>-</b>	<b>-</b>	<b>5,122.83</b>
<b>Balance as at 31st March, 2024</b>	<b>73,126.87</b>	<b>4,000.00</b>	<b>2,44,606.46</b>	<b>70,007.28</b>	<b>(3,684.37)</b>	<b>3,88,056.24</b>

Particulars	General Reserve	Preference Share Redemption Reserve	Retained Earnings	Other Comprehensive Income		Total
				Equity Instrument through Other Comprehensive Income	Remeasurement of Defined Benefit Plans	
<b>Balance as at 31st March, 2024</b>	<b>73,126.87</b>	<b>4,000.00</b>	<b>2,44,606.46</b>	<b>70,007.28</b>	<b>(3,684.37)</b>	<b>3,88,056.24</b>
Transfer from Preference Share Redemption Reserve	4,000.00	-	-	-	-	4,000.00
Transfer to General Reserve	-	(4,000.00)	-	-	-	(4,000.00)
	<b>77,126.87</b>	<b>-</b>	<b>2,44,606.46</b>	<b>70,007.28</b>	<b>(3,684.37)</b>	<b>3,88,056.24</b>
(Loss)/Profit for the Year	-	-	(86,642.23)	-	-	(86,642.23)
Change in Fair Value	-	-	-	4,691.21	-	4,691.21
Remeasurement Gain/(Loss) (Net of Tax)	-	-	-	-	19,534.29	19,534.29
<b>Total Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>(86,642.23)</b>	<b>4,691.21</b>	<b>19,534.29</b>	<b>(62,416.73)</b>
<b>Balance as at 31st March, 2025</b>	<b>77,126.87</b>	<b>-</b>	<b>1,57,964.23</b>	<b>74,698.49</b>	<b>15,849.92</b>	<b>3,25,639.51</b>

The Notes are an integral part of the Financial Statements

As per our Report annexed of even date

For **NKSJ & ASSOCIATES**

Chartered Accountants

Firm Registration No. 329563E

UDIN: 25234454BMLGZA4007

**CA. Sneha Jain**

Partner

Membership No. 234454

Kolkata

Dated the 30th day of May, 2025

**U. KANORIA**

Chairman & Managing Director

(DIN: 00081108)

**C. KABRA**

Company Secretary

**S. K. PARHI**

Chief Financial Officer

# Notes to the Standalone Financial Statements for the year ended 31st March, 2025

## 1. CORPORATE AND GENERAL INFORMATION

Kanco Tea & Industries Limited (the company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on two stock exchanges in India. The company is engaged in the manufacturing and selling of black tea. The company caters to only the domestic market. The food safety system and the quality management system of Mackeypore Tea Estate has been assessed and found to meet the requirement of ISO 22000:2018 Food Safety Management. The quality management system of Mackeypore Tea Estate has been assessed and found to meet the requirements of ISO 9001:2015.

## 2. BASIS OF ACCOUNTING

### 2.1. Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), other relevant provisions of the Act and other accounting principles generally accepted in India. The accounting policies are applied consistently to all the periods presented in the financial statements.

The financial statements of the Company for the year ended 31st March, 2025 has been approved by the Board of Directors in their meeting held on 30th May, 2025

### 2.2. Basis of Accounting

The Company maintains accounts on accrual basis following the historical cost convention, except for followings:

- Certain Financial Assets and Liabilities is measured at Fair value/ Amortised cost (refer accounting policy regarding financial instruments);
- Defined Benefit Plans – plan assets measured at fair value; and
- Biological Assets – At fair value less cost to sell

### 2.3. Functional and Presentation Currency

The Financial Statements are presented in Indian Rupee (INR), which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates. All financial information presented in INR has been rounded off to the nearest thousands as per the requirements of Schedule III, unless otherwise stated.

### 2.4. Use of Estimates and Judgements

The preparation of financial statements in conformity with Ind AS requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

### 2.5. Presentation of Financial Statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## Notes to the Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

### 2.6. Operating Cycle for current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1. The Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

### 2.7. Measurement of Fair Values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

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, maximising 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 financial statements are categorised within the fair value hierarchy, described as follows, based on the 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 — Inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 — Inputs which are unobservable inputs for the asset or liability.

External valuers are involved for valuation of significant assets & liabilities. Involvement of external valuers is decided by the management of the company considering the requirements of Ind As and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

## 3. ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

### 3.1. INVENTORIES

Inventories are valued at the lower of cost and net realizable value (NRV). Cost is measured by including, unless specifically mentioned below, cost of purchase and other costs incurred in bringing the inventories to their present location and condition. NRV is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

## Notes to the Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

- **Raw Materials:** At Cost or Net Realizable Value whichever is lower. Cost of harvested tea leaves, produced from own gardens, is measured at fair value less cost to sell at the point of harvest of tea leaves.
- **Stores and Spare Parts:** Stores and Spare Parts are measured at cost (measured at weighted average basis) or net realizable value whichever is lower.
- **Finished Goods:** Finished goods produced from agricultural produce are valued at lower of cost and the net realizable value. Cost is arrived at by adding the cost of conversion to the fair value of agricultural produce.
- **Stock in Trade:** Stock in Trade is measured at cost (i.e., purchase cost) or net realizable value whichever is lower.
- **Waste/ Scrap:** Waste and Scrap (including tea waste) are valued at estimated realizable value.

### 3.2. CASH AND CASH EQUIVALENTS

Cash and cash equivalent in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

For the purpose of the statement of cash flows, cash and cash equivalents includes cash in hand, deposits and other short-term highly liquid investments as defined above, net of bank overdrafts as they are considered an integral part of the Company's cash management. Bank overdrafts are shown within short term borrowings in the balance sheet.

### 3.3. INCOME TAX

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

#### 3.3.1. Current Tax:

Current tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities using the tax rates (and tax laws) that have been enacted or substantively enacted, at the end of the reporting period.

#### 3.3.2. Deferred Tax

- Deferred Tax assets and liabilities is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.
- Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base). Deferred tax is also recognized for carry forward of unused tax losses and unused tax credits.
- Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
- The carrying amount of deferred tax assets is reviewed at the end of each reporting period. The Company reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to



## Notes to the Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

- Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.
- Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

### 3.4. PROPERTY, PLANT AND EQUIPMENT

#### 3.4.1. Tangible Assets (Other than Bearer Plants)

##### 3.4.1.1. Recognition and Measurement:

- Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any).
- Cost of an item of property, plant and equipment acquired comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting any trade discounts and rebates, any directly attributable costs of bringing the assets to its working condition and location for its intended use and present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located.
- In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of directly attributable overheads, directly attributable borrowing costs incurred in bringing the item to working condition for its intended use, and estimated cost of dismantling and removing the item and restoring the site on which it is located. The costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling items produced while bringing the asset to that location and condition are also added to the cost of self-constructed assets.
- If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.
- Profit or loss arising on the disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

##### 3.4.1.2. Subsequent Measurement:

- Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.
- Major Inspection/ Repairs/ Overhauling expenses are recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any Unamortized part of the previously recognized expenses of similar nature is derecognized.

##### 3.4.1.3. Depreciation and Amortization:

- Depreciation on tangible fixed assets is provided under Straight Line Method at rates determined based on the useful life of the respective assets and the residual values in accordance with Schedule II of the Companies Act, 2013 or as reassessed by the Company based on the technical evaluation.

## Notes to the Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

- In respect of spares for specific machinery, cost is amortized over the useful life of the related machinery as estimated by the management.
- Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed of).
- Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

### 3.4.1.4. Disposal of Assets

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

### 3.4.1.5. Capital Work in Progress

Capital work-in-progress is stated at cost which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production.

### 3.4.2. Bearer Plants

#### 3.4.2.1. Recognition and Measurement:

- Bearer Plants, comprising of mature tea bushes and shade trees are stated in the balance sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any).
- Cost of bearer plants includes the cost of uprooting, land development, rehabilitation, planting of Guatemala, planting of shade trees, cost of nursery, drainage, manual cultivation, fertilizers, agro-chemicals, pruning and infilling etc.

#### 3.4.2.2. Subsequent Measurement:

Costs incurred for infilling including block infilling are generally recognized in the Statement of Profit and Loss unless there is a significant increase in the yield of the sections, in which case such costs are capitalized and depreciated over the remaining useful life of the respective sections.

#### 3.4.2.3. Depreciation:

- Depreciation on bearer plants is recognised so as to write off its cost over useful lives, using the straight-line method.
- The estimated useful life, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.
- Estimated useful life of the bearer plants has been determined to be 50 years. The residual value in case of Bearer Plants has been considered as NIL.

#### 3.4.2.4. Capital Work in Progress

Young tea bushes & shade trees, including the cost incurred for procurement of new seeds and maintenance of nurseries, are carried at cost less any recognized impairment losses under capital work-in-progress. Cost includes the cost of land preparation, new planting and maintenance of newly planted bushes until maturity. On maturity, these costs are classified under bearer plants. Depreciation of bearer plants commence on maturity.

### 3.5. REVENUE RECOGNITION

Revenue is recognised based on nature of activity when consideration can be reasonably measured and re-

## Notes to the Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

covered with reasonable certainty. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment, but excludes amounts collected on behalf of third parties, such as sales tax and value added tax and is reduced for estimated customer returns, rebates and other similar allowances.

### 3.5.1. Sale of Products:

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and significant risk and reward incidental to sale of products is transferred to the buyer, usually on delivery of the goods.

### 3.5.2. Other Income:

**3.5.2.1. Interest Income:** For all debt instruments measured either at amortized cost or at fair value through other comprehensive income (FVTOCI), interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

**3.5.2.2. Dividend Income:** Dividend income is accounted in the period in which the right to receive the same is established.

**3.5.2.3. Other Income:** Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.

## 3.6. EMPLOYEE BENEFITS

### 3.6.1. Short Term Benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period.

### 3.6.2. Other Long Term Employee Benefits

The liabilities for earned leaves and sick leaves that are not expected to be settled wholly within twelve months are measured as the present value of the expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation. Remeasurements as the result of experience adjustment and changes in actuarial assumptions are recognized in statement of profit and loss.

### 3.6.3. Post Employment Benefits

The Company operates the following post employment schemes:

#### ➤ Defined Contribution Plan

Defined contribution plans such as Provident Fund, Superannuation Fund, labour Welfare Fund etc. are charged to the statement of profit and loss as and when incurred. There are no other contribution payable to the respective funds.

#### ➤ Defined Benefit Plans

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

## Notes to the Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

The liability recognized for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. 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. The benefits are discounted using the government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation.

Remeasurements of the net defined benefit obligation, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling, are recognized in other comprehensive income. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the statement of profit and loss.

### 3.7. GOVERNMENT GRANTS

Government grants are recognised at their fair value, where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

The grant relating to the acquisition/ construction of an item of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on the same systematic basis as the respective assets are depreciated over their expected life and are presented within other operating income.

### 3.8. FOREIGN CURRENCY TRANSACTIONS

- Foreign currency (other than the functional currency) transactions are translated into the functional currency using the spot rates of exchanges at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchanges at the reporting date.
- Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities are generally recognized in profit or loss in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those qualifying assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings, the balance is presented in the Statement of Profit and Loss within finance costs.
- Non monetary items are not retranslated at period end and are measured at historical cost (translated using the exchange rate at the transaction date).

### 3.9. BORROWING COSTS

- Borrowing Costs consists of interest and other costs that an entity incurs in connection with the borrowings of funds. Borrowing costs also includes exchange difference to the extent regarded as an adjustment to the borrowing costs.
- Borrowing costs directly attributable to the acquisition or construction of a qualifying asset are capitalized as a part of the cost of that asset that necessarily takes a substantial period of time to complete and prepare the asset for its intended use or sale. The Company considers a period of twelve months or more as a substantial period of time.
- Transaction costs in respect of long term borrowing are amortized over the tenure of respective loans using Effective Interest Rate (EIR) method. All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred.

### 3.10. INVESTMENT IN SUBSIDIARIES

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

## Notes to the Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

### 3.11. FINANCIAL INSTRUMENTS

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

#### 3.11.1. Financial Assets

➤ **Recognition and Initial Measurement:**

All financial assets are initially recognized when the company becomes a party to the contractual provisions of the instruments. A financial asset is initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

➤ **Classification and Subsequent Measurement:**

For purposes of subsequent measurement, financial assets are classified in four categories:

- o Measured at Amortized Cost;
- o Measured at Fair Value Through Other Comprehensive Income (FVTOCI);
- o Measured at Fair Value Through Profit or Loss (FVTPL); and
- o Equity Instruments measured at Fair Value Through Other Comprehensive Income (FVTOCI).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

- o Measured at Amortized Cost: A debt instrument is measured at the amortized cost if both the following conditions are met:
  - The asset is held within a business model whose objective is achieved by both collecting contractual cash flows; and
  - The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade receivables, cash and bank balances, loans and other financial assets of the company.

- o Measured at FVTOCI: A debt instrument is measured at the FVTOCI if both the following conditions are met:
  - The objective of the business model is achieved by both collecting contractual cash flows and selling the financial assets; and
  - The asset's contractual cash flows represent SPPI.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on remeasurement recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognized in the statement of profit and loss in investment income.

- o Measured 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. In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at 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 which are, held for trading are classified as at FVTPL.

## Notes to the Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

- o **Equity Instruments measured at FVTOCI:** For all other equity instruments, which has not been classified as FVTPL as above, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. In case the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment.

➤ **Derecognition:**

The Company derecognizes a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

➤ **Impairment of Financial Assets:**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS – 109 requires expected credit losses to be measured through a loss allowance. The company recognizes lifetime expected losses for all contract assets and/ or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

### 3.11.2. Financial Liabilities

➤ **Recognition and Initial Measurement:**

Financial liabilities are classified, at initial recognition, as at fair value through profit or loss, loans and borrowings, payables or as derivatives, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

➤ **Subsequent Measurement:**

Financial liabilities are measured subsequently at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

➤ **Financial Guarantee Contracts:**

Financial guarantee contracts issued by the company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirement of Ind AS 109 and the amount recognized less cumulative amortization.

➤ **Derecognition:**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.



## Notes to the Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

### 3.11.3. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

### 3.12. Earnings Per Share

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit attributable to equity holders adjusted for the effects of potential equity shares by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

### 3.13. Impairment of Non-Financial Assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful lives of the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (Cash Generating Units – CGU).

An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

### 3.14. Provisions, Contingent Liabilities and Contingent Assets

#### 3.14.1. Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

#### 3.14.2. Contingent Liabilities

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events but is not recognized because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Company discloses the existence of contingent liabilities in Other Notes to Financial Statements.

#### 3.14.3. Contingent Assets

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent Assets are not recognized though are disclosed, where an inflow of economic benefits is probable.



## Notes to the Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

### 3.15. Intangible Assets

#### 3.15.1. Recognition and Measurement

Software which is not an integral part of related hardware, is treated as intangible asset and are stated at cost on initial recognition and subsequently measured at cost less accumulated amortization and accumulated impairment loss, if any.

#### 3.15.2. Subsequent Expenditure

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. All other expenditure is recognized in the Statement of Profit & Loss.

#### 3.15.3. Amortization

- Intangible assets are amortized over their estimated useful lives.
- The amortization period and the amortization method are reviewed at least at the end of each financial year. If the expected useful life of the assets is significantly different from previous estimates, the amortization period is changed accordingly.

#### 3.15.4. Intangible Assets under Development

Intangible Assets under development is stated at cost which includes expenses incurred in connection with development of Intangible Assets in so far as such expenses relate to the period prior to the getting the assets ready for use.

### 3.16. Biological Assets and Agricultural Produce

#### 3.16.1. Biological Assets

Biological assets of the company comprise of un-harvested green tea leaves that are classified as current biological assets.

The Company recognizes biological assets when, and only when, the Company controls the assets as a result of past events, it is probable that future economic benefits associated with such assets will flow to the company and the fair value or cost of the assets can be measured reliably. Expenditure incurred on biological assets is measured on initial recognition and at the end of each reporting period at its fair value less costs to sell. The gain or loss arising from a change in fair value less cost to sell of biological assets is included in Statement of Profit and Loss for the period in which it arises.

#### 3.16.2. Agricultural Produce

The Company recognizes agricultural produce when, and only when, the Company controls the assets as a result of past events, it is probable that future economic benefits associated with such assets will flow to the Company and the fair value or the cost of the assets can be measured reliably. Agricultural produce harvested from the Company's biological assets are valued at fair value less cost to sell at the point of harvest. A gain or loss arising on initial recognition of agricultural produce at fair value less cost to sell shall be included in Statement of Profit & Loss for the period in which it arises.

The Company's agricultural produce comprises of green leaves plucked from its tea estate.

### 3.17. Operating Segment

Operating Segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors. Segments are organized based on businesses which have similar economic characteristics as well as exhibit similarities in nature of production processes, the type and class of customer and distribution methods. Accordingly, the company has only one segment i.e., Manufacturing of Black Tea.

## Notes to the Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

### 4. SIGNIFICANT JUDGEMENTS AND KEY SOURCES OF ESTIMATION IN APPLYING ACCOUNTING POLICIES

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Information about Significant judgements and Key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- **Recognition of Deferred Tax Assets:** The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.
- **Useful lives of depreciable/ amortisable assets (tangible and intangible):** Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.
- **Defined Benefit Obligation (DBO):** Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.
- **Provisions and Contingencies:** The assessments undertaken in recognising provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.
- **Impairment of Financial Assets:** The Company reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication of impairment. If recoverable amount is less than its carrying amount, the impairment loss is accounted for.
- **Allowances for Doubtful Debts:** The Company makes allowances for doubtful debts through appropriate estimations of irrecoverable amount. The identification of doubtful debts requires use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.
- **Fair value measurement of financial Instruments:** When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The input to these models are taken from observable markets where possible, but where this not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.
- **Fair Value of Biological Assets:** The fair value of Biological Assets is determined based on recent transactions entered into with third parties or available market price.

## Notes to the Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

### Note 5 PROPERTY, PLANT AND EQUIPMENT

Particulars	Year Ended 31st March 2025					
	Gross Block			Accumulated Depreciation		
	As at 1st April 2024	Additions	Disposal / Adjustments	As at 31st March 2025	As at 1st April 2024	For the Year
Land Freehold	2,44,026.60	-	-	2,44,026.60	-	-
Buildings & Water Supply Installation	1,94,921.71	9,873.51	-	2,04,795.22	27,518.24	5,914.00
Plant & Equipments	1,63,674.20	6,576.22	-	1,70,250.42	85,305.25	12,222.29
Furniture and Fixtures	7,682.91	2,732.21	-	10,415.12	4,314.28	445.59
Motor Vehicles	46,438.60	85.44	1,427.92	45,096.12	25,933.68	4,021.06
Bearer Plants	1,75,791.31	30,858.37	-	2,06,649.68	18,302.57	3,377.83
<b>Total</b>	<b>8,32,535.33</b>	<b>50,125.75</b>	<b>1,427.92</b>	<b>8,81,233.16</b>	<b>1,61,374.02</b>	<b>25,980.77</b>
						<b>958.00</b>
						<b>1,86,396.79</b>
						<b>6,94,836.37</b>

Particulars	Year Ended 31st March 2024					
	Gross Block			Accumulated Depreciation		
	As at 1st April 2023	Additions	Disposal / Adjustments	As at 31st March 2024	As at 1st April 2023	For the Year
Land Freehold	2,44,026.60	-	-	2,44,026.60	-	-
Buildings & Water Supply Installation	1,76,441.15	18,480.56	-	1,94,921.71	21,709.94	5,808.30
Plant & Equipments	1,59,819.99	5,989.71	2,135.50	1,63,674.20	72,679.58	12,672.79
Furniture and Fixtures	7,048.42	634.49	-	7,682.91	3,904.53	409.75
Motor Vehicles	46,829.11	2,750.79	3,141.30	46,438.60	24,245.13	4,609.75
Bearer Plants	1,43,944.49	31,846.82	-	1,75,791.31	15,262.24	3,040.33
<b>Total</b>	<b>7,78,109.76</b>	<b>59,702.37</b>	<b>5,276.80</b>	<b>8,32,535.33</b>	<b>1,37,801.42</b>	<b>26,540.92</b>
						<b>2,968.32</b>
						<b>1,61,374.02</b>
						<b>6,71,161.31</b>

#### Notes:

- 5.1** Refer note no. 38 for information on property, plant & equipments pledged as securities by the Company.
- 5.2** Refer note no. 37 for disclosure of contractual commitments for the acquisition of Property, Plant & Equipments.
- 5.3** The Company has not revalued its Property, Plant and Equipment during the current reporting period.
- 5.4** The Company does not hold any Benami Property and does not have any proceedings initiated or pending for holding Benami Property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988)

## Notes to the Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

### Note 5A Capital-Work-in-Progress-Tangibles

Particulars	Amounts in Capital-Work-in-Progress for a period of		
	Less than 1 years	1 to 2 years	Total
<b>Projects in progress</b>			
As at March 31, 2025	-	-	-
As at March 31, 2024	-	-	-
<b>Bearer Plants in Progress</b>			
As at March 31, 2025	2,568.75	1,015.90	3,584.65
As at March 31, 2024	8,275.27	2,578.94	10,854.21

**5A.1** There is no capital work-in-progress whose completion is overdue or has exceeded its cost as compared to its original plan.

### Note 6 INTANGIBLE ASSETS

Particulars	Year Ended 31st March 2025								
	Gross Carrying Amount				Accumulated Amortization				Net Carrying Amount
	As at 1st April 2024	Additions	Disposal / Adjustments	As at 31st March 2025	As at 1st April 2024	For the Year	Disposal / Adjustments	As at 31st March 2025	
Computer Software	2,347.56	-	-	2,347.56	1,144.54	267.02	-	1,411.56	936.00
<b>Total</b>	<b>2,347.56</b>	<b>-</b>	<b>-</b>	<b>2,347.56</b>	<b>1,144.54</b>	<b>267.02</b>	<b>-</b>	<b>1,411.56</b>	<b>936.00</b>

Particulars	Year Ended 31st March 2024								
	Gross Carrying Amount				Accumulated Amortization				Net Carrying Amount
	As at 1st April 2023	Additions	Disposal / Adjustments	As at 31st March 2024	As at 1st April 2023	For the Year	Disposal / Adjustments	As at 31st March 2024	
Computer Software	2,347.56	-	-	2,347.56	877.52	267.02	-	1,144.54	1,203.02
<b>Total</b>	<b>2,347.56</b>	<b>-</b>	<b>-</b>	<b>2,347.56</b>	<b>877.52</b>	<b>267.02</b>	<b>-</b>	<b>1,144.54</b>	<b>1,203.02</b>

**6.1** There are no Intangible Assets under development in the Company during the current reporting period.

### Note 7 NON-CURRENT INVESTMENTS

Particulars	Face Value	As at 31st March 2025		As at 31st March 2024	
		Qty	Amount	Qty	Amount
<b>7 A Equity Investment valued at Cost (Unquoted)</b>					
Winnow Investments & Securities Pvt. Ltd.	10	9,60,000	9,600.00	9,60,000	9,600.00
<b>Agreegrate amount of Unquoted Investment in wholly owned subsidiary</b>			<b>9,600.00</b>		<b>9,600.00</b>
<b>7 B Investment at Fair Value through Other Comprehensive Income</b>					
<b>Equity Instruments (Quoted)</b>					
Warren Tea Limited	10	10	0.44	10	0.36
Kanco Enterprises Limited	10	33,14,291	1,160.01	33,14,291	1,160.01
The Grob Tea Co. Limited	10	150	131.60	150	131.97
<b>Agreegrate amount of Quoted Investments</b>			<b>1,292.05</b>		<b>1,292.34</b>
<b>Equity Instruments (Unquoted)</b>					
The Methoni Tea Co. Limited	10	100	12.69	100	12.69

## Notes to the Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

Particulars	Face Value	As at 31st March 2025		As at 31st March 2024	
		Qty	Amount	Qty	Amount
Gujurat Nylons Limited	10	100	3.47	100	3.47
Rydak Syndicate Limited	10	100	12.69	100	12.69
E T Resources Private Limited	10	74,300	34,623.80	74,300	34,178.00
B T Investments Private Limited	10	2,22,558	48,072.52	2,22,558	46,959.73
Cosmos Resources Private Limited	10	75,000	9,975.00	75,000	9,450.00
Nidhi Private Limited	10	1,60,000	9,920.00	1,60,000	9,920.00
Innova Properties Private Limited	10	77,500	16,120.00	77,500	14,725.00
<b>Agreegrate amount of Unquoted Investments</b>			<b>1,18,740.17</b>		<b>1,15,261.58</b>
<b>7 C Investments at Fair Value through Profit or Loss</b>					
<b>Investment in 7% Non Cumulative Redeemable Preference shares(Unquoted)</b>					
B T Investments Private Limited	100	75,570	7,557.00	75,570	7,557.00
			<b>7,557.00</b>		<b>7,557.00</b>
<b>TOTAL NON- CURRENT INVESTMENTS (7A+7B+7C)</b>			<b>1,37,189.22</b>		<b>1,33,710.92</b>
<b>Aggregate Book Value of Quoted Investments</b>			<b>1,292.05</b>		<b>1,292.34</b>
<b>Aggregate Fair Value of Quoted Investments</b>			<b>1,292.05</b>		<b>1,292.34</b>
<b>Aggregate amount of Unquoted Investments</b>			<b>1,35,897.17</b>		<b>1,32,418.58</b>

The value of unquoted shares are based on the valuation report of a practising chartered accountant, who is not a registered valuer as defined under Rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

### Note 8 TRADE RECEIVABLES

Particulars	Refer Note No.	Long Term		Short Term	
		As as 31st March 2025	As as 31st March 2024	As as 31st March 2025	As as 31st March 2024
Trade Receivables	8.1 & 8.2	1,749.66	1,343.97	5,016.10	10,854.85
Less: Provision for doubtful receivables		-	-	-	-
<b>Total Trade Receivables</b>		<b>1,749.66</b>	<b>1,343.97</b>	<b>5,016.10</b>	<b>10,854.85</b>
<b>Break Up of Trade Receivable Details</b>					
Undisputed Trade Receivables - Considered Good		1,749.66	1,343.97	5,016.10	10,854.85
Undisputed Trade Receivables - Which have significant increase in credit risk		-	-	-	-
Undisputed Trade Receivables - Credit impaired		-	-	-	-
Disputed Trade Receivables - Considered Good		-	-	-	-
Disputed Trade Receivables - Which have significant increase in credit risk		-	-	-	-
Disputed Trade Receivables - Credit impaired		-	-	-	-
<b>Total</b>		<b>1,749.66</b>	<b>1,343.97</b>	<b>5,016.10</b>	<b>10,854.85</b>
Less: Provision for doubtful receivables		-	-	-	-
<b>Total Trade Receivables</b>		<b>1,749.66</b>	<b>1,343.97</b>	<b>5,016.10</b>	<b>10,854.85</b>

**8.1** Trade receivables are non-interest bearing and are generally on terms of 30 to 60 days.

**8.2** No trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

## Notes to the Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

### Note 9 LOANS

Particulars	Refer Note No.	Long Term		Short Term	
		As as 31st March 2025	As as 31st March 2024	As as 31st March 2025	As as 31st March 2024
<b>Loans &amp; Advances to Related Parties</b>	9.1				
Inter Corporate Loans to Others, unsecured, considered good		-	-	-	-
Advance to Employees, unsecured, considered good		517.14	604.06	415.58	1,009.13
<b>Total Loans</b>		<b>517.14</b>	<b>604.06</b>	<b>415.58</b>	<b>1,009.13</b>

**9.1** No Loans are due from directors or other officers of the company either severally or jointly with any other person. Nor any loan are due from firms or private companies respectively in which any director is a partner, a director or a member.

### Note 10 OTHERS FINANCIAL ASSETS

Security & Other Deposits		17,739.66	17,057.20	-	-
Nabard Tea Development Account		-	-	3.40	3.40
Interest Accrued and Due		-	-	20.58	19.42
Less: Provision for Doubtful receivables		-	-	-	-
Others		7.81	7.81	481.71	-
		<b>17,747.47</b>	<b>17,065.01</b>	<b>505.69</b>	<b>22.82</b>

### Note 11 DEFERRED TAX ASSETS (NET)

Particulars	As at	
	March 31, 2025	March 31, 2024
<b>Deferred Tax Assets</b>		
Arising on account of :		
Section 43B of Income-tax Act	(2,452.54)	(49.04)
Provision for doubtful debts	2,744.59	2,744.59
MAT Credit Entitlement	32,240.43	32,240.43
Unabsorbed Depreciation	6,780.79	6,679.45
Others	736.68	736.68
	<b>40,049.95</b>	<b>42,352.11</b>
<b>Less: Deferred Tax Liabilities</b>		
Arising on account of :		
Property, Plant & Equipment	5,069.93	4,403.15
Financial Assets	9,974.13	9,424.00
Others	250.66	250.66
	<b>15,294.72</b>	<b>14,077.81</b>
<b>Deferred Tax Assets (Net)</b>	<b>24,755.23</b>	<b>28,274.30</b>

## Notes to the Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

### 11.1 Movement in deferred tax assets and liabilities during the year ended 31st March, 2024 and 31st March, 2025

Particulars	As at 1st April, 2023	Recognized in State- ment of Profit and Loss	Recognized in Other Comprehen- sive Income	As at 31st March, 2024
<b>Deferred Income Tax Liabilities</b>				
Property, Plant & Equipment	3,947.42	455.73	-	4,403.15
Financial Assets	9,843.05	(93.47)	(325.58)	9,424.00
Others	250.66	-	-	250.66
	<b>14,041.13</b>	<b>362.26</b>	<b>(325.58)</b>	<b>14,077.81</b>
<b>Deferred Income Tax Assets</b>				
Section 43B of Income-tax Act	6,072.73	(6,121.77)	-	(49.04)
Provision for doubtful debts	2,744.59	-	-	2,744.59
MAT Credit Entitlement	32,240.43	-	-	32,240.43
Unabsorbed Depreciation	6,578.11	101.34	-	6,679.45
Others	736.68	-	-	736.68
	<b>48,372.54</b>	<b>(6,020.43)</b>	<b>-</b>	<b>42,352.11</b>

Particulars	As at 1st April, 2024	Recognized in State- ment of Profit and Loss	Recognized in Other Comprehen- sive Income	As at 31st March, 2025
<b>Deferred Income Tax Liabilities</b>				
Property, Plant & Equipment	4,403.15	666.78	-	5,069.93
Financial Assets	9,424.00	163.03	387.10	9,974.13
Others	250.66	-	-	250.66
	<b>14,077.81</b>	<b>829.81</b>	<b>387.10</b>	<b>15,294.72</b>
<b>Deferred Income Tax Assets</b>				
Section 43B of Income-tax Act	(49.04)	(2,403.50)	-	(2,452.54)
Provision for doubtful debts	2,744.59	-	-	2,744.59
MAT Credit Entitlement	32,240.43	-	-	32,240.43
Unabsorbed Depreciation	6,679.45	101.34	-	6,780.79
Others	736.68	-	-	736.68
	<b>42,352.11</b>	<b>(2,302.16)</b>	<b>-</b>	<b>40,049.95</b>

**11.2** Deferred tax assets and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income tax levied by the same taxation authority.



## Notes to the Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

### Note 12 OTHER ASSETS

Particulars	Refer Note No.	Long Term		Short Term	
		As as 31st March 2025	As as 31st March 2024	As as 31st March 2025	As as 31st March 2024
Capital Advances		-	-	-	63.01
<b>Advances other than Capital Advances</b>					
Advance against supply of Goods & Services		2,239.55	1,934.24	13,209.16	14,475.33
Less : Provision for Doubtful Advances		-	-	-	-
Prepaid Expenses		-	-	(3,980.01)	(2,661.65)
Balances with Government & Statutory Authorities		42.61	42.61	6,210.97	5,430.20
Less : Provision for Doubtful Advances		-	-	-	-
Incentive and Subsidy Receivable		2,946.46	2,946.46	12,043.03	19,810.84
Less: Provision for Doubtful Receivables		(2,946.46)	(2,946.46)	-	-
Other Receivables		216.25	216.25	4,000.96	7,578.26
<b>Total Other Assets</b>		<b>2,498.41</b>	<b>2,193.10</b>	<b>31,484.11</b>	<b>44,695.99</b>

### Note 13 CURRENT TAX ASSETS (NET)

Particulars	Refer Note No.	As at	
		March 31, 2025	March 31, 2024
Advance Income Tax & TDS		75,566.13	68,564.32
Less: Provision for Taxation		52,855.03	52,855.03
		<b>22,711.10</b>	<b>15,709.29</b>

### Note 14 INVENTORIES

(As valued and certified by the Management)	3.1		
Raw Materials		1,078.76	-
Stock of Tea Plants		3,720.36	1,225.67
Finished Goods		19,814.00	9,119.04
Stores and Spares etc.		24,442.36	35,436.52
		<b>49,055.48</b>	<b>45,781.23</b>

14.1 Refer note no. 28 & 33 for information in relation to the amount of inventories recognized as expenses.

### Note 15 BIOLOGICAL ASSETS OTHER THAN BEARER PLANTS

Fair Value of Biological Assets Other than Bearer Plants (Unharvested Tea Leaves)	15.1	1,932.73	1,058.21
		<b>1,932.73</b>	<b>1,058.21</b>

15.1 Unharvested tea leaves on bushes as on 31st March 2025 was 55,062 kgs (31st March, 2024 - 27,862 kgs)

## Notes to the Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

### Note 16 CASH AND CASH EQUIVALENTS

Particulars	Refer Note No.	As at	
		March 31, 2025	March 31, 2024
Balances With Banks :			
In Current/Cash Credit Account		10,430.46	2,260.27
Cash in Hand		2,234.25	342.89
		<b>12,664.71</b>	<b>2,603.16</b>

### Note 17 OTHER BANK BALANCES

Unpaid Dividend & Fractional Shares Account		418.30	592.83
Deposit Accounts with Original Maturity of more than three months but less than 12 months	17.1	1,298.38	1,222.23
		<b>1,716.68</b>	<b>1,815.06</b>

17.1 Represents deposits marked lien with banks as security for Letter of Credit facility.

### Note 18 EQUITY SHARE CAPITAL

Particulars	As at 31st March 2025		As at 31st March 2024	
	No. of Shares	Amount	No. of Shares	Amount
<b>18.1 Authorised Share Capital</b>				
Ordinary Shares of ₹10/- each	60,00,000	60,000.00	60,00,000	60,000.00
Preference Shares of ₹100/- each	1,00,000	10,000.00	1,00,000	10,000.00
		<b>70,000.00</b>		<b>70,000.00</b>
<b>18.2 Issued, Subscribed and Paid-up Share Capital</b>				
Ordinary Shares of ₹10/- each fully paid-up	51,22,827	51,228.27	51,22,827	51,228.27
	<b>51,22,827</b>	<b>51,228.27</b>	<b>51,22,827</b>	<b>51,228.27</b>

### 18.3 Reconciliation of the number of shares at the beginning and at the end of the year

Particulars	As at	
	March 31, 2025	March 31, 2024
No. of Shares outstanding at the beginning of the year	51,22,827	51,22,827
Add: Issued during the year	-	-
<b>No. of Shares outstanding at the end of the year</b>	<b>51,22,827</b>	<b>51,22,827</b>

### 18.4 Terms/ Rights attached to Equity Shares :

The Company has only one class of Ordinary Equity Share having a face value of ₹ 10 per share and each holder of Ordinary Equity Share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors (except interim dividend) is subject to the approval of the shareholders in the Annual General Meeting. The claim of Ordinary Equity Shareholders on earnings and on assets in the event of liquidation, follows all others, in proportion to their shareholding.

### 18.5 Shareholding Pattern with respect of Holding or Ultimate Holding Company

The Company does not have any Holding Company or Ultimate Holding Company.

02-66

&gt;&gt;&gt;

Statutory Reports

67-122

&gt;&gt;&gt;

Standalone Financials

123-174

&gt;&gt;&gt;

Consolidated Financials

## Notes to the Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

### 18.6 Details of Equity Shareholders holding more than 5% shares in the Company

Particulars	As at 31st March 2025		As at 31st March 2024	
	No. of Shares	% Holding	No. of Shares	% Holding
Ordinary Shares of ₹ 10/- each fully paid				
E.T.Resources Private Limited	8,77,623	17.13%	8,77,623	17.13%
Satvik Welfare Trust	7,47,900	14.60%	7,47,900	14.60%
Mrs. Anuradha Kanoria	5,49,441	10.73%	5,49,441	10.73%
Umang Kanoria (HUF)	4,66,605	9.11%	4,66,605	9.11%
B.T.Investments Private Limited	3,40,968	6.66%	3,40,968	6.66%
Mr.Satvik Kanoria	2,86,623	5.60%	2,86,623	5.60%

### 18.7 Details of Shareholding of Promoters

Particulars	As at 31st March 2025		As at 31st March 2024		% Change during the year
	No. of Shares	% Holding	No. of Shares	% Holding	
Ordinary Shares of ₹ 10/- each fully paid					
Mrs. Anuradha Kanoria	5,49,441	10.73%	5,49,441	10.73%	-
Mr.Satvik Kanoria	2,86,623	5.60%	2,86,623	5.60%	-
E.T.Resources Private Limited	8,77,623	17.13%	8,77,623	17.13%	-
B.T.Investments Private Limited	3,40,968	6.66%	3,40,968	6.66%	-
Innova Properties Private Limited	36,000	0.70%	36,000	0.70%	-
Nidhi Private Limited	93,000	1.82%	93,000	1.82%	-

**18.8** No Ordinary Equity Shares have been reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment as at the Balance Sheet date.

**18.9** No securities convertible into Equity/ Preference shares have been issued by the Company during the year.

**18.10** No calls are unpaid by any Director or Officer of the Company during the year.

### Note 19 OTHER EQUITY

Particulars	As at	
	March 31, 2025	March 31, 2024
General Reserve	77,126.87	73,126.87
Preference Share Redemption Reserve	-	4,000.00
Retained Earnings	1,57,964.23	2,44,606.46
Other Comprehensive Income	90,548.41	66,322.91
	<b>3,25,639.51</b>	<b>3,88,056.24</b>

## Notes to the Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

Notes- Please refer to the Statement of Equity for movement in Other Equity.

### Note 20 BORROWINGS

Particulars	Refer Note No.	Non-Current Portion		Current Maturities	
		As as 31st March 2025	As as 31st March 2024	As as 31st March 2025	As as 31st March 2024
<b>20.1 Term Loans</b>					
From Banks:					
Rupee Loans	20.2 A	6,897.92	13,015.95	34,863.85	68,883.55
		<b>6,897.92</b>	<b>13,015.95</b>	<b>34,863.85</b>	<b>68,883.55</b>
<b>From Others</b>					
From Directors		20,756.03	29,900.00	-	-
From Others	20.2 B	1,40,744.30	-	-	50,542.00
Total		1,68,398.25	42,915.95	34,863.85	1,19,425.55
Amount disclosed under Note no.25 "Short Term Borrowings"				(34,863.85)	(1,19,425.55)
		<b>1,68,398.25</b>	<b>42,915.95</b>	<b>-</b>	<b>-</b>
<b>Break Up of Security Details</b>					
Secured	20.3	6,897.92	13,015.95	34,863.85	68,883.55
Unsecured		1,61,500.33	29,900.00	-	50,542.00
<b>Total</b>		<b>1,68,398.25</b>	<b>42,915.95</b>	<b>34,863.85</b>	<b>1,19,425.55</b>

### 20.2 Terms of Repayment of Term Loans

Particulars	Refer Note No.	₹ in thousands	Period of Maturity	No. of instalments due	Instalment Value	Repayment Terms	Rate of Interest p.a.
<b>A Term Loan - From Banks - in Indian Rupees</b>							
Punjab National Bank	20.4	41,761.77	2025-2026	2	2025-26: 34,863.85 2026-27: 6,897.92	2 annual installments of varying amount commencing after a period of 12 months from the date of 1st disbursement	9%
<b>B Term Loan - From Others - in Indian Rupees</b>							
I From Directors		7,400.00	2026-2027	1	2026-27: 7,400.00	In a single bullet payment	7%
		3,700.00	2026-2027	1	2026-27: 3,700.00		7%
		9,656.03	2026-2027	1	2026-27: 9,656.03		15.50%

## Notes to the Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

Particulars	Refer Note No.	₹ in thousands	Period of Maturity	No. of instalments due	Instalment Value	Repayment Terms	Rate of Interest p.a.
II From Others		50,744.30	2026-2027	1	2026-27: 50,744.30	In a single bullet payment	10.50%
		10,000.00	2026-2027	1	2026-27: 10,000.00		15.50%
		7,000.00	2026-2027	1	2026-27: 7,000.00		15%
		3,000.00	2026-2027	1	2026-27: 3,000.00		15%
		10,000.00	2026-2027	1	2026-27: 10,000.00		9%
		10,000.00	2026-2027	1	2026-27: 10,000.00		16%
		20,000.00	2026-2027	1	2026-27: 20,000.00		9%
		10,000.00	2026-2027	1	2026-27: 10,000.00		9.50%
		20,000.00	2026-2027	1	2026-27: 20,000.00		15%

### 20.3 Details of Security Given for Loan

Term Loan from Punjab National Bank is secured by hypothecation of green tea leaves, before and after plucking, teas in process, finished tea in stock/transit or tea lying with brokers, book debts (present and future) and by way of equitable mortgage of immovable properties and machineries of Mackeypore & Lakmijan Tea Estate as collateral security and further guaranteed by two directors of the Company.

**20.4** Refer note no. 38 for information on the carrying amounts of financial and non-financial assets pledged as security for the non-current borrowings.

**20.5** The statements of current assets filed by the Company with the bank are in agreement with the books of accounts.

**20.7** The Company has not been declared as a wilful defaulter by any bank or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

### Note 21 TRADE PAYABLES

Particulars	Refer Note No.	Long Term		Short Term	
		As as 31st March 2025	As as 31st March 2024	As as 31st March 2025	As as 31st March 2024
Dues to Micro and Small Enterprises	21.2	-	-	9,152.77	7,548.27
Dues to Creditors other than Micro & Small Enterprises		1,367.67	3,482.63	54,210.44	46,839.01
		<b>1,367.67</b>	<b>3,482.63</b>	<b>63,363.21</b>	<b>54,387.28</b>

**21.1** The Company has no disputed dues of trade payables to MSMEs and Others.

## Notes to the Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

**21.2** The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows: -

Particulars	As at	
	March 31, 2025	March 31, 2024
a) The principal amount remaining unpaid to any supplier at the end of the year	9,152.77	7,548.27
b) Interest due remaining unpaid to any supplier at the end of the year.	-	-
c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
d) The amount of interest due and payable for the period of delay in making payment (which have been paid beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company.

### Note 22 OTHER FINANCIAL LIABILITIES

Particulars	Refer Note No.	Long Term		Short Term	
		As as 31st March 2025	As as 31st March 2024	As as 31st March 2025	As as 31st March 2024
Trade & Security Deposits (Unsecured)		-	-	5,451.50	5,133.69
Interest accrued and due on Borrowings		39.93	39.93	12,537.32	10,363.82
Unpaid and unclaimed dividends	22.1	-	-	417.61	592.13
Employees related Liabilities		24.66	24.66	30,157.81	33,302.85
Other Payables		71.45	71.45	-	-
		<b>136.04</b>	<b>136.04</b>	<b>48,564.24</b>	<b>49,392.49</b>

22.1 There are no amounts due for payment to the Investor Education and Protection Fund at the year end.

### Note 23 PROVISIONS

Provision for Employee Benefits	23.1	38,374.08	46,188.23	171.16	13,045.00
		<b>38,374.08</b>	<b>46,188.23</b>	<b>171.16</b>	<b>13,045.00</b>

**23.1** All Provisions are valued at their Present value of money.

02-66

&gt;&gt;&gt;

Statutory Reports

67-122

&gt;&gt;&gt;

Standalone Financials

123-174

&gt;&gt;&gt;

Consolidated Financials

## Notes to the Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

### Note 24 OTHER LIABILITIES

Particulars	Refer Note No.	Long Term		Short Term	
		As as 31st March 2025	As as 31st March 2024	As as 31st March 2025	As as 31st March 2024
Deferred Revenue Income	24.1	(177.27)	91.30	338.91	338.91
Advances Received from Customers		250.31	186.36	186.60	33.70
Statutory Dues		-	-	19,895.48	10,099.33
Others		16.90	16.90	-	-
		<b>89.94</b>	<b>294.56</b>	<b>20,420.99</b>	<b>10,471.94</b>

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
<b>24.1 Opening Balance</b>	91.30	359.87
Grants received during the year	-	-
Less: Released to profit or loss	-	-
	91.30	359.87
Less: Current Portion of the Deferred Revenue Income	268.57	268.57
<b>Closing Balance</b>	<b>(177.27)</b>	<b>91.30</b>

### Note 25 SHORT TERM BORROWINGS

Particulars	Refer Note No.	As at	
		March 31, 2025	March 31, 2024
<b>Loans Repayable on Demand</b>			
Working Capital Loan from Banks	25.1	2,56,699.12	2,10,935.46
Current maturities of long-term borrowings	20	34,863.85	1,19,425.55
		<b>2,91,562.97</b>	<b>3,30,361.01</b>

<b>25.1 The above amount includes</b>			
Secured Borrowings	25.2, 20.3 & 20.4	2,91,562.97	2,79,819.01
Unsecured Borrowings		-	50,542.00
		<b>2,91,562.97</b>	<b>3,30,361.01</b>

#### 25.2 Terms and conditions of Short Term Borrowings

- Cash Credit from Punjab National Bank is secured by hypothecation of green tea leaves, before and after plucking, teas in process, finished tea in stock/transit, tea lying with brokers/agents awaiting sale, other tea stocks, book debts (present and future) arising out of sale of teas, first charge over all current assets (both present and future) pertaining to Mackeypore and Lakmijan Tea Estate and equitable mortgage of immovable properties and machineries of Mackeypore and Lakmijan Tea Estate as collateral security and further guaranteed by two directors of the Company.
- Interest on Cash Credit Loan @9% p.a. and the same is repayable on demand.
- The statements of current assets filed by the Company with the bank are in agreement with the books of accounts.
- The Company has not been declared as a wilful defaulter by any bank or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.



## Notes to the Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

### Note 26 REVENUE FROM OPERATIONS

Particulars	Refer Note No.	For the year ended	
		March 31, 2025	March 31, 2024
Sale of Products- Black Tea		6,36,019.16	7,65,191.99
		<b>6,36,019.16</b>	<b>7,65,191.99</b>

### Note 27 OTHER INCOME

<b>Interest Income</b>			
On Banks Deposits		85.90	195.30
On Security Deposits,etc		477.02	357.38
<b>Other Non Operating Income</b>			
Profit on sale/discard of Property, Plant & Equipments (Net)		(279.92)	(26.02)
Excess Provision/ Liabilities written back		39.86	(89.21)
Change in fair valuation of biological assets		874.52	(1,788.43)
Compensation for Right to Use of Land		2,141.31	-
Compensation for Uprooted Tea Bush & Shade Tree		713.48	-
Income from Technical Services		21,269.84	-
Profit on sale of Non-Current Investment		-	6,537.70
Orthodox Subsidy		3,270.31	8,137.57
SPTF Subsidy		2,162.50	-
Other Miscellaneous Income		9,816.02	1,250.44
		<b>40,570.84</b>	<b>14,574.73</b>

### Note 28 COST OF MATERIALS CONSUMED

Opening Stock	-	1,886.32
Add: Purchases	72,715.01	1,65,406.86
Less: Closing Stock	1,078.76	-
	<b>71,636.25</b>	<b>1,67,293.18</b>

(Closing Stock includes change in Fair Value of Stock of Own Green Leaf on reporting date)

### Note 29 (INCREASE)/ DECREASE IN INVENTORIES OF FINISHED GOODS

<b>Finished Goods</b>		
Opening Inventories	9,119.05	33,506.14
Closing Inventories	19,814.00	9,119.05
	(10,694.95)	24,387.09
<b>Total changes in inventories of finished goods</b>	<b>(10,694.95)</b>	<b>24,387.09</b>

### Note 30 EMPLOYEE BENEFITS EXPENSE

Salaries & Wages	3,38,163.21	3,20,861.13
Contribution to Provident and Other Funds	36,023.63	47,022.40
Staff Welfare Expenses	45,040.73	44,198.25
	<b>4,19,227.57</b>	<b>4,12,081.78</b>

02-66

&gt;&gt;&gt;

Statutory Reports

67-122

&gt;&gt;&gt;

Standalone Financials

123-174

&gt;&gt;&gt;

Consolidated Financials

## Notes to the Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

### Note 31 FINANCE COST

Particulars	Refer Note No.	For the year ended	
		March 31, 2025	March 31, 2024
Interest Expenses		34,157.12	17,886.11
Interest on Late Payment of GST		0.07	45.82
Other Financial Charges		647.58	1,136.20
		<b>34,804.77</b>	<b>19,068.13</b>

### Note 32 DEPRECIATION AND AMORTIZATION EXPENSES

On Tangible Assets		25,980.77	26,540.92
On Intangible Assets		267.02	267.02
		<b>26,247.79</b>	<b>26,807.94</b>

### Note 33 OTHER EXPENSES

Stores, Spare Parts & Packing Materials Consumed		62,465.47	44,721.40
Power & Fuel		70,607.50	86,984.54
Repairs to Buildings		8,063.26	1,664.07
Repairs to Machinery		7,573.37	8,636.02
Repairs to Other Assets		272.57	222.78
Selling & Distribution Expenses		19,401.61	25,180.77
Auditors' Remuneration	33.1	325.74	332.94
Rent, Rates & Taxes		6,710.68	4,180.86
Insurance		4,260.39	2,571.08
Vehicle Running & Maintenance Charges		11,854.67	10,461.20
Directors' Fees & Commission		425.00	375.00
Legal and Professional Charges		2,636.25	3,064.69
Travelling & Conveyance Expenses		11,199.12	14,313.88
CSR Expenditure		180.00	1,250.00
Subscription		2,151.89	2,051.27
Office Maintenance Expenses		1,635.60	1,327.41
Other Expenses		8,728.61	8,615.27
		<b>2,18,491.73</b>	<b>2,15,953.18</b>

#### 33.1 Auditors' Remuneration

Statutory Auditors			
Audit Fees		150.00	150.00
Tax Audit Fees		30.00	30.00
Issue of Certificates		137.50	144.50
Reimbursement of Expenses		8.24	8.44
		<b>325.74</b>	<b>332.94</b>

## Notes to the Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

### Note 34 TAX EXPENSE

Particulars	Refer Note No.	For the year ended	
		March 31, 2025	March 31, 2024
Deferred Tax		3,519.07	6,057.12
		<b>3,519.07</b>	<b>6,057.12</b>

#### 34.1 Reconciliation of estimated Income tax expense at Indian statutory Income tax rate to income tax expense reported in statement of profit & loss

Income before Income Taxes	(83,123.16)	(85,824.58)
Indian Statutory Income Tax Rate	27.820%	27.820%
Estimated income Tax Expenses	-	-
<b>Tax effect of adjustments to reconcile expected Income tax expense to reported Income Tax Expenses</b>		
Deferred Tax on Property, Plant & Equipments	666.78	455.73
Deferred Tax on Financial Assets & Other items	(1,752.03)	(6,439.48)
Exempted income	77,307.72	53,359.45
Other Items	(72,703.40)	(41,318.58)
	<b>3,519.07</b>	<b>6,057.12</b>
Income Tax Expenses as per Statment of Profit & Loss	<b>3,519.07</b>	<b>6,057.12</b>

**34.2** Applicable Indian Statutory Income Tax rate for Fiscal Year 2025 & 2024 is 27.82% & 27.82% respectively.

### Note 35 OTHER COMPREHENSIVE INCOME

<b>35A Items that will not be reclassified to profit or loss</b>		
Changes in revaluation surplus		
Remeasurement of the defined benefit plans	19,534.29	7,122.01
Less: Tax expense on the above	-	-
	<b>19,534.29</b>	<b>7,122.01</b>
Equity Instruments through Other Comprehensive Income	4,691.21	(2,902.84)
Less: Tax expense on the above	-	-
	<b>4,691.21</b>	<b>(2,902.84)</b>
	<b>24,225.50</b>	<b>4,219.17</b>

### 36 Contingent Liabilities and Contingent Assets:

#### 36.1 Claims/Disputes/Demands not acknowledged as debts -

Sl. No.	Particulars	As at	
		31st March 2025	March 31, 2024
a.	Income Tax	23,976.48	23,976.48
b.	Debit note raised by GAIL (India) Limited for supply of Natural Gas	6,880.82	6,880.82
c.	Letter of Credit issued by Bank	4,362.82	10,577.77

**36.2** The amounts shown in Note 36.1 represent the best possible estimates arrived at on the basis of available information. The uncertainties and possible reimbursements are dependent on the outcome of the different legal processes which have been invoked by the Company or the claimants as the case may be and therefore cannot be predicted accurately. The company engages reputed professional advisors to protect its interests and has been advised that it has strong legal position against such disputes.

**36.3** In respect of the matters in note no. 36.1 (a to c), future cash outflows are determinable only on receipt of judgments/decisions pending at various forums/ authorities. Furthermore, there is no possibilities of any reimbursements to be made to the company from any third party.

02-66

&gt;&gt;&gt;

Statutory Reports

67-122

&gt;&gt;&gt;

Standalone Financials

123-174

&gt;&gt;&gt;

Consolidated Financials

## Notes to the Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

### 37 Commitments

#### Estimated amount of contracts remaining to be executed on Capital Account and not provided for

Particulars	As at	
	March 31, 2025	March 31, 2024
Estimated amount of contracts remaining to be executed on Capital Account	171.00	3,352.98
Less: Advance	-	63.01
Net	171.00	3,289.97

### 38 Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Particulars	Refer Note No.	As at	
		March 31, 2025	March 31, 2024
<b>Non-current Assets</b>			
Property, Plant and Equipment	5	3,06,322.69	2,94,011.82
Capital Work-in-Progress	5A	1,137.10	6,647.69
Trade Receivables	8	1,749.66	1,343.97
<b>Total non-currents assets pledged as security</b>		<b>3,09,209.45</b>	<b>3,02,003.48</b>
<b>Current Assets</b>			
Inventories	14	32,282.01	32,288.62
Biological Assets other than bearer plants	15	1,297.39	870.06
Trade Receivables	8	5,016.10	10,854.85
Cash and Cash Equivalents	16	12,437.38	2,510.87
Other Bank balances	17	1,716.68	1,815.06
Loans	9	415.58	1,009.13
Other Financial Assets	10	505.69	22.82
Other Current Assets	12	31,484.11	44,695.99
<b>Total currents assets pledged as security</b>		<b>85,154.94</b>	<b>94,067.40</b>
<b>Total assets pledged as security</b>		<b>3,94,364.39</b>	<b>3,96,070.88</b>

### 39 Disclosure pursuant to Indian Accounting Standard - 19 'Employee Benefits' as notified u/s 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014 (As identified & certified by the Management

#### 39.1 Defined Contribution Plan:

The amount recognized as an expense for the Defined Contribution Plans are as under:

Sl. Particulars No.	For the year ended	
	March 31, 2025	March 31, 2024
a. Provident Fund	34,967.53	34,184.09
b. Superannuation Fund	751.10	784.26
c. Family Pension Fund	283.14	311.91

#### 39.2 Defined Benefit Plan:

The following are the types of defined benefit plans

##### 39.2.1 Gratuity Plan

The Company's gratuity scheme, a defined benefit plan is as per the Payment of Gratuity Act, 1972, covers the eligible employees and is administered through a gratuity fund trust. Such gratuity fund, whose investments are managed by LIC of India, make payments to vested employees or their nominees upon retire-

## Notes to the Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

ment, death, incapacitation or cessation of employment, of an amount based on the respective employee's salary and tenure of employment. Vesting occurs upon completion of five years of continuous service. The amount of gratuity payable is the proportionate salary for 15 days multiplied for the number of years of service based on the 26 days average salary computed on the basis of last drawn basic salary per month.

### 39.2.2 Leave Encashment

Leave encashment is payable on death whilst in service, resignation from service or retirement from service as per applicable rules. The present value of defined obligation and related current cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at Balance Sheet date.

### 39.2.3 Risk Exposure

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below:

<b>ASSET VOLATILITY</b>	The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments is in LIC of India. These are subject to interest rate risk. The investment in plan assets with LIC of India is in line with Income Tax Rules, 1962, which reduces the Asset Volatility Risk.
<b>CHANGES IN YIELD</b>	A decrease in yield will increase plan liabilities.
<b>SALARY</b>	The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. Any increase in the salary of members more than the assumed level will increase the plan's liability.

### 39.2.4 Reconciliation of the net defined benefit (asset)/ liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset)/ liability and its components:

Particulars	Gratuity	
	2024-25	2023-24
Balance at the beginning of the year	1,01,659.46	1,09,696.01
Current Service Cost	6,444.51	8,061.66
Interest Cost on Defined Benefit Obligation	6,851.27	7,898.11
Actuarial Gain and Losses arising from		
Changes in financial assumptions	1,601.65	1,01,659.46
Experience Adjustments	(32,764.57)	(1,09,481.23)
Benefits Paid	(6,725.70)	(16,174.55)
Balance at the end of the year	77,066.62	1,01,659.46

### 39.2.5 Reconciliation of the Plan Assets

The following table shows a reconciliation from the opening balances to the closing balances for the Plan Assets and its components:

Balance at the beginning of the year	46,844.48	58,893.46
Interest Income on Plan Assets	3,048.09	3,679.11
Remeasurement of Defined Benefit Obligation:		
Return on plan assets greater/ (lesser) than discount rate	(1,380.95)	(138.54)
Actual Company contributions	500.00	585.00
Benefits Paid from the Plan Assets	(6,725.70)	(16,174.55)
Balance at the end of the year	42,285.92	46,844.48

## Notes to the Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

### 39.2.6 Expenses recognized in profit or loss

Particulars	Gratuity	
	2024-25	2023-24
Current Service Cost	6,444.51	8,061.66
Net Interest (Income) / cost on the Net Defined Benefit Liability (Assets)	3,803.18	4,219.00
Expense Recognised in the Income Statement	10,247.69	12,280.66

### 39.2.7 Remeasurements recognized in other comprehensive income

Actuarial (gain)/ Loss due to:		
change in financial assumptions	1,601.65	1,01,659.46
experience variance ( i.e. Actual experience vs assumptions)	(32,764.57)	(1,09,481.23)
Return on plan assets, excluding amount recognised in net interest expense	1,380.95	138.54
Components of defined benefit costs recognised in other comprehensive income	(29,781.97)	(7,683.23)

### 39.2.8 Major Categories of Plan Assets

Funds managed by insurer	100%	100%
--------------------------	------	------

The Gratuity Scheme is invested in a Group Gratuity-cum-Life Assurance Cash accumulation policy offered by Life Insurance Corporation (LIC) of India . The information on the allocation of the fund into major asset classes and expected return on each major class are not readily available. The expected rate of return on plan assets is based on market expectations, at the beginning of the period, for returns over the entire life of the related obligation.

### 39.2.9 Asset-Liability Matching Strategy

The company ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the employee benefit plans. Within this framework, the company's ALM objective is to match assets to the obligations under Gratuity Scheme by investing the entire fund with LIC of India.

The Company actively monitors how the return on funds invested with LIC of India are matching the expected cash outflows arising from the employee defined benefit obligation. The company has not changed the processes used to manage its risks from previous periods.

### 39.2.10 Actuarial Assumptions

Particulars	Gratuity	
	2024-25	2023-24
<b>Financial Assumptions</b>		
Discount Rate	6.70%	6.97%
Salary Escalation Rate	5.00%	5.00%
<b>Demographic Assumptions</b>		
Mortality Rate	100% of IALM 2012-14	100% of IALM 2012-14
Withdrawal Rate	2%	2%

**39.2.11** The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

**39.2.12** At 31st March 2025, the weighted average duration of the defined benefit obligation was 5 years (previous year 9 years). The distribution of the timing of benefits payment i.e., the maturity analysis of the benefit payments is as follows:

## Notes to the Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

Expected benefits payment for the year ending on	Gratuity	
	2024-25	2023-24
1 Year	10,955.29	12,447.11
2 to 5 Years	20,451.73	32,394.83
6 to 10 Years	20,534.35	45,671.34

**39.2.13** The Company expects to contribute 1,11,27.41 (previous year 6,44,83.33) to its gratuity fund in 2025-26.

### 39.2.14 Sensitivity Analysis

The sensitivity analysis below have been determined based on a method that extrapolates the impact on defined benefit obligation (DBO) as a result of reasonable changes in key assumptions occurring at the end of the reporting period. Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Particulars	Gratuity	
	2024-25	2023-24
Effect on DBO due to 1% increase in Discount Rate	71,373.13	93,916.12
Effect on DBO due to 1% decrease in Discount Rate	(83,601.49)	(1,10,581.35)
Effect on DBO due to 1% increase in Salary Escalation Rate	83,601.44	1,10,727.77
Effect on DBO due to 1% decrease in Salary Escalation Rate	(71,281.45)	(93,600.64)
Effect on DBO due to 1% increase in Withdrawal Rate	77,704.90	1,02,824.32
Effect on DBO due to 1% decrease in Withdrawal Rate	(76,344.35)	(1,00,355.65)
Effect on DBO due to 10% increase in Mortality Rate	77,132.83	1,01,921.79
Effect on DBO due to 10% decrease in Mortality Rate	(77,000.44)	(1,01,391.34)

**40** Certain trade receivables, loans & advances and creditors are subject to confirmation. In the opinion of the management, the value of trade receivables and loans & advances on realisation in the ordinary course of business, will not be less than the value at which these are stated in the balance sheet.

### 41 Related Party Disclosures

**41.1** As defined in Indian Accounting Standard-24, the Company has a related party relationship in the nature of control over its subsidiary namely:

Name of the Entity	Place of Incorporation	Ownership Interest held by the Company	
		31st March 2025	31st March 2024
Winnow Investments and Securities Private Limited	Kolkata, India	100%	100%

**41.2** Other related parties with whom transactions have taken place during the year and previous year are:

Relationship	Name	Designation
Key Management Personnel of Entity or Parent	Mr. Umang Kanoria	Managing Director
	Mrs. Anuradha Kanoria	Wholetime Director
	Ms. Charulata Kabra	Company Secretary
	Mr. Subhra Kanta Parhi	Chief Financial Officer
	Mr. Ravindra Suchanti	Independent Director
	Mr. Dipankar Samanta	Non-Executive Director
	Mr. Navin Nayar (Tenure completed on 13/08/2024)	Independent Director
	Ms. Shruti Swaika	Independent Director
	Mr. Rohinton Kurus Babaycon (w.e.f. 30/05/2024)	Independent Director



## Notes to the Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

Relationship	Name	Designation/Nature of Relationship
Other Related Party	Ms. Stuti Kanoria	Relative of Key Managerial Personnel
	Mr. Satvik Kanoria	
	Stuti Welfare Trust	
	Satvik Welfare Trust	
	Umang Kanoria H.U.F.	
	Agarwal Ravi & Associates	
	B. T. Investments Private Limited	Public Limited / Private Limited Company in which Director or his Relative is a Member or Director
	Cosmos Resources Private Limited	
	Dhanvardhi Foods Private Limited	
	E. T. Resources Private Limited	
	Innova Properties Private Limited	
	Milan Agencies Private Limited	
	Suryasakti Commodities Private Limited	
	Bengal Tea & Fabrics Limited	
	Cheviot Agro Industries Private Limited	
	Harsh Investments Private Limited	
	Kanco Speciality Packaging Pvt Ltd	
	Kanco Enterprises Limited	Public Limited Company in which a Director holds more than 2% of its paid up Share Capital

Relationship	Name
Post-employment Benefit Plan Entities	Kanco Tea & Industries Limited - Employees Gratuity Fund
	Kanco Tea & Industries Limited - Employees Superannuation Fund

### 41.3 Transactions during the year

Particulars	2024-25			2023-24		
	KMP	Other Related Party	Post-employment Benefit Plan Entities	KMP	Other Related Party	Post-employment Benefit Plan Entities
Payment of Rent	-	2,280.00	-	-	252.00	-
Unsecured Loan Taken	11,500.00	65,500.00	-	20,000.00	50,848.00	-
Unsecured Loan Refund	20,643.97	15,297.70	-	-	99,498.00	-
Remuneration Paid	14,010.74	3,018.53	-	14,053.40	2,807.57	-
Director Fess Paid	425.00	-	-	375.00	-	-
Interest Paid	1,716.94	5,503.15	-	758.34	2,589.91	-
Equity Dividend Paid	-	-	-	549.44	2,961.44	-
Purchase of Tea Seeds	-	284.15	-	-	693.30	-
Sale of Equity Shares	-	-	-	-	7,000.00	-
Consultancy & Professional Charges	-	85.00	-	-	93.30	-

## Notes to the Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

Particulars	2024-25			2023-24		
	KMP	Other Related Party	Post-employment Benefit Plan Entities	KMP	Other Related Party	Post-employment Benefit Plan Entities
Redemption fo Preference Shares	-	-	-	-	3,000.00	-
Contributions Made	-	-	1,251.10	-	-	1,369.26
Outstanding Balances at the end of the Year						
Security Deposit	-	7,021.11	-	-	7,021.11	-
(Payable)/ Receivable (Net)	(23,368.13)	(55,865.51)	-	(30,896.56)	(2,974.78)	-

### 41.4 Key Management Personnel compensation

Particulars	F.Y.	Total
Short-term employee benefits *	2024-2025	14,010.74
	2023-2024	14,053.40

#### \* Notes :

- 1) Short term employee benefits includes the perquisites calculated as prescribed under the Income Tax Act, 1961.
- 2) The Company contributes equal amount to the employees Provident Fund within the statutory limits as prescribed under the relevant Act.
- 3) As the future liabilities for gratuity and leave encashment are provided on an actuarial valuation basis for the Company, the amount pertaining to individual is not ascertainable and therefore not included above.

**41.5** All related party transactions entered during the year were in ordinary course of business and on arms length basis.

### 42 Fair value of Financial Assets and Financial Liabilities

Particulars	31st March 2025			31st March 2024		
	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost
<b>Financial Assets</b>						
Investment						
- Equity Instruments	-	1,20,032.22	9,600.00	-	1,16,553.92	9,600.00
- Preference Shares	7,557.00	-	-	7,557.00	-	-
Trade Receivables	-	-	6,765.76	-	-	12,198.82
Cash and Cash Equivalents	-	-	12,664.71	-	-	2,603.16
Bank balances other than Cash and Cash Equivalents	-	-	1,716.68	-	-	1,815.06
Loans	-	-	932.72	-	-	1,613.19
Other Financial Assets	-	-	18,253.16	-	-	17,087.83
<b>Total Financial Assets</b>	<b>7,557.00</b>	<b>1,20,032.22</b>	<b>49,933.03</b>	<b>7,557.00</b>	<b>1,16,553.92</b>	<b>44,918.06</b>
<b>Financial Liabilities</b>						
Borrowings	-	-	4,59,961.22	-	-	3,73,276.96
Trade Payables	-	-	64,730.88	-	-	57,869.91
Other Financial Liabilities	-	-	48,700.28	-	-	49,528.53
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>5,73,392.38</b>	<b>-</b>	<b>-</b>	<b>4,80,675.40</b>

## Notes to the Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

### 43 Fair Values

**43.1** The following is the comparison by class of the carrying amounts and fair value of the Company's financial instruments that are measured at amortized cost:

Particulars	31st March 2025		31st March 2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial Assets</b>				
Investments				
Equity Instruments	9,600.00	9,600.00	9,600.00	9,600.00
Trade Receivables	6,765.76	6,765.76	12,198.82	12,198.82
Loans	932.72	932.72	1,613.19	1,613.19
Cash and Cash Equivalents	12,664.71	12,664.71	2,603.16	2,603.16
Other Bank Balances	1,716.68	1,716.68	1,815.06	1,815.06
Other Financial Assets	18,253.16	18,253.16	17,087.83	17,087.83
<b>Total Financial Assets</b>	<b>49,933.03</b>	<b>49,933.03</b>	<b>44,918.06</b>	<b>44,918.06</b>
<b>Financial Liabilities</b>				
Borrowings	4,59,961.22	4,59,961.22	3,73,276.96	3,73,276.96
Trade Payables	64,730.88	64,730.88	57,869.91	57,869.91
Other Financial Liabilities	48,700.28	48,700.28	49,528.53	49,528.53
<b>Total Financial Liabilities</b>	<b>5,73,392.38</b>	<b>5,73,392.38</b>	<b>4,80,675.40</b>	<b>4,80,675.40</b>

**43.2** The management assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, short term borrowings, and other financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.

**43.3** For Financial assets and liabilities that are measured at fair value, the carrying amounts are equal to their fair values.

**43.4** The fair value of the financial assets and financial liabilities is included at the amount at which the instruments could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

**43.5** The following methods and assumptions were used to estimate the fair values:

The fair values for loans, security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as Level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risks, which has been assessed to be insignificant.

### 44 Fair Value Hierarchy

The following are the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair value are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels of fair value measurement as prescribed under the Ind AS 113 "Fair Value Measurement". An explanation of each level follows underneath the tables.

## Notes to the Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

### 44.1 Assets and Liabilities measured at Fair Value - recurring fair value measurements

Particulars	31st March 2025			31st March 2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial Assets</b>						
Investment at FVTPL						
Preference Shares	-	-	7,557.00	-	-	7,557.00
Financial Investment at FVOCI						
Equity Instruments	1,292.05	-	1,18,740.17	1,292.34	-	1,15,261.58
<b>Total Financial Assets</b>	<b>1,292.05</b>	<b>-</b>	<b>1,26,297.17</b>	<b>1,292.34</b>	<b>-</b>	<b>1,22,818.58</b>

### 44.2 Financial Assets and Liabilities measured at Amortized Cost for which fair values are disclosed

Particulars	31st March 2025			31st March 2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial Assets</b>						
Investments						
Equity Instruments	-	-	9,600.00	-	-	9,600.00
Trade Receivables	-	-	6,765.76	-	-	12,198.82
Loans	-	-	932.72	-	-	1,613.19
Cash and Cash Equivalents	-	-	12,664.71	-	-	2,603.16
Other Bank Balances	-	-	1,716.68	-	-	1,815.06
Other Financial Assets	-	-	18,253.16	-	-	17,087.83
<b>Total Financial Assets</b>	<b>-</b>	<b>-</b>	<b>49,933.03</b>	<b>-</b>	<b>-</b>	<b>44,918.06</b>
<b>Financial Liabilities</b>						
Borrowings	-	-	4,59,961.22	-	-	3,73,276.96
Trade Payables	-	-	64,730.88	-	-	57,869.91
Other Financial Liabilities	-	-	48,700.28	-	-	49,528.53
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>5,73,392.38</b>	<b>-</b>	<b>-</b>	<b>4,80,675.40</b>

**44.3** During the year ended March 31, 2025 and March 31, 2024, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements.

### 44.4 Explanation to the fair value hierarchy

The Company measures financial instruments, such as, quoted investments at fair value at each reporting 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. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy as described in Note no. 2.7

## 45 Financial Risk Management

The Company measures financial instruments, such as, quoted investments at fair value at each reporting 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. All assets and liabilities for which fair value is measured or disclosed in the 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.

### 45.1 Credit Risk

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

## Notes to the Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

Credit risk on receivables is minimum since sales through different mode (auction, private ) are made after judging credit worthiness of the customers or, advance payment. The history of defaults has been minimal and outstanding receivables are regularly monitored. For credit risk on the loans to parties, the Company is not expecting any material risk on account of non-performance by any of the parties.

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

The carrying value of the financial assets represent the maximum credit exposure. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

### Undisputed Trade receivables- considered good

#### As on 31st March, 2025

Ageing schedule	< 6 Months	6 Months - 1 Year	1 Year - 2 Years	2 Year - 3 Years	>3 Years	Total
Gross carrying amount	4,784.89	231.21	57.83	339.13	1,352.71	6,765.77
Carrying amount of trade receivables (net of impairment)	4,784.89	231.21	57.83	339.13	1,352.71	6,765.77

#### As on 31st March, 2024

Ageing schedule	< 6 Months	6 Months - 1 Year	1 Year - 2 Years	2 Year - 3 Years	>3 Years	Total
Gross carrying amount	10,837.19	17.66	25.51	50.47	1,267.99	12,198.82
Carrying amount of trade receivables (net of impairment)	10,837.19	17.66	25.51	50.47	1,267.99	12,198.82

### 45.2 Liquidity Risk

Liquidity risk is the risk that the Company may encounter difficulty in meeting its obligations. The Company monitors rolling forecast of its liquidity position on the basis of expected cash flows. The Company's approach is to ensure that it has sufficient liquidity or borrowing headroom to meet its obligations at all point in time. The Company has sufficient short-term fund based lines, which provides healthy liquidity and these carry highest quality credit rating from reputed credit rating agency.

#### 45.2.1 Fund Management

Management monitors rolling forecasts of the Company's liquidity position (including the undrawn credit facilities extended by banks and financial institutions) and Cash & Cash equivalents on the basis of expected cash flows. In addition, the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

#### 45.2.2 Maturity Analysis for financial liabilities

The following are the remaining contractual maturities of financial liabilities as at 31st March 2025. The amounts are gross and undiscounted and include estimated interest payments and exclude the impact of netting agreements.

a Particulars	< 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
Non-derivative					
Trade payables					
(i) MSME	9,152.77	-	-	-	9,152.77
(II) Others	54,210.44	1,367.67	-	-	55,578.11
<b>Total</b>	<b>63,363.21</b>	<b>1,367.67</b>	<b>-</b>	<b>-</b>	<b>64,730.88</b>

## Notes to the Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

Particulars	< 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
Borrowings	2,91,562.96	6,897.92	1,61,500.33	-	4,59,961.21
Other financial liabilities	12,537.32	36,162.96	-	-	48,700.28
<b>Total</b>	<b>3,67,463.49</b>	<b>44,428.55</b>	<b>1,61,500.33</b>	<b>-</b>	<b>5,73,392.37</b>

### b The following are the remaining contractual maturities of financial liabilities as at 31st March 2024

Particulars	< 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
Non-derivative					
Trade payables					
(i) MSME	7,548.27	-	-	-	7,548.27
(II) Others	46,839.01	3,482.63	-	-	50,321.64
<b>Total</b>	<b>54,387.28</b>	<b>3,482.63</b>	<b>-</b>	<b>-</b>	<b>57,869.91</b>
Borrowings	3,29,819.00	13,557.95	29,900.00	-	3,73,276.95
Other financial liabilities	10,363.82	39,164.71	-	-	49,528.53
<b>Total</b>	<b>3,94,570.10</b>	<b>56,205.29</b>	<b>29,900.00</b>	<b>-</b>	<b>4,80,675.39</b>

### 45.3 Market Risk

#### 45.3.1 Foreign Exchange Risk

The Company operates in domestic market and it doesn't have any foreign associate, subsidiary etc. The Company is therefore not exposed to foreign exchange risk arising from foreign currency transactions.

a Exposure to Currency risk- Nil

b Sensitivity Analysis

Since, the Company doesn't have material foreign currency operations, the analysis is not reported.

#### 45.3.2 Interest Rate Risk

The Company is exposed to risk due to interest rate fluctuation, on the following:

- Interest rate risk arises from the sensitivity of financial assets and liabilities to changes in market rate of interest. However, Company does not have any interest bearing financial asset or liability at the end of the financial year ended 31st March 2025.
- The interest rate risk can also impact the provision for retiral benefits. The Company generally utilizes variable rate borrowings and therefore subject to interest rate risk, as both the carrying amount and the future cash flows will fluctuate because of change in the market interest rates.

The Company is not exposed to significant interest rate risk as at the respective reporting dates.

During 31st March 2025 and 31st March 2024, all the Company's borrowings were at variable rate mainly denominated in INR.

#### (i) Exposure to interest rate risk

Particulars	March 31, 2025	March 31, 2024
<b>Fixed Rate Instruments</b>		
Financial Assets	932.72	1,613.19
Financial Liabilities	1,61,500.33	80,442.00
	<b>1,62,433.05</b>	<b>82,055.19</b>
<b>Variable Rate Instruments</b>		
Financial Liabilities	2,98,460.89	2,92,834.96
	<b>2,98,460.89</b>	<b>2,92,834.96</b>

## Notes to the Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

### (ii) Sensitivity Analysis

Profit or loss is sensitive to higher/ lower interest expense on borrowings as a result of changes in interest rates. This analysis assumes that all other variables, in particular exchange rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	Sensitivity Analysis	31st March 2025		31st March 2024	
		Impact on			
		Profit before tax	Other Equity	Profit before tax	Other Equity
Interest Rate increase by	0.50%	(1,492.30)	(1,492.30)	(1,464.17)	(1,464.17)
Interest Rate decrease by	0.50%	1,492.30	1,492.30	1,464.17	1,464.17

### 45.3.3 Other Price Risk

The price risk is the risk arising from investments held by the Company and classified in the balance sheet either at fair value through Other Comprehensive Income or at fair value through profit or loss.

The Company's equity investments are mainly strategic in nature and are generally held on a long-term basis. Further, the current investments are in units of liquid mutual fund and these are not exposed to significant price risk.

#### a Exposure to other market price risk

Particulars	31st March 2025	31st March 2024
Fair Value of Quoted Investments	1,292.05	1,292.34

#### b Sensitivity Analysis

The table below summarise the impact of increases/ decreases of the index on the group's equity investment and profit for the period. The analysis is based on the assumption that the equity index had increased by Nil or decreased by Nil with all other variables held constant, and that all the Company's equity instruments moved in line with the index.

Particulars	Sensitivity Analysis	31st March 2025		Sensitivity Analysis	31st March 2024	
		Impact on			Impact on	
		Profit before tax	Other Equity		Profit before tax	Other Equity
BSE Index	+1000 Basis Point	129.21	129.21	+1000 Basis Point	129.23	129.23
BSE Index	-1000 Basis Point	(129.21)	(129.21)	-1000 Basis Point	(129.23)	(129.23)

**46** The details of expenditure incurred by the company on account of Corporate Social Responsibility as required under section 135 of the Companies Act, 2013 is as follows: -

(i)	Amount required to be spent by the company during the year	Nil
(ii)	Amount of expenditure incurred	180.00
(iii)	Shortfall at the end of the year	-
(iv)	Total of previous year shortfall	-
(v)	Reason for shortfall	Not Applicable
(vi)	Nature of CSR activities	The company contributed sums to trusts registered with Ministry of Corporate Affairs for undertaking CSR activities.
(vii)	Details of related party transaction	Not Applicable



## Notes to the Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

- 47** The Company has only one segment i.e. manufacturing of Black Tea and as a result the reporting required of Ind AS - 108 on "Operating Segment" is not attracted.
- 48** The details of all the immovable properties, whose title deeds are not held in the name of the company are as follows:-

Relevant line item in the Balance Sheet	Description of the item of property	Gross Carrying Value	Title deeds in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the company
<b>As at 31st March, 2025</b>			Ryam Commerce & Plantations Limited	No	01-03-2017 as per the Business Transfer Agreement executed with Ryam Commerce & Plantations Limited	The Company has applied for NOC for execution of conveyance deed on 05/06/2017 and the file is now with Deputy Secretary, Revenue & Disaster Management(s) Department, The Government of Assam, Assam Secretariat, Dispur
Property, Plant and Equipment	Land	2,44,026.60				
	Bearer Plants	68,194.40				
	Building & Water Supply Installation	62,316.62				
<b>As at 31st March, 2024</b>			Ryam Commerce & Plantations Limited	No	01-03-2017 as per the Business Transfer Agreement executed with Ryam Commerce & Plantations Limited	The Company has applied for NOC for execution of conveyance deed on 05/06/2017 and the file is now with Deputy Secretary, Revenue & Disaster Management(s) Department, The Government of Assam, Assam Secretariat, Dispur
Property, Plant and Equipment	Land	2,44,026.60				
	Bearer Plants	55,571.61				
	Building & Water Supply Installation	58,397.48				

### 49 Capital Management

The Company's objective for capital management is to maximize shareholder wealth, safeguard business continuity and support the growth of the Company. The Company determines the capital management requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through optimum mix of borrowed and own funds.

### 50 Details of significant key financial ratios

Sl. No.	Particulars	F.Y. 2024-2025	F.Y. 2023-2024	% Change	Reason of Variance
1	Current Assets	1,25,502	1,23,550	9.62%	
	Current Liabilities	4,24,083	4,57,658		
	Current Ratio	0.30	0.27		
2	Total Debt	4,72,538	3,83,681	43.56%	Refer sub-note (i)
	Total Equity	3,76,868	4,39,285		
	Debt Equity Ratio	1.25	0.87		
3	EBITDA	(22,071)	(39,949)	51.19%	Refer sub-note (i)
	Debt	47,441	1,29,829		
	Debt Service Coverage Ratio	(0.47)	(0.31)		
4	Profit after tax	(86,642)	(91,882)	9.92%	
	Net Worth	3,76,868	4,39,285		
	Return on Equity	(0.23)	(0.21)		
5	Average Inventory	47,418	59,549	11.16%	
	Cost of Goods Sold	5,81,055	6,56,420		
	Inventory Turnover Ratio	12.25	11.02		

02-66

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Statutory Reports

67-122

&gt;&gt;&gt;

Standalone Financials

123-174

&gt;&gt;&gt;

Consolidated Financials

## Notes to the Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

Sl. No.	Particulars	F.Y. 2024-2025	F.Y. 2023-2024	% Change	Reason of Variance
6	Turnover	6,36,019	7,65,192	14.83%	
	Average Trade Receivables	9,482	13,100		
	Trade Receivables Turnover Ratio	67.07	58.41		
7	Purchase	2,47,232	3,62,348	(41.83%)	Refer sub-note (i)
	Average Trade Payables	61,300	52,262		
	Trade Payables Turnover Ratio	4.03	6.93		
8	Turnover	6,36,019	7,65,192	(3.11%)	
	Net Worth	3,76,868	4,39,285		
	Net Capitals Turnover Ratio	1.69	1.74		
9	Profit after Tax	(86,642)	(91,882)	13.45%	
	Turnover	6,36,019	7,65,192		
	Net Profit Ratio	(0.14)	(0.12)		
10	EBITDA	(22,071)	(39,949)	(35.60%)	Refer sub-note (i)
	Capital Employed	3,76,868	4,39,285		
	Return on Capital Employed	(0.06)	(0.09)		
11	Gain on sale of Investments+Gain on Fair Valuation of Investments+Dividend Income investments+Gain on fair valuation of investments+Dividend income	3,478	3,635	-	
	Average Investments-Investment in Wholly owned Subsidiary	1,25,850	1,26,293		
	Return on Investment	0.03	0.03		

### Notes-

- (i) The change in ratio resulted from losses suffered by the company during the year under review.
- 51** On the basis of notification dated 28th June, 2023 by Govt of Assam providing 3 year tax holiday on Agricultural Income Tax, no provision on agricultural income tax has been made for the year ended 31st March, 2025.
- 52** There are no transactions that have been surrendered or disclosed as income during the year In the tax assessments under the Income Tax Act, 1961, which have not been recorded in the books of account.
- 53** The company does not have any transactions or relationships with any companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.
- 54** The other prescribed clauses as prescribed under other regulatory information for the year ended 31st March, 2025 being not applicable have not been given.
- 55** Previous year figures have been re-classified/re-grouped to confirm the presentation requirements under IND AS and the requirements laid down in Division-II of the Schedule-III of the Companies Act, 2013.

The Notes are an integral part of the Financial Statements

As per our Report annexed of even date

For **NKSJ & ASSOCIATES**

Chartered Accountants

Firm Registration No. 329563E

UDIN: 25234454BMLGZA4007

**CA. Sneha Jain**

Partner

Membership No. 234454

Kolkata

Dated the 30th day of May, 2025

**U. KANORIA**

Chairman & Managing Director

(DIN: 00081108)

**C. KABRA**

Company Secretary

**S. K. PARHI**

Chief Financial Officer

# Independent Auditors' Report

To

The members of,

**KANCO TEA & INDUSTRIES LIMITED**

## REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying consolidated financial statements of **KANCO TEA & INDUSTRIES LIMITED**, "(hereinafter referred to as "the Holding Company") and Winnow Investments and Securities Private Limited, "(hereinafter referred to as "the Subsidiary Company") (the Holding Company and its subsidiary together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2025, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory notes for the year ended on that date ( hereinafter referred to as "the Consolidated Financial Statements")

## MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including consolidated other comprehensive income, consolidated cash flows and consolidated change in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standard specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015. 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 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 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 consolidated financial statements by the Directors of the Holding Company, as aforesaid.

## AUDITOR'S RESPONSIBILITY

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence obtained by us and audit evidence obtained by the other auditors is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

02-66

&gt;&gt;&gt;

Statutory Reports

67-122

&gt;&gt;&gt;

Standalone Financials

123-174

&gt;&gt;&gt;

Consolidated Financials

## Independent Auditors' Report *(Contd.)*

### OPINION

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2025 and their consolidated loss and their consolidated cash flows and their consolidated change in equity for the year ended on that date.

### OTHER MATTERS

We did not audit the financial statements/financial information of subsidiary, whose financial statements/financial information reflect total assets of Rs. 246776.04 thousand as at 31st March, 2025, total revenues of Rs. 5732.05 thousand and net cash flows amounting to Rs. (1371.10) thousand for the year ended on that date, as considered in the consolidated financial statements. These financial statements/financial information have been audited by other auditor, whose report have been furnished to us by the Management and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub section (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements, and our report on other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor and the financial statements /financial information certified by the Management.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

- 1) As required by Section 143(3) of the Act, we report to the extent applicable that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and reports of other auditors;
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, Consolidated Cash Flow Statement and Consolidated Statement of Change in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of the consolidated financial statements;
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read Rule 7 of the Companies (Accounts) Rules, 2015.
  - e) On the basis of written representations received from the directors of the Holding Company as on 31st March, 2025 and taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group Companies incorporated in India is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure" and
  - g) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2015, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group, and its associates in its financial statements - Refer Note No 36 to the consolidated financial statements.

## Independent Auditors' Report *(Contd.)*

- (ii) The Group and its associates did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (iii) There were no amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies and its associate companies incorporated in India.
- (iv) a) The management has represented that, to the best of its knowledge and belief, no funds 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 persons or entities 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 ("Ultimate Beneficiaries") by or on behalf of the Group or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Group from any other persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
  - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
- c) Based on such audit procedures as 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 (iv)(a) and (iv)(b) contain any material mis-statement.
- d) Reporting on Audit Trails
- Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For **NKSJ & Associates**  
Chartered Accountants  
Firm Registration No- 329563E  
UDIN: 25234454BMLGZB3778

Flat No. 1B, 1st Floor, Embassy Building,  
4, Shakespeare Sarani,  
Kolkata – 700 071.

Dated the 30<sup>th</sup> day of May, 2025

**(CA Sneha Jain)**  
Partner  
Membership No. 234454

## Annexure to the Independent Auditors' Report

### REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (i) OF SUB SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2025, we have audited the internal financial controls over financial reporting of Kanco Tea & Industries Limited ("the Holding Company") and its subsidiary company, which is incorporated in India as of that date.

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

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

#### Auditors' Responsibility

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

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

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

#### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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.

## Annexure to the Independent Auditors' Report (Contd.)

### Inherent Limitations of Internal Financial Controls over Financial Reporting

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

### Opinion

In our opinion, the Group has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2025, based on the internal control over financial reporting criteria established by the Group 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.

Flat No. 1B, 1st Floor, Embassy Building,  
4, Shakespeare Sarani,  
Kolkata – 700 071.

Dated the 30<sup>th</sup> day of May, 2025

For **NKSJ & Associates**  
Chartered Accountants  
Firm Registration No- 329563E  
UDIN: 25234454BMLGZB3778

**(CA Sneha Jain)**  
Partner  
Membership No. 234454

02-66

&gt;&gt;&gt;

Statutory Reports

67-122

&gt;&gt;&gt;

Standalone Financials

123-174

&gt;&gt;&gt;

Consolidated Financials



## Consolidated Balance Sheet as at 31st March, 2025

(₹ in thousands)

Particulars	Note No.	As at 31st March, 2025	As at 31st March, 2024
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	5	6,94,836.37	6,71,161.31
Capital Work-In-Progress	5A	3,584.65	10,854.21
Intangible Assets	6	947.86	1,227.28
Financial Assets			
Investments	7	2,00,089.22	1,96,610.92
Trade Receivables	8	1,749.66	1,343.97
Loans	9	517.14	604.06
Other Financial Assets	10	17,747.47	17,065.01
Other Non-Current Assets	11	2,498.41	2,193.10
Deferred Tax Assets (Net)	12	76,442.25	80,421.16
<b>CURRENT ASSETS</b>			
Inventories	13	49,055.48	45,781.23
Biological Assets other than bearer plants	14	1,932.73	1,058.21
Financial Assets			
Trade Receivables	8	5,016.10	10,854.85
Cash and Cash Equivalents	15	93,785.04	85,094.59
Other Bank Balances	16	1,716.68	1,815.06
Loans	9	26,415.58	27,009.13
Other Financial Assets	10	15,367.79	9,728.43
Other Current Assets	11	31,505.90	44,695.99
Current Tax Asset (Net)	17	22,598.55	15,685.23
<b>Total Assets</b>		<b>12,45,806.88</b>	<b>12,23,203.74</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	18	51,228.27	51,228.27
Other Equity	19	5,62,069.66	6,21,237.58
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Financial Liabilities			
Borrowings	20	1,68,398.25	42,915.95
Trade Payables:-	21		
(a) Total outstanding dues of Micro and Small Enterprises		-	-
(b) Total outstanding dues of creditors other than Micro and Small Enterprises		1,367.67	3,482.63
Other Financial Liabilities	22	136.04	136.04
Provisions	23	38,374.08	46,188.23
Other non-Current Liabilities	24	89.94	294.56
<b>CURRENT LIABILITIES</b>			
Financial Liabilities			
Borrowings	25	2,91,562.97	3,30,361.01
Trade Payables:-	21		
(a) Total outstanding dues of Micro and Small Enterprises		9,152.77	7,548.27
(b) Total outstanding dues of creditors other than Micro and Small Enterprises		54,270.84	46,901.77
Other Financial Liabilities	22	48,564.24	49,392.49
Provisions	23	171.16	13,045.00
Other Current Liabilities	24	20,420.99	10,471.94
<b>Total Equity and Liabilities</b>		<b>12,45,806.88</b>	<b>12,23,203.74</b>
Basis of Accounting	2		
Significant Accounting Policies	3		
Significant Judgements & Estimates	4		

The Notes are an integral part of the Financial Statements

As per our Report annexed of even date

For **NKSJ & ASSOCIATES**

Chartered Accountants

Firm Registration No. 329563E

UDIN: 25234454BMLGZB3778

**CA. Sneha Jain**

Partner

Membership No. 234454

Kolkata

Dated the 30th day of May, 2025

**U. KANORIA**Chairman & Managing Director  
(DIN: 00081108)**C. KABRA**

Company Secretary

**S. K. PARHI**

Chief Financial Officer

## Consolidated Statement of Profit & Loss for the year ended 31st March, 2025

(₹ in thousands)

Particulars	Note No.	For the year ended 31st March, 2025	For the year ended 31st March, 2024
<b>INCOME</b>			
Revenue from Operations	26	6,36,019.16	7,65,191.99
Other Income	27	46,302.89	21,704.69
<b>Total Income</b>		<b>6,82,322.05</b>	<b>7,86,896.68</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	28	71,636.25	1,67,293.18
Changes in Inventories of Finished Goods	29	(10,694.95)	24,387.09
Employee Benefits Expense	30	4,19,227.57	4,12,081.78
Finance Costs	31	34,804.77	19,068.13
Depreciation and Amortisation Expense	32	26,260.19	26,820.34
Other Expenses	33	2,19,817.24	2,18,282.28
<b>Total Expenses</b>		<b>7,61,051.07</b>	<b>8,67,932.80</b>
<b>(Loss)/Profit before Tax</b>		<b>(78,729.02)</b>	<b>(81,036.12)</b>
<b>Tax Expense:</b>	34		
Current Tax		685.49	747.00
MAT Credit Entitlement		459.84	551.43
Income Tax Provision for earlier years		-	1.90
MAT Credit Entitlement for earlier years		-	3.37
Deferred Tax		3,519.07	6,057.12
<b>(Loss)/Profit for the year</b>		<b>(83,393.42)</b>	<b>(88,396.94)</b>
<b>Other Comprehensive Income</b>	35		
i. Items that will not be reclassified to profit or loss	35 A	24,225.50	4,219.17
ii. Income tax relating to these items		-	-
		<b>24,225.50</b>	<b>4,219.17</b>
<b>Other Comprehensive Income for the Year (Net of Tax)</b>		<b>24,225.50</b>	<b>4,219.17</b>
<b>Total Comprehensive Income for the period</b>		<b>(59,167.92)</b>	<b>(84,177.77)</b>
<b>Earnings Per Share</b>			
Nominal Value of Shares (₹)		10	10
Weighted Average Number of Ordinary Shares outstanding during the year		51,22,827	51,22,827
Basic & Diluted Earnings Per Share		(16.28)	(17.26)
Basis of Accounting	2		
Significant Accounting Policies	3		
Significant Judgements & Estimates	4		

The Notes are an integral part of the Financial Statements

As per our Report annexed of even date

For **NKSJ & ASSOCIATES**

Chartered Accountants

Firm Registration No. 329563E

UDIN: 25234454BMLGZB3778

**CA. Sneha Jain**

Partner

Membership No. 234454

Kolkata

Dated the 30th day of May, 2025

**U. KANORIA**

Chairman &amp; Managing Director

(DIN: 00081108)

**C. KABRA**

Company Secretary

**S. K. PARHI**

Chief Financial Officer

02-66

&gt;&gt;&gt;

Statutory Reports

67-122

&gt;&gt;&gt;

Standalone Financials

123-174

&gt;&gt;&gt;

Consolidated Financials

## Consolidated Cash Flow Statement for the year ended 31st March, 2025

(₹ in thousands)

Particulars	For the year ended	
	31st March, 2025	31st March, 2024
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net (Loss) / Profit Before Tax and after Exceptional items	(78,729.02)	(81,036.12)
Finance Cost	34,804.77	19,068.13
Depreciation (including amortization & impairment)	26,260.19	26,820.34
Changes in Fair Value of Biological Assets	(874.52)	1,788.43
Interest Received	(6,294.97)	(7,682.64)
Loss /(Profit) on Property, Plant and Equipment sold/discarded (Net)	279.92	26.02
<b>Operating Profit/ (Loss) before Working Capital Changes</b>	<b>(24,553.63)</b>	<b>(41,015.84)</b>
<b>ADJUSTMENT FOR :</b>		
Decrease/(Increase) in Non-current Trade Receivables	(405.69)	(45.75)
Decrease/(Increase) in Current Trade Receivables	5,838.75	1,848.97
Decrease/(Increase) in Non-current Other Financial Assets	(682.46)	(712.49)
Decrease/(Increase) in Current Other Financial Assets	(5,638.20)	(4,607.65)
Decrease /(Increase) in Non-current Other Assets	(305.31)	259.91
Decrease /(Increase) in Current Other Assets	13,148.87	(19,464.17)
Decrease /(Increase) in Inventories & Biological Assets other than bearer plants	(3,274.25)	27,534.59
(Decrease)/ Increase in Non-current Trade Payables	(2,114.96)	965.19
(Decrease)/ Increase in Current Trade Payables	8,975.93	10,250.36
(Decrease)/ Increase in Non-current Other Financial Liabilities	-	-
(Decrease)/ Increase in Current Other Financial Liabilities	(3,001.75)	(21,576.28)
Increase /(Decrease) in Non-current Other Liabilities	(204.62)	(238.01)
Increase /(Decrease) in Current Other Liabilities	9,946.69	(646.62)
Increase /(Decrease) in Non-current Provisions	(7,814.15)	16,078.44
Increase /(Decrease) in Current Provisions	6,660.45	(4,855.64)
<b>Cash Generated from Operations</b>	<b>(3,424.33)</b>	<b>(36,224.99)</b>
Income Tax (Paid)/ received (Net)	(7,620.60)	(9,088.63)
<b>Net Cash Flow from Operating Activities</b>	<b>(11,044.93)</b>	<b>(45,313.62)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipment	(42,793.18)	(52,456.40)
Sale of Property, Plant and Equipment	190.00	2,282.46
Purchase of Non-current Investments	-	(16,000.00)
Redemption of Preference Share Capital	-	(4,000.00)
Loan Given (Net) Non-current	1,299.83	(116.00)
Loan Given (Net) Current	593.55	(313.28)
Fixed Deposits & other bank balances	98.38	15,842.01
Sale of Investments	-	1,462.30
Interest Received	6,293.81	7,670.84
<b>Net Cash flow from Investing Activities</b>	<b>(34,317.61)</b>	<b>(45,628.07)</b>

## Consolidated Cash Flow Statement for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

Particulars	For the year ended	
	31st March, 2025	31st March, 2024
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase / (Decrease) in Short Term Borrowings from Banks	(38,798.04)	1,30,408.32
Increase / (Decrease) in Long Term Borrowings	1,25,482.30	(68,822.51)
Loan Repaid	-	9,000.00
Finance Cost	(32,631.27)	(18,401.54)
Dividend Paid	-	(5,122.83)
<b>Net Cash flow from Financing Activities</b>	<b>54,052.99</b>	<b>47,061.44</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>8,690.45</b>	<b>(43,880.25)</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>85,094.59</b>	<b>1,28,974.84</b>
<b>Cash and Cash Equivalents at the end of the year</b>	<b>93,785.04</b>	<b>85,094.59</b>

### Notes:

- (1) The above Consolidated Cash Flow Statement has been prepared under the "Indirect Method" as set out in IND AS -7 "Statement of Cash Flows" referred to in the Companies (Accounts) Rules, 2016.
- (2) Previous year's figures have been re-grouped/re-arranged wherever necessary.

The Notes are an integral part of the Financial Statements

As per our Report annexed of even date

For **NKSJ & ASSOCIATES**

Chartered Accountants

Firm Registration No. 329563E

UDIN: 25234454BMLGZB3778

**CA. Sneha Jain**

Partner

Membership No. 234454

Kolkata

Dated the 30th day of May, 2025

**U. KANORIA**

Chairman & Managing Director

(DIN: 00081108)

**C. KABRA**

Company Secretary

**S. K. PARHI**

Chief Financial Officer

02-66

&gt;&gt;&gt;

Statutory Reports

67-122

&gt;&gt;&gt;

Standalone Financials

123-174

&gt;&gt;&gt;

Consolidated Financials

## Consolidated Statement of Change in Equity for the year ended 31st March, 2025

(₹ in thousands)

### a Equity Share Capital

Balance as at 31st March 2023	51,228.27
Add/(Less): Changes during the year 2023-24	-
Balance as at 31st March 2024	51,228.27
Add/(Less): Changes during the year 2024-25	-
<b>Balance as at 31st March 2025</b>	<b>51,228.27</b>

### b Other Equity

Particulars	General Reserve	Preference Share Redemption Reserve	Retained Earnings	Other Comprehensive Income		Total
				Equity Instrument through Other Comprehensive Income	Remeasurement of Defined Benefit Plans	
<b>Balance as at 31st March, 2023</b>	<b>73,126.87</b>	<b>4,000.00</b>	<b>5,71,307.57</b>	<b>72,910.12</b>	<b>(10,806.38)</b>	<b>7,10,538.18</b>
(Loss) / Profit for the Year	-	-	(88,396.94)	-	-	(88,396.94)
Change in Fair Value	-	-	-	(2,902.84)	-	(2,902.84)
Remeasurement Gain/(Loss) (Net of Tax)	-	-	-	-	7,122.01	7,122.01
<b>Total Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>(88,396.94)</b>	<b>(2,902.84)</b>	<b>7,122.01</b>	<b>(84,177.77)</b>
Final Dividend Paid	-	-	5,122.83	-	-	5,122.83
<b>Total Distribution</b>	<b>-</b>	<b>-</b>	<b>5,122.83</b>	<b>-</b>	<b>-</b>	<b>5,122.83</b>
<b>Balance as at 31st March, 2024</b>	<b>73,126.87</b>	<b>4,000.00</b>	<b>4,77,787.80</b>	<b>70,007.28</b>	<b>(3,684.37)</b>	<b>6,21,237.58</b>

Particulars	General Reserve	Preference Share Redemption Reserve	Retained Earnings	Other Comprehensive Income		Total
				Equity Instrument through Other Comprehensive Income	Remeasurement of Defined Benefit Plans	
<b>Balance as at 31st March, 2024</b>	<b>73,126.87</b>	<b>4,000.00</b>	<b>4,77,787.80</b>	<b>70,007.28</b>	<b>(3,684.37)</b>	<b>6,21,237.58</b>
Transfer from Preference Share Redemption Reserve	4,000.00	-	-	-	-	4,000.00
Transfer to General Reserve	-	(4,000.00)	-	-	-	(4,000.00)
	<b>77,126.87</b>	<b>-</b>	<b>4,77,787.80</b>	<b>70,007.28</b>	<b>(3,684.37)</b>	<b>6,21,237.58</b>
(Loss) / Profit for the Year	-	-	(83,393.42)	-	-	(83,393.42)
Change in Fair Value	-	-	-	4,691.21	-	4,691.21
Remeasurement Gain/(Loss) (Net of Tax)	-	-	-	-	19,534.29	19,534.29
<b>Total Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>(83,393.42)</b>	<b>4,691.21</b>	<b>19,534.29</b>	<b>(59,167.92)</b>
<b>Balance as at 31st March, 2025</b>	<b>77,126.87</b>	<b>-</b>	<b>3,94,394.38</b>	<b>74,698.49</b>	<b>15,849.92</b>	<b>5,62,069.66</b>

The Notes are an integral part of the Financial Statements

As per our Report annexed of even date

For **NKSJ & ASSOCIATES**

Chartered Accountants

Firm Registration No. 329563E

UDIN: 25234454BMLGZB3778

**CA. Sneha Jain**

Partner

Membership No. 234454

Kolkata

Dated the 30th day of May, 2025

**U. KANORIA**

Chairman &amp; Managing Director

(DIN: 00081108)

**C. KABRA**

Company Secretary

**S. K. PARHI**

Chief Financial Officer

# Notes to the Consolidated Financial Statements for the year ended 31st March, 2025

## 1. CORPORATE AND GENERAL INFORMATION

Kanco Tea & Industries Limited (the company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on two stock exchanges in India. The company is engaged in the manufacturing and selling of black tea. The company caters to only the domestic market. The food safety system and the quality management system of Mackeypore Tea Estate has been assessed and found to meet the requirement of HACCP (Hazard Analysis and Critical Point), ISO 22000 Food Safety Management. The quality management system of Mackeypore Tea Estate has been assessed and found to meet the requirements of ISO 9001:2015.

## 2. BASIS OF ACCOUNTING

### 2.1. Statement of Compliance

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), other relevant provisions of the Act and other accounting principles generally accepted in India. The accounting policies are applied consistently to all the periods presented in the financial statements.

The financial statements of the Company for the year ended 31st March, 2025 has been approved by the Board of Directors in their meeting held on 30th May, 2025.

### 2.2. Basis of Accounting

The Company maintains accounts on accrual basis following the historical cost convention, except for followings:

- Certain Financial Assets and Liabilities is measured at Fair value/ Amortised cost (refer accounting policy regarding financial instruments);
- Defined Benefit Plans – plan assets measured at fair value; and
- Biological Assets – At fair value less cost to sell

### 2.3. Functional and Presentation Currency

The Consolidated Financial Statements are presented in Indian Rupee (INR), which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates. All financial information presented in INR has been rounded off to the nearest thousands as per the requirements of Schedule III, unless otherwise stated.

### 2.4. Use of Estimates and Judgements

The preparation of consolidated financial statements in conformity with Ind AS requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

### 2.5. Presentation of Financial Statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the consolidated financial statements along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

### 2.6. Operating Cycle for current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1. The Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities. Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities respectively.

### 2.7. Measurement of Fair Values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

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, maximising 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 financial statements are categorised within the fair value hierarchy, described as follows, based on the 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 — Inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 — Inputs which are unobservable inputs for the asset or liability.

External valuers are involved for valuation of significant assets & liabilities. Involvement of external valuers is decided by the management of the company considering the requirements of Ind As and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

### 2.8 Principles of Consolidation

The Consolidated Financial Statements relate to Kanco Tea & Industries Limited (the Company) and its subsidiary Company namely Winnow Investments and Securities Private Limited. The brief information about the subsidiary as on 31/03/ 2025 is as under:

Name of Company	Country of Incorporation	Proportionate of ownership interest	
		31.03.2025	31.03.2024
Winnow Investments and Securities Private Limited	India	100%	100%

The Consolidated Financial Statements have been prepared in accordance with the applicable accounting standards, on the basis of standalone financial statements of the parent and the subsidiary by consolidating



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses and thereafter making due elimination of intra-group transactions.

### 3. ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

#### 3.1. INVENTORIES

Inventories are valued at the lower of cost and net realizable value (NRV). Cost is measured by including, unless specifically mentioned below, cost of purchase and other costs incurred in bringing the inventories to their present location and condition. NRV is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

- **Raw Materials:** At Cost or Net Realizable Value whichever is lower. Cost of harvested tea leaves, produced from own gardens, is measured at fair value less cost to sell at the point of harvest of tea leaves.
- **Stores and Spare Parts:** Stores and Spare Parts are measured at cost (measured at weighted average basis) or net realizable value whichever is lower.
- **Finished Goods:** Finished goods produced from agricultural produce are valued at lower of cost and the net realizable value. Cost is arrived at by adding the cost of conversion to the fair value of agricultural produce.
- **Stock in Trade:** Stock in Trade is measured at cost (i.e., purchase cost) or net realizable value whichever is lower.
- **Waste/ Scrap:** Waste and Scrap (including tea waste) are valued at estimated realizable value.

#### 3.2. CASH AND CASH EQUIVALENTS

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

For the purpose of the statement of cash flows, cash and cash equivalents includes cash on hand, deposits and other short-term highly liquid investments as defined above, net of bank overdrafts as they are considered an integral part of the Company's cash management. Bank overdrafts are shown within short term borrowings in the balance sheet.

#### 3.3. INCOME TAX

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

##### 3.3.1. Current Tax:

Current tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities using the tax rates (and tax laws) that have been enacted or substantively enacted, at the end of the reporting period.

##### 3.3.2. Deferred Tax

- Deferred Tax assets and liabilities is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

- Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base). Deferred tax is also recognized for carry forward of unused tax losses and unused tax credits.
- Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
- The carrying amount of deferred tax assets is reviewed at the end of each reporting period. The Company reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.
- Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.
- Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

### 3.4. PROPERTY, PLANT AND EQUIPMENT

#### 3.4.1. Tangible Assets (Other than Bearer Plants)

##### 3.4.1.1. Recognition and Measurement:

- Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any).
- Cost of an item of property, plant and equipment acquired comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting any trade discounts and rebates, any directly attributable costs of bringing the assets to its working condition and location for its intended use and present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located.
- In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of directly attributable overheads, directly attributable borrowing costs incurred in bringing the item to working condition for its intended use, and estimated cost of dismantling and removing the item and restoring the site on which it is located. The costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling items produced while bringing the asset to that location and condition are also added to the cost of self-constructed assets.
- If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.
- Profit or loss arising on the disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

##### 3.4.1.2. Subsequent Measurement:

- Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

- Major Inspection/ Repairs/ Overhauling expenses are recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any Unamortized part of the previously recognized expenses of similar nature is derecognized.

### 3.4.1.3. Depreciation and Amortization:

- Depreciation on tangible fixed assets is provided under Straight Line Method at rates determined based on the useful life of the respective assets and the residual values in accordance with Schedule II of the Companies Act, 2013 or as reassessed by the Company based on the technical evaluation.
- In respect of spares for specific machinery, cost is amortized over the useful life of the related machinery as estimated by the management.
- Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed of).
- Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

### 3.4.1.4. Disposal of Assets

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

### 3.4.1.5. Capital Work in Progress

Capital work-in-progress is stated at cost which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production.

## 3.4.2. Bearer Plants

### 3.4.2.1. Recognition and Measurement:

- Bearer Plants, comprising of mature tea bushes and shade trees are stated in the balance sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any).
- Cost of bearer plants includes the cost of uprooting, land development, rehabilitation, planting of Guatemala, planting of shade trees, cost of nursery, drainage, manual cultivation, fertilizers, agro-chemicals, pruning and infilling etc.

### 3.4.2.2. Subsequent Measurement:

Costs incurred for infilling including block infilling are generally recognized in the Statement of Profit and Loss unless there is a significant increase in the yield of the sections, in which case such costs are capitalized and depreciated over the remaining useful life of the respective sections.

### 3.4.2.3. Depreciation:

- Depreciation on bearer plants is recognised so as to write off its cost over useful lives, using the straight-line method.
- The estimated useful life, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.
- Estimated useful life of the bearer plants has been determined to be 50 years. The residual value in case of Bearer Plants has been considered as NIL.

02-66

&gt;&gt;&gt;

Statutory Reports

67-122

&gt;&gt;&gt;

Standalone Financials

123-174

&gt;&gt;&gt;

Consolidated Financials

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

### 3.4.2.4. Capital Work in Progress

Young tea bushes & shade trees, including the cost incurred for procurement of new seeds and maintenance of nurseries, are carried at cost less any recognized impairment losses under capital work-in-progress. Cost includes the cost of land preparation, new planting and maintenance of newly planted bushes until maturity. On maturity, these costs are classified under bearer plants. Depreciation of bearer plants commence on maturity.

### 3.5. REVENUE RECOGNITION

Revenue is recognised based on nature of activity when consideration can be reasonably measured and recovered with reasonable certainty. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment, but excludes amounts collected on behalf of third parties, such as sales tax and value added tax and is reduced for estimated customer returns, rebates and other similar allowances.

#### 3.5.1. Sale of Products:

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and significant risk and reward incidental to sale of products is transferred to the buyer, usually on delivery of the goods.

#### 3.5.2. Other Income:

**3.5.2.1. Interest Income:** For all debt instruments measured either at amortized cost or at fair value through other comprehensive income (FVTOCI), interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

**3.5.2.2. Dividend Income:** Dividend income is accounted in the period in which the right to receive the same is established.

**3.5.2.3. Other Income:** Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.

### 3.6. EMPLOYEE BENEFITS

#### 3.6.1. Short Term Benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period.

#### 3.6.2. Other Long Term Employee Benefits

The liabilities for earned leaves and sick leaves that are not expected to be settled wholly within twelve months are measured as the present value of the expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation. Remeasurements as the result of experience adjustment and changes in actuarial assumptions are recognized in statement of profit and loss.

#### 3.6.3. Post Employment Benefits

The Company operates the following post employment schemes:

##### ➤ Defined Contribution Plan

Defined contribution plans such as Provident Fund, Superannuation Fund, labour Welfare Fund etc. are charged to the statement of profit and loss as and when incurred. There are no other contribution payable to the respective funds.

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

### ➤ Defined Benefit Plans

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

The liability recognized for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. 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. The benefits are discounted using the government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation.

Remeasurements of the net defined benefit obligation, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling, are recognized in other comprehensive income. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the statement of profit and loss.

### 3.7. GOVERNMENT GRANTS

Government grants are recognised at their fair value, where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

The grant relating to the acquisition/ construction of an item of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on the same systematic basis as the respective assets are depreciated over their expected life and are presented within other operating income.

### 3.8. FOREIGN CURRENCY TRANSACTIONS

- Foreign currency (other than the functional currency) transactions are translated into the functional currency using the spot rates of exchanges at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchanges at the reporting date.
- Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities are generally recognized in profit or loss in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those qualifying assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings, the balance is presented in the Statement of Profit and Loss within finance costs.
- Non-monetary items are not retranslated at period end and are measured at historical cost (translated using the exchange rate at the transaction date).

### 3.9. BORROWING COSTS

- Borrowing Costs consists of interest and other costs that an entity incurs in connection with the borrowings of funds. Borrowing costs also includes exchange difference to the extent regarded as an adjustment to the borrowing costs.
- Borrowing costs directly attributable to the acquisition or construction of a qualifying asset are capitalized as a part of the cost of that asset that necessarily takes a substantial period of time to complete and prepare the asset for its intended use or sale. The Company considers a period of twelve months or more as a substantial period of time.

02-66

&gt;&gt;&gt;

Statutory Reports

67-122

&gt;&gt;&gt;

Standalone Financials

123-174

&gt;&gt;&gt;

Consolidated Financials

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

- Transaction costs in respect of long term borrowing are amortized over the tenure of respective loans using Effective Interest Rate (EIR) method. All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred.

### 3.10. 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.

#### 3.10.1. Financial Assets

- **Recognition and Initial Measurement:**

All financial assets are initially recognized when the company becomes a party to the contractual provisions of the instruments. A financial asset is initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

- **Classification and Subsequent Measurement:**

For purposes of subsequent measurement, financial assets are classified in four categories:

- o Measured at Amortized Cost;
- o Measured at Fair Value Through Other Comprehensive Income (FVTOCI);
- o Measured at Fair Value Through Profit or Loss (FVTPL); and
- o Equity Instruments measured at Fair Value through Other Comprehensive Income (FVTOCI).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

- o Measured at Amortized Cost: A debt instrument is measured at the amortized cost if both the following conditions are met:
  - The asset is held within a business model whose objective is achieved by both collecting contractual cash flows; and
  - The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade receivables, cash and bank balances, loans and other financial assets of the company.

- o Measured at FVTOCI: A debt instrument is measured at the FVTOCI if both the following conditions are met:
  - The objective of the business model is achieved by both collecting contractual cash flows and selling the financial assets; and
  - The asset's contractual cash flows represent SPPI.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on remeasurement recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognized in the statement of profit and loss in investment income.



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

- o **Measured 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. In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at 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 which are, held for trading are classified as at FVTPL.
- o **Equity Instruments measured at FVTOCI:** For all other equity instruments, which has not been classified as FVTPL as above, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. In case the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment.

➤ **Derecognition:**

The Company derecognizes a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

➤ **Impairment of Financial Assets:**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS – 109 requires expected credit losses to be measured through a loss allowance. The company recognizes lifetime expected losses for all contract assets and/ or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

### 3.10.2. Financial Liabilities

➤ **Recognition and Initial Measurement:**

Financial liabilities are classified, at initial recognition, as at fair value through profit or loss, loans and borrowings, payables or as derivatives, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

➤ **Subsequent Measurement:**

Financial liabilities are measured subsequently at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

➤ **Financial Guarantee Contracts:**

Financial guarantee contracts issued by the company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirement of Ind AS 109 and the amount recognized less cumulative amortization.

02-66

&gt;&gt;&gt;

Statutory Reports

67-122

&gt;&gt;&gt;

Standalone Financials

123-174

&gt;&gt;&gt;

Consolidated Financials



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

### ➤ **Derecognition:**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

### **3.10.3. Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

### **3.11. Earnings Per Share**

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit attributable to equity holders adjusted for the effects of potential equity shares by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

### **3.12. Impairment of Non-Financial Assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful lives of the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (Cash Generating Units – CGU).

An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

### **3.13. Provisions, Contingent Liabilities and Contingent Assets**

#### **3.13.1. Provisions**

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

#### **3.13.2. Contingent Liabilities**

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events but is not recognized because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Company discloses the existence of contingent liabilities in Other Notes to Financial Statements.

#### **3.13.3. Contingent Assets**

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent Assets are not recognized though are disclosed, where an inflow of economic benefits is probable.

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

### 3.14. Intangible Assets

#### 3.14.1. Recognition and Measurement

Software which is not an integral part of related hardware, is treated as intangible asset and are stated at cost on initial recognition and subsequently measured at cost less accumulated amortization and accumulated impairment loss, if any.

#### 3.14.2. Subsequent Expenditure

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. All other expenditure is recognized in the Statement of Profit & Loss.

#### 3.14.3. Amortization

- Intangible assets are amortized over their estimated useful lives.
- The amortization period and the amortization method are reviewed at least at the end of each financial year. If the expected useful life of the assets is significantly different from previous estimates, the amortization period is changed accordingly.

#### 3.14.4. Intangible Assets under Development

Intangible Assets under development is stated at cost which includes expenses incurred in connection with development of Intangible Assets in so far as such expenses relate to the period prior to the getting the assets ready for use.

### 3.15. Biological Assets and Agricultural Produce

#### 3.15.1. Biological Assets

Biological assets of the company comprise of un-harvested green tea leaves that are classified as current biological assets.

The Company recognizes biological assets when, and only when, the Company controls the assets as a result of past events, it is probable that future economic benefits associated with such assets will flow to the company and the fair value or cost of the assets can be measured reliably. Expenditure incurred on biological assets is measured on initial recognition and at the end of each reporting period at its fair value less costs to sell. The gain or loss arising from a change in fair value less cost to sell of biological assets is included in Statement of Profit and Loss for the period in which it arises.

#### 3.15.2. Agricultural Produce

The Company recognizes agricultural produce when, and only when, the Company controls the assets as a result of past events, it is probable that future economic benefits associated with such assets will flow to the Company and the fair value or the cost of the assets can be measured reliably. Agricultural produce harvested from the Company's biological assets are valued at fair value less cost to sell at the point of harvest. A gain or loss arising on initial recognition of agricultural produce at fair value less cost to sell shall be included in Statement of Profit & Loss for the period in which it arises.

The Company's agricultural produce comprises of green leaves plucked from its tea estate.

### 3.16. Operating Segment

Operating Segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors. Segments are organized based on businesses which have similar economic characteristics as well as exhibit similarities in nature of production processes, the type and class of customer and distribution methods. Accordingly, the company has only one segment i.e., Manufacturing of Black Tea.

02-66

&gt;&gt;&gt;

Statutory Reports

67-122

&gt;&gt;&gt;

Standalone Financials

123-174

&gt;&gt;&gt;

Consolidated Financials

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

### 4. SIGNIFICANT JUDGEMENTS AND KEY SOURCES OF ESTIMATION IN APPLYING ACCOUNTING POLICIES

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Information about Significant judgements and Key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- **Recognition of Deferred Tax Assets:** The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.
- **Useful lives of depreciable/ amortisable assets (tangible and intangible):** Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.
- **Defined Benefit Obligation (DBO):** Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.
- **Provisions and Contingencies:** The assessments undertaken in recognising provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.
- **Impairment of Financial Assets:** The Company reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication of impairment. If recoverable amount is less than its carrying amount, the impairment loss is accounted for.
- **Allowances for Doubtful Debts:** The Company makes allowances for doubtful debts through appropriate estimations of irrecoverable amount. The identification of doubtful debts requires use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.
- **Fair value measurement of financial Instruments:** When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The input to these models are taken from observable markets where possible, but where this not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.
- **Fair Value of Biological Assets:** The fair value of Biological Assets is determined based on recent transactions entered into with third parties or available market price.

# Notes to the Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

## Note 5 PROPERTY, PLANT AND EQUIPMENT

Particulars	Year Ended 31st March 2025				
	Gross Block		Accumulated Depreciation		Net Carrying Amount
	As at 1st April 2024	Additions	Disposal / Adjustments	As at 31st March 2025	
Land Freehold	2,44,026.60	-	-	2,44,026.60	2,44,026.60
Buildings & Water Supply Installation	1,94,921.71	9,873.51	-	2,04,795.22	33,432.24
Plant & Equipments	1,63,674.21	6,576.22	-	1,70,250.43	97,527.54
Furniture and Fixtures	7,682.91	2,732.21	-	10,415.12	4,759.87
Motor Vehicles	46,438.60	85.44	1,427.92	45,096.12	28,996.74
Bearer Plants	1,75,791.31	30,858.37	-	2,06,649.68	21,680.41
<b>Total</b>	<b>8,32,535.34</b>	<b>50,125.75</b>	<b>1,427.92</b>	<b>8,81,233.17</b>	<b>1,86,396.80</b>

Particulars	Year Ended 31st March 2024				
	Gross Block		Accumulated Depreciation		Net Carrying Amount
	As at 1st April 2023	Additions	Disposal / Adjustments	As at 31st March 2024	
Land Freehold	2,44,026.60	-	-	2,44,026.60	2,44,026.60
Buildings & Water Supply Installation	1,76,441.15	18,480.56	-	1,94,921.71	27,518.24
Plant & Equipments	1,59,820.00	5,989.71	2,135.50	1,63,674.21	85,305.25
Furniture and Fixtures	7,048.42	634.49	-	7,682.91	4,314.28
Motor Vehicles	46,829.11	2,750.79	3,141.30	46,438.60	25,933.68
Bearer Plants	1,43,944.49	31,846.82	-	1,75,791.31	18,302.58
<b>Total</b>	<b>7,78,109.77</b>	<b>59,702.37</b>	<b>5,276.80</b>	<b>8,32,535.34</b>	<b>1,61,374.03</b>

### Notes:

- 5.1** Refer note no. 38 for information on property, plant & equipments pledged as securities by the Company.
- 5.2** Refer note no. 37 for disclosure of contractual commitments for the acquisition of Property, Plant & Equipments
- 5.3** The Company has not revalued its Property, Plant and Equipment during the current reporting period.
- 5.4** The Company does not hold any Benami Property and does not have any proceedings initiated or pending for holding Benami Property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988)

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

### Note 5A Capital-Work-in-Progress- Tangibles

Particulars	Amounts in Capital-Work-in-Progress for a period of		
	Less than 1 years	1 to 2 years	Total
<b>Projects in progress</b>			
As at March 31, 2025	-	-	-
As at March 31, 2024	-	-	-
<b>Bearer Plants in Progress</b>			
As at March 31, 2025	2,568.75	1,015.90	3,584.65
As at March 31, 2024	8,275.27	2,578.94	10,854.21

**5A.1** There is no capital work-in-progress whose completion is overdue or has exceeded its cost as compared to its original plan.

### Note 6 INTANGIBLE ASSETS

Particulars	Year ended 31st March 2025								
	Gross Carrying Amount				Accumulated Amortization				Net Carrying Amount
	As at 1st April 2024	Additions	Disposal / Adjustments	As at 31st March 2025	As at 1st April 2024	For the Year	Disposal / Adjustments	As at 31st March 2025	
Computer Software	2,409.56	-	-	2,409.56	1,182.28	279.42	-	1,461.70	947.86
<b>Total</b>	<b>2,409.56</b>	<b>-</b>	<b>-</b>	<b>2,409.56</b>	<b>1,182.28</b>	<b>279.42</b>	<b>-</b>	<b>1,461.70</b>	<b>947.86</b>

Particulars	Year Ended 31st March 2024								
	Gross Carrying Amount				Accumulated Amortization				Net Carrying Amount
	As at 1st April 2023	Additions	Disposal / Adjustments	As at 31st March 2024	As at 1st April 2023	For the Year	Disposal / Adjustments	As at 31st March 2024	
Computer Software	2,409.56	-	-	2,409.56	902.86	279.42	-	1,182.28	1,227.28
<b>Total</b>	<b>2,409.56</b>	<b>-</b>	<b>-</b>	<b>2,409.56</b>	<b>902.86</b>	<b>279.42</b>	<b>-</b>	<b>1,182.28</b>	<b>1,227.28</b>

**6.1** There are no Intangible Assets under development in the Company during the current reporting period.

### Note 7 NON-CURRENT INVESTMENTS

Particulars	Face Value	As at 31st March 2025		As at 31st March 2024	
		Qty	Amount	Qty	Amount
<b>7 A Investment at Fair Value through Other Comprehensive Income</b>					
<b>Equity Instruments (Quoted)</b>					
Warren Tea Limited	10	10	0.44	10	0.36
Kanco Enterprises Limited	10	33,14,291	1,160.01	33,14,291	1,160.01
The Methoni Tea Co. Limited	10	100	12.69	100	12.69
The Grob Tea Co. Limited	10	150	131.60	150	131.97
<b>Agreegrate amount of Quoted Investments</b>			<b>1,304.74</b>		<b>1,305.03</b>
<b>Equity Instruments (Unquoted)</b>					
Gujurat Nylons Limited	10	100	3.47	100	3.47
Rydak Syndicate Limited	10	100	12.69	100	12.69
E T Resources Private Limited	10	74,300	34,623.80	74,300	34,178.00

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

Particulars	Face Value	As at 31st March 2025		As at 31st March 2024	
		Qty	Amount	Qty	Amount
B T Investments Private Limited	10	2,22,558	48,072.52	2,22,558	46,959.73
Cosmos Resources Private Limited	10	75,000	9,975.00	75,000	9,450.00
Nidhi Private Limited	10	1,60,000	9,920.00	1,60,000	9,920.00
Innova Properties Private Limited	10	77,500	16,120.00	77,500	14,725.00
<b>Agreegrate amount of Unquoted Investments</b>			<b>1,18,727.48</b>		<b>1,15,248.89</b>
<b>Total (7 A)</b>			<b>1,20,032.22</b>		<b>1,16,553.92</b>
<b>7 B Investments at Fair Value through Profit or Loss</b>					
<b>Investment in 7% Non Cumulative Redeemable Preference shares(Unquoted)</b>					
B T Investments Private Limited	100	75,570	7,557.00	75,570	7,557.00
			<b>7,557.00</b>		<b>7,557.00</b>
<b>Debt Instruments (Unquoted)</b>					
% Optionally Convertible Debentures of Devoted Constructions Limited	100000	725	72,500.00	725	72,500.00
			<b>72,500.00</b>		<b>72,500.00</b>
<b>Total (7 B)</b>			<b>80,057.00</b>		<b>80,057.00</b>
<b>TOTAL NON- CURRENT INVESTMENTS (7 A+7 B)</b>			<b>2,00,089.22</b>		<b>1,96,610.92</b>
<b>Aggregate Book Value of Quoted Investments</b>			<b>1,304.74</b>		<b>1,305.03</b>
<b>Aggregate Fair Value of Quoted Investments</b>			<b>1,304.74</b>		<b>1,305.03</b>
<b>Aggregate amount of Unquoted Investments</b>			<b>1,98,784.48</b>		<b>1,95,305.89</b>

The value of unquoted shares are based on the valuation report of a practising chartered accountant, who is not a registered valuer as defined under Rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

### Note 8 TRADE RECEIVABLES

Particulars	Refer Note No.	Long Term		Short Term	
		As as 31st March 2025	As as 31st March 2024	As as 31st March 2025	As as 31st March 2024
Trade Receivables	8.1 & 8.2	1,749.66	1,343.97	5,016.10	10,854.85
Less: Provision for doubtful receivables		-	-	-	-
<b>Total Trade Receivables</b>		<b>1,749.66</b>	<b>1,343.97</b>	<b>5,016.10</b>	<b>10,854.85</b>
<b>Break Up of Trade Receivable Details</b>					
Undisputed Trade Receivables - Considered Good		1,749.66	1,343.97	5,016.10	10,854.85
Undisputed Trade Receivables - Which have significant increase in credit risk		-	-	-	-
Undisputed Trade Receivables - Credit impaired		-	-	-	-
Disputed Trade Receivables - Considered Good		-	-	-	-
Disputed Trade Receivables - Which have significant increase in credit risk		-	-	-	-
Disputed Trade Receivables - Credit impaired		-	-	-	-
<b>Total</b>		<b>1,749.66</b>	<b>1,343.97</b>	<b>5,016.10</b>	<b>10,854.85</b>
Less: Provision for doubtful receivables		-	-	-	-
<b>Total Trade Receivables</b>		<b>1,749.66</b>	<b>1,343.97</b>	<b>5,016.10</b>	<b>10,854.85</b>

**8.1** Trade receivables are non-interest bearing and are generally on terms of 30 to 60 days.

**8.2** No trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

### Note 9 LOANS

Particulars	Refer Note No.	Long Term		Short Term	
		As as 31st March 2025	As as 31st March 2024	As as 31st March 2025	As as 31st March 2024
<b>Loans &amp; Advances to Related Parties</b>	9.1				
Inter Corporate Loans to Others, unsecured, considered good		-	-	26,000.00	26,000.00
Advance to Employees, unsecured, considered good		517.14	604.06	415.58	1,009.13
<b>Total Loans</b>		<b>517.14</b>	<b>604.06</b>	<b>26,415.58</b>	<b>27,009.13</b>

**9.1** No Loans are due from directors or other officers of the company either severally or jointly with any other person. Nor any loan are due from firms or private companies respectively in which any director is a partner, a director or a member.

### Note 10 OTHERS FINANCIAL ASSETS

Security & Other Deposits		17,739.66	17,057.20	-	-
Nabard Tea Development Account		-	-	3.40	3.40
Interest Accrued and Due		-	-	14,882.68	9,725.03
Less: Provision for Doubtful receivables		-	-	-	-
Interest Accrued but not due on fixed deposit with bank		-	-	-	-
Others		7.81	7.81	481.71	-
		<b>17,747.47</b>	<b>17,065.01</b>	<b>15,367.79</b>	<b>9,728.43</b>

### Note 11 OTHER CURRENT ASSETS

Capital Advances		-	-	-	63.01
<b>Advances other than Capital Advances</b>					
Advance against supply of Goods & Services		2,239.55	1,934.24	13,209.16	14,475.33
Less : Provision for Doubtful Advances		-	-	-	-
Prepaid Expenses		-	-	(3,958.22)	(2,661.65)
Balances with Government & Statutory Authorities		42.61	42.61	6,210.97	5,430.20
Less : Provision for Doubtful Advances		-	-	-	-
Incentive and Subsidy Receivable		2,946.46	2,946.46	12,043.03	19,810.84
Less: Provision for Doubtful Receivables		(2,946.46)	(2,946.46)	-	-
Other Receivables		216.25	216.25	4,000.96	7,578.26
<b>Total Other Assets</b>		<b>2,498.41</b>	<b>2,193.10</b>	<b>31,505.90</b>	<b>44,695.99</b>



# Notes to the Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

## Note 12 DEFERRED TAX ASSETS (NET)

Particulars	As at	
	31st March 2025	31st March 2024
<b>Deferred Tax Assets</b>		
Arising on account of :		
Section 43B of Income-tax Act	(2,452.54)	(49.04)
Provision for doubtful debts	2,744.59	2,744.59
MAT Credit Entitlement	83,927.45	84,387.29
Unabsorbed Depreciation	6,780.79	6,679.45
Others	736.68	736.68
	<b>91,736.97</b>	<b>94,498.97</b>
<b>Less: Deferred Tax Liabilities</b>		
Arising on account of :		
Property, Plant & Equipment	5,069.93	4,403.15
Financial Assets	9,974.13	9,424.00
Others	250.66	250.66
	<b>15,294.72</b>	<b>14,077.81</b>
<b>Deferred Tax Assets (Net)</b>	<b>76,442.25</b>	<b>80,421.16</b>

### 12.1 Movement in deferred tax assets and liabilities during the year ended 31st March, 2024 and 31st March, 2025

Particulars	As at 1st April, 2023	Recognized in State- ment of Profit and Loss	Recognized in Other Comprehen- sive Income	As at 31st March, 2024
<b>Deferred Income Tax Liabilities</b>				
Property, Plant & Equipment	3,947.42	455.73	-	4,403.15
Financial Assets	9,843.05	(93.47)	(325.58)	9,424.00
Others	250.66	-	-	250.66
	<b>14,041.13</b>	<b>362.26</b>	<b>(325.58)</b>	<b>14,077.81</b>
<b>Deferred Income Tax Assets</b>				
Section 43B of Income-tax Act	6,072.73	(6,121.77)	-	(49.04)
Provision for doubtful debts	2,744.59	-	-	2,744.59
MAT Credit Entitlement	84,942.08	(554.79)	-	84,387.29
Unabsorbed Depreciation	6,578.11	101.34	-	6,679.45
Others	736.68	-	-	736.68
	<b>1,01,074.19</b>	<b>(6,575.22)</b>	<b>-</b>	<b>94,498.97</b>

02-66

&gt;&gt;&gt;

Statutory Reports

67-122

&gt;&gt;&gt;

Standalone Financials

123-174

&gt;&gt;&gt;

Consolidated Financials

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

Particulars	As at 1st April, 2024	Recognized in State- ment of Profit and Loss	Recognized in Other Comprehen- sive Income	As at 31st March, 2025
<b>Deferred Income Tax Liabilities</b>				
Property, Plant & Equipment	4,403.15	666.78	-	5,069.93
Financial Assets	9,424.00	163.03	387.10	9,974.13
Others	250.66	-	-	250.66
	<b>14,077.81</b>	<b>829.81</b>	<b>387.10</b>	<b>15,294.72</b>
<b>Deferred Income Tax Assets</b>				
Section 43B of Income-tax Act	(49.04)	(2,403.50)	-	(2,452.54)
Provision for doubtful debts	2,744.59	-	-	2,744.59
MAT Credit Entitlement	84,387.29	(459.84)	-	83,927.45
Unabsorbed Depreciation	6,679.45	101.34	-	6,780.79
Others	736.68	-	-	736.68
	<b>94,498.97</b>	<b>(2,762.00)</b>	<b>-</b>	<b>91,736.97</b>

**12.2** Deferred tax assets and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income tax levied by the same taxation authority.

### Note 13 INVENTORIES

Particulars	Refer Note No.	As at	
		31st March 2025	31st March 2024
(As valued and certified by the Management)	3.1		
Raw Materials		1,078.76	-
Stock of Tea Plants		3,720.36	1,225.67
Finished Goods		19,814.00	9,119.04
Stores and Spares etc.		24,442.36	35,436.52
		<b>49,055.48</b>	<b>45,781.23</b>

**13.1** Refer note no. 28 & 33 for information in relation to the amount of inventories recognized as expenses.

### Note 14 BIOLOGICAL ASSETS OTHER THAN BEARER PLANTS

Fair Value of Biological Assets Other than Bearer Plants (Unharvested Tea Leaves)	14.1	1,932.73	1,058.21
		<b>1,932.73</b>	<b>1,058.21</b>

**14.1** Unharvested tea leaves on bushes as on 31st March 2025 was 55,062 kgs (31st March, 2024 - 27,862 kgs)

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

### Note 15 CASH AND CASH EQUIVALENTS

Particulars	Refer Note No.	As at	
		31st March 2025	31st March 2024
Balances With Banks :			
In Current/Cash Credit Account		91,548.64	84,748.34
Cash in Hand		2,236.40	346.25
		<b>93,785.04</b>	<b>85,094.59</b>

### Note 16 OTHER BANK BALANCES

Unpaid Dividend & Fractional Shares Account		418.30	592.83
Deposit Accounts with Original Maturity of more than three months but less than 12 months	16.1	1,298.38	1,222.23
		<b>1,716.68</b>	<b>1,815.06</b>

16.1 Represents deposits marked lien with banks as security for Letter of Credit facility.

### Note 17 CURRENT TAX ASSETS (NET)

Advance Income Tax & TDS		76,139.07	69,287.26
Less: Provision for Taxation		53,540.52	53,602.03
		<b>22,598.55</b>	<b>15,685.23</b>

### Note 18 EQUITY SHARE CAPITAL

Particulars	As at 31st March 2025		As at 31st March 2024	
	No. of shares	Amount	No. of shares	Amount
<b>18.1 Authorised Share Capital</b>				
Ordinary Shares of ₹10/- each	60,00,000	60,000.00	60,00,000	60,000.00
Preference Shares of ₹100/- each	1,00,000	10,000.00	1,00,000	10,000.00
		<b>70,000.00</b>		<b>70,000.00</b>
<b>18.2 Issued, Subscribed and Paid-up Share Capital</b>				
Ordinary Shares of ₹10/- each fully paid-up	51,22,827	51,228.27	51,22,827	51,228.27
	<b>51,22,827</b>	<b>51,228.27</b>	<b>51,22,827</b>	<b>51,228.27</b>

### 18.3 Reconciliation of the number of shares at the beginning and at the end of the year

Particulars	As at	
	31st March 2025	31st March 2024
No. of Shares outstanding at the beginning of the year	51,22,827	51,22,827
Add: Issued during the year	-	-
<b>No. of Shares outstanding at the end of the year</b>	<b>51,22,827</b>	<b>51,22,827</b>

### 18.4 Terms/ Rights attached to Equity Shares :

The Company has only one class of Ordinary Equity Share having a face value of ₹ 10 per share and each holder of Ordinary Equity Share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors (except interim dividend) is subject to the approval of the shareholders in the Annual General Meeting. The claim of Ordinary Equity Shareholders on earnings and on assets in the event of liquidation, follows all others, in proportion to their shareholding.

02-66

&gt;&gt;&gt;

Statutory Reports

67-122

&gt;&gt;&gt;

Standalone Financials

123-174

&gt;&gt;&gt;

Consolidated Financials

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

### 18.5 Shareholding Pattern with respect of Holding or Ultimate Holding Company

The Company does not have any Holding Company or Ultimate Holding Company.

### 18.6 Details of Equity Shareholders holding more than 5% shares in the Company

Particulars	As at 31st March 2025		As at 31st March 2024	
	No. of Shares	% Holding	No. of Shares	% Holding
Ordinary Shares of ₹ 10/- each fully paid				
E.T.Resources Private Limited	8,77,623	17.13%	8,77,623	17.13%
Satvik Welfare Trust	7,47,900	14.60%	7,47,900	14.60%
Mrs. Anuradha Kanoria	5,49,441	10.73%	5,49,441	10.73%
Umang Kanoria (HUF)	4,66,605	9.11%	4,66,605	9.11%
B.T.Investments Private Limited	3,40,968	6.66%	3,40,968	6.66%
Mr.Satvik Kanoria	2,86,623	5.60%	2,86,623	5.60%

### 18.7 Details of Shareholding of Promoters

Particulars	As at 31st March 2025		As at 31st March 2024		% Change during the year
	No. of Shares	% Holding	No. of Shares	% Holding	
Ordinary Shares of ₹ 10/- each fully paid					
E.T. Resources Private Limited	8,77,623	17.13%	8,77,623	17.13%	-
Innova Properties Private Limited	36,000	0.70%	36,000	0.70%	-
Mrs. Anuradha Kanoria	5,49,441	10.73%	5,49,441	10.73%	-
Nidhi Private Limited	93,000	1.82%	93,000	1.82%	-
B.T. Investments Private Limited	3,40,968	6.66%	3,40,968	6.66%	-
Mr. Satvik Kanoria	2,86,623	5.60%	2,86,623	5.60%	-

**18.8** No Ordinary Equity Shares have been reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment as at the Balance Sheet date.

**18.9** No securities convertible into Equity/ Preference shares have been issued by the Company during the year.

**18.10** No calls are unpaid by any Director or Officer of the Company during the year.

### Note 19 OTHER EQUITY

Particulars	As at	
	31st March 2025	31st March 2024
General Reserve	77,126.87	73,126.87
Preference Share Redemption Reserve	-	4,000.00
Retained Earnings	3,94,394.38	4,77,787.80
Other Comprehensive Income	90,548.41	66,322.91
	<b>5,62,069.66</b>	<b>6,21,237.58</b>

Notes- Please refer to the Statement of Equity for movement in Other Equity.

# Notes to the Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

## Note 20 BORROWINGS

Particulars	Refer Note No.	Non-Current Portion		Current Maturities	
		As as 31st March 2025	As as 31st March 2024	As as 31st March 2025	As as 31st March 2024
<b>20.1 Term Loans</b>					
From Banks:					
Rupee Loans	20.2 A	6,897.92	13,015.95	34,863.85	68,883.55
		<b>6,897.92</b>	<b>13,015.95</b>	<b>34,863.85</b>	<b>68,883.55</b>
<b>From Others</b>					
From Directors		20,756.03	29,900.00	-	-
From Others	20.2 B	1,40,744.30	-	-	50,542.00
<b>Total</b>		<b>1,68,398.25</b>	<b>42,915.95</b>	<b>34,863.85</b>	<b>1,19,425.55</b>
Amount disclosed under Note no.25 "Short Term Borrowings"				(34,863.85)	(1,19,425.55)
		<b>1,68,398.25</b>	<b>42,915.95</b>	-	-
<b>Break Up of Security Details</b>					
Secured	20.3	6,897.92	13,015.95	34,863.85	68,883.55
Unsecured		1,61,500.33	29,900.00	-	50,542.00
<b>Total</b>		<b>1,68,398.25</b>	<b>42,915.95</b>	<b>34,863.85</b>	<b>1,19,425.55</b>

## 20.2 Terms of Repayment of Term Loans

Particulars	Refer Note No.	₹ in thousands	Period of Maturity	No. of instalments due	Instalment Value	Repayment Terms	Rate of Interest p.a.
<b>A Term Loan - From Banks - in Indian Rupees</b>							
Punjab National Bank	20.4	41,761.77	2025-2026	2	2025-26: 34,863.85 2026-27: 6,897.92	2 annual installments of varying amount commencing after a period of 12 months from the date of 1st disbursement	9%
<b>B Term Loan - From Others - in Indian Rupees</b>							
I From Directors		7,400.00	2026-2027	1	2026-27: 7,400.00	In a single bullet payment	7%
		3,700.00	2026-2027	1	2026-27: 3,700.00		7%
		9,656.03	2026-2027	1	2026-27: 9,656.03		15.50%

02-66

&gt;&gt;&gt;

Statutory Reports

67-122

&gt;&gt;&gt;

Standalone Financials

123-174

&gt;&gt;&gt;

Consolidated Financials

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

Particulars	Refer Note No.	₹ in thousands	Period of Maturity	No. of instalments due	Instalment Value	Repayment Terms	Rate of Interest p.a.
II From Others		50,744.30	2026-2027	1	2026-27: 50,744.30	In a single bullet payment	10.50%
		10,000.00	2026-2027	1	2026-27: 10,000.00		15.50%
		7,000.00	2026-2027	1	2026-27: 7,000.00		15%
		3,000.00	2026-2027	1	2026-27: 3,000.00		15%
		10,000.00	2026-2027	1	2026-27: 10,000.00		9%
		10,000.00	2026-2027	1	2026-27: 10,000.00		16%
		20,000.00	2026-2027	1	2026-27: 20,000.00		9%
		10,000.00	2026-2027	1	2026-27: 10,000.00		9.50%
		20,000.00	2026-2027	1	2026-27: 20,000.00		15%

### 20.3 Details of Security Given for Loan

Term Loan from Punjab National Bank is secured by hypothecation of green tea leaves, before and after plucking, teas in process, finished tea in stock/transit or tea lying with brokers, book debts (present and future) and by way of equitable mortgage of immovable properties and machineries of Mackeypore & Lakmijan Tea Estate as collateral security and further guaranteed by two directors of the Company.

**20.4** Refer note no.38 for information on the carrying amounts of financial and non-financial assets pledged as security for the non-current borrowings.

**20.5** The statements of current assets filed by the Company with the bank are in agreement with the books of accounts.

**20.7** The Company has not been declared as a wilful defaulter by any bank or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

### Note 21 TRADE PAYABLES

Particulars	Refer Note No.	Long Term		Short Term	
		As as 31st March 2025	As as 31st March 2024	As as 31st March 2025	As as 31st March 2024
Dues to Micro and Small Enterprises	21.2	-	-	9,152.77	7,548.27
Dues to Creditors other than Micro & Small Enterprises		1,367.67	3,482.63	54,270.84	46,901.77
		<b>1,367.67</b>	<b>3,482.63</b>	<b>63,423.61</b>	<b>54,450.04</b>

**21.1** The Company has no disputed dues of trade payables to MSMEs and Others.

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

**21.2** The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows: -

Particulars	As at	
	31st March 2025	31st March 2024
a) The principal amount remaining unpaid to any supplier at the end of the year	9,152.77	7,548.27
b) Interest due remaining unpaid to any supplier at the end of the year.	-	-
c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
d) The amount of interest due and payable for the period of delay in making payment (which have been paid beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company.

### Note 22 OTHER FINANCIAL LIABILITIES

Particulars	Refer Note No.	Long Term		Short Term	
		As as 31st March 2025	As as 31st March 2024	As as 31st March 2025	As as 31st March 2024
Trade & Security Deposits (Unsecured)		-	-	5,451.50	5,133.69
Interest accrued and due on Borrowings		39.93	39.93	12,537.32	10,363.82
Unpaid and unclaimed dividends	22.1	-	-	417.61	592.13
Employees related Liabilities		24.66	24.66	30,157.81	33,302.85
Other Payables		71.45	71.45	-	-
		<b>136.04</b>	<b>136.04</b>	<b>48,564.24</b>	<b>49,392.49</b>

22.1 There are no amounts due for payment to the Investor Education and Protection Fund at the year end.

### Note 23 PROVISIONS

Provision for Employee Benefits	23.1	38,374.08	46,188.23	171.16	13,045.00
		<b>38,374.08</b>	<b>46,188.23</b>	<b>171.16</b>	<b>13,045.00</b>

**23.1** All Provisions are valued at their Present value of money.

02-66

&gt;&gt;&gt;

Statutory Reports

67-122

&gt;&gt;&gt;

Standalone Financials

123-174

&gt;&gt;&gt;

Consolidated Financials



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

### Note 24 OTHER LIABILITIES

Particulars	Refer Note No.	Long Term		Short Term	
		As as 31st March 2025	As as 31st March 2024	As as 31st March 2025	As as 31st March 2024
Deferred Revenue Income	24.1	(177.27)	91.30	338.91	338.91
Advances Received from Customers		250.31	186.36	186.60	33.70
Statutory Dues		-	-	19,895.48	10,099.33
Others		16.90	16.90	-	-
		<b>89.94</b>	<b>294.56</b>	<b>20,420.99</b>	<b>10,471.94</b>

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
<b>24.1 Opening Balance</b>	91.30	359.87
Grants received during the year	-	-
Less: Released to profit or loss	-	-
	91.30	359.87
Less: Current Portion of the Deferred Revenue Income	268.57	268.57
<b>Closing Balance</b>	<b>(177.27)</b>	<b>91.30</b>

### Note 25 SHORT TERM BORROWINGS

Particulars	Refer Note No.	As at	
		31st March 2025	31st March 2024
<b>Loans Repayable on Demand</b>			
Working Capital Loan from Banks	25.1	2,56,699.12	2,10,935.46
Current maturities of long-term borrowings	20	34,863.85	1,19,425.55
		<b>2,91,562.97</b>	<b>3,30,361.01</b>

<b>25.1 The above amount includes</b>			
Secured Borrowings	25.2, 20.3 & 20.4	2,91,562.97	2,79,819.01
Unsecured Borrowings		-	50,542.00
		<b>2,91,562.97</b>	<b>3,30,361.01</b>

#### 25.2 Terms and conditions of Short Term Borrowings

- Cash Credit from Punjab National Bank is secured by hypothecation of green tea leaves, before and after plucking, teas in process, finished tea in stock/transit, tea lying with brokers/agents awaiting sale, other tea stocks, book debts (present and future) arising out of sale of teas, first charge over all current assets (both present and future) pertaining to Mackeypore and Lakmijan Tea Estate and equitable mortgage of immovable properties and machineries of Mackeypore and Lakmijan Tea Estate as collateral security and further guaranteed by two directors of the Company.
- Interest on Cash Credit Loan @9% p.a. and the same is repayable on demand.
- The statements of current assets filed by the Company with the bank are in agreement with the books of accounts.
- The Company has not been declared as a wilful defaulter by any bank or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

# Notes to the Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

## Note 26 REVENUE FROM OPERATIONS

Particulars	Refer Note No.	For the year ended	
		31st March 2025	31st March 2024
Sale of Products- Black Tea		6,36,019.16	7,65,191.99
		<b>6,36,019.16</b>	<b>7,65,191.99</b>

## Note 27 OTHER INCOME

<b>OTHER INCOME</b>			
Interest Income			
On Banks Deposits		85.90	421.45
On Security Deposits		477.02	357.38
On Inter Corporate Loans		5,732.05	6,883.22
On Income Tax Refund		-	20.59
<b>Other Non Operating Income</b>			
(Loss) / Profit on sale/discard of Property, Plant & Equipments (Net)		(279.92)	(26.02)
Excess Provision/ Liabilities written back		39.86	(89.21)
Change in fair valuation of biological assets		874.52	(1,788.43)
Compensation for Right to Use of Land		2,141.31	-
Compensation for Uprooted Tea Bush & Shade Tree		713.48	-
Income from Technical Services		21,269.84	-
Profit on sale of Non-Current Investment		-	6,537.70
Orthodox Subsidy		3,270.31	8,137.57
SPTF Subsidy		2,162.50	-
Other Miscellaneous Income		9,816.02	1,250.44
		<b>46,302.89</b>	<b>21,704.69</b>

## Note 28 COST OF MATERIALS CONSUMED

Opening Stock		-	1,886.32
Add: Purchases		72,715.01	1,65,406.86
Less: Closing Stock		1,078.76	-
		<b>71,636.25</b>	<b>1,67,293.18</b>

(Closing Stock includes change in Fair Value of Stock of Own Green Leaf on reporting date)

## Note 29 (INCREASE)/ DECREASE IN INVENTORIES OF FINISHED GOODS

<b>Finished Goods</b>			
Opening Inventories		9,119.05	33,506.14
Closing Inventories		19,814.00	9,119.05
		(10,694.95)	24,387.09
<b>Total changes in inventories of finished goods</b>		<b>(10,694.95)</b>	<b>24,387.09</b>

## Note 30 EMPLOYEE BENEFITS EXPENSE

Salaries & Wages		3,38,163.21	3,20,861.13
Contribution to Provident and Other Funds		36,023.63	47,022.40
Staff Welfare Expenses		45,040.73	44,198.25
		<b>4,19,227.57</b>	<b>4,12,081.78</b>

02-66

&gt;&gt;&gt;

Statutory Reports

67-122

&gt;&gt;&gt;

Standalone Financials

123-174

&gt;&gt;&gt;

Consolidated Financials

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

### Note 31 FINANCE COST

Particulars	Refer Note No.	For the year ended	
		31st March 2025	31st March 2024
Interest Expenses		34,157.12	17,886.11
Interest on Late Payment of GST		0.07	45.82
Other Financial Charges		647.58	1,136.20
		<b>34,804.77</b>	<b>19,068.13</b>

### Note 32 DEPRECIATION AND AMORTIZATION EXPENSES

On Tangible Assets		25,980.77	26,540.92
On Intangible Assets		279.42	279.42
		<b>26,260.19</b>	<b>26,820.34</b>

### Note 33 OTHER EXPENSES

Stores, Spare Parts & Packing Materials Consumed		62,465.47	44,721.40
Power & Fuel		70,607.50	86,984.54
Repairs to Buildings		8,063.26	1,664.07
Repairs to Machinery		7,573.37	8,636.02
Repairs to Other Assets		272.57	222.78
Selling & Distribution Expenses		19,401.61	25,180.77
Auditors' Remuneration	33.1	361.14	368.34
Rent, Rates & Taxes		6,710.68	4,180.86
Insurance		4,260.39	2,571.08
Vehicle Running & Maintenance Charges		11,854.67	10,461.20
Directors' Fees & Commission		425.00	375.00
Legal and Professional Charges		3,907.00	4,929.69
Travelling & Conveyance Expenses		11,199.12	14,313.88
CSR Expenditure		180.00	1,250.00
Subscription		2,151.89	2,051.27
Office Maintenance Expenses		1,635.60	1,327.41
Other Expenses		8,747.97	9,043.97
		<b>2,19,817.24</b>	<b>2,18,282.28</b>

#### 33.1 Auditors' Remuneration

<b>Statutory Auditors</b>			
Audit Fees		185.40	185.40
Tax Audit Fees		30.00	30.00
Issue of Certificates		137.50	144.50
Reimbursement of Expenses		8.24	8.44
		<b>361.14</b>	<b>368.34</b>

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

### Note 34 TAX EXPENSE

	Refer Note No.	For the year ended	
		31st March 2025	31st March 2024
Current Tax		685.49	747.00
MAT Credit Entitlement		459.84	551.43
Income Tax Provision for earlier years		-	1.90
MAT Credit Entitlement for earlier years		-	3.37
		1,145.33	1,303.70
Deferred Tax		3,519.07	6,057.12
		<b>4,664.40</b>	<b>7,360.82</b>

#### 34.1 Reconciliation of estimated Income tax expense at Indian statutory Income tax rate to income tax expense reported in statement of profit & loss

Income before Income Taxes		(78,729.02)	(81,036.12)
Indian Statutory Income Tax Rate		27.820%	27.820%
Estimated income Tax Expenses		-	-
<b>Tax effect of adjustments to reconcile expected Income tax expense to reported Income Tax Expenses</b>			
Deferred Tax on Property, Plant & Equipments		666.78	455.73
Deferred Tax on Financial Assets & Other items		(1,752.03)	(6,439.48)
Exempted income		77,307.72	53,359.45
Other Items		(71,558.07)	(40,014.88)
		4,664.40	7,360.82
Income Tax Expenses as per Statment of Profit & Loss		<b>4,664.40</b>	<b>7,360.82</b>

34.2 Applicable Indian Statutory Income Tax rate for Fiscal Year 2025 & 2024 is 27.82% & 27.82% respectively.

### Note 35 OTHER COMPREHENSIVE INCOME

<b>35A Items that will not be reclassified to profit or loss</b>			
Changes in revaluation surplus			
Remeasurement of the defined benefit plans		19,534.29	7,122.01
Less: Tax expense on the above		-	-
		<b>19,534.29</b>	<b>7,122.01</b>
Equity Instruments through Other Comprehensive Income		4,691.21	(2,902.84)
Less: Tax expense on the above		-	-
		<b>4,691.21</b>	<b>(2,902.84)</b>
		<b>24,225.50</b>	<b>4,219.17</b>

02-66

&gt;&gt;&gt;

Statutory Reports

67-122

&gt;&gt;&gt;

Standalone Financials

123-174

&gt;&gt;&gt;

Consolidated Financials

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

### 36 Contingent Liabilities and Contingent Assets:

#### 36.1 Claims/Disputes/Demands not acknowledged as debts -

Sl. No.	Particulars	As at	
		31st March 2025	31st March 2024
a	Income Tax	23,976.48	23,976.48
b	Debit note raised by GAIL (India) Limited for supply of Natural Gas	6,880.82	6,880.82
c	Letter of Credit issued by Bank	4,362.82	10,577.77

**36.2** The amounts shown in Note 36.1 represent the best possible estimates arrived at on the basis of available information. The uncertainties and possible reimbursements are dependent on the outcome of the different legal processes which have been invoked by the Company or the claimants as the case may be and therefore cannot be predicted accurately. The company engages reputed professional advisors to protect its interests and has been advised that it has strong legal position against such disputes.

**36.3** In respect of the matters in note no. 36.1 (a to d), future cash outflows are determinable only on receipt of judgments/decisions pending at various forums/ authorities. Furthermore, there is no possibilities of any reimbursements to be made to the company from any third party.

### 37 Commitments

#### Estimated amount of contracts remaining to be executed on Capital Account and not provided for

Particulars	As at	
	31st March 2025	31st March 2024
Estimated amount of contracts remaining to be executed on Capital Account	171.00	3,352.98
Less: Advance	-	63.01
<b>Net</b>	<b>171.00</b>	<b>3,289.97</b>

### 38 Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Particulars	Refer Note No.	As at	
		31st March 2025	31st March 2024
<b>Non-current Assets</b>			
Property, Plant and Equipment	5	3,06,322.69	2,94,011.82
Capital Work-in-Progress	5A	1,137.10	6,647.69
Trade Receivables	8	1,749.66	1,343.97
<b>Total non-currents assets pledged as security</b>		<b>3,09,209.45</b>	<b>3,02,003.48</b>
<b>Current Assets</b>			
Inventories	13	32,282.01	32,288.62
Biological Assets other than bearer plants	14	1,297.39	870.06
Trade Receivables	8	5,016.10	10,854.85
Cash and Cash Equivalents	15	12,437.38	2,510.87
Other Bank balances	16	1,716.68	1,815.06
Loans	9	415.58	1,009.13
Other Financial Assets	10	505.69	22.82
Other Current Assets	11	31,484.11	44,695.99
<b>Total current assets pledged as security</b>		<b>85,154.94</b>	<b>94,067.40</b>
<b>Total assets pledged as security</b>		<b>3,94,364.39</b>	<b>3,96,070.88</b>

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

### 39 Disclosure pursuant to Indian Accounting Standard - 19 'Employee Benefits' as notified u/s 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014 (As identified & certified by the Management).

#### 39.1 Defined Contribution Plan:

The amount recognized as an expense for the Defined Contribution Plans are as under:

Sl. No.	For the year ended	
	31st March 2025	31st March 2024
a. Provident Fund	34,967.53	34,184.09
b. Superannuation Fund	751.10	784.26
c. Family Pension Fund	283.14	311.91

#### 39.2 Defined Benefit Plan:

The following are the types of defined benefit plans

##### 39.2.1 Gratuity Plan

The Company's gratuity scheme, a defined benefit plan is as per the Payment of Gratuity Act, 1972, covers the eligible employees and is administered through a gratuity fund trust. Such gratuity fund, whose investments are managed by LIC of India, make payments to vested employees or their nominees upon retirement, death, incapacitation or cessation of employment, of an amount based on the respective employee's salary and tenure of employment. Vesting occurs upon completion of five years of continuous service. The amount of gratuity payable is the proportionate salary for 15 days multiplied for the number of years of service based on the 26 days average salary computed on the basis of last drawn basic salary per month.

##### 39.2.2 Leave Encashment

Leave encashment is payable on death whilst in service, resignation froms service or retirement from service as per applicable rules. The present value of defined obligation and related current cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at Balance Sheet date.

##### 39.2.3 Risk Exposure

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below:

<b>ASSET VOLATILITY</b>	The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments is in LIC of India. These are subject to interest rate risk. the invetsment in plan assets with LIC of India is in lines with Income Tax Rules, 1962, which reduces the Asset Volatility Risk.
<b>CHANGES IN YIELD</b>	A decrease in yield will increase plan liabilities.
<b>SALARY</b>	The present value of the defined benefit plan liability is calculated by reference to the future salaries of memebtrs. Any increase in the salary of members morethan the assumed level will increase the plan's liability.

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

### 39.2.4 Reconciliation of the net defined benefit (asset)/ liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset)/ liability and its components::

Particulars	Gratuity	
	2024-25	2023-24
Balance at the beginning of the year	1,01,659.46	1,09,696.01
Current Service Cost	6,444.51	8,061.66
Interest Cost on Defined Benefit Obligation	6,851.27	7,898.11
Actuarial Gain and Losses arising from		
Changes in financial assumptions	1,601.65	1,01,659.46
Experience Adjustments	(32,764.57)	(1,09,481.23)
Benefits Paid	(6,725.70)	(16,174.55)
Balance at the end of the year	77,066.62	1,01,659.46

### 39.2.5 Reconciliation of the Plan Assets

The following table shows a reconciliation from the opening balances to the closing balances for the Plan Assets and its components:

Balance at the beginning of the year	46,844.48	58,893.46
Interest Income on Plan Assets	3,048.09	3,679.11
Remeasurement of Defined Benefit Obligation:		
Return on plan assets greater/ (lesser) than discount rate	(1,380.95)	(138.54)
Actual Company contributions	500.00	585.00
Benefits Paid from the Plan Assets	(6,725.70)	(16,174.55)
Balance at the end of the year	42,285.92	46,844.48

### 39.2.6 Expenses recognized in profit or loss

Current Service Cost	6,444.51	8,061.66
Net Interest (Income) / cost on the Net Defined Benefit Liability (Assets)	3,803.18	4,219.00
Expense Recognised in the Income Statement	10,247.69	12,280.66

### 39.2.7 Remeasurements recognized in other comprehensive income

Actuarial (gain)/ Loss due to:		
change in financial assumptions	1,601.65	1,01,659.46
experience variance ( i.e. Actual experience vs assumptions)	(32,764.57)	(1,09,481.23)
Return on plan assets, excluding amount recognised in net interest expense	1,380.95	138.54
Components of defined benefit costs recognised in other comprehensive income	(29,781.97)	(7,683.23)

### 39.2.8 Major Categories of Plan Assets

Funds managed by insurer	100%	100%
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The Gratuity Scheme is invested in a Group Gratuity-cum-Life Assurance Cash accumulation policy offered by Life Insurance Corporation (LIC) of India . The information on the allocation of the fund into major asset classes and expected return on each major class are not readily available. The expected rate of return on plan assets is based on market expectations, at the beginning of the period, for returns over the entire life of the related obligation.



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

### 39.2.9 Asset-Liability Matching Strategy

The company ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the employee benefit plans. Within this framework, the company's ALM objective is to match assets to the obligations under Gratuity Scheme by investing the entire fund with LIC of India.

The Company actively monitors how the return on funds invested with LIC of India are matching the expected cash outflows arising from the employee defined benefit obligation. The company has not changed the processes used to manage its risks from previous periods.

### 39.2.10 Actuarial Assumptions

Particulars	Gratuity	
	2024-25	2023-24
<b>Financial Assumptions</b>		
Discount Rate	6.70%	6.97%
Salary Escalation Rate	5.00%	5.00%
<b>Demographic Assumptions</b>		
Mortality Rate	100% of IALM 2012 - 14	100% of IALM 2012 - 14
Withdrawal Rate	2%	2%

**39.2.11** The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

**39.2.12** At 31st March 2025, the weighted average duration of the defined benefit obligation was 5 years (previous year 9 years). The distribution of the timing of benefits payment i.e., the maturity analysis of the benefit payments is as follows:

Expected benefits payment for the year ending on	Gratuity	
	2024-25	2023-24
1 Year	10,955.29	12,447.11
2 to 5 Years	20,451.73	32,394.83
6 to 10 Years	20,534.35	45,671.34

**39.2.13** The Company expects to contribute 1,11,27.41/- (previous year 6,44,83.33) to its gratuity fund in 2025-26.

### 39.2.14 Sensitivity Analysis

The sensitivity analysis below have been determined based on a method that extrapolates the impact on defined benefit obligation (DBO) as a result of reasonable changes in key assumptions occurring at the end of the reporting period. Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Particulars	Gratuity	
	2024-25	2023-24
Effect on DBO due to 1% increase in Discount Rate	71,373.13	93,916.12
Effect on DBO due to 1% decrease in Discount Rate	(83,601.49)	(1,10,581.35)
Effect on DBO due to 1% increase in Salary Escalation Rate	83,601.44	1,10,727.77
Effect on DBO due to 1% decrease in Salary Escalation Rate	(71,281.45)	(93,600.64)
Effect on DBO due to 1% increase in Withdrawal Rate	77,704.90	1,02,824.32
Effect on DBO due to 1% decrease in Withdrawal Rate	(76,344.35)	(1,00,355.65)
Effect on DBO due to 10% increase in Mortality Rate	77,132.83	1,01,921.79
Effect on DBO due to 10% decrease in Mortality Rate	(77,000.44)	(1,01,391.34)

02-66

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Statutory Reports

67-122

&gt;&gt;&gt;

Standalone Financials

123-174

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Consolidated Financials

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

**40** Certain trade receivables, loans & advances and creditors are subject to confirmation. In the opinion of the management, the value of trade receivables and loans & advances on realisation in the ordinary course of business, will not be less than the value at which these are stated in the balance sheet.

### 41 Related Party Disclosures

**41.1** Other related parties with whom transactions have taken place during the year and previous year are:

Relationship	Name	Designation
Key Management Personnel of Entity or Parent	Mr. Umang Kanoria	Managing Director
	Mrs. Anuradha Kanoria	Wholetime Director
	Ms. Charulata Kabra	Company Secretary
	Mr. Subhra Kanta Parhi	Chief Financial Officer
	Mr. Ravindra Suchanti	Independent Director
	Mr. Dipankar Samanta	Non-Executive Director
	Mr. Navin Nayar (Tenure completed on 13/08/2024)	Independent Director
	Ms. Shruti Swaika	Independent Director
	Mr. Rohinton Kurus Babaycon (w.e.f. 30/05/2024)	Independent Director
Relationship	Name	Designation/Nature of Relationship
Other Related Party	Ms. Stuti Kanoria	Relative of Key Managerial Personnel
	Mr. Satvik Kanoria	
	Stuti Welfare Trust	
	Satvik Welfare Trust	
	Umang Kanoria H.U.F.	
	Agarwal Ravi & Associates	
	B. T. Investments Private Limited	Public Limited / Private Limited Company in which Director or his Relative is a Member or Director
	Cosmos Resources Private Limited	
	Dhanvardhi Foods Private Limited	
	E. T. Resources Private Limited	
	Innova Properties Private Limited	
	Milan Agencies Private Limited	
	Suryasakti Commodities Private Limited	
	Bengal Tea & Fabrics Limited	
	Cheviot Agro Industries Private Limited	
	Harsh Investments Private Limited	
	Kanco Speciality Packaging Pvt Ltd	
	Kanco Enterprises Limited	Public Limited Company in which a Director holds more than 2% of its paid up Share Capital
Relationship	Name	
Post-employment Benefit Plan Entities	Kanco Tea & Industries Limited - Employees Gratuity Fund	
	Kanco Tea & Industries Limited - Employees Superannuation Fund	

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

### 41.2 Transactions during the year

Particulars	2024-25			2023-24		
	KMP	Other Related Party	Post-employment Benefit Plan Entities	KMP	Other Related Party	Post-employment Benefit Plan Entities
Payment of Rent	-	2,280.00	-	-	252.00	-
Unsecured Loan Taken	11,500.00	65,500.00	-	20,000.00	50,848.00	-
Unsecured Loan Refund	20,643.97	15,297.70	-	-	99,498.00	-
Remuneration Paid	14,010.74	3,018.53	-	14,053.40	2,807.57	-
Director Fess Paid	425.00	-	-	375.00	-	-
Interest Paid	1,716.94	5,503.15	-	758.34	2,589.91	-
Equity Dividend Paid	-	-	-	549.44	2,961.44	-
Preference Dividend Paid	-	-	-	-	-	-
Purchase of Tea Seeds	-	284.15	-	-	693.30	-
Sale of Equity Shares	-	-	-	-	7,000.00	-
Consultancy & Professional Charges	-	85.00	-	-	93.30	-
Redemption of Preference Shares	-	-	-	-	3,000.00	-
Contributions Made	-	-	1,251.10	-	-	1,369.26
Outstanding Balances at the end of the Year	-	-	-	-	-	-
Security Deposit	-	7,021.11	-	-	7,021.11	-
(Payable)/ Receivable (Net)	(23,368.13)	(55,865.51)	-	(30,896.56)	(2,974.78)	-

### 41.3 Key Management Personnel compensation

Particulars	F.Y.	Total
Short-term employee benefits *	2024-2025	14,010.74
	2023-2024	14,053.40

#### \* Notes :

- 1) Short term employee benefits includes the perquisites calculated as prescribed under the Income Tax Act, 1961.
- 2) The Company contributes equal amount to the employees Provident Fund within the statutory limits as prescribed under the relevant Act.
- 3) As the future liabilities for gratuity and leave encashment are provided on an actuarial valuation basis for the Company, the amount pertaining to individual is not ascertainable and therefore not included above.

**41.4** All related party transactions entered during the year were in ordinary course of business and on arms length basis.

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

### 42 Fair value of Financial Assets and Financial Liabilities

Particulars	31st March 2025			31st March 2024		
	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost
<b>Financial Assets</b>						
Investment						
- Equity Instruments	-	1,20,032.22	-	-	1,16,553.92	-
- Preference Shares	7,557.00	-	-	7,557.00	-	-
- Debt Instrument	-	-	72,500.00	-	-	72,500.00
Trade Receivables	-	-	6,765.76	-	-	12,198.82
Cash and Cash Equivalents	-	-	93,785.04	-	-	85,094.59
Bank balances other than Cash and Cash Equivalents	-	-	1,716.68	-	-	1,815.06
Loans	-	-	26,932.72	-	-	27,613.19
Other Financial Assets	-	-	33,115.26	-	-	26,793.44
<b>Total Financial Assets</b>	<b>7,557.00</b>	<b>1,20,032.22</b>	<b>2,34,815.46</b>	<b>7,557.00</b>	<b>1,16,553.92</b>	<b>2,26,015.10</b>
<b>Financial Liabilities</b>						
Borrowings	-	-	4,59,961.22	-	-	3,73,276.96
Trade Payables	-	-	64,791.28	-	-	57,932.67
Other Financial Liabilities	-	-	48,700.28	-	-	49,528.53
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>5,73,452.78</b>	<b>-</b>	<b>-</b>	<b>4,80,738.16</b>

### 43 Fair Values

**43.1** The following is the comparison by class of the carrying amounts and fair value of the Company's financial instruments that are measured at amortized cost:

Particulars	31st March 2025		31st March 2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial Assets</b>				
Investment in Debt Instruments	72,500.00	72,500.00	72,500.00	72,500.00
Trade Receivables	6,765.76	6,765.76	12,198.82	12,198.82
Loans	26,932.72	26,932.72	27,613.19	27,613.19
Cash and Cash Equivalents	93,785.04	93,785.04	85,094.59	85,094.59
Other Bank Balances	1,716.68	1,716.68	1,815.06	1,815.06
Other Financial Assets	33,115.26	33,115.26	26,793.44	26,793.44
<b>Total Financial Assets</b>	<b>2,34,815.46</b>	<b>2,34,815.46</b>	<b>2,26,015.10</b>	<b>2,26,015.10</b>
<b>Financial Liabilities</b>				
Borrowings	4,59,961.22	4,59,961.22	3,73,276.96	3,73,276.96
Trade Payables	64,791.28	64,791.28	57,932.67	57,932.67
Other Financial Liabilities	48,700.28	48,700.28	49,528.53	49,528.53
<b>Total Financial Liabilities</b>	<b>5,73,452.78</b>	<b>5,73,452.78</b>	<b>4,80,738.16</b>	<b>4,80,738.16</b>

**43.2** The management assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, short term borrowings, and other financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.

**43.3** For Financial assets and liabilities that are measured at fair value, the carrying amounts are equal to their fair values.

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

**43.4** The fair value of the financial assets and financial liabilities is included at the amount at which the instruments could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

**43.5** The following methods and assumptions were used to estimate the fair values:

The fair values for loans, security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as Level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risks, which has been assessed to be insignificant.

### 44 Fair Value Hierarchy

The following are the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair value are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels of fair value measurement as prescribed under the Ind AS 113 "Fair Value Measurement". An explanation of each level follows underneath the tables.

#### 44.1 Assets and Liabilities measured at Fair Value - recurring fair value measurements

Particulars	31st March 2025			31st March 2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial Assets</b>						
Investment at FVTPL						
Preference Shares	-	-	7,557.00	-	-	7,557.00
Debt Instruments	-	-	72,500.00	-	-	72,500.00
Financial Investment at FVOCI					-	-
Equity Instruments	1,304.74	-	1,18,727.48	1,305.03	-	1,15,248.89
<b>Total Financial Assets</b>	<b>1,304.74</b>	<b>-</b>	<b>1,98,784.48</b>	<b>1,305.03</b>	<b>-</b>	<b>1,95,305.89</b>

#### 44.2 Financial Assets and Liabilities measured at Amortized Cost for which fair values are disclosed

Particulars	31st March 2025			31st March 2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial Assets</b>						
Investments						
- Debt Instrument	-	-	72,500.00	-	-	72,500.00
Trade Receivables	-	-	6,765.76	-	-	12,198.82
Loans	-	-	26,932.72	-	-	27,613.19
Cash and Cash Equivalents	-	-	93,785.04	-	-	85,094.59
Other Bank Balances	-	-	1,716.68	-	-	1,815.06
Other Financial Assets	-	-	33,115.26	-	-	26,793.44
<b>Total Financial Assets</b>	<b>-</b>	<b>-</b>	<b>2,34,815.46</b>	<b>-</b>	<b>-</b>	<b>2,26,015.10</b>
<b>Financial Liabilities</b>						
Borrowings	-	-	4,59,961.22	-	-	3,73,276.96
Trade Payables	-	-	64,791.28	-	-	57,932.67
Other Financial Liabilities	-	-	48,700.28	-	-	49,528.53
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>5,73,452.78</b>	<b>-</b>	<b>-</b>	<b>4,80,738.16</b>

**44.3** During the year ended March 31, 2025 and March 31, 2024, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements.

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

### 44.4 Explanation to the fair value hierarchy

The Company measures financial instruments, such as, quoted investments at fair value at each reporting 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. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy as described in Note no. 2.7

### 45 Financial Risk Management

The Company measures financial instruments, such as, quoted investments at fair value at each reporting 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. All assets and liabilities for which fair value is measured or disclosed in the 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.

#### 45.1 Credit Risk

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

Credit risk on receivables is minimum since sales through different mode (e.g.. auction, private ) are made after judging credit worthiness of the customers or, advance payment. The history of defaults has been minimal and outstanding receivables are regularly monitored. For credit risk on the loans to parties, the Company is not expecting any material risk on account of non-performance by any of the parties.

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

The carrying value of the financial assets represent the maximum credit exposure. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

#### Undisputed Trade receivables- considered good

##### As on 31st March, 2025

Ageing schedule	< 6 Months	6 Months - 1 Year	1 Year - 2 Years	2 Year - 3 Years	>3 Years	Total
Gross carrying amount	4,784.89	231.21	57.83	339.13	1,352.71	6,765.77
Carrying amount of trade receivables (net of impairment)	4,784.89	231.21	57.83	339.13	1,352.71	6,765.77

##### As on 31st March, 2024

Ageing schedule	< 6 Months	6 Months - 1 Year	1 Year - 2 Years	2 Year - 3 Years	>3 Years	Total
Gross carrying amount	10,837.19	17.66	25.51	50.47	1,267.99	12,198.82
Carrying amount of trade receivables (net of impairment)	10,837.19	17.66	25.51	50.47	1,267.99	12,198.82

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

### 45.2 Liquidity Risk

Liquidity risk is the risk that the Company may encounter difficulty in meeting its obligations. The Company monitors rolling forecast of its liquidity position on the basis of expected cash flows. The Company's approach is to ensure that it has sufficient liquidity or borrowing headroom to meet its obligations at all point in time. The Company has sufficient short-term fund based lines, which provides healthy liquidity and these carry highest quality credit rating from reputed credit rating agency.

#### 45.2.1 Fund Management

Management monitors rolling forecasts of the Company's liquidity position (including the undrawn credit facilities extended by banks and financial institutions) and Cash & Cash equivalents on the basis of expected cash flows. In addition, the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

#### 45.2.2 Maturity Analysis for financial liabilities

The following are the remaining contractual maturities of financial liabilities as at 31st March 2025. The amounts are gross and undiscounted and include estimated interest payments and exclude the impact of netting agreements.

a Particulars	< 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
Non-derivative					
Trade payables					
(i) MSME	9,152.77	-	-	-	9,152.77
(II)Others	54,270.84	1,367.67	-	-	55,638.51
<b>Total</b>	<b>63,423.61</b>	<b>1,367.67</b>	-	-	<b>64,791.28</b>
Borrowings	2,91,562.96	6,897.92	1,61,500.33	-	4,59,961.21
Other financial liabilities	12,537.32	36,162.96	-	-	48,700.28
<b>Total</b>	<b>3,67,523.89</b>	<b>44,428.55</b>	<b>1,61,500.33</b>	-	<b>5,73,452.77</b>

#### b The following are the remaining contractual maturities of financial liabilities as at 31st March 2024

Particulars	< 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
Non-derivative					
Trade payables					
(i) MSME	7,548.27	-	-	-	7,548.27
(II)Others	46,901.77	3,482.63	-	-	50,384.40
<b>Total</b>	<b>54,450.04</b>	<b>3,482.63</b>	-	-	<b>57,932.67</b>
Borrowings	3,29,819.00	13,557.95	29,900.00	-	3,73,276.95
Other financial liabilities	10,363.82	39,164.71	-	-	49,528.53
<b>Total</b>	<b>3,94,632.86</b>	<b>56,205.29</b>	<b>29,900.00</b>	-	<b>4,80,738.15</b>

### 45.3 Market Risk

#### 45.3.1 Foreign Exchange Risk

The Company operates in domestic market and it doesn't have any foreign associate, subsidiary etc. The Company is therefore not exposed to foreign exchange risk arising from foreign currency transactions.

- Exposure to Currency risk- Nil
- Sensitivity Analysis

Since, the Company doesn't have material foreign currency operations, the analysis is not reported.



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

### 45.3.2 Interest Rate Risk

The Company is exposed to risk due to interest rate fluctuation, on the following:

- Interest rate risk arises from the sensitivity of financial assets and liabilities to changes in market rate of interest. However, Company does not have any interest bearing financial asset or liability at the end of the financial year ended 31st March 2025.
- The interest rate risk can also impact the provision for retiral benefits. The Company generally utilizes variable rate borrowings and therefore subject to interest rate risk, as both the carrying amount and the future cash flows will fluctuate because of change in the market interest rates.

The Company is not exposed to significant interest rate risk as at the respective reporting dates.

During 31st March 2025 and 31st March 2024, all the Company's borrowings were at variable rate mainly de-nominated in INR.

#### (i) Exposure to interest rate risk

Particulars	31st March 2025	31st March 2024
<b>Fixed Rate Instruments</b>		
Financial Assets	26,932.72	27,613.19
Financial Liabilities	1,61,500.33	80,442.00
	<b>1,88,433.05</b>	<b>1,08,055.19</b>
<b>Variable Rate Instruments</b>		
Financial Liabilities	2,98,460.89	2,92,834.96
	<b>2,98,460.89</b>	<b>2,92,834.96</b>

#### (ii) Sensitivity Analysis

Profit or loss is sensitive to higher/ lower interest expense on borrowings as a result of changes in interest rates. This analysis assumes that all other variables, in particular exchange rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	Sensitivity Analysis	31st March 2025		31st March 2024	
		Impact on			
		Profit before tax	Other Equity	Profit before tax	Other Equity
Interest Rate increase by	0.50%	(1,492.30)	(1,492.30)	(1,464.17)	(1,464.17)
Interest Rate decrease by	0.50%	1,492.30	1,492.30	1,464.17	1,464.17

### 45.3.3 Other Price Risk

The price risk is the risk arising from investments held by the Company and classified in the balance sheet either at fair value through Other Comprehensive Income or at fair value through profit or loss.

The Company's equity investments are mainly strategic in nature and are generally held on a long-term basis. Further, the current investments are in units of liquid mutual fund and these are not exposed to significant price risk.

#### a Exposure to other market price risk

Particulars	31st March 2025	31st March 2024
Fair Value of Quoted Investments	1,304.74	1,305.03

#### b Sensitivity Analysis

The table below summarise the impact of increases/ decreases of the index on the group's equity investment and profit for the period. The analysis is based on the assumption that the equity index had increased by Nil or decreased by Nil with all other variables held constant, and that all the Company's equity instruments moved in line with the index.

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

Particulars	Sensitivity Analysis	31st March 2025		Sensitivity Analysis	31st March 2024	
		Impact on			Impact on	
		Profit before tax	Other Equity		Profit before tax	Other Equity
BSE Index	+1000 Basis Point	130.47	130.47	+1000 Basis Point	130.50	130.50
BSE Index	-1000 Basis Point	(130.47)	(130.47)	-1000 Basis Point	(130.50)	(130.50)

- 46** The details of expenditure incurred by the company on account of Corporate Social Responsibility as required under section 135 of the Companies Act, 2013 is as follows: -

(i)	Amount required to be spent by the company during the year	Nil
(ii)	Amount of expenditure incurred	180.00
(iii)	Shortfall at the end of the year	-
(iv)	Total of previous year shortfall	-
(v)	Reason for shortfall	Not Applicable
(vi)	Nature of CSR activities	The company contributed sums to trusts registered with Ministry of Corporate Affairs for undertaking CSR activities.
(vii)	Details of related party transaction	Not Applicable

- 47** The Company has only one segment i.e. manufacturing of Black Tea and as a result the reporting required of Ind AS - 108 on "Operating Segment" is not attracted.

- 48** The details of all the immovable properties, whose title deeds are not held in the name of the company are as follows: -

Relevant line item in the Balance Sheet	Description of the item of property	Gross Carrying Value	Title deeds in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the company
<b>As at 31st March, 2025</b>			Ryam Commerce & Plantations Limited	No	01-03-2017 as per the Business Transfer Agreement executed with Ryam Commerce & Plantations Limited	The Company has applied for NOC for execution of conveyance deed on 05/06/2017 and the file is now with Deputy Secretary, Revenue & Disaster Management(s) Department, The Government of Assam, Assam Secretariat, Dispur
Property, Plant and Equipment	Land	2,44,026.60				
	Bearer Plants	68,194.40				
	Building & Water Supply Installation	62,316.62				
<b>As at 31st March, 2024</b>			Ryam Commerce & Plantations Limited	No	01-03-2017 as per the Business Transfer Agreement executed with Ryam Commerce & Plantations Limited	The Company has applied for NOC for execution of conveyance deed on 05/06/2017 and the file is now with Deputy Secretary, Revenue & Disaster Management(s) Department, The Government of Assam, Assam Secretariat, Dispur
Property, Plant and Equipment	Land	2,44,026.60				
	Bearer Plants	55,571.61				
	Building & Water Supply Installation	58,397.48				

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

### 49 Capital Management

The Company's objective for capital management is to maximize shareholder wealth, safeguard business continuity and support the growth of the Company. The Company determines the capital management requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through optimum mix of borrowed and own funds.

### 50 Details of significant key financial ratios

Sl. No.	Particulars	F.Y. 2024-2025	F.Y. 2023-2024	% Change	Reason of Variance
1	Current Assets	2,47,394	2,41,723	9.00%	
	Current Liabilities	4,24,143	4,57,720		
	Current Ratio	0.58	0.53		
2	Total Debt	4,72,538	3,83,681	35.00%	Refer sub-note (i)
	Total Equity	6,13,298	6,72,466		
	Debt Equity Ratio	0.77	0.57		
3	EBITDA	(17,664)	(35,148)	72.00%	Refer sub-note (i)
	Debt	34,864	1,19,426		
	Debt Service Coverage Ratio	(0.51)	(0.29)		
4	Profit after tax	(83,393)	(88,397)	8.00%	
	Net Worth	6,13,298	6,72,466		
	Return on Equity	(0.14)	(0.13)		
5	Average Inventory	47,418	59,549	11.16%	
	Cost of Goods Sold	5,81,055	6,56,420		
	Inventory Turnover Ratio	12.25	11.02		
6	Turnover	6,36,019	7,65,192	14.83%	
	Average Trade Receivables	9,482	13,100		
	Trade Receivables Turnover Ratio	67.07	58.41		
7	Purchase	2,47,232	3,62,348	(41.81%)	Refer sub-note (i)
	Average Trade Payables	61,362	52,336		
	Trade Payables Turnover Raio	4.03	6.92		
8	Turnover	6,36,019	7,65,192	(8.86%)	
	Net Worth	6,13,298	6,72,466		
	Net Capitals Turnover Ratio	1.04	1.14		
9	Profit after Tax	(83,393)	(88,397)	13.50%	
	Turnover	6,36,019	7,65,192		
	Net Profit Ratio	(0.13)	(0.12)		
10	EBITDA	(17,664)	(35,148)	(40%)	Refer sub-note (i)
	Capital Employed	6,13,298	6,72,466		
	Return on Capital Employed	(10.03)	(0.05)		

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

(₹ in thousands)

Sl. No.	Particulars	F.Y. 2024-2025	F.Y. 2023-2024	% Change	Reason of Variance
11	Gain on sale of Investments+Gain on Fair Valuation of Investments+Dividend Income investments+Gain on fair valuation of investments+Dividend income	3,478	3,635		
	Average Investments-Investment in Wholly owned Subsidiary	1,98,350	1,90,794		
	Return on Investment	0.02	0.02	-	

### Notes-

- (i) The change in ratio resulted from losses suffered by the company during the year under review.
- 51** On the basis of notification dated 28th June, 2023 by Govt of Assam providing 3 year tax holiday on Agricultural Income Tax, no provision on agricultural income tax has been made for the year ended 31st March, 2025.
- 52** There are no transactions that have been surrendered or disclosed as income during the year In the tax assessments under the Income Tax Act, 1961, which have not been recorded in the books of account.
- 53** The company does not have any transactions or relationships with any companies struck off under section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.
- 54** The other prescribed clauses as prescribed under other regulatory information for the year ended 31st March, 2025 being not applicable have not been given.
- 55** Previous year figures have been re-classified/re-grouped to confirm the presentation requirements under IND AS and the requirements laid down in Division-II of the Schedule-III of the Companies Act, 2013.

The Notes are an integral part of the Financial Statements

As per our Report annexed of even date

For **NKSJ & ASSOCIATES**

Chartered Accountants

Firm Registration No. 329563E

UDIN: 25234454BMLGZB3778

**CA. Sneha Jain**

Partner

Membership No. 234454

Kolkata

Dated the 30th day of May, 2025

**U. KANORIA**

Chairman & Managing Director  
(DIN: 00081108)

**C. KABRA**

Company Secretary

**S. K. PARHI**

Chief Financial Officer

02-66

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Statutory Reports

67-122

&gt;&gt;&gt;

Standalone Financials

123-174

&gt;&gt;&gt;

Consolidated Financials

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## **KANCO TEA & INDUSTRIES LIMITED**

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