



## Board of Director's Report to the Shareholders

To  
The Members,

Your Directors have pleasure in presenting the 42<sup>nd</sup> Annual Report together with the Audited Statements of Accounts of your Company for the financial year ended 31<sup>st</sup> March' 2022.

### 1. FINANCIAL HIGHLIGHTS:

(Rs. In Lakhs)

Particulars	Standalone		Consolidated	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Gross Revenue	2,272.86	2,683.63	2,272.86	2,683.63
Other Income	45.14	37.00	49.64	41.52
<b>Total Revenue</b>	<b>2,318.00</b>	<b>2,720.63</b>	<b>2,322.50</b>	<b>2,725.15</b>
Less: Expenditure	2,261.82	2,181.88	2,265.89	2,182.15
Profit before Interest & Dep. & Tax (EBITDA)	56.18	538.75	56.61	543.00
Less: Depreciation	58.29	48.85	58.33	48.89
: Finance Cost	257.99	267.19	257.99	267.19
<b>Profit before Exceptional Items &amp; Taxation</b>	<b>(260.10)</b>	<b>222.71</b>	<b>(259.71)</b>	<b>226.92</b>
Less: Exceptional Items	0.05	3.63	0.05	3.63
<b>Profit before Taxation (PBT)</b>	<b>(260.15)</b>	<b>219.08</b>	<b>(259.76)</b>	<b>223.29</b>
Less: Provision for Taxation	-	-	-	0.33
: Deferred Tax	63.91	-	63.91	-
<b>Profit after Taxation (PAT)</b>	<b>(324.06)</b>	<b>219.08</b>	<b>(323.67)</b>	<b>222.96</b>
Other Comprehensive Income	-	-	-	-
<b>Total Comprehensive Income</b>	<b>(324.06)</b>	<b>219.08</b>	<b>(323.67)</b>	<b>222.96</b>

### 2. SUMMARY OF OPERATION

During the year under review, because of market conditions, there was sharp decline in the quantity of tea sold by the company which together with reduction in sale price and marginal increase in cost of operations had resulted in reporting loss for the year.

However, the Directors are exploring all possibilities for increasing the sales and have also put in place cost saving measures to come out with better results for the current year.

### 3. DIVIDEND:

In view of the loss during the year under review, your directors do not propose any dividend.

### 4. RESERVES:





No amount was transferred to reserves during the financial year ended 31<sup>st</sup> March, 2022.

**5. DETAILS OF SUBSIDIARY / JOINT VENTURES / ASSOCIATES COMPANIES**

The Company as on 31<sup>st</sup> March, 2022 has one wholly-owned subsidiary viz. Supriya Tea Limited.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, a statement containing salient feature of financial statement of Subsidiary Company in Form AOC – 1 is attached to the Report as **Annexure – I**.

The Company does not have any Joint Ventures and / or an Associate Company during the year under review.

**Consolidated Financial Statements**

The audited consolidated financial statements of the Company together with the Auditor's Report for the year ended 31<sup>st</sup> March, 2022 forms part of this Annual Report.

Pursuant to the provisions of Section 136 of the Companies Act, 2013, the financial statements of the Company, consolidated financial statements along with the relevant documents and separate audited accounts in respect of Subsidiary Company are available for inspection on all working days, during business hours, at the Registered Office of the Company.

**6. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND**

The provisions of Section 125(2) of the Companies Act, 2013 do not apply to your Company, as there was no dividend declared and paid in any of the previous 7 (seven) years.

**7. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRING BETWEEN THE END OF FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATES AND THE DATE OF THE REPORT**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relate and the date of this report.

**8. SHARE CAPITAL**

The Company has not issued / allot any Shares / Securities nor was there any buy-back of the same during the financial year under review.

As on 31<sup>st</sup> March, 2022, the issued, subscribed and paid-up share capital of your Capital stood at Rs. 20,00,000/- comprising of 2,00,000 Equity Shares of Rs. 10/- each.







**9. CHANGES IN NATURE OF BUSINESS, IF ANY:**

There has been no change in the nature of business of the Company during the financial year ended 31<sup>st</sup> March, 2022.

The Company continues to carry on the business of Manufacture and Sale of Tea.

**10. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):**

The Board of Directors of the Company is duly constituted and changes in the Board and KMP respectively during the financial year 2021-22 and after the end of financial year upto the date of this report are given herein below. All the Non – Executive Independent directors were appointed as Additional Directors subject to approval of the members in the ensuing Annual General Meeting.

Necessary resolutions as proposed for approval by members' forms part of the notice of the ensuing Annual General Meeting.

None of the Directors of the Company is disqualified from being appointed as Directors under the provisions of section 164(2) of the Companies Act, 2013.

The Independent Directors has furnished requisite declarations pursuant to Section 149(7) of the Companies Act, 2013 and Regulation 25(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, confirming their respective independence status.

In accordance with the provisions of Companies Act, 2013 Mr. Deepak Bansal (DIN: 00545322), Non-Executive Director of the Company, will be subject to retire by rotation at the ensuing Annual General Meeting of the Company and being eligible offers himself for re-appointment.

**Key Managerial Personnel**

- 1) Mr. Rajiv Chamaria – Managing Director
- 2) Mr. Chandra Sekhar Morolia – Chief Financial Officer (Resigned on 01.05.2022)
- 3) Mr. Deepak Bansal – Appointed as Chief Financial Officer (w.e.f 11.07.2022)
- 4) Mr. Subramanian Krishnan – Appointed as Company Secretary & Compliance Officer (w.e.f 11.07.2022)

**Non-Executive Non – Independent Directors**

- 1) Mr. Deepak Bansal
- 2) Mr. Vivek Bansal
- 3) Mr. Ravi Kumar Singhal (Resigned on 09.09.2021)





4) Ms. Ayushi Chamaria (Resigned on 25.08.2022)

**Additional Non-Executive Independent Directors**

1) Mr. Mayank Himatsingka (Appointed w.e.f 13.05.2022 and Resigned on 11.07.2022)

2) Mr. Sanjay Kumar Gupta (w.e.f 11.07.2022)

3) Mr. Ravi Agarwal (w.e.f 25.08.2022)

4) Mrs. Alka Shah (w.e.f 25.08.2022)

**FORMAL ANNUAL EVALUATION**

Pursuant to the provisions of the Companies Act, 2013, Regulation 17(10) of the SEBI (LODR) Regulations, 2015 and Guidelines Note on Board Evaluation issued by SEBI, the Board of Directors have carried out the performance for the Board, Committees of the Board, individual Directors including the Chairman of the Company for the financial year ended 31<sup>st</sup> March, 2022.

The Board of Directors expressed their satisfaction with the evaluation process.

**11. DETAILS OF BOARD MEETINGS:**

During the financial year ended 31<sup>st</sup> March, 2022, 8 (eight) Meetings of Board of Directors of the Company were held, details of which are given below:

Sl. No.	Date of the meeting	No. of Directors attended the meeting
01	17/04/2021	5
02	14/07/2021	5
03	02/08/2021	5
04	09/09/2021	4
05	01/11/2021	4
06	07/12/2021	4
07	08/01/2022	2
08	14/02/2022	4

**12. WEBLINK OF ANNUAL RETURN, IF ANY:**

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, the Annual Return as on 31<sup>st</sup> March, 2022 shall be uploaded and made available on the Company's website on: <https://tasati.in/> in due course.





**13. DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the requirement of Section 134(3)(c) read with Section 134(5) of Companies Act, 2013, your Directors further confirm that:

- i) in the preparation of the annual accounts, the applicable accounting standards had been followed and there are no material departures from the same;
- ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the directors had prepared the annual accounts on a going concern basis.
- v) the Company being unlisted, sub-clause (e) of section 134(3) of the Companies Act, 2013 pertaining to laying down internal financial controls is not applicable to the Company.
- vi) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

**14. AUDITORS, THEIR REPORTS AND NOTES TO FINANCIAL STATEMENTS:****i) Statutory Auditors**

The present Statutory Auditors, M/s. D. Mitra & Co., Chartered Accountants (Firm Reg. No. 328904E) shall complete their term of five years at the ensuing Annual General Meeting.

In view thereof, at the recommendation of the Audit Committee, subject to approval of members at the ensuing Annual General Meeting, the Board has appointed M/s. Tiwari & Company, Chartered Accountants (Firm Reg. No. 309112E) as the Statutory Auditors of the Company for 5 (five) years to hold office upto the conclusion of 47<sup>th</sup> Annual General Meeting of the Company.

The Company has received a letter from M/s. Tiwari & Company, Chartered Accountants to the effect that their appointment, if made, would be within the prescribed limits under Section 139 of the Act and that they are not disqualified for appointment.

Further, the report of the Statutory Auditors when read with notes and schedules as annexed are self-explanatory and therefore do not call for any further comments.



**ii) Internal Auditor**

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, M/s A. R. Maiti & Co. (Firm Registration No. – 307093E), Chartered Accountants, the Internal Auditor of the Company for the Financial Year 2021-22 appointed by the Board on the recommendation of the Audit Committee, carried out their assignments and submitted their periodical reports which were duly considered by the Audit Committee whose advise for improvement discussed with the Auditors and have been duly considered and accepted by the Board.

**iii) Cost Auditor**

In view of the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the provisions of Cost Audit are not applicable on the products of the Company for the Financial Year 2021-22.

**iv) Secretarial Auditor**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with corresponding rules framed thereunder, M/s Rekha Goenka & Associates, Practicing Company Secretary, was appointed as the Secretarial Auditor of the Company to carry out the secretarial audit for the Financial Year ended 31<sup>st</sup> March, 2022.

**SECRETARIAL AUDIT REPORT**

Secretarial Audit Report given by the Secretarial Auditor is annexed to this Report and marked as **Annexure - II**. There are no qualifications, reservations or adverse remarks made by Secretarial Auditor in the Secretarial Audit Report.

**15. DEPOSITS:**

The Company has not accepted in any earlier years and during the financial year 2021-22, any deposits from the public as defined under Section 73 of the Companies Act, 2013.

**16. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS:**

The Company has in place adequate internal financial controls with reference to Financial Statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.







**17. PARTICULAR OF LOAN, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:**

The Company has neither given any Loans and Guarantees nor made any Investments covered under the provisions of section 186 of the Companies Act, 2013 during the financial year under review.

**18. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTY:**

All Related Party Transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions during the year under review made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Thus, disclosure in Form AOC-2 is not required.

Suitable disclosure as required by the Accounting Standard (AS 18) has been made in the notes to the Financial Statements.

**19. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

The Company is committed to provide a safe and conducive work environment to its employees during the year under review. No case of sexual harassment was reported.

**20. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES**

The Whistle Blower / Vigil Mechanism Policy adopted and implemented by the Board of Directors was reviewed by the Audit Committee and found to be effective.

**21. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY:**

The Company has in place a comprehensive risk management policy, which is reviewed periodically by the Board of Directors. As of now the Directors do not envisage any element of risk which may threaten the existence of the Company.

**22. CORPORATE GOVERNANCE**

As the Paid-up Equity Share Capital of the Company is less than Rs.10.0 crores and its Net Worth is less than Rs.25.0 crores, provisions relating to Corporate Governance as per SEBI (LODR) Regulations, 2015 are not applicable to the Company.





### 23. AUDIT COMMITTEE

As on the date of this report, The Audit Committee of the Company comprises of the following persons:

Sl No.	Name	Designation	Position in the Committee
1.	Mr. Sanjay Kumar Gupta	Independent Director	Chairman
2.	Mrs. Alka Shah	Independent Director	Member
3.	Mr. Vivek Bansal	Non – Independent Director	Member

During the year, Mr. Ravi Kumar Singhal ceased to be member of the Committee pursuant to his resignation as with effect from 9<sup>th</sup> September, 2021.

The Committee met 4 (four) times during the year as per details given below:

Serial No.	Dates of the meetings	Number of directors (members) attended
1.	02/08/2021	3
2.	01/11/2021	3
3.	07/12/2021	3
4.	14/02/2022	3

The Board accepted all the recommendations of the Audit Committee as were made by it during the year.

### 24. NOMINATION AND REMUNERATION COMMITTEE

As on the date of this report, The Nomination and Remuneration Committee of the Company comprises of the following persons:

Sl No.	Name	Designation	Position in the Committee
1.	Mr. Sanjay Kumar Gupta	Independent Director	Chairman
2.	Mrs. Alka Shah	Independent Director	Member
3.	Mr. Deepak Bansal	Non – Independent Director	Member

During the year, Mr. Ravi Kumar Singhal ceased to be member of the Committee pursuant to his resignation as with effect from 9<sup>th</sup> September, 2021.

The Committee met once during the year on 14<sup>th</sup> February, 2022 and attended by all the three members.







**25. STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Provisions of Section 178(5) of the Companies Act, 2013 relating to constitution of Stakeholders Relationship Committee are not applicable to the Company.

**26. DETAILS OF POLICIES DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

Corporate Social Responsibility pursuant to the provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company.

**27. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

In terms of Regulation 34(2) read with Paragraph B of Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Management Discussion and Analysis Report is attached hereto as **Annexure - III** which forms part of this Report.

**28. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is attached hereto as **Annexure - IV** which forms part of this Report.

**29. PARTICULARS OF EMPLOYEES**

The information on particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached hereto as **Annexure-V** which forms part of this Report.

**30. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:**

During the financial year, there was no significant and material order passed by any Regulators, Courts or any Tribunal against the Company impacting the going concern status and Company's operations in future.





### 31. LISTING OF SHARES

The shares of the Company are currently listed on The Calcutta Stock Exchange Ltd. (CSE). Trading in the shares of the Company stands suspended as per order passed by CSE. The Company has initiated necessary steps and made representation to CSE for revocation of the suspension in the trading of shares of the Company.

### 32. MANAGING DIRECTOR'S CERTIFICATE

Managing Director's Certificate under Regulation 34(3) read with Paragraph D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on compliance of Code of Conducts is attached hereto as **Annexure - VI** which forms part of this Report.

### 33. COMPLIANCE OF SECRETARIAL STANDARDS

The Company complies with all applicable Secretarial Standards as mandated by the Institute of Company Secretaries of India.

### 34. ACKNOWLEDGEMENT:

The Board places on record its appreciation for the continued co-operation and support extended to the Company by customers, vendors, regulators, banks, financial institutions and others concerned. The Company also extend its thankful appreciation of the services of the employees and staffs of the Company without whose hard work and involvement the desired results of the Company could not be achieved. The Board deeply acknowledges the trust and confidence placed by the consumers of the Company and all its stakeholders at large.

For and on behalf of the Board of Directors

**TASATI TEA LIMITED**

Sd/-  
Rajiv Chamaria  
**Managing Director**  
DIN: 00665145

sd/-  
Deepak Bansal  
**Director**  
DIN: 00545322

Date: 06.09.2022

Place: Kolkata







## Annexure - I

**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 / Associate Companies / Joint Ventures**

**Part "A": Subsidiary Company**

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	SUPRIYA TEA LIMITED
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31 <sup>st</sup> March, 2022
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	INR
4.	Share capital	12,54,360
5.	Reserves & surplus	31,37,201
6.	Total assets	62,39,550
7.	Total Liabilities	62,39,550
8.	Investments	NIL
9.	Turnover	4,50,000
10.	Profit before taxation	39,027
11.	Provision for taxation – Current Year	NIL
	Tax for Earlier Years	NIL
12.	Profit after taxation	39,027
13.	Proposed Dividend	NIL
14.	% of shareholding	100%

The following information also furnished: -

- Names of subsidiaries which are yet to commence operations - NIL
- Names of subsidiaries which have been liquidated or sold during the year - NIL

**Part "B": Associate Company / Joint Venture**

The Company has no Associate Company / Joint Venture.

For and on behalf of the Board of Directors

**TASATI TEA LIMITED**

Sd/-

sd/-

Rajiv Chamaria  
**Managing Director**  
 DIN: 00665145

Deepak Bansal  
**Director**  
 DIN: 00545322

Date: 06.09.2022

Place: Kolkata





## Annexure - ii

## SECRETARIAL AUDIT REPORT

For the Financial Year ended 31<sup>st</sup> March, 2022

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

To,  
The Members  
TASATI TEA LIMITED  
CIN: L01132WB1979PLC031939

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **TASATI TEA LIMITED** (hereinafter called "the Company") for the **Financial Year ended 31<sup>st</sup> March, 2022**. 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.

The Company's Management is responsible for preparation and maintenance of secretarial and other records and for devising proper systems to ensure compliance with the provisions of applicable laws and regulations.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period ended on 31<sup>st</sup> March, 2022 generally 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2022, to the extent applicable, according to the provisions of:

- i) The Companies Act, 2013 (**the Act**) and the Rules made there under;
- ii) The Securities Contracts (Regulations) Act, 1956 ("**SCRA**") and the Rules made there under;
- iii) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - **Not applicable as there were no reportable event during the year under review;**
- iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**") to the extent applicable to the Company: -
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
  - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - **Not applicable as there were no reportable event during the year under review;**







- e. The Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Regulations, 2009; **Not applicable as there were no reportable event during the year under review;**
  - f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not applicable as there were no reportable event during the year under review;**
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - **Not applicable as there were no reportable event during the year under review;** and
  - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- v) As identified by the Management, following laws are specifically applicable to the Company:
- a) Food Safety and Standards Act, 2006 and Food Safety and Standard Rules, 2011;
  - b) The Tea Act, 1953 and Rules made there under;
  - c) Plantations Labour Act, 1951;
  - d) The Tea Waste (Control) Order, 1959;
  - e) Tea (Marketing) Control Order, 2003;
  - f) West Bengal Ground Water Resources (Management, Control and Regulation) Act, 2005.
  - g) West Bengal Fire Services Act, 1958.
  - h) Indian Factories Act, 1948.
  - i) Bengal Electricity Duty Act, 1935 and Rules thereunder.
  - j) Air (Prevention and Control of Pollution) Act, 1981.
  - k) Industrial Dispute Act, 1947.
  - l) Weight and Measurement Act, 1976;
  - m) The Legal Metrology Act, 2009 and Legal Metrology (Packaged Commodities) Rules, 2011;
  - n) Employees' Provident Fund and Miscellaneous Provisions Act, 1952
  - o) Employees' State Insurance Act, 1948
  - p) Various other Acts relating to Employment and Protection of Employees Interest as are applicable.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with The Calcutta Stock Exchange. Further, it is evident from the website of CSE, that the status of the Company is 'Under process for Revocation'.

As on the date of issue of this report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.







I further report that:

- a) As on the date of issue of this report, 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 notices were given to all the Directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent in compliance with the Act and Secretarial Standard. 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) None of the Directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.
- d) The Compliances of applicable financial laws, like direct and indirect tax laws, have not been reviewed in this Audit since the same have been subject to review by the statutory financial auditor and other designated professionals.

I further report that:

- The Company has obtained all necessary approvals under the various provisions of the Act;
- There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, SEBI (LODR) Regulations and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers; and
- The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

I further report that the Company has *initiated the compliance process* with respect to the provisions of the SEBI (Depositories and Participants) Regulations, 2018 and the Byelaws framed there under by the Depositories with regard to dematerialization / rematerialisation of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.

I 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.

I further report that during the audit period the Company has not passed any special resolutions.

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.

**For REKHA GOENKA & ASSOCIATES  
Company Secretary in Practice**

Sd/-  
(REKHA GOENKA)  
Proprietor  
M. No.- ACS: 17805  
CP: 11357  
PR No. 1705/2022

Place: Kolkata  
Date: 06.09.2022  
UDIN: A017805D000926240





**Annexure - A to the Secretarial Audit Report**

To,  
The Members  
**TASATI TEA LIMITED**  
CIN: L01132WB1979PLC031939

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

1. Maintenance of Secretarial records 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 the random 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 compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the 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 efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For REKHA GOENKA & ASSOCIATES**  
Company Secretary in Practice

Sd/-  
(REKHA GOENKA)  
Proprietor  
M. No.- ACS: 17805  
CP: 11357  
PR No. 1705/2022

Place: Kolkata  
Date: 06.09.2022  
UDIN: A017805D000926240



**Annexure - III****MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

In terms of Regulation 34(2) read with Paragraph B of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Management Discussion and Analysis Report is attached hereto forms part of this Report.

**A. ECONOMIC REVIEW**

The world economy continues to suffer from a series of destabilizing shocks. The global economy is still recovering from the challenges caused by the COVID – 19 pandemics and due to emergence of Omicron Variant, the recovery has not been consistent. The circumstances deteriorated with Russia's invasion of Ukraine. It caused a tragic humanitarian crisis in Eastern Europe along with the sanctions imposed on Russia, aimed at pressuring Russia to end hostilities. Consequently, forecasts suggest a decline in global GDP growth rates from 6.1 percent in 2021 to 3.6 percent in 2022 and 2023. Russian invasion of Ukraine and its global effects on commodity markets, supply chain, inflation and financial conditions have steepened the slowdown in global growth. In particular, the war in Ukraine is leading to soaring prices and volatility in energy markets, with improvements in activity in energy exporters more than offset by headwinds in most other economies. The invasion of Ukraine has also led to a significant increase in agricultural commodity, which is exacerbating food insecurity and extreme poverty in many emerging market and developing economies. Numerous risks could further derail what is now a precarious recovery. Among them is, in particular, the possibility of stubbornly high global inflation accompanied by tepid growth, reminiscent of the stagflation of the 1970s. This could eventually result in a sharp tightening of monetary policy in advanced economies to rein in inflation, lead to surging borrowing costs, and possibly culminate in financial stress in some developing economies. These risks underscore the importance of a forceful policy response. The global community needs to ramp up efforts to mitigate humanitarian crises caused by the war in Ukraine and conflict elsewhere and alleviate food insecurity, as well as expand vaccine access to ensure a durable end of the pandemic. Meanwhile, policymakers need to refrain from implementing export restrictions or price control, which could end up magnifying the increase in commodity prices.

Of late, unstable political crisis in countries like Sri Lanka and overall market predictions of similar situations in other countries due to worldwide stagflation calls for a serious evaluation and continuous supervision of the business both domestic and overseas.

**B. INDUSTRY STRUCTURE AND DEVELOPMENT, SEGMENT ANALYSIS**

India is the second largest producer of tea globally, after China, with approximately 1300 million kgs of tea produced annually in the country. As a leading consumer of the beverage, India also accounts for nearly a fifth of the global consumption while almost 80% of its total output is consumed domestically.







During the year under review, India's tea production increased by 4% while the sales average of tea reduced by 13.2% vis-à-vis the previous year. The Covid-induced lockdown in the peak plucking months and the resultant loss in production had caused a spike in prices in 2020. That was, however, only for a limited period. The industry considers 2020 as more of an 'aberration year' due to the steep decline in production and sharp increase in prices. The decline in exports in 2021 as compared to calendar year 2020 was due to availability of low-cost varieties in global market and trade restrictions in countries that have traditionally been strong importers.

Drop in production of first flush crop in 2022 in the North India estates, including West Bengal and Assam and a lower carryover stock from last year are expected to keep prices firm. Exports are also expected to pick up on the back of the brewing economic crisis in Sri Lanka and the current geopolitical situation in Eastern Europe. However, there has been a huge surge in input costs – primarily coal, gas and fertilisers, and this is likely to impact the tea industry. Rising imports are a cause of concern for the industry as a fair chunk of it is getting pumped into the domestic market.

The Indian tea market is expected to exhibit a CAGR of 4.5% in the period between 2022 and 2027. The increasing consumer preference for premium and packaged tea brands is accelerating market growth. The popularity of online applications, coupled with the availability of discounts and easy product delivery has benefitted the market's supply chain.

Good liquoring CTC teas will continue to rule the market. South Indian Orthodox is set to remain bullish for well-made teas.

### C. RISKS AND CONCERNS

Risk management is an ongoing process that can help improve operation, prioritise resources, ensure regulatory compliance, achieve performance target, improve financial stability and ultimately prevent loss/damage to the entity. But business entities cannot be risk averse as profits in business without taking risk is highly unlikely. Risk management plays a key role in protecting the assets and resources and ensuring that risks are reduced to an acceptable level. The essence of the risk management is to reduce the risk to a reasonable and in manageable level on an ongoing basis. Risk management is a two-step process – determining what risks exist and, then, handling those risks in ways best-suited to the objectives. The Company has risk management which inter alia provides for review of the risk assessment and mitigation procedure, laying down procedure to inform and report periodically to the Board of Directors and to ensure that the procedure is properly followed to mitigate the risks.

The entire plantation industry is dependent on nature with factors such as rainfall, its distribution pattern, temperature and relative humidity having its impact on tea yield parameters. Since timely information of weather plays a vital role for initiating steps towards application of fertilisers, chemicals and pesticides, steps are taken at the estates to get the weather information well in advance.







#### D. INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

The Company has adequate internal control system commensurate with the size, scale and complexity of its operations which provides reasonable assurance with regard to safeguarding the Company's assets, promoting operational efficiency by cost control, preventing revenue leakages and ensuring adequate financial and accounting controls and compliance with various statutory provision.

A qualified and independent Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of internal control systems and suggests improvements for strengthening them.

#### E. FINANCIAL & OPERATIONAL PERFORMANCE

The details of Financial Performance and Operational Performance have been provided in the Report of the Directors.

#### F. HUMAN RESOURCE DEVELOPMENT / INDUSTRIAL RELATIONS

Industrial relations in the tea gardens and units continued to be cordial. The Company has built its workforce with a diverse background of individuals - essential for the kind of organization what it is. Focus on better deployment of labour in garden area has resulted in improving productivity both in quantitative and qualitative manner. The total number of permanent employees in your Company as on 31<sup>st</sup> March, 2022 was 1175.

#### G. SIGNIFICANT CHANGES (MORE THAN 25%) IN KEY FINANCIAL RATIOS, ALONG WITH DETAILED EXPLANATIONS

The SEBI-LODR (Amendment) Regulation, 2018 introduced the requirement of disclosing details of significant changes (i.e., change of 25% or more as compared to the immediately previous financial year) in the key financial ratios, accordingly, such changes are tabled below-

Sl. No.	Key Financial Ratios	31.03.2022	31.03.2021	Changes (%)
1	Inventory Turnover Ratio	-0.29	0.47	-161.30
2	Interest Coverage Ratio	0.22	2.00	-89.14%

- Lower Inventory Turnover Ratio for the year ended 31<sup>st</sup> March, 2022 indicates that the Company's turnover was low and excess inventory during the year in comparison to immediately previous financial year 31<sup>st</sup> March, 2021.
- Interest Coverage Ratio has decreased as the Company has reported lower EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) for the year ended 31<sup>st</sup> March, 2022 as against EBIDTA during 31<sup>st</sup> March, 2021.





- In view of the losses incurred by the Company for the year ended 31<sup>st</sup> March, 2022 and negative balance in Reserve & Surplus for the year ended 31<sup>st</sup> March, 2022 and for the year ended 31<sup>st</sup> March, 2021, Operating Profit Margin, Net Profit Margin and Return on Net worth is not calculated.

#### H. CAUTIONARY STATEMENT

The statements in the report of the Board of Directors and the Management's Discussion and Analysis Report describing the Company's projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable securities Laws and Regulations. Actual results could differ materially from those expressed or implied since the Company's operations are influenced by many external and internal factors beyond the control of the Company.

For and on behalf of the Board

**TASATI TEA LIMITED**

Sd/-

sd/-

Rajiv Chamaria  
**Managing Director**  
DIN: 00665145

Deepak Bansal  
**Director**  
DIN: 00545322

Date: 06.09.2022

Place: Kolkata





## Annexure – IV

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

Information as per Section 134(3)(m) of the Companies Act, 2013, read with the Rule 8(3) of Companies (Accounts) Rules, 2014 and forming part of Directors' Report for the year ended 31<sup>st</sup> March, 2022:

	Current Year (21-22)	Previous Year (20-21)
<b>A) CONSERVATION OF ENERGY</b>		
<b>I) Power and Fuel Consumption</b>		
<b>1) Electricity</b>		
a) Purchased		
Unit (Kwh)	1119126.50	1433280.75
Total Amount (Rs.)	11167275.64	14399453.69
Rate/Unit (Rs.)/Kwh)	9.98	10.05
b) Own Generation through Diesel Generator		
Unit (Kwh)	26343.6	30160.0
Unit per ltr. of Diesel Oil	2.90	2.90
Cost/Unit (Rs.)	26.57	25.69
<b>2) Coal</b>		
Quantity (Tonnes)	990.488	838.798
Total Cost (Rs.)	12300255.3	6707630
Average Rate (Rs./Tonnes)	12418.38	7996.72
<b>3) Furnace Oil</b>		
Quantity (Ltrs)	16869.01	15401.0
Total Cost (Rs.)	865718.11	652480
Average Rate (Rs./Ltr.)	51.32	42.37
<b>II) Consumption per unit of Production</b>		
Production – Tea (Kgs.)	1134681	1148295
Electricity (Kwh/Kgs.)	0.99	0.85
Coal (Kgs./ Kgs)	0.87	0.73
Furnace Oil (Ltrs./Kgs.)	0.01	0.01

i) **Steps taken or impact on conservation of energy:** In line with the Company's commitment towards conservation of energy, all tea estates continue with their efforts in improving energy efficiency. The Steps taken in this direction at various tea estates are as under:

- Replacement of inefficient motors with energy efficient motors.
- Monitoring the maximum demand and power load factor on daily basis.
- Installation of adequate power capacitors for efficient utilization of available power.

ii) **Steps taken by the Company for utilizing alternate source of energy:** During the financial year under review the company has not utilized any other alternate sources of energy for its operation.





- iii) **The capital investment on energy conservation equipment:** The Company has already made necessary expenditure on energy conservation equipment impact of which is expected to reflect in the years to come.

#### A) TECHNOLOGY ABSORPTION

i) **Efforts made towards technology absorption:**

- Conduct training programmes for agricultural practices in the field and manufacturing process in the factories.
- Fertilizer program is rationalized based on soil nutrient status and plant replenishment ratio, which is optimized to provide adequate nutrients to enhance crop productivity.
- Uses vermicomposting for improving the organic status of soil and plant nutrition.
- Introduction of plucking machines in the field to improve productivity.
- Usage of low voltage LED light.
- Installation of coal saver to reduce coal consumption.

- ii) **The benefits derived like product improvement, cost reduction, product development, import substitution:** Adoption of improved technology, regular upgradation, modernization of equipment help to increase in productivity and optimization of capacity utilization resulting in cost savings in our tea estates.

- iii) **In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):** The Company did not import any technology during the last 3 financial years.

- iv) **Expenditure incurred on Research and Development:** The company contributes for the activities of Tea Research Association (TRA) regularly. Their recommendations are adopted wherever feasible, in addition to our efforts for obtaining better results.

#### B) FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year under review, the foreign exchange earnings and the foreign exchange outgo was NIL.

For and on behalf of the Board

**TASATI TEA LIMITED**

Sd/-

sd/-

Rajiv Chamaria  
**Managing Director**  
DIN: 00665145

Deepak Bansal  
**Director**  
DIN: 00545322

Date: 06.09.2022

Place: Kolkata



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

- i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year along with the percentage increase in remuneration of each Director and Key Managerial Personnel (KMP) during the financial year:

Sl. No.	Name of Director/ KMP	Designation	Remuneration of Director/ KMP for the FY 2021-22 and 2020-21 (Rs. In Lakhs)	% increase in remuneration in the FY 2021-22	Ratio of Remuneration of Director/ KMP to the median remuneration of employees
1.	Mr. Rajiv Chamaria	Managing Director	5.40	NIL	8.72
2.	Chandra Shekhar Morolia (Resigned on 01.05.2022)	Chief Financial Officer	5.80	NIL	9.86

None of the other Directors has neither received any remuneration nor any sitting fees.

- ii) The percentage increase in the median remuneration of employees in the financial year: 7.68%
- iii) The number of permanent employees on the rolls of the Company as on 31<sup>st</sup> March, 2022: 1175
- iv) Average percentage increase for other than managerial personnel was 7.68%, whereas average percentage increase for managerial personnel was NIL.
- v) The Company affirms that the remuneration is as per the Remuneration Policy of the Company.

For and on behalf of the Board

**TASATI TEA LIMITED**

Sd/-  
Rajiv Chamaria  
**Managing Director**  
DIN: 00665145

Sd/-  
Deepak Bansal  
**Director**  
DIN: 00545322

Date: 06.09.2022

Place: Kolkata







**CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT**

As required under Regulation 34(3) read with Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that all the Board Members and Senior Management Personnel of the Company have complied with the Code of Conduct of the Company for the year ended 31st March, 2022.

For and on behalf of the Board

**TASATI TEA LIMITED**

  
Rajiv Chamaria  
**Managing Director**  
DIN: 00665145

Date: 06.09.2022

Place: Kolkata

