Parry Agro Industries Limited

Annual Report 2019-2020

www.parryagro.com

PARRY AGRO

Parry Agro - tradition of tea for over three decades.

One of the leading producers of tea in India, Parry Agro has estates in all the major tea growing areas of the country. Sheikalmudi, Murugalli, Paralai and Iyerpadi in the magnificent Anamallais of Tamilnadu; Attikunna and Carolyn nestling in the lap of Niligiri Wayanad; Deckiajuli & Rajajuli tucked away on the banks of the Brahmaputra in Assam - all the signature teas of India with their legacies under one roof !

We proudly employ over 10,000 people in our estates which spread out in rural India, supporting & enriching their livelihood in every way possible. As we plant our tea saplings, we draw our lessons from Nature of continuity, quality and sustainability. Our estates & factories have been certified under various standards to ensure that we deliver the desired products as required by our customers consistently .

We are amongst the few plantation companies in the world with a dedicated R&D facility accredited with a NABL certification, DSIR recognized for chemical and microbial testing.

Our Markets span pan India - servicing every state from Kashmir to Kerala.

Contents:-

Corporate Information	
Board of Directors	Mr. M.M. Venkatachalam (Non-Executive Chairman)
	Mr. Ramesh Rajah
	Mr. Nandlal Ganguli
	Mr. Ramesh K B Menon
	Mr. T. Jayaraman
	Mr. A. Sridhar
Bankers	HDFC Bank Limited
Auditors	M/s. Deloitte Haskins & Sells
	Chartered Accountants
Registered Office	“Parry House”, 5th Floor
	No. 43, Moore Street
	Chennai - 600 001

Directors' — A Brief Profile

Mr. M.M. Venkatachalam
Non - Executive Chairman

Mr. M.M. Venkatachalam is a graduate in Agriculture and is a MBA from George Washington University, USA. He is presently the Chairman of the Board of Directors of the Company. He is also on the Board of various Companies including Coromandel International Limited, Ramco Systems Limited, Coromandel Engineering Company Limited, Ambadi Enterprises Limited, Parry Murray & Co. Limited UK., E.I.D Parry (India) Limited etc.

Mr. Ramesh K B Menon
Non-Executive Director

Mr. Ramesh K B Menon took charge as Director-HR of the Murugappa Group on 1st July, 2013. Consequent to his appointment, he also became a member of the Murugappa Corporate Board as Executive Director overseeing the Group's HR function. He is a science graduate from Jai Hind College, Mumbai and has completed his post-graduation from XLRI Jamshedpur. He has had a long (over twenty six years) and distinguished career with Madura Coats. Mr. Ramesh was the Head of HR for Madura Coats and went on to become the Head of HR for Coats, South Asia and Africa.

Mr. Ramesh Rajah
Independent Director

Mr. Ramesh Rajah is a Graduate in Science (Hort.) and holds a Master Degree in Business Administration from Columbia University. He is currently the Managing Director of Rajah Coffee Private Limited and Ramesh Exports Private Limited and on the Board of various Companies including Savamalai Estates Private Limited.

Mr. T. Jayaraman
Independent Director

Mr. T. Jayaraman is a Graduate in Agriculture. He has occupied various positions in Planters' Association viz., Ex-President, UPASI, Chairman, Nilgiris Planters' Association; Chairman, The Planters' Association of Tamil Nadu and member of several committees constituted by the Tamil Nadu Government, as representative of employers.

Mr. Nandlal Ganguli
Independent Director

Mr. N. L. Ganguli is a Post Graduate in Economics. He started his carrier in Tea with Jardine Henderson Imperial Group in 1974. The Company was subsequently taken over by McLeod Russell India Ltd, WM group. With 39 years of service with them, he headed the up country operations of 55 Estates in Assam and Dooars as the visiting agent. During his tenure he had overseen approximately hundred million Kgs of production and was instrumental in several successful mergers and acquisitions.

Mr. A. Sridhar
Additional Director

Mr. A. Sridhar is a Chartered Accountant with a post qualification experience of 33 years of service. He had headed finance function in Public-Sector Undertakings, MNC's, Various corporate establishments and Overseas assignment. The industry exposure includes sectors such as manufacturing, tourism, entertainment and nutraceuticals. In the year 2013, he moved to Parry Agro as Head of Operations and promoted as CEO and Whole Time Director in October, 2017. He retired from the services of the Company as the CEO and Whole Time Director. On 31st December, 2019

FIVE YEARS FINANCIAL HIGHLIGHTS

(₹ In lacs)

Summary Information	Year Ended 31st March				
Operating Results	**2016**	**2017**	**2018**	**2019**	**2020**
Sales	16,977.99	17,247.88	17,515.96	17,563.32	16,866.46
Other Income *	685.84	834.30	763.77	1,049.13	840.98
Profit before depreciation	900.31	1,528.56	1,269.80	1,214.08	439.07
Profit before Tax	535.61	958.63	801.32	707.23	(100.41)
Profit after Tax	310.92	782.77	568.29	405.88	(203.73)
Dividend - Equity	75.14	187.84	75.14	93.92	-
SOURCES OF FUNDS					
Paid up share capital	375.68	375.68	375.68	375.68	375.68
Reserves	7,353.55	8,629.54	8,860.60	8,645.41	7,832.06
Loan Funds	-	-	-	-	-
Total	**7,729.23**	**9,005.22**	**9,236.28**	**9,021.09**	**8,207.74**
APPLICATION OF FUNDS					
Fixed Assets	3,711.82	3,941.79	4,165.32	4,558.06	4,453.86
Investments	5,761.49	6,220.90	5,492.27	4,001.49	3,230.95
Net Current Assets	(1,961.09)	(1,398.62)	(631.29)	324.59	417.30
Deferred Tax Asset (Net)	217.01	241.15	209.98	136.95	105.63
Total	**7,729.23**	**9,005.22**	**9,236.28**	**9,021.09**	**8,207.74**

* (Including profit on sale of investments / Assets)

Notice of the Tenth Annual General Meeting

NOTICE is hereby given that the Tenth Annual General Meeting of PARRY AGRO INDUSTRIES LIMITED, will be held on Wednesday, the 22nd July, 2020 at 12 Noon at I.S.T by way of Video Conferencing (”VC”) or other Audio Visual Means(“OAVM”) to transact the following business:

ORDINARY BUSINESS:

Item No.1 – Adoption of Standalone Financial Statements.

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

“RESOLVED THAT the Audited Standalone Financial Statements of the Company for the year ended 31st March, 2020 and the Reports of the Board of Directors and the Independent Auditors thereon be and are hereby considered, approved and adopted.”

Item No.2 - Adoption of Consolidated Financial Statements.

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

“RESOLVED THAT the Audited Consolidated Financial Statements of the Company for the year ended 31st March, 2020 and the Report of the Independent Auditors thereon be and is hereby considered, approved and adopted.”

Item No.3 - Re-appointment of Mr. Ramesh K B Menon (DIN: 05275821) as a Director, of the company liable to retire by rotation.

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

“RESOLVED THAT pursuant to section 152(6) of the companies act 2013 and Article 17.26 of the Memorandum and Articles of Association of the Company, Mr. Ramesh K B Menon (DIN: 05275821), who retires by rotation in this Annual General Meeting and being eligible himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

SPECIAL BUSINESS

Item No. 4 – Appointment of Mr. A. Sridhar (DIN: 07913908), as a Director of the company liable to retire by rotation.

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

“RESOLVED THAT pursuant to the Sections 152, 161 and other applicable provisions of the Companies Act, 2013 read with Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. A. Sridhar (DIN:07913908) who was appointed as an Additional Director on 24th January, 2020 by the Board pursuant to Section 161(1) of the Companies Act, 2013 to hold office up to the date of this Annual General Meeting and in respect of whom the company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for office of Director, be and is hereby appointed as Director of the Company, liable to retire by rotation.”

Item No. 5 – Ratification of remuneration of Cost Auditor.

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

“RESOLVED THAT pursuant to the provisions of Section 148 (3) and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of ₹ 1,32,000/- (Rupees One Lakh Thirty-Two Thousand only) payable to M/s. A R Ramasubramania Raja & Co., (Firm Registration No. 000519) Cost and Management Accountants, Chennai appointed by the Board of Directors to conduct the audit of the cost accounting records of the Company for the financial year 2020-21, excluding applicable taxes and out of pocket expenses incurred by them in connection with the Cost Audit be and is hereby ratified and confirmed.”

Item No. 6 – Payment of commission to Non-Executive Directors of the company.

To consider and if deemed fit, to pass the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of section 197,198 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder as amended from time to time, the directors of the company (excluding Managing Director/Whole Time Director/Executive Director) be paid remuneration by way of commission for a period of five financial years commencing from 1st April 2020, not exceeding 1% of the net profits of the Company computed in accordance with the provisions of section 198 of the companies Act,2013 for each financial year."

"**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to decide from time to time, the quantum and manner of distribution of commission, to one or more Directors within the limit of 1% as prescribed above."

"**RESOLVED FURTHER THAT** the aforesaid commission shall be in addition to the fees payable to such directors for attending the meetings of the Board and committees thereof."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to take all such steps as may be necessary, desirable or expedient to give effect to this Resolution."

On Behalf of the Board

M M Venkatachalam
Chairman
(DIN: 00152619)

Place: Chennai
Date: June 15, 2020

Registered Office:

Parry House, 5th Floor,
43, Moore Street,
Chennai –600001.
CIN: U01132TN2011PLC079800
E-mail: secretarial@pai.murugappa.com

NOTES:

The statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business and the relevant details pursuant to Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, in respect of the Directors seeking re-appointment at this AGM is annexed herewith.

General instructions for accessing and participating in the 10th AGM through VC/OAVM Facility and voting through electronic means including remote e-Voting:

1. **In view of the pandemic CoVID-19 and the resultant lockdown situation across the country restricting the movement of persons, the 10th Annual General meeting (AGM) of the company will be held over video conferencing ("VC") or Other Audio Visual Means ("OAVM") in compliance with framework issued by the Ministry of Corporate Affairs through its circular No. 20/2020 dated May 05, 2020 read with circular No. 14/2020 dated April 08, 2020 and circular no. 17/2020 dated April 13, 2020.**

2. **Since the AGM is being held over video conferencing where physical attendance of members in any case has been dispensed with, a member entitled to attend and vote at the meeting will not be eligible to appoint proxies to attend the meeting instead of him/her. Accordingly, the proxy form is not attached to this notice.**

3. Members who have not registered or who wish to update their e-mail ID, postal address, telephone/mobile numbers, Permanent Account Numbers, bank account details are requested to register/intimate the same with their Depository Participant, if the shares are held by them in electronic form and in case of members holding shares in physical form, all intimations are to be sent to KFin Technologies Private Limited (Formerly

known as Karvy Fintech Private Limited), Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032 or mail at einward.ris@kfintech.com.

4. Corporate members intending to send their Authorized representatives to attend the Meeting are requested to send to the Company a certified scanned copy of the Board Resolution authorizing their representatives to attend the AGM through VC or OAVM on its behalf and vote through remote e-voting. The said resolution/ authorization shall be sent to the following e-mail address rsaevoting@gmail.com with a copy marked to evoting@kfintech.com.

5. The Register of Members and the Share Transfer Books of the Company shall remain closed from **Wednesday, the 15th July, 2020** to **Wednesday, the 22th July, 2020** (both days inclusive) for the purpose of Annual General Meeting.

6. As per the provisions of the Companies Act, 2013, facility for making nomination is available to individuals holding shares in the Company. The prescribed nomination form can be obtained from the Registrar and Share Transfer Agent (RTA)/Depository Participant (DP).

   In compliance with the aforesaid MCA Circulars, notice of the AGM along with the Annual Report for the financial year 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website https://parryagro.com/investors/. For any communication, the shareholders may also send requests to the Company's Registrars KFin Technologies Private Limited (Formerly known as Karvy Fintech Private Limited) at einward.ris@kfintech.com. OTHER THAN THE ABOVE, NO PHYSICAL/HARD COPIES OF THE NOTICE AND THE ANNUAL REPORT WILL BE SENT TO THE SHAREHOLDERS. Please note the above is in accordance with the various exemptions provided by the MCA in connection with conduct of Shareholders' meetings during 2020.

7. The Dividend amounts, which remain unclaimed for the financial year 2012-13 and the subsequent years, can be claimed from the Company. Pursuant to Section 124 of the Companies Act, 2013.The amounts remaining unpaid or unclaimed for a period of seven years, shall be transferred to the Investor Education and Protection Fund (IEPF). No claim shall lie against the Company for the amounts so transferred prior to 31st March, 2020, nor shall any payment be made by the Company in respect of such claim.

8. The Company has uploaded the details of unpaid and unclaimed amounts lying with it as on 31.03.2019 on the website of the Company www.parryagro.com as also on the website of the Ministry of Corporate Affairs. Members can ascertain the status of their unclaimed dividend amounts from these websites. Members who have not encashed their warrants in respect of the final dividend declared in financial year 2012-13 and subsequent dividends thereon may write to the RTA immediately for claiming their dividends.

9. Members who have not encashed their dividend warrants for the financial years 2012-13, 2013-14, 2014-15, 2015-16, 2016-17, 2017-18 and 2018-19 are requested to lodge their claims with the Company.

10. Members may note that the VC/OAVM Facility allows participation of at least 1,000 Members on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors, etc. can attend the 10th AGM without any restriction on account of first-come first-served principle.

11. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

12. Institutional Investors, who are Members of the Company, are encouraged to attend and vote in the 10th AGM through VC/OAVM Facility.

13. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

14. The register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the

notice will be available for inspection in electronic mode. Members can inspect the same by sending an email to secretarial@pai.murugappa.com.

15. **Voting through electronic means:**

(i) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, the Company is pleased to provide to the members the facility to exercise their right to vote at the 10^{th} Annual General Meeting (AGM) by electronic means. The Members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').

(ii) The members attending the Meeting by way of VC/OAVM Facility and who have not cast their vote by remote e-voting and are otherwise not barred from doing so shall be eligible to vote at the Meeting.

(iii) The Company has engaged the services of M/s. KFin Technologies Private Limited (Formerly known as Karvy Fintech Private Limited) ("Karvy") as the Agency to provide remote e-voting facility.

(iv) The Board of Directors of the Company has appointed Mr. R Sridharan, Practicing Company Secretary (Membership No. FCS 4775) of R. Sridharan & Associates, Company Secretaries as the Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the same purpose.

(v) Voting rights shall be reckoned on the paid up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. **15^{th} July, 2020**.

(vi) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. **15^{th} July, 2020** only, shall be entitled to avail the facility of remote e-voting.

(vii) The remote e-voting facility will be available during the following period:

- Commencement of remote e-voting:
  From 9 a.m. (IST) on July 19, 2020.
- End of remote e-voting:
  Ends at 5 p.m. (IST) on July 21, 2020.

The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by Karvy upon the expiry of the aforesaid period.

(viii) Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the meeting i.e. July 22, 2020.

(ix) Registration of e-mail address: On account of the continuing threat posed by COVID-19 pandemic and in terms of the MCA Circulars, the Company has sent the Annual Report, Notice of e-AGM and e-Voting instructions only in electronic form to the registered email addresses of the shareholders. Therefore, those shareholders who have not yet registered their email address are requested to get their e-mail addresses registered by following the procedure given below:

a. Those shareholders who have registered/not registered their mail address and mobile no. including address and bank details may please contact and validate/update their details with their Depository Participant in case of shares held in electronic form and with the Company's Registrar and Transfer Agent, KFin Technologies Private Ltd in case the shares held in physical form.

b. Shareholders who have not registered their email address and in consequence thereof, the Annual Report, Notice of e-AGM and e-voting Notice could not be served, may temporarily get their e-mail address and mobile number provided with the Company's Registrar and Share Transfer Agent, KFin Technologies Private Limited, by writing to the email id einward.ris@kfintech.com providing their email address and mobile number for sending the soft copy of the Notice and e-voting instructions along with the User ID and password. In case of any queries, shareholders may write to einward.ris@kfintech.com

c. Shareholders may also visit the website of the Company https://parryagro.com/investors/ or the website of the Registrar and Transfer Agent www.kfintech.com for downloading the Annual Report and Notice of the e-AGM.

d. Alternatively Shareholders may send an e-mail request at the email id einward.ris@kfintech.com along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending electronically the Annual report, Notice of e-AGM and the e-voting instructions.

(x) **The process and manner for remote e-voting are as under:**

Open your web browser during the voting period and navigate to https://evoting.kfintech.com

i) Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be the EVEN number followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting your vote.

ii) After entering these details appropriately, click on “LOGIN”.

iii) You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$, etc.). The system will prompt you to change your password and update your contact details like mobile number, e-mail ID etc., on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

iv) You need to login again with the new credentials.

v) On successful login, the system will prompt you to select the e-voting event.

vi) Select the EVENT of PARRY AGRO INDUSTRIES LIMITED and click on “SUBMIT”.

vii) Now you are ready for e-voting as “Cast Vote” page opens.

viii) On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under “FOR/ AGAINST” or alternatively, you may partially enter any number in “FOR” and partially “AGAINST” but the total number in “FOR/ AGAINST” taken together not exceeding your total shareholding as mentioned herein above. You may also choose the option “ABSTAIN”. If the shareholder does not indicate either “FOR” or “AGAINST” it will be treated as “ABSTAIN” and the shares held will not be counted under either head.

ix) Shareholders holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.

x) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

xi) You may then cast your vote by selecting an appropriate option and click on “SUBMIT”.

xii) A confirmation box will be displayed. Click “OK” to confirm, else “CANCEL” to modify. Once you have voted on the resolution, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the modify your vote. During the voting period, Members can login any number of times till they have voted on the resolution(s).

Other instructions:

i) In case of any queries, you may refer Help & FAQ section of https://evoting.kfintech.com (KFintech website) or call KFintech on 040-67162222 & Toll-free No.1-800-3454-001.

ii) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

iii) The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date viz., 15th July, 2020. However, a person who is not a Member as on the cut-off date should treat this Notice for information purpose only. The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by KFintech upon expiry of the aforesaid period. Once the vote on a resolution is cast by the Member, he will not be allowed to change it subsequently or cast the vote again.

Any person who acquires shares of the Company and becomes a Member of the Company after serving of the Notice to the shareholders and holding shares as on the cut-off date of 15th July, 2020, may obtain the login ID and password by sending a request at einward.ris@kfintech.com. However, if you are already registered with KFintech for remote e-voting then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using "Forgot user details/ Password" option available on https://evoting.kfintech.com

iv) Since the Company is required to provide the Members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date and not casting their vote electronically, may cast their vote during the e-AGM.

v) Members who have cast their votes through remote e-voting may also attend the e-AGM. However, those Members are not entitled to cast their vote again in the e-AGM.

vi) A Member can opt for only one mode of voting i.e. either through remote e-voting or voting at the e-AGM. Thus, voting facility at the e-AGM shall be used only by those who have not exercised their right to vote through remote e-voting.

vii) During the 10th AGM, the Chairman shall, after responding to the questions raised by the Members in advance at the 10th AGM, formally propose to the Members participating through VC/OAVM Facility to vote on the resolutions as set out in the Notice of the 10th AGM and announce the start of the casting of vote through the e-Voting system. After the Members participating through VC/OAVM Facility, eligible and interested to cast votes, have cast the votes, the e-Voting will be closed with the formal announcement of closure of the 10th AGM.

viii) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the and declare the result of the voting forthwith.

The results of voting declared along with the Scrutinizer's Report shall be placed on the Company's website https://parryagro.com/investors/ and on the website of KFintech immediately after the declaration of result by the Chairman or a person authorized by him in writing.

(ix) **Instructions for members for attending the AGM through VC/OAVM facility are as under:**

1. The Company has appointed KFin Technologies Private Limited to provide Video Conferencing facility for conduct of the 10th AGM as an e-AGM (referred herein as "e-AGM") and the attendant enablers for conduct of the e-AGM.
2. Facility of joining the AGM through VC / OAVM shall open at 11.45 A.M. i.e. 15 minutes before the time scheduled for the AGM and may be closed after the expiry of 15 minutes after the scheduled time. The facility shall be available for Members on a first come first served basis.

3. Further Members will be required to allow Camera and use Internet audio settings as and when asked while setting up the meeting.

4. Please note that Members 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.

5. Only those Members/shareholders, who will be present in the e-AGM through Video Conference facility and have not cast their vote already through remote e-voting are eligible to vote through e-voting in the e-AGM.

6. Members who have voted through remote e-voting will be eligible to attend the e-AGM.

7. Members, who would like to ask questions during the 10th AGM with regard to the financial statements or any other matter to be placed at the 10th AGM, need to register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID number/folio number and mobile number, to reach the Company's email address at secretarial@pai.murugappa.com from 16th July,2020 (9:00 a.m. IST) to 20th July, 2020 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the e-AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the e-AGM.

   Due to limitations of transmission and co-ordination during the Q&A session, the Company may dispense with the speaker registration during the e-AGM Conference.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4 – Appointment of Mr. A. Sridhar as a Director of the company liable to retire by rotation

Mr. A. Sridhar is a Chartered Accountant with a post qualification experience of 32 years of service. He had headed finance function in Public-Sector Undertakings, MNC's, various corporate establishments and overseas assignment. The industry exposure includes sectors such as manufacturing, tourism, entertainment and nutraceuticals. In the year 2013, he moved to Parry Agro as Head of Operations and promoted as CEO and Whole Time Director in October 2017.

He retired from the services of the Company as the Chief Executive Officer and Whole Time Director on 31st December, 2019.

The Nomination and Remuneration committee at its meeting held on 24th January, 2020 considered the appointment of Mr. A. Sridhar as an additional director considering his vast experience and valuable contributions to the company during the period of his association.

Since Mr. A Sridhar holds the office of Director till the date of this Annual General Meeting, the Board in its meeting held on 15th June 2020 based on the recommendation of the Nomination and Remuneration Committee considered the candidature of Mr. A. Sridhar as Director of the company and has recommended his appointment as a Director, liable to retire by rotation, for the approval of the shareholders at the 10th Annual General Meeting.

The required consent and disclosure forms have been received from Mr. A. Sridhar.

The information as required under the Secretarial Standards is annexed.

Memorandum of Interest

Except Mr. A. Sridhar being the appointee, none of the Directors or their relatives is concerned or interested, financially or otherwise in the resolution set out under Item No.4 of the Notice.

The Board recommends an ordinary resolution as set out in Item no.4 of the Notice for the approval of the members.

Item No. 5- Ratification of remuneration of Cost Auditor

In accordance with the provisions of Section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (the Rules), the Company is required to appoint a cost auditor to audit the cost records of the Company. The Board based on the recommendations of the Audit Committee had appointed M/s. A R Ramasubramania Raja & Co., Cost and Management Accountants (Firm Registration No. 000519) as Cost Auditor for the financial year 2020-21 at a remuneration of Rs.1,32,000/- (Rupees one lakh thirty-two thousand only) (exclusive of service tax as may be applicable) plus reimbursement of travelling and out of pocket expenses in connection with the cost audit. The remuneration of the cost auditor is required to be ratified by the members under the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of Companies (Audit and Auditors) Rules, 2014.

Memorandum of Interest

None of the Directors or their relatives is concerned or interested, financially or otherwise in the resolution set out under Item No.5 of the Notice.

The Board recommends an ordinary resolution as set out in Item no.5 of the Notice for the approval of the members.

Item No. 6 -Approval of commission to Non – whole time directors

At the Fifth Annual General Meeting of the Company held on held on 28th July 2015, the Members had approved of the payment of commission to Non-Whole Time Directors of the Company not exceeding one percent per annum of the net profits of the Company for a period of five years commencing from April 1, 2015 to 31st March 2020. As the validity of the approval expired on 31st March 2020, the resolution seeking renewal of the approval for another period of five financial years is placed before the members.

Accordingly, it is proposed that in terms of section 197 of the Act, the Directors (excluding Managing Director/ Whole Time Director/Executive Director) be paid, for each of the five consecutive financial years commencing from April 1, 2020, remuneration not exceeding one percent per annum of the net profits of the Company computed in accordance with the provisions of the Act and in the quantum and manner as decided by the Board of Directors from time to time.

Memorandum of Interest

All the Directors of the Company are interested in the Resolution at Item No. 6 of the Notice to the extent of the remuneration that may be received by each of them.

The Board recommends the special resolution set forth in Item No. 6 for the approval of the members.

On behalf of the Board

M M Venkatachalam
Chairman
(DIN: 00152619)

Place: Chennai
Date: June 15, 2020

Details as required under Secretarial Standards

<table>
<tr><th>Particulars</th><th colspan="5">Mr.Ramesh K B Menon</th></tr>
<tr><td>DIN</td><td colspan="5">05275821</td></tr>
<tr><td>Date of Birth</td><td colspan="5">21/10/1960</td></tr>
<tr><td>Date of first appointment on the Board</td><td colspan="5">24/10/2014</td></tr>
<tr><td>Shareholding in the Company as on March 31, 2020</td><td colspan="5">Nil</td></tr>
<tr><td>Relationship with other Director/KMP</td><td colspan="5">Not Applicable</td></tr>
<tr><td>Qualifications</td><td colspan="5">Science graduate from Jaihind college, Mumbai and an alumnus of XLRI, Jamshedpur</td></tr>
<tr><td>Number of Meetings attended during the year</td><td colspan="5">4</td></tr>
<tr><td>Directorship in other Companies as on March 31, 2020</td><td colspan="5">1.E.I.D Parry (India) Limited
2.Tube Investments Of India Limited
3.Ambadi Enterprises Limited
4.Parry Enterprises India Limited
5.Triumph Electoral Trust
6.Parry Agro Industries Limited</td></tr>
<tr><td rowspan="6">Membership / Chairmanship of committees of other Board</td><td>Name of the Company</td><td>Board</td><td>Audit Committee</td><td>Stakeholders Relation ship Committee</td><td>Other Committees</td></tr>
<tr><td>Parry Enterprises India Limited</td><td>Non-Executive Director / Chairman</td><td></td><td></td><td></td></tr>
<tr><td>E.I.D Parry (India) Limited</td><td>Non-Executive Director</td><td></td><td>Member</td><td>Member – Nomination and Remuneration Committee</td></tr>
<tr><td>Tube Investments of India Limited</td><td>Non – Executive Director</td><td>Member</td><td>-</td><td>-</td></tr>
<tr><td>Triumph Electoral Trust</td><td>Non-Executive Director</td><td></td><td></td><td></td></tr>
<tr><td>Ambadi Enterprises Limited</td><td>Non-Executive Director</td><td>-</td><td>-</td><td>-</td></tr>
</table>

Particulars	**Mr. A Sridhar**
DIN	**07913908**
Date of Birth	08/04/1961
Date of first appointment on the Board	24/01/2020
Shareholding in the Company as on March 31, 2020	Nil
Relationship with other Director / KMP	Not Applicable
Qualifications	Chartered Accountant
Number of Meetings attended during the year	1
Directorship in other Companies as on March 31, 2020	NIL

Directors' Report to the Members

Your Directors have pleasure in presenting the 10th Annual Report of the Company together with the Audited Financial Statements for the year ended 31st March, 2020.

The performance highlights of the Company for the year are summarized below:

FINANCIAL RESULTS / OPERATIONS, STATE OF AFFAIRS

The Directors' hereby inform you about the operations of the Company during the twelve months period under review. A comparative statement showing the performance of the company during the years 2019-2020 and 2018-2019 is furnished below:

(₹ in lacs)

Particulars	2019-20	2018-19
Total Income	17,707.44	18,612.45
Profit Before Interest and Depreciation & OCI	489.31	1,215.88
Depreciation	539.48	506.85
Finance Charges	50.24	1.80
Profit Before Tax & OCI	(100.41)	**707.23**
Provision for Tax	103.32	301.35
Net Profit After Tax	(203.73)	**405.88**
Items Recognized in OCI	(504.71)	(530.63)
Total Comprehensive Income / (Loss) for the year	(708.44)	**(124.75)**
Balance of Profit brought forward	3,310.09	3,035.25
Balance available for appropriation	3,106.36	3,441.14
Dividend on Equity Shares	93.92	75.14
Tax on Dividend	19.31	15.30
Transfer to General Reserve	-	40.60
Surplus carried to Balance Sheet	**2,993.13**	**3,310.10**

OPERATIONS AND PERFORMANCE

During the year 2019, the National tea production was recorded at 1,389 million kilograms as against 1,338 million kilograms in 2018, an increase of 51 million kgs. (Increase by + 3.80%.).

The production in North India increased by 56.90 million kgs, (Increase by + 5.1%.) West Bengal production increased by + 30 million kgs and Assam Production increased by + 24 million kgs, which is an increase of +7.6% and +3.45% respectively. The tea production in South India in 2019 stood at 219 million kgs, which is a dropof 5.8 million kilograms (-2.6% decrease) over the year 2018.Tamil Nadu witnessed a drop of 3.50 million kilograms (-2.20 % decrease). The South Indian auction sale averages showed a negative growth by moving downwards from ₹ 105.27/kg. to 99.74/kg (5.25% decrease). The North Indian auction sale averages also showed a negative growth by moving downwards from ₹ 154.21/kg to ₹ 152.65/kg.

COMPANY'S PERFORMANCE

The Company's total income was at ₹ 17,707.44 lacs (including other income of ₹ 329.25 lacs) for the year ended March 31, 2020. The revenue from tea operation was at ₹ 16,866.46 lacs compared to ₹ 17,563.32 lacs in the previous year.

DIVIDEND

Taking into account the financial performance of the company, your directors do not recommend any divided for the financial year ended 31st March, 2020.

Consequently, no amount is proposed to be transferred to the General Reserves of the company.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF THE REPORT

There are no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report.

SHARE CAPITAL

The paid-up Equity share capital of the Company as on 31st March, 2020 was ₹ 3, 75, 68,160. During the year under review, the Company has neither issued shares with differential voting rights nor granted stock options nor sweat equity shares.

DETAILS OF DEPOSITS

The Company has not accepted any Deposits covered under Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF LOANS/GUARANTEES/ INVESTMENTS

There are no loans and guarantees covered under the provisions of Section 186 of the Companies Act, 2013, during the year.

During the year, the company made an investment in ₹ 6,00,000 – 7% Cumulative Non-Participating Redeemable Preference Shares of ₹ 100 each amounting to ₹ 6,00,00,000 of Coromandel Engineering Company Limited.

RISK MANAGEMENT POLICY

The Company has a Risk Management policy which lays down the framework for the evaluation of the business risks, operational control and policy compliance associated with its business through its risk document, on an ongoing basis. The Board is apprised of the risk document and the mitigation plans at the Board meeting.

DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company remains committed in its endeavors to ensure an effective internal control environment that provides assurance on the efficiency and effectiveness of operations, reliability of financial reporting, statutory compliance and security of assets.

The Company has well established and robust internal systems and process in place to ensure smooth functioning of the operations. Effective internal control systems, supported by an Enterprise Resource Planning platform for all business processes, ensure that all transaction controls are continually reviewed and adequately addressed.

The Internal auditors of the Company make continuous assessment of the adequacy and effectiveness of the internal controls and system across the Company.

The Board, Audit Committee and the Management review the findings and the recommendations of the internal auditors and take corrective actions wherever necessary.

RETIREMENT / RESIGNATION OF DIRECTORS

During the year, Mr. Ravisam resigned from the office of directorship of the company on 26th July 2019. The board places on record its deep appreciation for the contributions made by Mr. Ravisam to the company as member of the board and its committees during his tenure of office.

Mr. Ramesh K B Menon, Director (DIN: 05275821) retires by rotation pursuant to Section 152(6) of the Companies Act, 2013 and Article 17.26 of the Articles of Association of the Company at the forth coming Annual General Meeting and being eligiblehimself for re-appointment. In terms of Secretarial Standard on General Meetings (SS-2), the necessary resolution for the re-appointment of Mr. Ramesh K B Menon as a Director of the Company is included in the Notice sent along with the annual report.

APPOINTMENT OF DIRECTORS

Mr. A. Sridhar, CEO & Whole Time Director retired at the close of business hours on 31st December, 2019. The Board of Directors had appointed Mr.A. Sridhar (DIN:07913908) as an Additional Director of the Company with effect from 24th January 2020. Mr.A. Sridhar (DIN:07913908) holds office as Additional Director only upto the date of the forthcoming Annual General Meeting. The necessary resolution for appointment of Mr.A.Sridhar as a Director of the company is included in the Notice sent along with the annual report.

NUMBER OF MEETINGS OF THE BOARD

The Board had met Four (4) times during the financial year ended 31st March, 2020, viz., on 03rd May, 2019, 25th July, 2019, 21st October, 2019, 24th January, 2020.The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 (Act) stating that the Independent Directors of the Company meet with the criteria of Independence laid down in Section 149(6) of the Act.

In accordance with Schedule IV of the Companies Act, 2013, independent Directors (IDs) are required to hold at least one meeting without the attendance of Non independent directors and members of management. In view of the pandemic CoVID-19, the Ministry of Corporate Affairs through its notifications has legislated that for the financial year 2019-20, if the IDs of a company have not been able to hold such a meeting, the same shall not be viewed as a violation.

Accordingly, there was no meeting held by Independent Directors for the Financial year 2019-20.

DIRECTOR'S RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors' make the following statements in terms of Section 134 (3) (c) of the Companies Act, 2013:

a) that in the preparation of the annual financial statements for the year ended 31st March, 2020, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;

b) that the directors had selected such accounting policies as mentioned in Note No.3 of the Financial Statements 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 as at 31st March, 2020 and of the Loss of the company for that period;

c) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d) that the directors had prepared the annual accounts on a going concern basis; and

e) that the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

RELATED PARTY TRANSACTIONS

All transactions with Related Parties entered during the financial year were in the ordinary course of business and on an arm's length basis. There are no materially significant related party transactions made by the Company with its Promoters, Directors, Key Managerial Personnel or their relatives which may have a potential conflict with the interest of the Company at large. There are no contracts or arrangements entered into with Related Parties during the year to be disclosed under Sections 188(1) and 134(h) of the Companies Act, 2013 in form AOC-2. The details of transactions proposed to be entered into with Related Parties are placed before the Audit Committee for its review on a quarterly basis. The Company's policy on dealing with Related Parties as approved by the Board is available on the Company's website at the following link http://parryagro.com/investors/.

None of the Directors and KMPs had any pecuniary relationship or transaction with the Company other than those relating to remuneration in their capacity as Directors/Executives and corporate action entitlements in their capacity as shareholders of the Company.

EXPLANATION AND COMMENTS

The report of statutory auditors is self-explanatory and having no adverse comments.

MATERIAL CHANGE

There are no material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of this report.

DISCLOSURES

AUDIT COMMITTEE

Audit Committee Constituted by the Board of Directors pursuant to Section 177 of the Companies Act, 2013, consists of the following members:

1.	Mr. Ramesh Rajah	-	Chairman
2.	Mr. M M Venkatachalam	-	Member
3.	Mr. Nandlal Ganguli	-	Member
4.	Mr. Ramesh K B Menon	-	Member
5.	Mr. T. Jayaraman	-	Member

The Board has accepted the recommendations of the Audit Committee and there were no incidences of deviation from such recommendations during the financial year under review.

NOMINATION AND REMUNERATION COMMITTEE

Pursuant to Section 178 of the Companies Act, 2013, the Board had constituted a Nomination and Remuneration Committee consisting of the following members:

1.	Mr. T. Jayaraman	-	Chairman
2.	Mr. M M Venkatachalam	-	Member
3.	Mr. Ramesh Rajah	-	Member
4.	Mr. Ramesh K B Menon	-	Member

The said Committee had been empowered and authorized to exercise powers as entrusted under the provisions of Section 178 of the Companies Act, 2013. The Company is following the policy on director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub section 3 of Section 178 of the Companies Act, 2013.

Policy on Criteria for Board Nomination and Remuneration policy is appended as **Annexure I** to the Board's report.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The following is the composition of the Corporate Social Responsibility Committee.

1.	Mr. M M Venkatachalam	-	Chairman
2.	Mr. Nandlal Ganguli	-	Member
3.	Mr. Ramesh K B Menon	-	Member

CORPORATE SOCIAL RESPONSIBILITY POLICY

The Company through its Corporate Social Responsibility (CSR) Committee had formulated the CSR policy as required under Section 135 of the Companies Act, 2013.

SCOPE OF CSR POLICY

This policy will apply to all projects/programmes undertaken as part of the Company's Corporate Social Responsibility initiative and will be developed, reviewed and updated periodically with reference to relevant changes in corporate governance, international standards and sustainable and innovative practices. The policy will maintain compliance and alignment with the activities listed in Schedule VII and Section 135 of the Companies Act 2013 and the rules framed there under.

CSR POLICY IMPLEMENTATION

The Company had undertaken CSR project/ programmes recommended by the CSR Committee and approved by the Board of Directors in line with the CSR Policy.

The Company implemented its CSR programmes/ projects:

a) Through an implementation partner that can be a public charitable trust or a society registered under applicable Acts or a Company registered under Section 8 of the Companies Act 2013; or

b) On its own, through the relevant HR or CSR department or

c) Through AMM foundation specifically created for implementing its CSR initiatives.

The Company may enter into partnerships or alliances with NGOs, Trusts, or other Corporate Foundations etc. to effectively implement its CSR programmes/projects.

The Company can also implement programme in collaboration with other company (ies), if permissible and feasible in such a manner that the CSR Committee is in a position to report separately on such projects / programs.

CSR Reporting

CSR reporting is appended as **Annexure II.**

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

The Company has not received any significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

AUDITORS

STATUTORY AUDITORS

Deloitte Haskins & Sells (Firm registration no. 008072S), Chartered Accountants, Chennai were appointed as the Statutory Auditors of the Company at the 9th Annual General Meeting held on 25th July 2019 to hold the office till the conclusion of 14th Annual General Meeting.

The Auditors have furnished their consent to continue to act as the Statutory Auditors, in terms of Section 139 of the Act and have also provided a certificate to the effect that their appointment shall be in accordance with the conditions laid down and that they satisfy the criteria provided under Section 141 of the Act.

The Auditor's Report does not contain any qualifications, reservations, adverse remarks or disclaimer.

INTERNAL AUDITORS

The Company had appointed P K F Sridhar & Santhanam LLP, Chartered Accountants, Chennai as Internal Auditors of the Company for the financial year 2019-20.

COST AUDITORS

As per the requirement of the Central Government and pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company's cost records are subject to Cost Audit.

The Board of Directors, on the recommendation of the Audit Committee, had appointed M/s. A. R. Ramasubramania Raja & Co., Cost and Management Accountants (Firm Registration No. 000519) as the Cost Auditors to audit the Cost accounting records maintained by the Company for the financial year 2019-20. The members of the company at the 9th Annual General Meeting held on 25th July, 2019 ratified the remuneration payable to the cost auditors amounting to Rs. 1,20,000/- (Rupees One LakhTwenty Thousand) plus applicable tax and reimbursement of out of pocket expenses for the financial year 2019-20.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place Prevention of Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2019-20.

No. of complaints received – Nil

No. of complaints disposed of – Not Applicable

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

The Company has commercial activities calling for conservation of energy and/or technology absorption attracting disclosure in pursuance of Rule 8(3) of the Companies (Accounts) Rules, 2014. During the year, the Company has dealings in foreign exchange earnings and outgo appended as **Annexure III.**

EXTRACTS OF ANNUAL RETURN

The details forming part of the extract of the annual return in the prescribed Form MGT.9 are annexed hereto as **Annexure IV** and also available on the Company's website at the following link http://parryagro.com/investors/.

ACCREDITATION & RECOGNITION

- Your Company's Mayura, Iyerpadi, Paralai, Attikunna & Carolyn factories have been certified with ISO 14001:2004 (Environmental Safety Management Standards).
- Mayura, Attikunna, Carolyn, Paralai & Deckiajuli factories continue to be ISO 9001:2008 (Quality Management System standards) certified.
- Iyerpadi factory continues to be ISO 22000:2005 (Food Safety Standards) certified. The cultivation area under organic certification by IMO is 224.5

Ha. Iyerpadi factory / Paralai estate continues to be certified for Fair Trade International labeling. Rain Forest Alliance (RFA) was obtained in 2014-15 for Paralai Estate & Factory / Iyerpadi Factory and during the year 2016-17 RFA certificate has been obtained for Sheikalmudi group and Carolyn factory.

- As required under the Food Safety And Standards Act, 2006, as amended, Mayura, Attikunna, Carolyn, Paralai, Iyerpadi, Deckiajuli, Sirajuli and Rungajuli factories have been registered and licenses have been granted under the said Act for the manufacture of tea.

- Trust Tea Certification has also been obtained for all our estates in Anamallais, Mango Range and Deckiajuli.

NABL ACCREDITATION

Accreditation by the National Accreditation Board for Testing and Calibration Laboratories (NABL), an autonomous body under the Department of Science and Technology (DST), for the Chemical and Biological Discipline Laboratories of Parry Agro Research and Development Centre continues.

DSIR Recognition

Department of Scientific and Industrial Research (DSIR), Ministry of Science and Technology, New Delhi, has re-affirmed the recognition to the in-house Research and Development unit of your company up to 31.03.2021.

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS

The company has complied with secretarial standards issued by the Institute of Company Secretaries of India in respect of Board Meetings and Annual General Meeting held during the year.

ACKNOWLEDGEMENT

The Directors wish to place on record their sincere thanks to all employees for their continued contribution to the performance of the Company.

The Board also wishes to place on record its appreciation for the co-operation and support received from customers, shareholders, suppliers, government departments and Banks / Financial Institutions.

On Behalf Of the Board

M.M. Venkatachalam
Chairman
(DIN: 00152619)

Place: Chennai
Date: June 15, 2020

CRITERIA FOR BOARD NOMINATIONS

The Nomination and Remuneration Committee (N & R Committee) of the Board is responsible for identifying persons for initial nomination as directors and evaluating incumbent directors for their continued service. The followingarethequalifications,positiveattributesandindependencecriterialaiddownbytheN&RCommittee of M/s Parry Agro Industries Limited in terms of section 178(3) of the Companies Act, 2013 to be considered for nominating candidates for Board positions/re-appointment ofdirectors.

QUALIFICATIONS:

Personal Traits

- Highest personal and professional ethics, integrity andvalues.
- Shares the values and beliefs of theCompany.
- Inquisitive and objective perspective, practical wisdom and maturejudgment.
- Demonstrates intelligence, maturity, wisdom and independentjudgment.
- Self-confidence to contribute to board deliberations has as staturetha to ther board members will respect his or her views.

Experience and Background

- Well accomplished in his / her respectivefield.
- Demonstrated success at policy-setting and strategy development levels in a large organization (such as corporation, government, academic institution orprofession).
- Typically first level leadership position (i.e., Chairman, CEO or President or equivalent) or second level (i.e., CEO, CFO or head of a major subsidiary or line of business) unless the Board is seeking a particular skill set (e.g., technology, human resource management or financial expert).
- Leadership role atthetimeapotentialdirector'sinitialcandidacyisevaluatedmusteitherbecurrentorvery fresh and recent, and incumbent directors should continue to demonstrate a sophisticated understanding and current knowledge of complex businessissues.
- Amasteryofabroadknowledgearea(e.g., engineering, finance, marketing, corporate affairs, technology, law, human resource management, executive leadership) that complements the skills of current board members and proposed boardrole.
- Absence of adverse events (e.g., bankruptcy affiliations, securities law sanctions, disqualifications under Companies Act, 2013 or other applicable laws etc.) that either disqualify or require adverse disclosure.

Fit and proper

- The in tangible sofdemeanor,attitude and inter personal skills that indicate the candidate will be an effective member of the board of directors "team" in a major company setting.
- Should act on fully in for med basis, in goodf aith,with due diligence and care and in the best interest of the Company and its stakeholders.
- Should be able to exercise objective independent judgment on corporateaffairs.
- Special skills, expertise and background that contribute to the diversity of views and perspective of the board as awhole.
- With respect to Directors being nominated for Independent position, the candidate should comply with the "Independence qualifications" as defined by applicable laws.

- Willingness to devote sufficient time to carry out the duties and responsibilities effectively, including attendance atmeetings.
- Willingness to undertake appropriate induction and regularly update and refresh his / her skills, knowledge and familiarity with theCompany.
- Commitment to representing the long-term interests of the shareholders and balancing the interests of stakeholders.
- Willingness to challenge management in a constructive manner while working effectively as a part of a team in an environment of collegiality andtrust.
- Protecting the legitimate interests of the Company, its shareholders and employees and maintain confidentiality.
- Meets the age criteria and applicable tenor restrictions placed by theBoard.
- Absence of an unacceptable number of other boardcommitments.
- Absence of personal and business relationships/directorship that would pose a conflict of interest to the Boardposition.
- Absence of unfair obstruction in the functioning of theBoard/Committees

POSITIVE ATTRIBUTES:

The positive attributes for a director would encompass:

- Ethical Integrity & transparency.
- Has/acquires sufficient knowledge in the Company's business andoperations.
- Demonstrate so undjudgment gained through experience & expertise in management / technical / financial/ governance or regulatory matters.
- Foresight - ability to see and prepare for future, anticipate needs, opportunities andthreats.
- Managerial abilities required to lead and guide the management such as effective communication skills, cultural sensitivity, flexibility, teamplayer, strategic thinking, and balancing risk with opportunity, ability to juggle several variables and make complicated decisions etc.

INDEPENDENCE STANDARDS:

A Director is independent if the Board affirmatively determines that he/she meets the Independence criteria provided under the applicable laws. In addition to applying these guidelines, the Board will consider all relevant facts and circumstances in making its determination relative to a director'sindependence.

Two core objectives in selecting board members and continued board service are that the skills, experiences and perspective so fthe Board as a whole should be broad and diverse, and the collective talent should blend together to be as effective aspossible.

REMUNERATION POLICY OF DIRECTORS AND EMPLOYEES

1. Preamble

This Remuneration Policy provides the framework for remuneration of member so fthe Board of Directors and other employees of the Company.

This Policy is guided by the principles and objectives as enumerated in Section 178 of the Companies Act, 2013 to ensure reasonableness and sufficiency of remuneration to attract, retain and motivate competent resources, a clear relationship of remuneration to performance and a balance between rewarding short and long-term performance of the Company.

This policy reflects the remuneration philosophy and principles of Parry Agro Industries Limited and considers the pay and employment conditions with peers / competitive market to ensure that pay structures are appropriately aligned.

2. Remuneration of Non-Executive Directors

2.1 Non-Executive Directors (“NEDs”) are paid remuneration by way of Sitting Fees andCommission.

2.2 As per Section 197(1) of the Companies Act, 2013,in a company where there is no Managing Director or Whole Time Director, commission to Non-Whole-Time Directors can be paid upto 3% (to all of them put together)of the net profits of the Company computed in accordance with Section198 of the Companies Act, 2013 and the same is subject to the approval of the Shareholders.

(The Company had earlier obtained the approval of the shareholders at the Fifth Annual General Meeting held on 28th July, 2015 for payment of commission to non-whole time directors a sum not exceeding 1% of the net profits of the Company for a period of five years effective from 1st April 2015 to 31st March, 2020*.*

Based on the approval of the shareholders, Commission is being paid at a rate not exceeding 1% per annum of the net profits of the Company. The Commission paid is restricted to a fixed sum within the above limit annually on the basis of their tenure in office during the financial year.)

The payment of the Commission to the NEDs is placed before the Board every year for its consideration and approval.

The sitting fee payable to the NEDs for attending the Board and Committee meetings is fixed subject to the statutory ceiling. The fee is reviewed periodically and aligned to comparable best in class companies.

3. Remuneration to Other Employees

The Company’s total compensation for other employees consists of

- fixed compensation
- variable compensation in the form of annual incentive
- benefits
- work related facilities and perquisites

Fixed compensation is determined on the basis of size and scope of the job typically as reflected by the level or grade of the job, trends in the market value of the job and the skills, experience and performance of the employee. Fixed compensation includes Basic Salary, Housing Allowance, Leave Travel Allowance and a Cash Allowance.

The Annual Incentive (variable pay) of executives is linked directly to the performance of the Business Unit and the Company in accordance with the Employees Incentive Scheme of theCompany.

Based on the grade and seniority of employees, Benefits for employees include:

- Health-Related:
- Health (hospitalization)insurance
- Accident and Lifeinsurance
- Retirement-Related:
- Contribution to a Super annuation Fund (in addition to statutory benefits such as Provident Fund account, Gratuity etc)
- Employees are also eligible for work related facilities and perquisites as may be determined through HR policies issued from time to time based on the Grade of the employee.

A formal annual performance management process is applicable to all employees, including senior executives. Annual increases in fixed and variable compensation of individual executives are directly linked to the performance ratings of individual employee.

Overall compensation shall be subject to periodic reviews which takes into account data from compensation surveys conducted by specialist firms, as well as factors such as affordability based on the Company's performance and the economicenvironment.

Employees may be eligible for ESOPs as per the ESOP program (as and when such a scheme is drawn up) approved by the Shareholders and inforce from time to time. The objective of the ESOP scheme will bet reward employeesfortheircontributiontothe longer growthandprofitabilityoftheCompanyby providing a platform to share the value they create for theCompany.

Employees may be eligible for severance payments in accordance with the termination clause in their employment agreement subject to applicable regulatoryrequirements.

4. Adoption, Changes and Disclosure ofInformation

This Remuneration Policy and any changes thereof are approved by the Board of Directors based on the recommendation(s) of the N&R Committee.

The policy may be reviewed at such intervals as the Board or N&R Committee may deem necessary.

Such disclosures of this Remuneration Policy as may be required under the Companies Act, 2013.

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CSR REPORTING

Brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs

Parry Agro Industries Limited Corporate Social Responsibility Purpose Statement

The Company shall seek to impact the lives of the disadvantaged by supporting and engaging in activities that aim to improve their wellbeing. We are dedicated to the cause of empowering people, educating them and in improving their quality of life. While we will undertake programmes based on the identified needs of the community, education and healthcare shall remain our priority. Across the different programme areas identified by the company, it would be our endeavour to reach the disadvantaged and the marginalised sections of the society to make a meaningful impact in their lives.

We are committed to identifying and supporting programmes aimed at:

- Empowerment of the disadvantaged sections of the society through education, access to and awareness about financial services and the like;
- Provision of access to basic necessities like healthcare, drinking water & sanitation and the like to the under privileged;
- Work towards eradicating hunger and poverty, through livelihood generation and skill development;
- Supporting environmental and ecological balance through afforestation, soil conservation, rain water harvesting, conservation of flora & fauna, and similar programme;
- Promotion of rural sports, nationally recognized sports, paralympic sports and Olympic sports through training of sportspersons;
- Undertake rural development projects;
- Any other programme that falls under our CSR purpose including those listed in schedule VII of the Companies Act, 2013 as may be amended from time to time and is aimed at the empowerment of disadvantaged sections of the society;
- The CSR policy was approved by the committee in October 2014, and the same was put up on the website of the company. The web link to the company's CSR policy : www.parryagro.com

1. The Composition of the CSR Committee

Mr. M M Venkatachalam	-	Chairman
Mr. Nandlal Ganguli	-	Member
Mr. Ramesh K B Menon	-	Member

1.	Average net profits of the Company for last three financial years	₹ 633.35 lacs
2.	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	₹ 12.67 lacs
3.	Details of CSR spent during the financial year 2019-20:	
	a) Total amount to be spent for the financial year	₹ 12.67 lacs
	b) Amount unspent, if any	Nil

c) Manner in which the amount spent during the financial year is detailed below:

Sl. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1)Local area or other (2)Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs sub heads: (1)Direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure up to the reporting period	Amount spent direct or through implementing agency*
1	Towards School Building Infrastructure Development of Panchayat Union Schools at Murugali Estate and Sheikalmudi Estates	Education	Local Area, Murugali PO, Coimbatore Dist., Tamil Nadu	₹ 7.83 lacs	1) ₹ 7.83 lacs	₹ 7.83 lacs	Directly spent by Parry Agro
2	Towards School Building Infrastructure Development,The Government Higher Secondary School, Kukatpally, Pandalur Taluk, Nilgiris	Education	Local Area Pandalur Taluk, Nilgiris	₹ 2.14 lacs	1) ₹ 2.14 lacs	₹ 9.97 lacs	Directly spent by Parry Agro
3	Towards Construction of Bus Stand Sukal Chowk, Rajagarh Village,Udalguri Dist	Rural Development	Local Area Rajgarh, Udalguri Dist.	₹ 2.70 lacs	1) ₹ 2.70 lacs	₹ 12.67 lacs	Directly spent by Parry Agro

5. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in Board report

   Parry Agro has spent a total amount of 12.67 lacs as against the CSR commitment of 12.67 lacs. Thereby meeting its commitment to the CSR expenditure for the year 2019-20.

6. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company

To the best of their knowledge and belief and according to the information and explanations obtained by them, the Members. of the CSR Committee make the following statement:

That in the implementation of the CSR policy is in compliance with the CSR Objectives and Policy of the company. The CSR projects undertaken during the year 2019-20 have focused on supporting education & in line with priority of the CSR Objectives and Policy.

Ramesh K B Menon
Member
(DIN: 05275821)

M.M. Venkatachalam
Chairman CSR Committee
(DIN: 00152619)

Chennai
June 15, 2020

Annexure to the Directors' Report

I. Information under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 2014 and forming part of the Directors' Report:

A. Conservation of Energy

a) The Company continues to focus on energy conservation and various steps are in place to optimize efficiencies in the production system. Variable frequency drives, flat belt drives and replacement of low efficiency motors with high efficiency motors were the specific areas of energy conservation measures carried out during the year

b) Carolyn factory sifting room has been fully mechanized and automated which has reduced the electricity consumption during previous year.

c) Modification on existing Ball separator in CFM room is done at Deckiajuli Factory. This has reduced reprocessing of ball mall by almost 40% in 2019-20. Lowering of reprocessing of ball mall helps to reduce drier fuel cost as well as electricity cost

d) In Rajajuli Factory the electrical consumption was reduced from 0.81units/kg of made tea in 2018 to 0.74 in 2019 which is a reduction of 9%. This reduction was achieved by increasing process efficiencies and close monitoring.

e) Replacement of Fluorescent tube lights with LED tube lights across various locations has resulted in savings in electricity cost

f) Continuous review of various equipment and manufacturing processes are being made for up-gradation to make them more energy efficient.

g) Replacement of old type fuse system in withering trough and sorting machinery with new MCCB was carried out at Deckiajuli factory

h) New BOM Calorimeter is bought to check the GCV value of coal for Assam locations. This has enabled factory to check GCV value of supplied coal and ultimate control on supply quality.

i) The Company's initiatives on energy conservation measures continue to help in reducing overall fuel consumption and in cost of firing.

j) Particulars required in Form A are enclosed.

B. Technology Absorption, Research and Development

a) Continuous research and development activities in the area of product quality improvement, crop improvement, and bio formulations for pest and diseases control were carried out during 2019-2020.

b) Established biocontrol unit at Murugalli R&D for mass rearing, and release of predators to control pests in tea plantations. Predators are released for management of TMB

c) Established Nicety unit at Mayura factory for production of iced tea

d) Experimenting on various organic source of N for nutrition management in organic fields

e) The Company continues to contribute to the Fund for Research and Development at the Tea Research Institute of the United Planters' Association of Southern India at Cinchona, Tamil Nadu and the Tea Research Association's Research Station in Jorhat, Assam, as member of these bodies.

f) During 2019-20, revenue expenditure incurred on Research & Development related activities amounted to ₹ 88.48 lacs.

C. Foreign Exchange Earnings and Outgo

The particulars relating to foreign exchange earnings and outgo during the financial year under review are as follows:

Foreign Exchange	Earned	:	₹ 1216.42 lacs
	Used	:	₹ 8.17 lacs

For and On behalf of the Board

Place: Chennai
Date: June 15, 2020

M.M. VENKATACHALAM
Chairman
(DIN:00152619)

ANNEXURE

FORM - A (See Rule - 2)

Form for disclosure of particulars with respect to conservation of energy

Particulars	UNIT	Year ended 31st March 2020	Year ended 31st March 2019
A. POWER & FUEL CONSUMPTION			
1. Electricity			
a) Purchased			
Units	Lac KWH	**86**	**85**
Total amount	₹ Lacs	**755**	**743**
Rate/unit	₹	**8.80**	**8.75**
b) Own Generation			
Through Diesel Generator Units			
Units	Lac KWH	**9**	**7**
Units Per Ltr of Diesel Oil	Units	**2.95**	**2.88**
Cost/unit	₹	**22.98**	**24.71**
c) Solar Energy			
Units	Lac KWH	**1.5**	**1.8**
Total amount	₹ Lacs	**10**	**10**
Rate/unit	₹	**6.80**	**5.90**
2. COAL			
Quantity	MT	**8,388**	**7,965**
Total cost	₹ Lacs	**630**	**627**
Average Rate/Tonne	₹	**7,512**	**7,866**
3. PADDY HUSK			
Quantity	MT	**170**	**96**
Total cost	₹ Lacs	**6**	**4**
Average Rate/Tonne	₹	**3,656**	**4,350**
4. HSD			
Quantity	K.Lts	**306**	**264**
Total Cost	₹ Lacs	**207**	**186**
Average Rate/Ltr	₹	**68**	**70**
5. Firewood / Briquettes			
Quantity	MT	**8,098**	**7,665**
Total Cost	₹ Lacs	**322**	**317**
Average Rate/Tonne	₹	**3,976**	**4,138**
6. LPG			
Quantity	Kgs	**69,659**	**81,023**
Total Cost	₹ Lacs	**41**	**50**
Average Rate / Kg	₹	**58**	**61**
B. CONSUMPTION PER UNIT OF PRODUCTION			
Electricity	KWH	**0.78**	**0.75**
HSD	Litre	**0.07**	**0.06**
Coal	Kg	**0.73**	**0.71**
Paddy Husk	Kg	**0.04**	**0.02**
Firewood/Briquettes	Kg	**1.55**	**1.43**
LPG	Gms	**22.11**	**26.03**

For and On behalf of the Board

Place: Chennai
Date: June 15, 2020

M.M. VENKATACHALAM
Chairman
(DIN:00152619)

Annexure - IV

Form No.MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2020

[Pursuant to Section 92(3) *of the Companies Act, 2013,* and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I.	**REGISTRATION AND OTHER DETAILS:**	
i)	CIN	U01132TN2011PLC079800
ii)	Registration Date	23rd March, 2011
iii)	Name of the Company	Parry Agro Industries Limited
iv)	Category/Sub-Category of the Company	Company Limited by Shares / Indian Non-Government Company
v)	Address of the Registered Office and contact details	Parry House, 5th floor, No.43, Moore Street, Chennai -600 001. Tel. : + 91 044 2530 6852 Fax : + 91 044 2535 8114 E-mail : secretarial@pai.murugappa.com
vi)	Whether listed Company	No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any:	KFin Technologies Private Limited (formerly Karvy Fintech Private Limited) Karvy Selenium, Tower B, Plot No.31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032. Tel : + 91 40 2342 0815 - 24 Toll Free : 1 - 800 3454001 Fax : + 91 40 2342 0814 Email : einward.ris@kfintech.com Website : www.kfintech.com
II.	**PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**	
	All the business activities contributing 10% or more of the total turnover of the company shall be stated:-	As per Annexure A
III.	**PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**	As per Annexure B
IV.	**SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK UP AS PERCENTAGE OF TOTAL EQUITY)**	
(i)	Category-wise Share Holding	As per Annexure C
(ii)	Shareholding of Promoters	As per Annexure D
(iii)	Change in Promoters' Shareholding	As per Annexure E
(iv)	Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)	As per Annexure F
(v)	Shareholding of Directors and Key Managerial Personnel:	As per Annexure G

V	**INDEBTEDNESS**	
	Indebtedness of the Company including interest outstanding/accrued but not due for payment	As per Annexure H
VI.	**REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**	
	A. Remuneration to Managing Director, Whole-time Directors and / or Manager	As per Annexure I
	B. Remuneration to other Directors	As per Annexure J
	C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD	As per Annexure K
VII.	**PENALTIES / PUNISHMENT /COMPOUNDING OF OFFENCES**	As per Annexure L

ANNEXURE A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl.No.	Name and Description of main products/ services	NIC Code of the Product/ service*	% of total turnover of the company
1	Manufacturing and selling of Tea	10791	100

* As per National Industrial Classification - Ministry of Statistics and Program Implementation.

ANNEXURE B

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Ambadi Investments Limited	U65993TN1942PTC003659	Holding Company	77.92%	2 (46)

ANNEXURE C

IV. SHAREHOLDING PATTERN (Equity Share Capital break up as percentage of total equity)

(i) Category-wise Shareholding

	CATEGORY OF SHAREHOLDERS	NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR (As on 01.04.2019)				NO. OF SHARES HELD AT THE END OF THE YEAR (As on 31.03.2020)				% CHANGE DURING THE YEAR
		DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	
(A)	**PROMOTERS**									
(1)	**INDIAN**									
(a)	Individual /HUF	4,75,700	-	4,75,700	12.66	5,00,923	-	5,00,923	13.33	0.67
(b)	Central Government/State Government(s)	-	-	-	0.00	-	-	-	-	0.00
(c)	Bodies Corporate	29,63,678	-	29,63,678	78.89	29,87,589	-	29,87,589	79.52	0.64
(d)	Financial Institutions / Banks	-	-	-	0.00	-	-	-	-	-
(e)	Others	-	-	-	0.00	-	-	-	-	-
	Sub-Total A(1) :	**34,39,378**	-	**3439,378**	**91.55**	**34,88,512**	-	**34,88,512**	**92.86**	**1.31**
(2)	**FOREIGN**	-	-	-	-	-	-	-	-	-
(a)	**Individuals (NRIs/Foreign Individuals)**	**67,000**	-	**67,000**	**1.78**	**67,000**	-	**67,000**	**1.78**	-
(b)	Bodies Corporate	-	-	-	0.00	-	-	-	-	-
(c)	Institutions	-	-	-	0.00	-	-	-	-	-
(d)	Qualified Foreign Investor	-	-	-	0.00	-	-	-	-	-
(e)	Others	-	-	-	0.00	-	-	-	-	-
	Sub-Total A(2) :	**67,000**	-	**67,000**	**1.78**	**67,000**	-	**67,000**	**1.78**	**-**
	Total A=A(1)+A(2)	**35,06,378**	-	**35,06,378**	**93.33**	**35,55,512**	-	**35,55,512**	**94.64**	**1.31**
(B)	**PUBLIC SHAREHOLDING**									
(1)	**INSTITUTIONS**									
(a)	Mutual Funds /UTI	-	-	-	0.00	-	-	-	-	-
(b)	Financial Institutions /Banks	-	50	50	0.00	61	50	111	-	-
(c)	Central Government / State Government(s)	-	-	-	0.00	-	-	-	-	-
(d)	Venture Capital Funds	-	-	-	0.00	-	-	-	-	-
(e)	Insurance Companies	-	-	-	0.00	-	-	-	-	-
(f)	Foreign Institutional Investors	-	-	-	0.00	-	-	-	-	-
(g)	Foreign Venture Capital Investors	-	-	-	0.00	-	-	-	-	-
(h)	Qualified Foreign Investor	-	-	-	0.00	-	-	-	-	-
(i)	Others	-	-	-	0.00	-	-	-	-	-
	Sub-Total B(1) :	-	**50**	**50**	**-**	**60**	**50**	**111**	-	**-**
(2)	**NON-INSTITUTIONS**									
(a)	**Bodies Corporate**	**24,867**	**964**	**25,831**	**0.69**	**1,055**	**903**	**1,958**	**0.05**	**(0.64)**
(b)	**Individuals**									
(i)	Individuals holding nominal share capital upto ₹ 1 lakh	34,994	42,485	77,479	2.06	36,790	24,086	60,876	1.62	(0.44)
(ii)	Individuals holding nominal share capital in excess of ₹ 1 lakh	1,46,717	-	1,46,717	3.91	1,21,494	-	1,21,494	3.23	(0.67)
(c)	**Others**		-							-
	NON RESIDENT INDIANS	18	-	18	0.00	518	-	518	0.01	0.01
	NRI NON-REPATRIATION	43	-	43	0.00	43	-	43	-	0.00
	TRUSTS	**300**	-	**300**	**0.01**	**300**	-	**300**	**0.01**	**0.00**
(d)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
	Sub-Total B(2) :	**206939**	**43449**	**250388**	**6.66**	**176204**	**24989**	**201193**	**5.36**	**(1.31)**
	Total B=B(1)+B(2) :	**206939**	**43499**	**250438**	**6.67**	**176265**	**25039**	**201304**	**5.36**	**(1.31)**
	Total (A+B) :	**3713317**	**43499**	**3756816**	**100.00**	**3731777**	**25039**	**3756816**	**100.00**	-
(C)	**Shares held by custodians, against which Depository Receipts have been issued**	-	-	-	-	-	-	-	-	-
(1)	Promoter and Promoter Group									
(2)	Public	-	-	-	-	-	-	-	-	-
	GRAND TOTAL (A+B+C) :	**3713317**	**43499**	**3756816**	**100.00**	**3731777**	**25039**	**3756816**	**100.00**	-

ANNEXURE D

IV SHAREHOLDING PATTERN (Equity Share Capital breakup as percentage of total equity)

ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01.04.2019)			Shareholding at the end of the year (As on 31.03.2020)			
		No. of Shares	% of total shares of the company	% of shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the company	% of shares Pledged / encumbered to total shares	% change in shareholding during the year
1	AMBADI INVESTMENTS LIMITED	29,27,378	77.92	-	29,27,414	77.92	-	-
2	M A M ARUNACHALAM	66,446	1.77	-	66,446	1.77	-	-
3	M M VENKATACHALAM	49,821	1.33	-	-	-	-	(1.33)
4	S VELLAYAN	38,887	1.04	-	-	-	-	(1.04)
5	A VENKATACHALAM	34,096	0.91	-	34,096	0.91	-	-
6	A VELLAYAN	33,946	0.90	-	33,946	0.90	-	-
7	M A MURUGAPPAN HOLDINGS LLP	23,875	0.64	-	23,875	0.64	-	-
8	MA ALAGAPPAN HOLDINGS PRIVATE LIMITED	23,875	0.64	-	23,875	0.64	-	-
9	ARUN ALAGAPPAN	16,846	0.45	-	16,846	0.45	-	-
10	M V SUBBIAH	14,975	0.40	-	-	-	-	(0.40)
11	MM MUTHIAH RESEARCH FOUNDATION	10,125	0.27	-	-	-	-	-
12	M M MURUGAPPAN	9,871	0.26	-	9,871	0.26	-	-
13	M V SUBBIAH	8,300	0.22	-	8,300	0.22	-	-
14	M V MURUGAPPAN	5,000	0.13	-	5,000	0.13	-	-
15	M M VENKATACHALAM	3,700	0.10	-	3,700	0.10	-	-
16	M M MURUGAPPAN	3,700	0.10	-	3,700	0.10	-	-
17	M.M.VEERAPPAN	3,000	0.08	-	3,000	0.08	-	-
18	M M MUTHIAH	3,000	0.08	-	3,000	0.08	-	-
19	ARUN ALAGAPPAN	2,025	0.05	-	2,025	0.05	-	-
20	M A M ARUNACHALAM	2,025	0.05	-	2,025	0.05	-	-
21	ARUN VENKATACHALAM	2,000	0.05	-	2,000	0.05	-	-
22	M A ALAGAPPAN	2,000	0.05	-	2,000	0.05	-	-
23	M V SUBRAMANIAN	2,000	0.05	-	-	-	-	(0.05)
24	M V MUTHIAH	2,000	0.05	-	-	-	-	(0.05)
25	AMBADI ENTERPRISES LTD	1,600	0.04	-	1,600	0.04	-	-
26	V ARUNACHALAM	1,000	0.03	-	1,000	0.03	-	-
27	V NARAYANAN	1,000	0.03	-	1,000	0.03	-	-
28	AMM VELLAYAN SONS PRIVATE LIMITED	375	0.01	-	375	0.01	-	-
29	A.R LAKSHMI ACHI TRUST	325	0.01		325	0.01		
	TOTAL	**32,93,191**	**87.66**	**-**	**31,85,544**	**84.79**	**-**	**(2.87)**

ANNEXURE E

IV SHAREHOLDING PATTERN (Equity Share Capital breakup as percentage of total equity)

iii) Change in Promoters’ Shareholding

	Change in Promoters’ Shareholding	Shareholding at the beginning of the year (As on 01.04.2019)		Transaction during the year			Cumulative Shareholding during the year (01.04.2019 to 31.03.2020)	
Sl. No.	Shareholder’s Name	No. of Shares	% of total shares of the company	Date	Increase/ (Decrease) in shareholding	Reason	No. of Shares	% of total shares of the company
1	M M VENKATACHALAM	49,821	1.33	31.01.2020	13,623	Transfer	36,198	-
				7.02.2020	36,198	Transfer	-	-
2	S VELLAYAN	38,887	1.04	5.07.2019	38,887	Transfer	-	-
3	M V SUBBIAH	14,975	0.40	5.07.2019	14,975	Transfer	-	-
4	M V SUBRAMANIAN	2,000	0.05	31.01.2020	2000	Transfer	-	-
5	M V MUTHIAH	2,000	0.05	31.01.2020	2000	Transfer	-	-

ANNEXURE F

IV SHAREHOLDING PATTERN (Equity Share Capital breakup as percentage of total equity)

(iv) Shareholding Pattern of Top 10 Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl.No.	Name	Shareholding	% of total shares of the company	Increase / (Decrease) in shareholding	Reason	Cumulative Shareholding during the year	
		Shareholding at the beginning of the year (01.04.2019)				No of Shares Held As on (31.03.2020)	% of total shares of the company
1	F L DADABHOY	21,236	0.57	-		21,236	0.57
2	P F DADABHOY	16,350	0.44	-		16,350	0.44
3	N F DADABHOY	15,450	0.41	-		15,450	0.41
4	R F DADABHOY	13,380	0.36	-		13,380	0.36
5	SHIRIN WATWANI	12,180	0.32	-		12,180	0.32
6	SM SWETHARANYAM	3,000	0.08	-		3,000	0.08
7	HARBANS SINGH BAWA	2,715	0.07			2,715	0.07
8	LALITCHAND ABHAICHAND	1,681	0.04	-		1,681	0.04
9	PRADIPKUMAR BABULAL SHAH	331	0.01	331	Transfer		
				(331)	Transfer	331	0.01
10	MANOJ JAYANTILAL MEHTA	624	0.02	-		624	0.02
	Total	**87,278**	**2.32**	**(3,046)**		**84,232**	**2.24**

ANNEXURE G

IV SHAREHOLDING PATTERN (Equity Share Capital breakup as percentage of total equity)

(v) Shareholding Pattern of Directors and Key Managerial Personnel:

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year (As on 01.04.2019)		Cumulative Shareholding during the year (As on 31.03.2020)	
		No. of shares	% of total shares of the company	No.of shares	% of total shares of the company
	M M VENKATACHALAM, Director				
1.	At the beginning of the year	49,821	1.33	-	-
2.	Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat Equity etc) 31.01.2020-transfer -13,623 7.02.2020-transfer-36,198	-	-	-	-
3.	At the end of the year	-	-	-	-

ANNEXURE H

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

(₹ in Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

ANNEXURE I

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager A. Sridhar - Whole Time Director Upto 31.12.2019	Total Amount
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	116.11	116.11
	(b) Value of perquisites under section 17(2) of the Income-tax Act, 1961	5.54	5.54
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	NA	NA
2.	Stock Option	NA	NA
3.	Sweat Equity	NA	NA
4.	Commission	NA	NA
	- as % of profit		
	- others		
5.	Others	NA	NA
	Total (A)	****121.65**	****121.65**
	Ceiling as per the Act	NA*	

* The company has obtained approval from the shareholders as per the Section 197 read with Part II of Schedule V of the Companies Act, 2013.

** Mr. A Sridhar, CEO & Wholetime Director retired at the Close of business hours on 31st December, 2019. Remuneration as shown above includes salary, allowances, Company's contribution to provident, superannuation and gratuity funds, medical facilities and perquisites valued as per income-tax rules. The remuneration above also includes the gratuity and leave encashment settlement on retirement.

ANNEXURE J

B. Remuneration to other Directors

Sl. No.	Particulars of Remuneration	Names of Directors							Total Amount (₹ in lacs)
1.	**Independent Directors**	Mr. NANDLAL GANGULI	Mr. RAMESH RAJAH	Mr. RAVI SAM	Mr. T.JAYA-RAMAN	Mr. RAMESH K B MENON	MR. M M VENKATACHALAM	Mr. A. SRIDHAR	
	Fee for attending board/committee meetings	0.50	0.75	0.15	0.35	-	-	-	1.75
	Commission	-	-	-	-	-	-	-	-
	Others	-	-	-	-	-	-	-	-
	Total (1)	0.50	0.75	0.15	0.35	-	-	-	1.75
2.	**Other Non-Executive Directors**								
	Fee for attending Board/committee meetings	-	-	-	-	0.60	0.80	0.10	1.50
	Commission	-	-	-	-	-	-	-	-
	Total (2)	-	-	-	-	0.60	0.80	0.10	1.50
	Total Managerial Remuneration (1+2)	0.50	0.75	0.15	0.35	0.60	0.80	0.10	3.25
	Over all Ceiling as per the Act	NA							

Annexure K

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CFO	CS	Total
1.	Gross salary	NA	NA	NA	NA
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act,1961				
2.	Stock Option	NA	NA	NA	NA
3.	Sweat Equity	NA	NA	NA	NA
4.	Commission - as % of profit -others	NA	NA	NA	NA
5.	Others,please specify	NA	NA	NA	NA
	Total	NA	NA	NA	NA

Annexure L

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type		Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed if any	Authority (RD/ NCLT/COURT)	Appeal made, if any
A.	**Company**	None				
	Penalty					
	Punishment					
	Compounding					
B.	**Directors**	None				
	Penalty					
	Punishment					
	Compounding					
C.	**OTHER OFFICERS IN DEFAULT**	None				
	Penalty					
	Punishment					
	Compounding					

Independent Auditor's Report

TO THE MEMBERS OF PARRY AGRO INDUSTRIES LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Parry Agro Industries Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2020, 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 a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2020, and its profit, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, for example, the Directors report and related annexures, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and the reports of the other auditors.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

      In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone 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.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" astatement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No. 008072S)

Ananthi Amarnath
Partner
(Membership No. 209252)
UDIN: 20209252AAAAFU3664

Place : Chennai
Date : June 15, 2020

Report on Internal Financial Controls Over Financial Reporting

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) 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 **Parry Agro Industries Limited** ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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.

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, 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 March 31, 2020, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No. 008072S)

Ananthi Amarnath
Partner
(Membership No. 209252)
UDIN: 20209252AAAAFU3664

Place : Chennai
Date : June 15, 2020

Annexure "B" to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' Section of our report of even date)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings, are held in the name of the Company as at the balance sheet date, except in the case of certain land of the Company admeasuring 1,094.53 acres, where the title deed is under dispute. In respect of this land, the Company is of the view that it is eligible to get patta under the Janmam Abolition Act and that it will be able to defend any counter claims to such property.

(ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(iv) The Company has not granted any loans, made investments or provided guarantees and hence reporting under clause (iv) of the CARO 2016 is not applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and hence compliance with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the deposits accepted is not applicable to the Company.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, Cess and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, Cess and other material statutory dues in arrears as at 31st March 2020 for a period of more than six months from the date they became payable.

(c) Details of dues of Income Tax which have not been deposited as on 31st March 2020 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute	Period to which the Amount Relates	Amount Involved (₹) in lacs	Amount Unpaid (₹) in lacs
Income Tax Act, 1961	Income Tax	Commissioner of Income tax, (appeals)	Assessment year 2011-12	6.09	6.09

(viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause (viii) of CARO 2016 is not applicable to the Company.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 Order is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No. 008072S)

Ananthi Amarnath
Partner
(Membership No. 209252)
UDIN: 20209252AAAAFU3664

Place : Chennai
Date : June 15, 2020

Balance Sheet as at March 31, 2020

Particulars	Notes	As at March 31, 2020 ₹ in Lacs	As at March 31, 2019 ₹ in Lacs
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	3,772.26	4,034.68
(b) Capital work-in-progress		681.60	523.38
(c) Right of use assets	4A	137.50	-
(d) Financial assets			
(i) Other investments	5A	725.93	715.16
(ii) Other financial assets	6A	300.16	287.58
(e) Deferred Tax Assets (Net)	14	105.63	136.95
(f) Other non-current assets	7A	186.37	28.36
Total Non-current assets		**5,909.45**	**5,726.11**
Current assets			
(a) Inventories	8A	2,042.04	1,836.41
(b) Biological Assets	8B	50.01	34.91
(c) Financial assets			
(i) Investments	5B	2,505.02	3,286.33
(ii) Trade receivables	9	350.16	673.31
(iii) Cash and cash equivalents	10 A	244.23	126.61
(iv) Other Bank Balances	10 B	603.52	1,086.14
(v) Other financial assets	6B	105.60	101.09
(d) Other Current assets	7B	411.47	283.44
Total Current assets		**6,312.05**	**7,428.24**
Total Assets		**12,221.50**	**13,154.35**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	11	375.68	375.68
(b) Other equity	12	7,832.06	8,645.42
Total Equity		**8,207.74**	**9,021.09**
Current liabilities			
(a) Financial liabilities			
(i) Total outstanding dues to micro enterprises and small enterprises	15	12.32	7.72
(ii) Total outstanding dues to other than micro enterprises and small enterprises	15	1,781.82	2,024.36
(iii) Lease liabilities		40.34	-
(iv) Other financial liabilities	16	104.62	86.07
(b) Provisions	13	1,287.89	1,266.00
(c) Current Tax Liabilities	13A	226.15	370.09
(d) Other Current liabilities	17	457.38	379.02
Total Current Liabilities		**3,910.52**	**4,133.26**
Non - Current liabilities			
(a) Lease liabilities		103.24	-
Total Non Current Liabilities		**103.24**	**-**
Total Equity and Liabilities		**12,221.50**	**13,154.35**
See accompanying notes forming part of the financial statements.			

In terms of our report attached.
For Deloitte Haskins & Sells
Chartered Accountants

Ananthi Amarnath
Partner

Place : Chennai
Date : June 15, 2020

For and on behalf of the Board of Directors

M.M. Venkatachalam
Chairman
(DIN:00152619)

A. Sridhar
Director
(DIN:07913908)

Statement of Profit and Loss for the year ended March 31, 2020

S. No.	Particulars	Notes	For the year ended March 31, 2020 ₹ in Lacs	For the year ended March 31, 2019 ₹ in Lacs
I	Revenue from Operations	18	17,378.19	18,010.82
II	Other Income	19	329.25	601.63
III	**Total Income (I+II)**		**17,707.44**	**18,612.45**
IV	**EXPENSES**			
	Cost of Material Consumed		4,720.45	4,817.94
	Purchase of Stock-in-Trade		18.52	4.35
	Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	20	(248.42)	48.95
	Changes in Biological Assets	20	(15.10)	6.60
	Employee Benefits Expense	21	7,641.38	7,279.76
	Finance Costs	22	50.24	1.80
	Depreciation and Amortisation Expense	4 & 4A	539.48	506.85
	Other Expenses	23	5,101.30	5,238.97
	Total Expenses (IV)		**17,807.85**	**17,905.22**
V	**(Loss) / Profit before tax (III-IV)**		**(100.41)**	**707.23**
VI	**Tax expense**			
	(1) Current Tax	14	72.00	220.00
	(2) Deferred Tax	14	31.32	81.35
			103.32	**301.35**
VII	**(Loss) / Profit for the Year (V - VI)**		**(203.73)**	**405.88**
VIII	**Other Comprehensive Income [OCI]**			
	(a) Remeasurement of the defined benefit plans		(92.19)	(63.93)
	(b) Fair valuation of Equity Instruments through OCI		(412.52)	(475.02)
	(c) Tax impact on remeasurement defined under (a) above	14	-	8.32
IX	**Total Other Comprehensive Loss**		**(504.71)**	**(530.63)**
X	**Total Comprehensive (Loss)/ Income for the year (VII + IX)**		**(708.44)**	**(124.75)**
XI	**Earnings per equity share (₹ 10 each) on Profit for the year (VII)**			
	- Basic		(5.42)	10.80
	- Diluted		(5.42)	10.80

In terms of our report attached.
For Deloitte Haskins & Sells
Chartered Accountants

Ananthi Amarnath
Partner

Place : Chennai
Date : June 15, 2020

For and on behalf of the Board of Directors

M.M. Venkatachalam
Chairman
(DIN:00152619)

A. Sridhar
Director
(DIN:07913908)

Statement of changes in equity for the year ended March, 31 2020

A. Equity share capital - Refer Note : 11		(₹ in Lacs)
Particulars	**No. of Shares held**	**Amount**
Balance as at March, 31 2019	37,56,816	375.68
Changes in equity share capital during the year	-	-
Balance as at March, 31 2020	37,56,816	375.68

B. Other Equity - Refer Note: 12				(₹ in Lacs)
Particulars	**Reserves and Surplus**		**Items of Other Comprehensive Income**	**Total**
	General Reserve	**Retained Earnings**		
Balance at the end of the year - March 31, 2018	**5,465.45**	**3,035.26**	**359.89**	**8,860.60**
Profit for the year		405.88		**405.88**
Less :Transfer to General Reserve		(40.60)		**(40.60)**
Final dividend paid during the year		(75.14)		**(75.14)**
Tax on Dividend		(15.30)		**(15.30)**
Add :Fair value of investment			(475.02)	**(475.02)**
Add :Remeasurement of defined benefit plan			(63.93)	**(63.93)**
Add : Tax on remeasurement of defined benefit plan			8.32	**8.32**
Transfer from retained earnings	40.60			**40.60**
Balance at the end of the year - March 31, 2019	**5,506.05**	**3,310.11**	**(170.74)**	**8,645.42**
Profit for the year		(203.73)		**(203.73)**
Less :Transfer to General Reserve		-		**-**
Final dividend paid during the year		(93.92)		**(93.92)**
Tax on Dividend		(19.31)		**(19.31)**
Add :Fair value of investment			(412.52)	**(412.52)**
Add :Remeasurement of defined benefit plan			(92.19)	**(92.19)**
Add : Tax on remeasurement of defined benefit plan			8.32	**8.32**
Transfer from retained earnings	-			**-**
Balance at the end of the year - March 31, 2020	**5,506.05**	**2,993.15**	**(667.13)**	**7,832.07**
See accompanying notes forming part of the financial statements				

In terms of our report attached.
For Deloitte Haskins & Sells
Chartered Accountants

Ananthi Amarnath
Partner

Place : Chennai
Date : June 15, 2020

For and on behalf of the Board of Directors

M.M. Venkatachalam
Chairman
(DIN:00152619)

A. Sridhar
Director
(DIN:07913908)

Cash Flow Statement for the year ended March 31, 2020

	Particulars	For the year ended March 31, 2020 ₹ in Lacs	For the year ended March 31, 2019 ₹ in Lacs
A.	**Cash flow from Operating Activities**		
	Net Profit Before Tax	**(100.41)**	**707.23**
	Adjustment for:		
	Depreciation	539.48	506.85
	Finance Costs	50.24	1.80
	Interest Income	(119.50)	(80.31)
	Dividend Income	(0.09)	(0.12)
	Provision for Contingency	6.66	7.48
	Profit on sale of Property, Plant & Equipment (net)	-	(240.67)
	Provision for doubtful advances	-	18.23
	Provision for Investment impairments	-	98.49
	Profit on sale of current investments	(132.56)	(67.59)
	Fair Value changes in current investments	-	(136.06)
	Provision no longer required written back	(44.23)	(17.77)
	Share of Loss from Partnership firm	0.10	0.10
	Unrealised exchange variation (Net)	(8.17)	(1.40)
	Operating Profit before Working Capital changes	**192.25**	**796.28**
	a) Decrease / (Increase) in Trade receivables	331.32	(327.78)
	b) Decrease/ (Increase) in Other financial assets	(4.99)	(5.47)
	c) Decrease/ (Increase) in Inventories	(220.74)	(55.53)
	d) Decrease/ (Increase) in Other Assets	22.32	(27.88)
	a) Increase/ (Decrease) in Trade Creditors	(238.41)	63.19
	b) Increase/ (Decrease) in Other financial liabilities	18.55	4.00
	c) Increase / (Decrease) in Other Liabilities	185.77	31.96
	Changes in Working Capital	**93.82**	**(317.51)**
	Cash generated from operations	**286.07**	**478.77**
	Taxes Paid	(209.24)	(154.24)
	Net Cash generated from Operating Activities	**76.83**	**324.53**
B.	**Cash Flow From Investing Activities**		
	Capital Expenditure (net of subsidy received)	(607.50)	(678.44)
	Proceeds from Sale of Property, Plant & Equipment	38.66	470.66
	Sale / (Purchase) proceeds of Short Term Investments (net)	181.32	(160.83)
	Payments from Partnership firm	(0.10)	(0.10)
	Dividend received	0.09	0.12
	Interest Received	133.76	34.78
	Decrease in other bank balances not considered as cash and cash equivalents	482.61	-
	Net Cash (used in) Investing Activities	**228.84**	**(333.80)**
C.	**Cash flow from Financing Activities**		
	Interest paid to banks	(50.24)	(1.80)
	Dividend paid including dividend tax	(113.23)	(90.43)
	Payment of Lease Liabilities	(24.59)	-
	Net Cash (used in) Financing Activities	**(188.06)**	**(92.23)**
D.	**Net Increase /(Decrease) in Cash & Cash Equivalents**	**117.61**	**(101.50)**
E.	**Opening Cash & Cash Equivalents**	**126.62**	**228.11**
F.	**Closing Cash & Cash Equivalents**	**244.23**	**126.62**

In terms of our report attached.

For Deloitte Haskins & Sells
Chartered Accountants

Ananthi Amarnath
Partner

Place : Chennai
Date : June 15, 2020

For and on behalf of the Board of Directors

M.M. Venkatachalam
Chairman
(DIN:00152619)

A. Sridhar
Director
(DIN:07913908)

Notes forming part of the Financial Statements

1. Company Overview

The main business of the company is cultivation and manufacture of Tea. The company owns 7 estates and 8 factories spread across Assam and Tamil Nadu. The Company currently sells about 12.38 million kilograms of Tea.

2. Statement of Compliance

These financial statements for the year ended 31st March 2020 have been prepared in accordance with Indian Accounting Standards (IND ASs) notified under the Companies (Indian Accounting Standards) Rules 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules 2016. The Company adopted INDAS from 1st April 2017.

3. Significant Accounting Policies

3.1 Basis of Preparation and Presentation

The financial statements have been prepared on the historical cost basis except for certain items which are measured at fair value at the end of each reporting period, as explained in the accounting policies given below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique.

In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2.

3.2 Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the repor11ted amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods. Judgements are made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements. Assumption and estimation uncertainties that have a significant risk of resulting in a material adjustment are reviewed on ongoing basis.

3.3 Operating cycle

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.

3.4 Property, Plant & Equipment

(i) **Tangible Assets (Other than Bearer Plants)**: Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes deemed cost, measured as per the previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. Cost is inclusive of incidental expenses related to acquisition and installation of assets and borrowing costs incurred up to the date of commencing operations. Expenses for the repair of property plant and equipment's are charged against income when incurred.

Items of property, plant and equipment's are depreciated in a manner that amortises the cost the assets less its residual value over their useful life on a straight line basis. The same is covered in detail in note 3.18.

Subsidy received from Tea Board and other agencies towards specific asset is reduced from the cost of respective PPE and recognised as income over the life of the depreciable asset by way of a reduced depreciation charge. Subsequent expenditure on PPE after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of 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 the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

On transition to IND AS, the company has elected to continue with the carrying value of all its property, plant and equipment recognised as of 01st April 2017 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost.

(ii) Bearer Plants:

The Company follows the below polices on accounting of bearer plants:

- The company has determined the cost of bearer plants of tea as on 1st April 2016 after deducting from the carrying value of land and land development as on that date, the estimated cost of land arrived based on the guideline value as on the date nearing to date of acquisition

- Depreciation on bearer plants is charged based on their estimated useful life as assessed and certified by external value assessors

- Immature crops, including the cost incurred for nursery plants (other than used for infilling) are carried at cost less any recognized impairment losses under capital work-in-progress. Cost includes the cost of uprooting and replanting and maintenance of newly planted bushes for a period of 4 to 5 years until maturity. On maturity (i.e. when the bearer plants are ready for their intended use), these costs are classified under the block Bearer Plants. Expenses incurred towards Pepper during the first year of planting will be capitalised and from subsequent years expenses will be charged off to Profit and loss account.

- Uprooting & replanting subsidy received from Tea Board for replanting done before 1st April 2016 has been credited to the Statement of Profit and Loss under Other Income and subsidy received for replanting done after 1st April 2016 will be reduced from original capitalised value and will be recognized as income over the life of the depreciable asset by way of a reduced depreciation charge.

- 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 fields.

3.5 Intangible Assets:

Intangible assets of the company comprise acquired computer software having a finite life. Cost of software is capitalised where it is expected to provide future enduring economic benefits. Capitalisation costs include licence fees and cost of implementation / system integration services. The costs are capitalised in the year in which the relevant software is implemented for use and is amortised over its useful life. Expenses incurred on upgradation / enhancements is charged off as revenue expenditure unless they bring similar significant additional benefits.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as of 1st April 2017 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost.

3.6 Capital work-in-progress:

Projects under which Property, Plant & Equipment are not yet ready for their intended use are carried at cost less any recognized impairment losses, comprising direct cost and other related incidental expenses.

3.7 Research and development expenses

Research and Development expenditure of revenue nature is written off in the statement of profit and loss as incurred. Such expenditure is capitalised as intangible assets only if it meets the criteria of an intangible asset. Internally generated

3.8 Impairment of assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceeds the estimated recoverable amount, impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

3.9 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition) and highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

3.10 Cash Flow Statement

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

3.11 Biological Assets

(i) 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 costs to sell of biological assets are included in Statement of Profit and Loss for the period in which it arises.

(ii) 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 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 costs to sell shall be included in Statement of profit and loss for the period in which it arises. The Company's agricultural produce comprises of green leaves plucked from its tea estates.

3.12 Inventories

Inventories are stated at the lower of cost and net realisable value. 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. Net realisable value represents the estimated selling price for inventories less all selling costs. Provision is made for obsolete, slow moving and defective inventories, whenever necessary. Stores and spare parts are valued at cost ascertained on moving weighted average basis. Nursery stocks considered for infilling as per management assessment are valued at cost incurred in raising and maintaining such stock till transplantation. Other nursery stocks considered for replanting are included in capital work in progress.

3.13 Foreign Currency Transactions

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are recognised immediately in the statement of profit and loss.

3.14 Leases

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Transition

Effective April 1, 2019, the Company adopted Ind AS 116 “Leases” and applied the standard to all lease contracts existing on April 1, 2019 resulting in recognition of right of use assets for an amount of ₹ 137.50 Lacs and measured the lease liabilities at an equal amount as on the date of transition and hence no impact to reserves. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application.

Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended March 31, 2020.

Under Ind AS 17

In the comparative period, Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

All other leases are classified as operating leases. Payments made under operating leases were recognised in profit or loss on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor’s expected inflationary cost increases.

3.15 Financial Instruments:

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issues of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way)

A. Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

(i) **Classification of Financial Assets**

Financial instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVTOCI) (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Changes in the carrying amount of FVTOCI monetary financial assets relating to changes in foreign currency rates are recognised in profit or loss. Other changes in the carrying amount of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed off or is determined to be impaired, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

All other financial assets are subsequently measured at fair value.

(ii) **Effective interest method:**

'The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

(iii) **Investments in equity instruments at FVTOCI**

'On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

It has been acquired principally for the purpose of selling it in the near term; or

- On initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Dividend on these investments in equity instruments are recognised in the Statement of Profit and Loss when the right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

The company has investment in an entity which are not held for trading and are initially measured at cost less provision for diminution. Subsequently they are measured at fair value with gain or loss arising from changes in fair value recognised in other comprehensive income and accumulated in 'General Reserves'

(iv) **Financial Assets at Fair value through Profit or Loss (FVTPL):**

Investments in equity instruments are classified as FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. In addition, instruments that meet the amortised cost criteria or FVTOCI criteria may be designated as FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains or losses on them on different bases.

Financial Assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in the Statement of Profit and Loss. The net gain or loss recognised in the Statement of Profit and Loss incorporates any dividend or interest earned on the financial asset. Dividend on financial assets at FVTPL are recognised when the right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

The company has investments in Mutual funds which it had carried individually, at the lower of cost and fair value determined on the basis of each category of investments. Subsequently with the application of INDAS the investments in Mutual funds are valued at Mark to Mark up with gain or loss in investments being recognized in Profit and Loss statement.

Investment in the capital of partnership firm is stated at cost. The Profit or Loss is recognised as and when the firm's accounts are finalised.

(v) **Impairment of Financial Assets:**

'The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amotised cost, trade receivables and other contractual rights to receive cash or other financial asset.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective 1.5 interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of the financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the life-time expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the life-time cash shortfalls that will result if the default occurs within the 12 months after reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measures the loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in risk of default occuring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the date of initial recognition.

'For trade receivables or any contractual right to receive cash or other financial asset that result from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

(vi) **De-recognition of Financial Assets:**

'The Company derecognises a financial asset 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 party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

On de-recognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

(vii) **Foreign exchange gain and losses:**

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss.

Changes in carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.

For the purposes of recognising foreign exchange gains or losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in the Statement of Profit and Loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

B. **Financial liabilities and equity instruments**

(i) Classification as debt or equity

Debt and equity instruments issued by the Company as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(ii) Equity Instruments:

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

(iii) Financial Liabilities:

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company are measured in accordance with the specific accounting policies set out below.

(iv) Financial Liabilities at FVTPL:

'Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a Company of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the Companying is provided internally on that basis;

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in the Statement of Profit and Loss.

(v) Financial Liabilities subsequently measured at amortised cost:

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

(vi) Foreign exchange gain and losses:

For financial liabilities that are denominated in a foreign currency and measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on amortised cost of the instruments and are recognised in the Statement of Profit and Loss.

The fair value of the financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured at FVTPL, the foreign exchange component forms part of the fair value gains or losses recognised in the Statement of profit and Loss.

(vii) Derecognition of financial liabilities:

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised the Statement of Profit and Loss.

(viii) Offsetting:

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off amounts and it indents either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(ix) Financial guarantee and contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contract contracts issued by the Company are initially measured at their fair values and, if not designated as FVTPL, are subsequently measured at their fair values and, if not designated as FVTPL, are subsequently measured at the higher of:

- The amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- The amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

Amount previously recognised in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to the Statement of Profit and Loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity (but not a reclassification adjustment) are included in the initial measurement of the cost of the non-financial asset or non-financial liability.

3.16 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue is measured at the transaction price for each separate performance obligation, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The transaction price is net of Revenue is reduced for estimated customer returns, rebates and other similar allowances. The specific recognition criteria described below must also be met before revenue is recognised

Sale of Goods:

Revenue from the sale of goods is recognized at a point in time when the control of the products has transferred which generally coincides with dispatch of products to customers in case of domestic sales and on the basis of bill of lading in the case of export sales.

Revenue from the sale of goods is recognised when the control of the product is transferred the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- Company has a present right to payment for the asset
- Company has transferred physical possession of the asset, whereby the customer has the ability to direct the use of, and obtain substantially all of the remaining benefits from, the asset or torestrict the access of other entities to those benefits.

When the consideration is received, before the Company transfers a goods to the customer, the Company shall present the consideration as a contract liability.

Rendering of services

Revenue from divisible service contracts:

a) service contracts are recognised over a period of time determined using the percentage completion method, synchronized to the billing schedules agreed by the customers, identical with others in similar business and

b) the revenue relating to of supplies are measured in line with policy set out in 3.4.1 in respect of indivisible contracts, the revenues are recognised over a period of time, measured as per (a) above.

When the consideration is received, before the Company transfers a goods to the customer, the Company shall present the consideration as a contract liability and when the services rendered by the Company exceed the payment, a contract asset is recognised excluding any amount presented as receivable.

Other income

Royalty income is recognised on an accrual basis in accordance with the substance of the relevant agreement.

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

Interest income from a financial asset is recognised and accrued using effective interest rate method.

Rental income is recognised on a straight line basis in accordance with the agreement.

3.17 Government grants, subsidies and export incentives

Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Government grants are recognised in the statement of profit or loss on a systematic basis over the periods in which the Company recognises the related costs for which the grants are intended to compensate.

Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non - current assets are recognised as deferred revenue in the Balance Sheet and transferred to the profit or loss on a systematic and rational basis over the useful lives of the related assets.

The value of money receivable from Government grants is discounted based on past trends and the company makes an estimate of the expected future cash flows based on suitable discount rate to calculate the present value to those cash flows.

3.18 Employee Benefits

Employee benefits include Provident Fund, Superannuation Fund, Employee State Insurance Scheme, Gratuity Fund and Compensated Absences.

a. **Defined Contribution Plan**

Fixed contributions to the Superannuation Fund which is administered by the Company nominated trustees and managed by Life Insurance Corporation of India are charged to the Statement of Profit and Loss as and when due. Company also contributes to a Government administered Provident Fund and Pension Fund on behalf of its employees, which are charged to the Statement of Profit and Loss.

b. **Defined Benefit Plan**

The liability for Gratuity to employees as at the Balance Sheet date is determined on the basis of actuarial valuation using Projected Unit Credit Method and is funded to a Gratuity fund administered by the trustees and managed by Life Insurance Corporation of India. The liability thereof paid / payable is absorbed in the accounts. The actuarial gains / losses are recognized in the Statement of Profit and Loss. The employees and the Company make monthly fixed contributions to the Parry Agro Industries Staff Provident Fund, equal to a specified percentage of the covered employee's salary. The interest rate payable by the Fund to the beneficiaries shall not be lower than the rates notified by the Government every year. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate.

c. **Long Term Compensated Absences**

In respect of long term portion of compensated absences, the liability is determined and provided for on the basis of actuarial valuation as at the Balance Sheet date, using Projected Unit Credit Method.

d. **Short Term Employee Benefits**

Short term employee benefits including accumulated compensated absences determined as per Company's policy / scheme are recognized as an expense based on expected obligation on undiscounted basis.

3.19 Depreciation and Amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. No deprecation is charged on land (freehold)

Depreciation on Property, Plant & Equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013, except in respect of certain bearer plants, machines used in harvesting / pruning and vehicles under the employee car purchase scheme, in whose case the life of the assets has been assessed as given below, based on internal technical evaluation, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, and maintenance support, etc.

Bearer plants	65 to 105 years
Machines used in harvesting / pruning	2 to 4 years
Vehicles under employee car purchase scheme	6 -7.5 years

Cost of Software License is fully amortised in the year of addition.

In respect of additions and deletions, depreciation charge is restricted to the period of use.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

3.20 Borrowing costs

Borrowing costs include interest; amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

3.21 Taxes on income

Taxes on income comprises of current taxes and deferred taxes. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with applicable tax rates and provisions of Income Tax Act, 1961 and other applicable tax laws.

Minimum alternative tax (MAT) paid in accordance to the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company.

Deferred tax is recognized on temporary differences between the carrying amount of assets and liabilities and the corresponding tax bases used in computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively

3.22 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

3.23 Operating segment

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operatingsegments, has been identified as the Chief Executive Officer.

Notes forming part of the Financial Statements

Note 4 : Property, plant and equipment (Owned unless otherwise stated)

(₹ in Lacs)

Particulars	Freehold land	Leasehold land	Buildings	Plant and Machinery	Bearer Plants	Furniture and Fittings	Vehicles	Intangibles	Total
Gross block									
Balance as at April 01, 2018	226.17	17.97	999.30	1,794.15	454.51	118.14	215.90	-	3,826.14
Additions	-	29.21	409.95	747.88	54.11	39.19	75.01	-	1,355.35
Disposals	56.68	-	121.76	209.51	-	6.97	90.49	-	485.41
Balance as at March 31, 2019	**169.49**	**47.18**	**1,287.49**	**2,332.52**	**508.62**	**150.36**	**200.42**	**-**	**4,696.08**
Additions	-	-	13.68	108.12	56.87	37.35	69.18	-	285.19
Disposals	-	-	0.44	56.24	-	1.62	81.39	-	139.69
Balance as at March 31, 2020	**169.49**	**47.18**	**1,300.73**	**2,384.39**	**565.49**	**186.09**	**188.22**	**-**	**4,841.59**
Accumulated depreciation									
Balance as at March 31, 2018	**-**	**0.17**	**66.22**	**271.37**	**42.04**	**18.92**	**11.23**	**-**	**409.94**
Charge for the year	-	0.18	76.29	306.76	33.10	39.23	51.29	-	506.85
Disposals	-	-	34.49	153.93	-	5.39	61.59	-	255.40
Balance as at March 31, 2019	**-**	**0.35**	**108.02**	**424.20**	**75.14**	**52.76**	**0.93**	**-**	**661.39**
Charge for the year	-	0.18	68.28	325.19	28.39	40.35	45.87	-	508.25
Disposals	-	-	0.44	52.76	-	1.62	45.48	-	100.30
Balance as at March 31, 2020	**-**	**0.53**	**175.87**	**696.62**	**103.53**	**91.48**	**1.32**	**-**	**1,069.34**
Net block									
As at April 01, 2019	**169.49**	**46.83**	**1,179.47**	**1,908.32**	**433.48**	**97.60**	**199.49**	**-**	**4,034.68**
As at March 31, 2020	**169.49**	**46.65**	**1,124.87**	**1,687.77**	**461.96**	**94.61**	**186.91**	**-**	**3,772.26**

Notes forming part of the Financial Statements

Note 4A : Right of Use Assets

(₹ in Lacs)

Particulars	Leasehold Buildings	Total
Year ended 31 March 2020		
Gross carrying amount		
Opening gross carrying amount	-	-
Additions	168.73	168.73
Disposals	-	-
Closing gross carrying amount	**168.73**	**168.73**
Accumulated amortisation	-	-
Amortisation charge during the year	31.23	31.23
Disposals	-	-
Closing accumulated amortisation	**31.23**	**31.23**
Net carrying amount as on 31 March 2020	**137.50**	**137.50**

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

Note 5A : Investments

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Non Current investments :		
Quoted Equity Instruments		
a) Investment in Equity Shares (fully paid) at FVTOCI		
Coromandel Engineering Company Limited (25,00,100 Shares held as on 31st March 2020, 31st March 2019)	302.51	715.03
Total (a)	**302.51**	**715.03**
UnQuoted Equity Instruments (Non-Trade)		
b) Investments in Equity Shares (fully paid)		
(i) Manjushree Plantations (149 Shares held as on 31st March 2020, 31st March 2019)	0.07	0.07
(ii) NEPC Agro foods (44 Shares held as on 31st March 2020, 31st March 2019)	0.05	0.05
(iii) Southern Energy Development Corporation (100 Shares held as on 31st March 2020, 31st March 2019)	0.01	0.01
c) Investments in Preference Shares at Amortised cost		
Coromandel Engineering Company Ltd (6,00,000 cumulative redeemable Preference shares held as on 31st March 2020)	423.30	-
Total (b)	**423.42**	**0.13**
Grand Total (a+b)	**725.93**	**715.16**
d) Investments in Subsidary	-	-
Investment in Partnership Firm - 98% Refer Note below	960.85	960.85
Less : Advance received	(862.36)	(862.36)
Provision for impairment	(98.49)	(98.49)
Total	**-**	**-**

Notes forming part of the Financial Statements

Name of the firm	Names of partners in the firm	As at March 31, 2020		As at March 31, 2019	
		Total capital (₹ in lacs)	Share of each partner in the profits of the firm	Total capital (₹ in lacs)	Share of each partner in the profits of the firm
1 Yelnoorkhan Estates		629.29		629.29	
	Parry Agro Industries Ltd		98%		98%
	New Ambadi Estates Pvt.Ltd		2%		2%
2 Bangaragiri Estates		73.50		73.50	
	Parry Agro Industries Ltd		98%		98%
	New Ambadi Estates Pvt.Ltd		2%		2%
3 Jensury Estates		155.87		155.87	
	Parry Agro Industries Ltd		98%		98%
	New Ambadi Estates Pvt.Ltd		2%		2%
4 Sipani Plantations		41.54		41.54	
	Parry Agro Industries Ltd		98%		98%
	New Ambadi Estates Pvt.Ltd		2%		2%
5 Kanakannadoddi Coffee Estates		80.26		80.26	
	Parry Agro Industries Ltd		98%		98%
	New Ambadi Estates Pvt.Ltd		2%		2%
Total		**980.46**		**980.46**	

Notes forming part of the Financial Statements

Note 5B : Investments

Particulars	As at March 31, 2020			As at March 31, 2019		
	Unit No's	₹ per share	Value (₹ in Lacs)	Unit No's	₹ per share	Value (₹ in Lacs)
Current investments :						
(a) Investment in Mutual Funds - Quoted						
ICICI Prudential - Money Market Fund - Growth	55,021.46	277.51	152.69	-	-	-
ICICI Prudential credit risk Fund- Growth		-	-	1,885,318.754	19.868	374.58
ICICI Prudential Banking & PSU Debt Fund - Growth	1,380,764.115	23.16	319.82			-
ICICI Prudential - Ultra Short Term Fund - Growth		-	-	693,303.383	30.913	214.32
Franklin India Savings Fund Retail Option Growth	137,695.148	37.00	50.95			
Franklin India Short Term Income Plan-Retail Plan-Growth		-	-	8,173.809	3,997.280	326.73
Aditya Birla Sun Life Short Term Opportunities Fund - Growth-Regular	693,303.383	33.18	230.01	563,335.850	18.880	106.36
Aditya Birla Sun Life Liquid Fund - Regular Plan - Growth	81,212.458	312.48	253.77			
Aditya Birla Sun Liquid Fund- Growth		-	-	135,688.726	299.005	405.72
L&T Liquid Fund - Growth		-	-	23,876.130	2,553.632	609.71
DHFL Pramerica Credit Opportunities Fund - Regular Growth		-	-	2,179,947.391	14.487	315.80
Reliance Regular SF - Dp - Growth Plan - Growth Option		-	-	1,446,567.914	25.769	372.76
Reliance Ultra short duration fund - Growth Plan -: Growth Option		-	-	3,617.020	2,908.496	105.20
SBI Savings fund - Regular Plan Growth	666,109.355	31.00	206.47	357,394.310	28.936	103.42
SBI Liquid fund - Regular Growth	6,622.565	3,093.67	204.88	10,337.162	2,916.309	301.46
SBI Banking & PSU Fund Regular Growth	14,125.802	2,280.58	322.15			-
DSP Saving Fund - Growth	906,186.125	39.15	354.81			-
DSP Ultra Short Fund - Regular Plan - Growth	3,864.784	2,598.59	100.43			-
Invesco India Ultra Short Term Fund - Growth	7,476.477	2,038.39	152.40			-
IDFC Corporate Bond Fund Regular Plan-Growth	771,813.376	13.78	106.37			-
			2,454.75			**3,236.06**
(b) Other investments						
Rural Electrification Corporation Limited Bonds (500 Nos)			50.00			50.00
National Savings Certificate			0.27			0.27
Total			**2,505.02**			**3,286.33**

Notes forming part of the Financial Statements

Note 6 : Other financial assets

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
A. Non-current		
Security deposits	207.13	217.00
Subsidies Receivable at amortised cost	93.03	70.58
Total (a)	**300.16**	**287.58**
B. Current		
Subsidies Receivable	20.98	23.77
(i) Subsidy receivable	19.51	22.02
(ii) Add: Interest	1.47	1.75
Interest Accrued on deposits	33.25	47.51
Advances to employees	51.37	29.81
Total (b)	**105.60**	**101.09**
Grand Total (a+b)	**405.76**	**388.67**

Note 7 : Other assets

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
A. Non-current		
Capital advances	138.76	15.20
Deposits paid under protest	13.17	13.17
Prepayments for investment in preference shares	34.44	-
Total (a)	**186.37**	**28.36**
B. Current		
Balances with Statutory Authorities :		
- GST & VAT Receivable	51.17	87.35
Prepaid Expenses	158.32	108.05
Prepaid - Amortisation of Preference Shares	137.77	-
Claims receivable	21.13	18.60
Other receivables :		
Considered good	43.09	69.44
Considered doubtful	40.61	40.61
Less: Allowance for doubtful receivables	(40.61)	(40.61)
Total (b)	**411.47**	**283.44**
Grand Total (a+b)	**597.84**	**311.80**

Notes forming part of the Financial Statements

Note 8A : Inventories

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Finished goods - Tea	1,680.86	1,454.49
Finished goods - Pepper	25.43	3.38
Stores and spares	312.44	358.35
Nursery	23.31	20.19
Total	**2,042.04**	**1,836.41**

Note 8B : Biological Asset

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Green Leaf on Bush	50.01	34.91

Note 9 : Trade receivables (Unsecured)

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Current		
Considered good	350.16	673.31
Total	**350.16**	**673.31**

a) Trade receivables are generally due between 30 to 60 days. The Company's term includes charging of interest for delayed payment beyond agreed credit days. However, the Compnay exercises charging of interest after considering the historical trend, business prospects, reason for delay, market conditions etc.

b) Credit risk is managed at the respective entity level . The credit limit and credit period are fixed for each customer after evaluating the financial position, past performance, business opportunities, credit references etc. The Company may consider credit rating when needed. The credit limit and the credit period are reviewed regularly at periodical intervals.

c) Concentration risk considers significant exposures relating to industry, counterparty, geography, currency etc. The concentration of credit risk is not significant due to the fact that the customer base is large and diversified.

d) Based on the historical credit loss experience adjusted for forward-looking information, no allowance for expected credit loss in respect of Trade Receivables is considered necessary as at 31st March 2020, 31st March 2019.

Note 10A : Cash and cash equivalents

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Balances with banks		
(i) In Current Accounts	217.14	47.42
Deposit account	-	75.00
Cash on hand	27.09	4.19
Total	**244.23**	**126.61**

Notes forming part of the Financial Statements

Note 10B : Other Bank Balances

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Unpaid Dividend Account	7.42	8.43
Balance in Earmarked Accounts	96.10	77.71
Deposit with orginal maturity of more than 3 months	500.00	1,000.00
Total	**603.52**	**1,086.14**

Note 11 : Equity Share Capital

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised share capital:		
1,00,00,000 Equity shares of ₹ 10/- each	10,00,00,000	10,00,00,000
Issued, Subscribed and Paid-up		
37,56,816 equity shares of ₹ 10/- each fully paid	**375.68**	**375.68**

i) Details of shares held by shareholders holding company and shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholder	As at March 31, 2020	As at March 31, 2019
Ambadi Investments Ltd	29,27,414	29,27,378

ii) Terms / rights attached to Equity Shares

The company has only one class of equity shares having a par value of ₹ 10 per share. All these shares have the same rights and preferences with respect to payment of dividend, repayment of capital and voting.

The dividend proposed by the Board of Directors is subject to the approval of the Share Holders at the ensuing Annual General Meeting except in case of interim dividend.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes forming part of the Financial Statements

Note 12 : Other equity

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
A. Reserves and Surplus		
a. General reserve	5,506.06	5,506.06
b. Retained earnings	2,993.13	3,310.09
	8,499.19	**8,816.15**
B. Items of Other Comprehensive Income :	(667.13)	(170.74)
Total Other Equity	**7,832.06**	**8,645.41**

a. General reserve

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	5,506.06	5,465.46
Transfer from retained earnings	-	40.60
Balance at end of the year	**5,506.06**	**5,506.06**

b. Retained earnings: (₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	3,310.09	3,035.25
Add : (Loss) / Profits for the year	(203.73)	405.88
Less : Transfer to General Reserve	-	40.60
Less : Final dividend paid during the year including dividend tax	93.92	75.14
Less : Dividend tax	19.31	15.30
Balance at end of the year	**2,993.13**	**3,310.09**

c. Other Compherensive Income Reserve:

Particulars	As at March 31, 2020	As at March 31, 2019
Opening Balance	(170.74)	359.89
Investments - Revaluation of Coromandel Shares	(412.52)	(475.02)
Remeasurement of Gratuity	(92.19)	(63.93)
Tax impact on Remeasurement of Gratuity	8.32	8.32
	(667.13)	**(170.74)**

The directors after considering the financial performance of the company does not recommend any dividend for the financial year ended 31st March, 2020. Consequently, no amount is proposed to be transferred to the General Reserves of the company.

Nature and Purpose of Reserves and Surplus:

a) General Reserve: This reserve represents appropriations of profits made from retained earnings and can be distributed and utilized.

b) Retained Earnings: This reserve represents the cumulative profits as well as remeasurement of defined benefit plans and can be distributed / utilized by the Company in accordance with the Companies Act, 2013.

Notes forming part of the Financial Statements

Note 13 : Provisions

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
A. Current		
Employee benefits - Compensated absences	560.68	545.45
Provision for Contingencies	727.21	720.55
Total	**1,287.89**	**1,266.00**

Note 13A : Current Tax Liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for Taxation - (Net of Advance Tax ₹ 8,019.01 lacs as at March 31, 2020; ₹ 7,958.34 lacs as at March 31, 2019)	226.15	370.09
Total	**226.15**	**370.09**

Note 14A : Taxation:

(a) Income tax expense:

Provision for tax comprises provision for Central Income Tax and provision for Assam Agricultural Income Tax. The Provision for Central Income Tax has been computed as per the provisions other than 115JB of the Income Tax Act,1961. The major components of income tax expenses for the year ended March 31, 2020 and for the year ended March 31, 2019 are:

(i) Income tax recognised in Profit or Loss: (₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
(1) Current Tax	72.00	220.00
(2) Deferred Tax	31.32	81.35
Total Income Tax expense recognised in Statement of Profit & Loss	**103.32**	**301.35**

(ii) Income tax recognised in Other Comprehensive Income:

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax (credit)/charge on Remeasurement of DBO	-	8.32
Income tax charged to OCI	**-**	**8.32**

(b) Reconciliation of effective tax rate:

Particulars	**For the year ended March 31, 2020**	**For the year ended March 31, 2019**
Loss / (Profit) Before Tax (A)	(100.41)	707.23
Enacted tax rate in India (B)	27.82%	27.82%
Expected tax expense using the Company's applicable rate	-	196.75
Tax Effect of:		
- Effect of income that is exempt from taxation	-	(4.08)
- Effect of unused tax losses and tax offsets not recognised as deferred tax assets	-	106.83
- Effect of concessions (research and development and other allowances)	(66.70)	(40.25)
- Effect of expenses that are not deductible in determining taxable profit	-	(5.90)
- Effect of different tax rates of capital gains	36.88	(41.17)
- Effect of previously unrecognised and unused tax losses and deductible temporary differences now recognised as deferred tax assets	63.27	88.84
- Effect of income taxable as per Income Tax Act but not considered in books due to book loss	64.52	-
- Others - Changes in recognised temporary differences	5.35	0.32
Income tax expenses recognised in statement of profit or loss	**103.32**	**301.35**

Note: The tax rate used for the year ended March 31, 2020 and March 31, 2019 reconciliations above is the corporate tax rate of 27.82% payable by corporate entities in India on book profits under Indian Income Tax Laws.

Note 14B : Deferred tax Assets (net)

(₹ in Lacs)

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Deferred tax Assets (net)	105.63	136.95
Total	**105.63**	**136.95**

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Deferred tax asset arising out of timing difference relating to:		
Provision for Contingencies & Others	79.28	118.03
Provision for Doubtful advances	34.96	34.96
Provision for Employee benefits	213.56	225.51
Total	**327.79**	**378.50**
Deferred tax asset arising out of timing difference relating to:		
Depreciation	(222.16)	(241.54)
Total	**(222.16)**	**(241.54)**
Net Deferred Tax Asset	105.63	136.95
Net deferred tax asset as at the beginning of the year	136.95	209.98
Add / (Less) : Deferred tax Income / (Expense) recognised in / asset credited to the Statement of Profit and Loss	(31.32)	(81.35)
Add / (Less) : Deferred tax impact on remeasurement of Defined Benefit Plan	-	8.32
Net Deferred Tax Asset as at the end of the year	**105.63**	**136.95**

Notes forming part of the Financial Statements

Note 15 : Trade payables

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Trade Payable for MSME Supplies	12.32	7.72
Trade Payable for Supplies	808.67	942.51
Trade Payable for Employees	973.15	1,081.85
Total	**1,794.14**	**2,032.08**

a) Trade payables are non-interest bearing and are normally settled within the agreed due dates, generally ranging from 30 to 90 days.

b) All the payables are settled within the credit period as per pre-agreed terms. The Company has financial risk management policies in place to ensure that the payments are made within agreed period.

Note 16 : Other financial liabilities

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured		
Unclaimed dividends	7.42	8.43
Payable on Purchase of Fixed Assets	1.23	-
Payable to earmarked funds (Fair Trade & NTRF Project)	95.97	77.64
Other payables	-	-
Total	**104.62**	**86.07**

Note 17 : Other current liabilities

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Advance from Customers	6.60	12.69
Statutory liabilities	95.66	105.88
Gratuity Payable - Refer Note 24.10	355.12	260.45
Total	**457.38**	**379.02**

Notes forming part of the Financial Statements

Note 18 : Revenue from Contract with Customers

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
a. Gross Sales / Income from Operations		
Sale of products		
Tea	16,821.46	17,498.92
Pepper	45.00	64.40
Total (a)	**16,866.46**	**17,563.32**
b. Other operating income :		
Sale of tea waste	253.34	189.37
Sale of timber	-	24.00
Sale of Scrap	61.55	62.82
Subsidies	27.86	18.56
Income from Eco Operations	113.34	99.24
Export benefits	55.64	53.52
Total (b)	**511.73**	**447.50**
Total Revenue from operations (a + b)	**17,378.19**	**18,010.82**

Note 18.1 Trade Receivables and Contract Balances

A receivable is a right to consideration that is unconditional upon passage of time. In case of customers where the credit is allowed, the same is disclosed in Note 9 - Trade Receivables.

Note 18.2 Transaction price allocated to the remaining performance obligation

Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis.

Note 18.3 Information about major customers

Company has no single customer from whom the revenue is not less than 10 % of the revenue from external customers of the company.

Note 19 : Other Income

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Dividend Income		
Dividend Income from Long term Investments	0.09	0.12
(b) Interest Income earned on financial assets that are not designated as fair value through profit or loss [FVTPL]		
- Bank Deposits	89.32	80.31
(c) Interest Income on Amortisation of Lease rentals	0.24	-
(d) Interest Income on Amortisation of Preference shares	29.95	-
(e) Other Non operating income	**209.65**	**521.21**
Profit on sale of current investments	132.56	67.59
Fair value changes in current investment	-	136.06
Profit on sale of Property, Plant & Equipment *	-	240.67
Provision for expenses no longer required written back	44.23	17.77
Miscellaneous income	32.86	59.12
Total Other Income (a+b+c+d)	**329.25**	**601.63**

* Previous year Profit on sale of Property, Plant & Equipment includes sale of Sirajuli Factory.

Notes forming part of the Financial Statements

Note 20 : Changes in inventories of finished goods, stock-in-trade, work in progress

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Opening stock		
Biological Assets	34.91	41.51
Finished Goods - Tea	1,454.49	1,506.30
Finished Goods - Pepper	3.38	0.52
Less: Closing stock		
Biological Assets	50.01	34.91
Finished goods - Tea	1,680.86	1,454.49
Finished goods - Pepper	25.43	3.38
Net Decrease / (Increase)	**(263.52)**	**55.55**

Note 21 : Employee benefits expense

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries, Wages and Bonus	6,267.08	6,033.54
Contribution to Provident and other funds	775.78	678.81
Staff Welfare expenses	598.52	567.41
Total	**7,641.38**	**7,279.76**

Note 22 : Finance costs

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest costs		
- on lease	15.74	-
- on Others	0.06	1.80
Amortization of Preference shares	34.44	-
Total	**50.24**	**1.80**

Notes forming part of the Financial Statements

Note 23 : Other expenses

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Consumption of Stores and Spares	658.77	557.16
Consumption of Packing Materials	313.64	339.16
Cost of Consumables and Nursery Items	0.14	25.73
Power and fuel	2,124.80	2,105.31
Rent	48.44	85.99
Repairs & Maintenance - Buildings	113.10	109.52
Repairs & Maintenance - Machinery	150.52	168.11
Repairs & Maintenance - Others	298.76	296.46
Insurance	95.73	82.38
Rates & Taxes	49.43	57.76
Communication Expenses	35.80	43.28
Travelling and Conveyance	184.57	168.36
Commision to Directors	-	5.70
Directors' sitting fees	3.25	4.40
Printing & Stationery	12.34	13.44
Freight and forwarding	275.58	259.53
Sales commission	81.17	84.40
Selling and distribution expenses	113.72	108.91
Expenses on Corporate Social Responsibiilty	12.67	12.45
Legal Expenses	2.40	4.47
Professional Charges	286.12	343.40
Payment to Auditors (Refer Note Below)	21.20	17.70
Provision for Doubtful Advances	-	18.23
Provision for Investments impairments	-	98.49
Provision for Contingencies	6.66	7.48
Share on loss of Partnership firm	0.10	0.10
Miscellaneous expenses	211.66	221.04
	5,101.30	**5,238.97**

Auditors Remuneration

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(i) Payments to the auditors comprises		
(a) To statutory auditors		
For Audit	18.00	15.00
For Taxation matters (including tax audit)	2.00	1.50
(b) To cost auditors for cost audit (including GST)	1.20	1.20
Total	**21.20**	**17.70**

Notes forming part of the Financial Statements

Additional Notes to Accounts

Note 24.1 Contingent Liabilities and Commitments:

Note	Particulars	As at March 31, 2020 (₹ in Lacs)	As at March 31, 2019 (₹ in Lacs)
24.1	Contingent liabilities and commitments (to the extent not provided for)		
(i)	**Contingent liabilities:**		
	(a) Claims against the Company not acknowledged as debt		
	(i) Various Labour related issues pending before the labour Commissioner	50.99	50.99
	(ii) Disputes in Electricity Tax	87.73	87.73
	(b) No Adjustment is required to be made in the accounts in respect of the following: The Company has claimed for patta under the Gudalur Janmam Estate (Abolition and Conversion into Ryotwari) Act, 1969 for an extent of 1,606.36 acres under Section 8 (outright purchase) and 479.53 acres under Section 9 (leasehold rights) aggregating to 2,085.89 acres. The Settlement Officer has passed an order dated 10.10.2017 rejecting the company's application for patta. The Company has filed an appeal CMA 2/2018 in the District Court, Nilgiris against the order of the settlement officer and the court has granted a stay order on April 2, 2019. The appeal is pending. However, the Company is restricting its claim for patta for an extent of 615.02 acres, under section 8 (outright purchase) and for an extent of 479.53 acres under section 9 (lease hold land) aggregating to an extent of 1,094.55 acres.		
(ii)	**Commitments**		
	(a) Estimated amount of contracts remaining to be executed on capital account and not provided for tangible assets	85.95	15.20
24.2	**Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**		

Note		Particulars	As at March 31, 2020 (₹ in Lacs)	As at March 31, 2019 (₹ in Lacs)
	(i)	Principal amount remaining unpaid to any supplier as at the end of the accounting year	12.32	7.72
	(ii)	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
	(iii)	The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
	(iv)	The amount of interest due and payable for the year	-	-
	(v)	The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
	(vi)	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-
		Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.		

Notes forming part of the Financial Statements

Note 24 : Additional information to the financial statements

Note	Particulars	As at March 31, 2020 (₹ in Lacs)	As at March 31, 2019 (₹ in Lacs)
24.3	**Segment reporting**		
	Consequent to the adoption of Ind AS, the company has identified one operating segment 'Tea' which is consistent with the internal reporting provided to the Chief Executive Officer/Head of Operations who is the chief operating decision maker CODM. The company deals in only one product i.e. "Tea". The products and their applications are homogeneous in nature.		

Note	Particulars	As at March 31, 2020 (₹ in Lacs)	As at March 31, 2019 (₹ in Lacs)
24.4	**Details of government grants**		
	Government grants received/recognised by the Company during the year towards		
	- Subsidies		
	Tea Board Subsidy recognised in Other operating revenue	27.86	18.56
	- Duty drawback & Export incentives (recognised under other operating revenue)	55.64	53.52

Note 24.5 : EARNINGS PER SHARE

Note	Particulars	As at March 31, 2020 (₹ in Lacs)	As at March 31, 2019 (₹ in Lacs)
24.5	**Earnings per share (Basic & Diluted)**		
	Net (Loss) / Profit for the year (₹ Lacs)	(203.73)	405.88
	Weighted average number of equity shares	37,56,816	37,56,816
	Par value per share (₹)	10.00	10.00
	Earnings per share (₹)	(5.42)	10.80

Notes forming part of the Financial Statements

Note 24.6 : Related party transactions (as identified by the mangagement and relied upon by auditors)

The details of Related Party Transactions listed below: **(₹ in lacs)**

Note	Particulars	
24.6	**Description of relationship**	**Names of related parties**
	Holding Company	Ambadi Investments Limited (AIL)
	Partnership Firms	Yelnoorkhan Group of Estates (YKN) - Yelnoorkhan Estates - Bangaragiri Estates - Jensury Estates - Sipani Plantations - Kanakannadoddi Coffee Estates
	Fellow Subsidiaries	Parry Enterprises India Limited (PEIL)

Details of related party transactions for the year ended March 31, 2020 and balances outstanding as at March 31, 2020:

Nature of Transactions	**Holding Company**	**Fellow Subsidiary**	**Partnership Firms**
	AIL	**PEIL**	**YKN**
Reimbursement of expenses incurred on behalf of the company		23.55	
		(12.22)	
Travel expenses		17.19	
		(20.22)	
Share of Profit / (Loss) from partnership firms			(0.10)
			(0.10)
Purchase of Material		0.78	
		(0.87)	
Dividend paid	73.16		
	(58.53)		
Amount Receivable		2.83	
		(0.04)	

Note: Figures in the bracket represents previous year figures.

Notes forming part of the Financial Statements

Note 24.7 : Details of research and development expenditure recognised as an expense

Note	Particulars	Year ended March 31, 2020 (₹ in Lacs)	Year ended March 31, 2019 (₹ in Lacs)
	Employee benefits expense (excluding provision for gratuity as it is provided for company as a whole)	64.00	58.47
	Professional charges	5.67	5.37
	Consumables	8.90	10.50
	Travelling expenses	1.55	1.31
	Depreciation	2.60	2.62
	Others	5.77	7.51
	Total	**88.48**	**85.79**
	Details of Capital Expenditure relating to Research & Development		
	Plant and Machinery	0.73	0.51

Note 24.8 : Provision for Contingencies **(₹ in Lacs)**

The Company has made provision for various contractual obligations and disputed liabilities based on its assessment of the amount it estimates to incur to meet such obligations:

Particulars	As at March 31, 2019	Additions	Reversal	As at March 31, 2020
Provision for contingencies - On legal disputes	720.55 (730.83)	28.24 (7.48)	21.58 (17.76)	727.21 (720.55)

Note: Figures in bracket relates to the previous year.

Note 24.9 : Corporate Social Responsibility

During the year, the company incurred an aggregate amount of ₹ 12.67 lacs towards Corporate Social Responsibility in compliance of Section 135 of the Companies Act, 2013 read with relevant schedule and rules made thereunder. The details of the CSR spend is given below:

(₹ in Lacs)

Particulars	For the year 2019-20	For the year 2018-19
A. Expenditure incurred directly by the company		
Repair & Renovation work - Revenue Expenditure	12.67	6.22
B. Expenditure incurred through Agencies		
AMM Foundation	-	6.23
Total	**12.67**	**12.45**

Notes forming part of the Financial Statements

Note 24.10 : Employee benefits

Employee benefits include Provident Fund, Superannuation Fund, Employee State Insurance Scheme, Gratuity Fund and Compensated Absences.

a. Defined Contribution Plan

Fixed contributions to the Superannuation Fund which is administered by the Company nominated trustees and managed by Life Insurance Corporation of India are charged to the Statement of Profit and Loss as and when due. Company also contributes to a Government administered Provident Fund and Pension Fund on behalf of its employees, which are charged to the Statement of Profit and Loss.

b. Defined Benefit Plan

The Company operates defined benefit schemes in respect of Gratuity, Pension, Provident fund and postretirement medical benefit towards its employees. These schemes offer specified benefits to the employees on retirement. The liabilities arising in the Defined Benefit Schemes are determined in accordance with the advice of independent, professionally qualified actuaries, using the projected unit credit method as at year end. The Company makes regular contributions to these Employee Benefit Plans. Additional contributions are made to these plans as and when required based on actuarial valuation.

The employees and the Company make monthly fixed contributions to the Parry Agro Industries Staff Provident Fund, equal to a specified percentage of the covered employee's salary. The interest rate payable by the Fund to the beneficiaries shall not be lower than the rates notified by the Government every year. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate.

Risk Management

These plans typically expose the company to actuarial risks such as: Investment, Interest rate, longevity and salary escalation risk:

(i) **Investment risk**: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. Currently, the investments are made in accordance with the guidelines under the applicable statutes.

(ii) **Interest risk**: A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

(iii) **Longevity risk**: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

(iv) **Salary escalation risk**: The present value of the defined benefit plan liability is calculated with reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Assumptions:

The principal assumptions used for the purposes of the actuarial valuations are given below:

S. No.	Particulars	As at March 31, 2020	As at March 31, 2019
1	Discount Rate	6.54%	7.76%
2	Expected Rate of Return	6.54%	7.76%
3	Expected Salary Escalation	7.00%	7.00%
4	Attrition Rate	10.00%	3.00%
5	Mortality table used	Indian Assured Lives Mortality (2012-14) Ultimate	

Notes forming part of the Financial Statements

₹ in Lacs

S. No.	Net Asset/(Liability) Recognised in Balance Sheet	March 31, 2020	March 31, 2019
1	Present value of Funded Obligation	2,989.34	2,881.88
2	Fair Value of Plan Assets	2,461.15	2,433.38
3	Present value of Unfunded obligation	-	-
4	Funded status [Surplus/(Deficit)] {Para 64(a)}	(528.19)	(448.50)
5	Unrecognised Past Service Costs	-	-
6	Amount not Recognised as an Asset (limit in Para 64(b))	-	-
7	Net Liability	(528.19)	(448.50)
8	Recognised in balance sheet	(528.19)	(448.50)
9	Net Exp	(528.19)	(448.50)
	Assumption on 31 -Mar-19		
	Discount Rate as per Para 144 of Ind As 19	6.54%	7.76%

₹ in Lacs

S. No.	Reconciliation Of Net Balance Sheet Liability	March 31, 2020	March 31, 2019
1	Net Balance sheet Asset/(Liability) Recognised at beginning	(448.50)	(471.84)
2	Amount Recognised in Accumulated Other Comprehensive Income/Loss at the beginning of the period	(440.70)	(376.77)
3	(Accrued)/ Prepaid benefit cost(Before adjustment) at beginning the of period	(7.80)	(95.07)
4	Net Periodic Benefit (Cost) / Income for the period excluding Para 59 (b)	(187.50)	(212.73)
5	Employer Contribution	20.00	300.00
6	Employers Direct Benefits Payments	-	-
	Amount not recognised as an asset (Limit in Para 59(b)) opening figure of 31-Mar-18	-	-
7	(Accrued)/ Prepaid benefit cost (Before Adj) at end of period	4.70	(7.80)
8	Amount Recognised in Accumulated Other Comprehensive Income/Loss at the end of the period	(532.89)	(440.70)
9	Acquisition / Divestures / Transfer	-	-
10	Effect of the Limit in Para 59(b)	-	-
11	Net Balance Sheet Asset/Liab Recognised at the end of the period	(528.19)	(448.50)

Estimates of future salary increase takes into account inflation, seniority, promotion and other relevant factors such as Supply and demand in the employment market

Sensitivity analysis in respect of the actuarial assumptions used in calculation of defined benefit obligation are given below:

₹ in Lacs

S.No	Particulars	March 31, 2020	March 31, 2019
1	Discount Rate - 100 basis point higher	(2,827.92)	(2,677.53)
2	Discount Rate - 100 basis point lower	3,168.10	3,111.18
3	Salary growth rate - 100 basis point higher	3,159.40	3,106.00
4	Salary growth rate - 100 basis point lower	(2,833.01)	(2,678.19)
5	Attrition rate - 100 basis point higher	(2,978.01)	(2,879.52)
6	Attrition rate - 100 basis point lower	3,001.77	2,882.01
7	Morality rate - 100 basis point higher	(2,989.31)	(2,880.49)

In the above table, positive figures indicate increase in liability and negative figures indicate decrease in the liability.

Notes forming part of the Financial Statements

Note 24.11 : Financial Instruments and Related Disclosures

Capital Management

The Company manages its capital to ensure that it is able to continue as a going concern while maximizing the return to the stakeholders through the optimization of the Debt and Equity balance. The Company determines the amount of Capital required on the basis of an annual budgeting exercise, future capital projects outlay etc. The funding requirements are met through Equity, Internal Accruals and Borrowings (short term / long term).

Categories of Financial Instruments

Financial Assets:

Particulars	As at March 31, 2020 (₹ in Lacs)	As at March 31, 2019 (₹ in Lacs)
Measured at fair value through profit or loss (FVTPL)		
- Current Investments in mutual funds	2,505.02	3,286.33
- Other Investments	725.93	715.16
Measured at amortised cost		
- Security Deposits	207.13	217.00
- Others receivables	94.46	99.25
- Trade receivables	350.16	673.31
- Cash and Cash equivalents	244.23	126.61
- Bank Balances	603.52	1,086.14
- Subsidy receivable	114.01	94.35
- Interest accrued, but not due on Fixed Deposits with banks	33.25	47.51
Total	**4,877.69**	**6,345.67**

Financial Liabilities:

Particulars	As at March 31, 2020 (₹ in Lacs)	As at March 31, 2019 (₹ in Lacs)
Measured at amortised cost		
- Trade payables	1,794.14	2,032.08
- Others	144.96	86.07
Total	**1,940.33**	**2,118.14**

Financial Risk Management Framework:

The Company is exposed to certain financial risks that could have a significant impact on the Company's operational and financial performance. These risks include market risk, credit risk and liquidity risk. The Company's treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse the exposure by degree and magnitude of risks. The treasury function reports periodically to the Board of Directors of the Company, who monitors the risks and policies implemented to mitigate the risk exposures and have the overall responsibility to ensure the same. The Company has not offset financial assets and financial liabilities.

Notes forming part of the Financial Statements

Market Risk:

The Company's activities exposes it primarily to the financial risk of change in foreign currency exchange rates and interest rates.

Foreign Currency Risk Management:

The Company undertakes transactions denominated in foreign currencies and consequently, exposures to exchange rate fluctuation arises. The Company follows the principle of nature hedge considering that the foreign currency exposures primarily are on account of import of capital goods/raw materials and export of finished goods. The Company does not enter into trade financial instruments including derivative financial instruments for hedging its foreign currency risk. The appropriateness/adequacy of the natural hedging principle is reviewed periodically with reference to the approved foreign currency risk management policy followed by the Company.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of each reporting period are as follows:

The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

A. Outstanding as at 31st March 2020

Particulars	Currency	Amount in Foreign Currency	(₹ in Lacs)
Receivables (including contractually reimbursable expenses)	USD	73,773.16	53.12
	EURO	51,344.00	41.01
		1,25,117.16	**94.13**

B. Outstanding as at 31st March 2019

Particulars	Currency	Amount in Foreign Currency	(₹ in Lacs)
Receivables (including contractually reimbursble expenses)	USD	2,28,371.28	159.45
	EURO	30,444.00	24.16
		2,58,815.28	**183.61**

Notes forming part of the Financial Statements

Note 24.11 : Financial Instruments and Related Disclosures (Contd)

Foreign Currency sensitivity analysis:

The Company is mainly exposed to the currencies of USD, EURO

The following table details the Company's sensitivity to a 5% increase and decrease in the INR against the relevant foreign currencies.5% is the rate used in order to determine the sensitivity analysis considering the past trends and expectation of the management for changes in the foreign currency exchange rate. The sensitivity analysis includes the outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the INR Strengthens 5% against the relevant currency. For a 5% weakening of the INR against the relevant currency, there would be a comparable impact on the profit or equity and balance below would be negative.

Particulars	As at March 31, 2020 (₹ in Lacs)	As at March 31, 2019 (₹ in Lacs)
(i) Impact of USD		
Increase by 5%	55.77	167.42
Decrease by 5%	50.46	151.48
(ii) Impact of EURO		
Increase by 5%	43.06	25.37
Decrease by 5%	38.96	22.95

Note: This is mainly attributable to the exposure of outstanding receivables in the above mentioned currencies at the end of the reporting period.

Interest Rate Risk Management:

The Company is exposed to interest rate risks as the Company borrows funds from the market based on market determined interest rates, based on need. The interest rate risk is managed by the Company in accordance with the approved risk management policy, mix and nature of the borrowings etc. in order to reduce the risk of variability of interest rates on the Company.

Credit Risk:

Credit risk refers to the risk that a customer or a counterparty will default on its contractual obligations resulting in a financial loss to the Company. The credit worthiness of the customers are assessed through a strong credit risk assessment policy of the Company. The Company's domestic sales operates primarily on a cash and carry/advance model and do not carry significant credit risk. The Company's exports carry an average credit period of normally 180 days and are normally backed by a letter of credit to cover the risk. Further, the Company periodically assesses the credit worthiness of its customers and, has a number of customers across geographies thereby minimizing the concentration risk.

The credit risk on receivables from government agencies/authorities is minimal considering the sovereign nature of the receivables. Similarly, the credit risk on liquid funds in banks is limited considering that the counterparties are banks with high credit ratings and repute. As per the policy, the Company makes an allowance for doubtful receivables using expected credit loss model on a case to case basis.

The carrying amount of the financial assets recorded in these financial statements, grossed up for any allowance for losses, represents the maximum exposures to credit risk.

None of the Company's cash equivalents, including deposits with bank, are past due or impaired. Regarding the trade receivables, other loans and receivables that are neither impaired nor past due, there were no indicators as at 31 March 2020 that defaults in payment obligations will occur.

Notes forming part of the Financial Statements

Note 24.11 : Financial Instruments and Related Disclosures (Contd)

Liquidity and Interest Risk Tables :

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Financial Liabilities

Particulars	Less than 3 Months	3 Months to 1 Year	1 to 5 Years	Beyond 5 Years	Total
As at March 31, 2020:					
Non-interest bearing instruments	1,272.06	401.99	150.19	114.87	**1,939.10**
Variable interest rate instruments	-	-	-	-	**-**
As at March 31, 2019:					
Non-interest bearing instruments	1,335.21	524.00	132.65	126.29	**2,118.15**
Variable interest rate instruments	-	-	-	-	**-**

Note:

1. Non-interest rate bearing financial liabilties disclosed above represents trade payables.
2. Variable interest rate financial liabilties disclosed above represents loans repayable on demand.

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Financial Assets

Particulars	Less than 3 Months	3 Months to 1 Year	1 to 5 Years	Beyond 5 Years	Total
As at March 31, 2020:					
Non-interest bearing instruments	2,556.60	1,326.56	150.62	800.84	**4,834.62**
Fixed interest rate instruments	-	-	-	-	**-**
As at March 31, 2019:					
Non-interest bearing instruments	2,323.02	2,754.74	160.59	1,037.88	**6,276.22**
Fixed interest rate instruments	-	-	-	-	**-**

Note:

1. Non-interest rate bearing financial assets disclosed above includes Investments, trade receivables, cash and bank balances (Other than in deposit accounts) and other financial assets.
2. Fixed interest rate instruments disclosed above represents Balances with banks held in deposit accounts.
3. The amounts included above for variable interest rate instruments for financial assets is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

Notes forming part of the Financial Statements

Fair Value measurement:

Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurements:

* Level 1 - Quoted price in an active market.
* Level 2 - Discounted cash flow. Future cash flows are estimated based on forward exchange rates and contract rates, discounted at a rate that reflects the credit risk of various counterparties.
* Level 3 - Discounted cash flow method is used to capture the present value of the expected future economic benefits that will flow to the company.

Fair value of the Company's financial assets and financial liabilities that are measured at fair value on recurring basis

Financial Assets / Liabilities	As at March 31, 2020	As at March 31, 2019	Fair value hierarchy	Valuation technique(s)
Financial Assets:				
Investment in Coromandel engineering	302.51	715.03	Level 1	Quoted price

Financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Company's financial assets and liabilities are measured at fair value at the end of each reporting period. Note 6 schedule to accounts gives information about how the fair value of these financial assets and liabilities are determined.

Financial assets and financial liabilities that are not measured at fair value

The Management considers that the carrying amount of all the financial asset and financial liabilities that are not measured at fair value in the financial statements approximate the fair values and, accordingly, no disclosures of the fair value hierarchy is required to be made in respect of these assets/liabilities.

Note 24.12 : Leases

A. Break-up of current and non-current lease liabilities :

The following is the break-up of current and non-current lease liabilities as at March 31, 2020:

Particulars	As at March 31, 2020
Current lease liabilities	40.34
Non-current lease liabilities	-
Total	**40.34**

Notes forming part of the Financial Statements

B. Movement in Lease liabilities :

The following is the movement in lease liabilities during the nine months ended March 31, 2020:

Particulars	**As at March 31, 2020**
Balance as on 1st April 2019	-
Reclassified on account of adoption of IND AS 116	168.73
Additions	-
Finance costs accrued during the period	15.19
Deletions	-
Payment of Lease liabilities	40.34
Balance as on 31st March 2020	**143.58**

C. The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2020 on an undiscounted basis:

Particulars	**As at March 31, 2020**
Less than one year	40.52
One to five years	56.60
More than five years	255.02
Total	**352.14**

D. The impact of changes in acounting policy on account of adoption of Ind AS 116 is as follows.

Particulars	**2019-20**
Decrease in Property, Plant and equipment by	-
Increase in lease liability by	40.34
Increase in rights of use by	137.50
Increase/(Decrease) in Deferred tax assets by	-
Increase/(Decrease) in finance cost by	15.19
Increase/(Decrease) in depreciation by	(31.23)

E. Amounts recognized in profit or loss

Particulars	**2019-20**
Interest on lease liabilities	15.19
Variable lease payments not included in the lease payment liabilities	-
Income from sub-leasing right of use assets	-
Expenses relating to short- term leases	-
Expenses relating to leases of low- value assets,excluding short term leases of low value assets.	-

F. Amounts recognized in profit or loss

Particulars	**2019-20**
Total cash outflows for leases	40.34

Notes forming part of the Financial Statements

Note 24.13

The Company has considered internal and certain external sources of information including credit reports, economic forecasts and industry reports up to the date of approval of the financial statements in determining the impact on various elements of its financial statements. The Company has used the principles of prudence in applying judgments, estimates and assumptions including sensitivity analysis and based on the current estimates, the Company expects to fully recover the carrying amount of Trade receivables, Inventories, Other financial assets, Other current assets. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements.

In terms of our report attached.
For Deloitte Haskins & Sells
Chartered Accountants

Ananthi Amarnath
Partner

Place : Chennai
Date : June 15, 2020

For and on behalf of the Board of Directors

M.M. Venkatachalam
Chairman
(DIN:00152619)

A. Sridhar
Director
(DIN:07913908)

CONSOLIDATED FINANCIAL STATEMENTS

2019-20

Independent Auditor's Report

TO THE MEMBERS OF PARRY AGRO INDUSTRIES LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Parry Agro Industries Limited** ("the Parent") and its subsidiary, (the Parent and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March 2020, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditor on separate financial statements of the subsidiary referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March 2020, and their consolidated profit, their consolidated total comprehensive loss, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor in terms of their reports referred to in the sub-paragraph (a) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

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

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, for example, the Directors report and related annexures, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiary audited by the other auditors, to the extent it relates to this entity and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. There was no other information relating to the subsidiary that was included in the Annual Report.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The Parent's Board of Directors and the Management of the subsidiary 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 the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

In preparing the consolidated financial statements, the Parent's Board of Directors and the Management of the subsidiary are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate or cease operations, or has no realistic alternative but to do so.

The Parent's Board of Directors and the Management of the subsidiary are also responsible for overseeing the financial reporting process of the Group.

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

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

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

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

consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the Group to express an opinion on the consolidated financial statements. For the entity included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remains responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Parent and other entity included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Other Matters

(a) We did not audit the financial statements of one subsidiary whose financial statements reflect total assets of ₹ 116.14 lacs as at 31st March, 2020, total revenues of ₹. Nil and net cash flows amounting to ₹ Nil for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of subsidiary referred to in the Other Matters section above 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 the reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Parent as on 31st March, 2020 taken on record by the Board of Directors of the Parent Company none of the directors of the Parent Company are disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies for the reasons stated therein. The subsidiary is a partnership firm and therefore reporting on internal financial controls over financial reporting is not applicable.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014,as amended 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.

   ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

   (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent Company.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No. 008072S)

Ananthi Amarnath
Partner
(Membership No. 209252)
UDIN: 20209252AAAAFU3664

Place : Chennai
Date : 15th June, 2020

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) 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")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of Parry Agro Industries Limited (hereinafter referred to as "Parent"). The Company has only one subsidiary, Yelnoorkhan Group of Estates, which is a partnership firm and therefore reporting on the adequacy and operating effectiveness of Internal Financial Controls over Financial Reporting, is not applicable to the said subsidiary. Hence, this Report on the Internal Financial Controls over Financial Reporting relating to the Consolidated Financial Statements relates solely to the Holding Company.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company 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 judgement, 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 internal financial controls system over financial reporting of the Parent Company.

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.

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 to the best of our information and according to the explanations given to us, the Parent 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 March 31, 2020, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No. 008072S)

Ananthi Amarnath
Partner
(Membership No. 209252)
UDIN: 20209252AAAAFU3664

Place : Chennai
Date : 15th June, 2020

Consolidated Balance Sheet as at March 31, 2020

Particulars	Notes	As at March 31, 2020 ₹ in Lacs	As at March 31, 2019 ₹ in Lacs
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	3,772.26	4,034.68
(b) Capital work-in-progress		681.60	523.38
(c) Right of use assets	4A	137.50	-
(d) Financial assets			
(i) Other investments	5A	725.93	715.16
(ii) Other financial assets	6A	300.16	287.58
(e) Deferred Tax Assets, Net	14	105.63	136.95
(f) Other non-current assets	7A	186.37	28.36
Total Non-current assets		**5,909.45**	**5,726.11**
Current assets			
(a) Inventories	8A	2,042.04	1,836.41
(b) Biological Assets	8B	50.01	34.91
(c) Financial assets			
(i) Investments	5B	2,505.02	3,286.33
(ii) Trade receivables	9	350.16	673.31
(iii) Cash and cash equivalents	10 A	244.25	126.64
(iv) Other Bank Balances	10 B	603.52	1,086.14
(v) Other financial assets	6B	105.60	101.09
(d) Other Current assets	7B	411.47	283.44
Total Current assets		**6,312.07**	**7,428.27**
Total Assets		**12,221.52**	**13,154.38**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	11	375.68	375.68
(b) Other equity	12	7,930.54	8,743.90
Total Equity		**8,306.22**	**9,118.58**
Minority Interest		**17.66**	**17.56**
Current liabilities			
(a) Financial liabilities			
(i) Total outstanding dues to micro enterprises and small enterprises	15	12.32	7.72
(ii) Total outstanding dues to other than micro enterprises and small enterprises	15	1,664.76	1,907.40
(iii) Lease liabilities		40.34	-
(iv) Other financial liabilities	16	104.62	86.07
(b) Provisions	13	1,287.89	1,266.00
(c) Current Tax Liablities	13A	227.09	371.03
(d) Other Current liabilities	17	457.38	379.02
Total Current Liabilities		**3,794.40**	**4,017.24**
Non - Current liabilities			
(a) Lease liabilities		103.24	-
Total Non Current Liabilities		**103.24**	**-**
Total Equity and Liabilities		**12,221.52**	**13,154.38**
See accompanying notes forming part of the financial statements			

In terms of our report attached.

For Deloitte Haskins & Sells
Chartered Accountants

Ananthi Amarnath
Partner

Place : Chennai
Date : June 15, 2020

For and on behalf of the Board of Directors

M.M. Venkatachalam
Chairman
(DIN:00152619)

A. Sridhar
Director
(DIN:07913908)

Consolidated Statement of Profit and Loss for the year ended March 31, 2020

S. No.	Particulars	Notes	For the year ended March 31, 2020 ₹ in Lacs	For the year ended March 31, 2019 ₹ in Lacs
I	Revenue from Operations	18	17,378.19	18,010.82
II	Other Income	19	329.25	601.63
III	**Total Income (I+II)**		**17,707.44**	**18,612.45**
IV	**EXPENSES**			
	Cost of Material Consumed		4,720.45	4,817.94
	Purchase of Stock-in-Trade		18.52	4.35
	Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	20	(248.42)	48.95
	Changes in Biological Assets	20	(15.10)	6.60
	Employee Benefits Expense	21	7,641.38	7,279.76
	Finance Costs	22	50.24	1.80
	Depreciation and Amortisation Expense	4	539.48	506.85
	Other Expenses	23	5,101.30	5,140.49
	Total Expenses (IV)		**17,807.85**	**17,806.74**
V	**(Loss) / Profit before tax (III-IV)**		**(100.41)**	**805.71**
VI	**Tax expense**			
	(1) Current Tax	14	72.00	220.00
	(2) Deferred Tax	14	31.32	81.35
			103.32	**301.35**
VII	**(Loss) / Profit for the Year (V - VI)**		**(203.73)**	**504.36**
VIII	**Other Comprehensive Income [OCI]**			
A	(i) Items that will not be reclassified to profit or loss			
	(a) Remeasurement of the defined benefit plans		(92.19)	(63.93)
	(b) Fair valuation of Equity Instruments through OCI		(412.52)	(475.02)
	(c) Tax on defined benefit plans listed above in item (a)	14	-	8.32
IX	**Total Other Comprehensive Loss**		**(504.71)**	**(530.63)**
X	**Total Comprehensive (Loss) / Income for the year (VII + IX)**		**(708.44)**	**(26.27)**
XI	**Earnings per equity share (₹ 10 each) on Profit for the year (VII)**			
	- Basic		(5.42)	13.43
	- Diluted		(5.42)	13.43

In terms of our report attached.
For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board of Directors

Ananthi Amarnath
Partner

Place : Chennai
Date : June 15, 2020

M.M. Venkatachalam
Chairman
(DIN:00152619)

A. Sridhar
Director
(DIN:07913908)

Consolidated Statement of changes in equity for the year ended March, 31 2020

A. Equity share capital - Refer Note : 11		**(₹ in Lacs)**
Particulars	**No. of Shares held**	**Amount**
Balance as at March, 31 2019	37,56,816	375.68
Changes in equity share capital during the year	-	-
Balance as at March, 31 2020	37,56,816	375.68

B. Other Equity - Refer Note: 12				**(₹ in Lacs)**
Particulars	**Reserves and Surplus**		**Items of Other Comprehensive Income**	**Total**
	General Reserve	**Retained Earnings**		
Balance at the end of the year - March 31, 2018	**5,465.46**	**3,035.25**	**359.89**	**8,860.60**
Profit for the year		504.36		**504.36**
Less :Transfer to General Reserve		(40.60)		**(40.60)**
Final dividend paid during the year		(75.14)		**(75.14)**
Tax on Dividend		(15.30)		**(15.30)**
Add :Fair value of investment			(475.02)	**(475.02)**
Add :Remeasurement of defined benefit plan			(63.93)	**(63.93)**
Add : Tax on remeasurement of defined benefit plan			8.32	**8.32**
Transfer from retained earnings	40.60			**40.60**
Balance at the end of the year - March 31, 2019	**5,506.06**	**3,408.59**	**(170.74)**	**8,743.91**
Profit for the year		(203.74)		**(203.74)**
Less :Transfer to General Reserve		-		**-**
Final dividend paid during the year		(93.92)		**(93.92)**
Tax on Dividend		(19.31)		**(19.31)**
Add :Fair value of investment			(412.52)	**(412.52)**
Add :Remeasurement of defined benefit plan			(92.19)	**(92.19)**
Add : Tax on remeasurement of defined benefit plan			8.32	**8.32**
Transfer from retained earnings	-			**-**
Balance at the end of the year - March 31, 2020	**5,506.06**	**3,091.61**	**(667.13)**	**7,930.55**
See accompanying notes forming part of the financial statements				

In terms of our report attached.
For Deloitte Haskins & Sells
Chartered Accountants

Ananthi Amarnath
Partner

Place : Chennai
Date : June 15, 2020

For and on behalf of the Board of Directors

M.M. Venkatachalam
Chairman
(DIN:00152619)

A. Sridhar
Director
(DIN:07913908)

Consolidated Cash Flow Statement for the year ended March 31, 2020

	Particulars	For the Year ended March 31, 2020 ₹ in Lacs	For the Year ended March 31, 2019 ₹ in Lacs
A.	**Cash flow from Operating Activities**		
	Net Profit Before Tax	**(100.41)**	**805.71**
	Adjustment for:		
	Depreciation	539.48	506.85
	Finance Costs	50.24	1.80
	Interest Income	(119.50)	(80.31)
	Dividend Income	(0.09)	(0.12)
	Provision for Contingency	6.66	7.48
	Profit on sale of Property, Plant & Equipment (net)	-	(240.67)
	Provision for doubtful advances	-	18.23
	Provision for Investment impairments	(0.01)	-
	Profit on sale of current investments	(132.56)	(67.59)
	Fair Value changes in current investments	-	(136.06)
	Provision no longer required written back	(44.23)	(17.77)
	Unrealised exchange variation (Net)	(8.17)	(1.40)
	Operating Profit before Working Capital changes	**192.12**	**796.15**
	a) Decrease / (Increase) in Trade receivables	331.32	(327.78)
	b) Decrease/ (Increase) in Other financial assets	(4.99)	(5.46)
	c) Decrease/ (Increase) in Inventories	(220.73)	(55.51)
	d) Decrease/ (Increase) in Other Assets	22.33	(27.86)
	a) Increase/ (Decrease) in Trade Creditors	(238.40)	62.79
	b) Increase/ (Decrease) in Other financial liabilities	18.55	4.00
	c) Increase / (Decrease) in Other Liabilities	185.77	31.96
	Changes in Working Capital	**93.86**	**(317.86)**
	Cash generated from operations	**285.98**	**478.29**
	Taxes Paid	(209.25)	(154.26)
	Net Cash generated from Operating Activities	**76.72**	**324.03**
B.	**Cash Flow From Investing Activities**		
	Capital Expenditure (net of subsidy received)	(607.50)	(678.44)
	Proceeds from Sale of Property, Plant & Equipment	38.66	470.66
	Sale / (Purchase) proceeds of Short Term Investments (net)	181.32	(160.42)
	Dividend received	0.09	0.12
	Interest Received	133.76	34.78
	Decrease in other bank balances not considered as cash and cash equivalents	482.61	-
	Net Cash (used in) Investing Activities	**228.95**	**(333.30)**
C.	**Cash flow from Financing Activities**		
	Interest paid to banks	(50.24)	(1.80)
	Dividend paid including dividend tax	(113.23)	(90.43)
	Payment of Lease Liabilities	(24.59)	-
	Net Cash (used in) Financing Activities	**(188.06)**	**(92.23)**
D.	**Net Increase /(Decrease) in Cash & Cash Equivalents**	**117.61**	**(101.50)**
E.	**Opening Cash & Cash Equivalents**	**126.64**	**228.14**
F.	**Closing Cash & Cash Equivalents**	**244.25**	**126.64**

In terms of our report attached.
For Deloitte Haskins & Sells
Chartered Accountants

Ananthi Amarnath
Partner

Place : Chennai
Date : June 15, 2020

For and on behalf of the Board of Directors

M.M. Venkatachalam
Chairman
(DIN:00152619)

A. Sridhar
Director
(DIN:07913908)

Notes forming part of the Consolidated Financial Statements

1. Company Overview

The main business of the company is cultivation and manufacture of Tea. The company owns 7 estates and 8 factories spread across Assam and Tamil Nadu. The Company currently sells about 12.38 million kilograms of Tea

The Company has 98% Share in a Partnership firm, Yelnoorkhan Group of Estates, whose financial statements have been included in these consolidated financial statements. The firm is into cultivation and manufacture of Coffee.

2. Statement of Compliance

These financial statements for the year ended 31st March 2020 have been prepared in accordance with Indian Accounting Standards (IND ASs) notified under the Companies (Indian Accounting Standards) Rules 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules 2016. The Company adopted INDAS from 1st April 2017.

3. Significant Accounting Policies

3.1 Basis of Preparation and Presentation

The financial statements have been prepared on the historical cost basis except for certain items which are measured at fair value at the end of each reporting period, as explained in the accounting policies given below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique.

In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of INDAS 17 and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2.

3.2 Principles of Consolidation

The consolidated financial statements relate to Parry Agro Industries Limited (the 'Company') and its subsidiary. The consolidated financial statements have been prepared on the following basis:

(i) The financial statements of the subsidiary used in the consolidation are drawn up to the same reporting date as that of the Company i.e., 31 March, 2020. These have been consolidated based on latest available financial statements. Necessary adjustments have been made, for the effects of significant transactions and other events between the reporting dates of such financial statements and these consolidated financial statements.

(ii) The financial statements of the Company and its subsidiary have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses, unless cost cannot be recovered.

(iii) The excess of cost to the Group of its investments in the subsidiary entity over its share of capital of the subsidiary, at the dates on which the investment in the subsidiary entity was made, is recognised as 'Goodwill' being an asset in the consolidated financial statements and is tested for impairment on annual basis. On the other hand, where the share of capital in the subsidiary as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves & Surplus', in the consolidated financial statements.

(iv) Minority Interest in the net assets of the consolidated subsidiary consist of the amount of capital attributable to the minority shareholders at the date on which investment in the subsidiary was made and further movements in their share in the capital, subsequent to the dates of investments. Net profit / loss for the year of the subsidiary attributable to minority interest is identified and adjusted against the profit after tax of the Group in order to arrive at the income attributable to shareholders of the Company.

(v) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances

(vi) The following subsidiary has been considered in the preparation of the consolidated financial statements:

Name of the entity	Relation-ship	% of Holding and voting power as at	
		As at 31 March 2020	As at 31 March 2019
Yelnoorkhan Group of Estates (Partnership firm)	Subsidiary	98%	98%

3.3 Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods. Judgements are made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements. Assumption and estimation uncertainties that have a significant risk of resulting in a material adjustment are reviewed on ongoing basis.

3.4 Operating cycle

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.

3.5 Property, Plant & Equipment

(i) Tangible Assets (Other than Bearer Plants): Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes deemed cost, measured as per the previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. Cost is inclusive of incidental expenses related to acquisition and installation of assets and borrowing costs incurred up to the date of commencing operations. Expenses for the repair of property plant and equipment’s are charged against income when incurred.

Items of property, plant and equipment’s are depreciated in a manner that amortises the cost the assets less its residual value over their useful life on a straight line basis. The same is covered in detail in note 3.18.

Subsidy received from Tea Board and other agencies towards specific asset is reduced from the cost of respective PPE and recognised as income over the life of the depreciable asset by way of a reduced depreciation charge. Subsequent expenditure on PPE after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of 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 the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

The subsidiary does not have any fixed assets as at March 31, 2020 and as at March 31, 2019.

On transition date 01st April 2017, the company had derecognised an item of Property, Plant and Equipment since the same is not material in nature for fair valuation. The asset had been recognized in Reserves and Surplus.

On transition to IND AS, the company has elected to continue with the carrying value of all its property, plant and equipment recognised as of 01st April 2017 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost.

(ii) Bearer Plants:

The Company follows the below polices on accounting of bearer plants:

- The company has determined the cost of bearer plants of tea as on 1st April 2016 after deducting from the carrying value of land and land development as on that date, the estimated cost of land arrived based on the guideline value as on the date nearing to date of acquisition
- Depreciation on bearer plants is charged based on their estimated useful life as assessed and certified by external value assessors
- Immature crops, including the cost incurred for nursery plants (other than used for infilling) are carried at cost less any recognized impairment losses under capital work-in-progress. Cost includes the cost of uprooting and replanting and maintenance of newly planted bushes for a period of 4 to 5 years until maturity. On maturity (i.e. when the bearer plants are ready for their intended use), these costs are classified under the block Bearer Plants. Expenses incurred towards Pepper during the first year of planting will be capitalised and from subsequent years expenses will be charged off to Profit and loss account.
- Uprooting & replanting subsidy received from Tea Board for replanting done before 1st April 2016 has been credited to the Statement of Profit and Loss under Other Income and subsidy received for replanting done after 1st April 2016 will be reduced from original capitalised value and will be recognized as income over the life of the depreciable asset by way of a reduced depreciation charge.
- 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 fields.

3.6 Intangible Assets:

Intangible assets of the company comprise acquired computer software having a finite life. Cost of software is capitalised where it is expected to provide future enduring economic benefits. Capitalisation costs include licence fees and cost of implementation / system integration services. The costs are capitalised in the year in which the relevant software is implemented for use and is amortised over its useful life. Expenses incurred on upgradation / enhancements is charged off as revenue expenditure unless they bring similar significant additional benefits.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as of 1st April 2017 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost.

3.7 Capital work-in-progress:

Projects under which Property, Plant & Equipment are not yet ready for their intended use are carried at cost less any recognized impairment losses, comprising direct cost and other related incidental expenses.

3.8 Research and development expenses

Research and Development expenditure of revenue nature is written off in the statement of profit and loss as incurred. Such expenditure is capitalised as intangible assets only if it meets the criteria of an intangible asset. Internally generated

3.9 Impairment of assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceeds the estimated recoverable amount, impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than arevalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

3.10 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition) and highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

3.11 Cash Flow Statement

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

3.12 Biological Assets

(i) 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 costs to sell of biological assets are included in Statement of Profit and Loss for the period in which it arises.

(ii) 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 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 costs to sell shall be included in Statement of profit and loss for the period in which it arises. The Company's agricultural produce comprises of green leaves plucked from its tea estates.

3.13 Inventories

Inventories are stated at the lower of cost and net realisable value. 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. Net realisable value represents the estimated selling price for inventories less all selling costs. Provision is made for obsolete, slow moving and defective inventories, whenever necessary. Stores and spare parts are valued at cost ascertained on moving weighted average basis. Nursery stocks considered for infilling as per management assessment are valued at cost incurred in raising and maintaining such stock till transplantation. Other nursery stocks considered for replanting are included in capital work in progress.

The subsidiary does not have any inventory as at March 31, 2020 and as at March 31, 2019.

3.14 Foreign Currency Transactions

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are recognised immediately in the statement of profit and loss.

3.15 Leases

The Company’s lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset (“ROU”) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Transition

Effective April 1, 2019, the Company adopted Ind AS 116 “Leases” and applied the standard to all lease contracts existing on April 1, 2019 resulting in recognition of right of use assets for an amount of ₹ 137.50 Lacs and measured the lease liabilities at an equal amount as on the date of transition and hence no impact to reserves. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application.

Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended March 31, 2020.

Under Ind AS 17

In the comparative period, Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

3.16 All other leases are classified as operating leases. Payments made under operating leases were recognised in profit or loss on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor’s expected inflationary cost increases.

3.17 Financial Instruments:

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issues of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way

A. **Financial Assets**

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

(i) **Classification of Financial Assets**

Financial instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVTOCI) (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Changes in the carrying amount of FVTOCI monetary financial assets relating to changes in foreign currency rates are recognised in profit or loss. Other changes in the carrying amount of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed off or is determined to be impaired, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

All other financial assets are subsequently measured at fair value.

(ii) **Effective interest method:**

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

(iii) **Investments in equity instruments at FVTOCI**

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

t has been acquired principally for the purpose of selling it in the near term; or

- On initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Dividend on these investments in equity instruments are recognised in the Statement of Profit and Loss when the right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

The company has investment in an entity which are not held for trading and are initially measured at cost less provision for diminution. Subsequently they are measured at fair value with gain or loss arising from changes in fair value recognised in other comprehensive income and accumulated in 'General Reserves'

(iv) **Financial Assets at Fair value through Profit or Loss (FVTPL):**

Investments in equity instruments are classified as FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. In addition, instruments that meet the amortised cost criteria or FVTOCI criteria may be designated as FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains or losses on them on different bases.

Financial Assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in the Statement of Profit and Loss. The net gain or loss recognised in the Statement of Profit and Loss incorporates any dividend or interest earned on the financial asset. Dividend on financial assets at FVTPL are recognised when the right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

The company has investments in Mutual funds which it had carried individually, at the lower of cost and fair value determined on the basis of each category of investments. Subsequently with the application of INDAS the investments in Mutual funds are valued at Mark to Mark up with gain or loss in investments being recognized in Profit and Loss statement.

Investment in the capital of partnership firm is stated at cost. The Profit or Loss is recognised as and when the firm's accounts are finalised.

(v) **Impairment of Financial Assets:**

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amotised cost, trade receivables and other contractual rights to receive cash or other financial asset.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of the financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the life-time expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the life-time cash shortfalls that will result if the default occurs within the 12 months after reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measures the loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in risk of default occuring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the date of initial recognition.

For trade receivables or any contractual right to receive cash or other financial asset that result from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

(vi) **De-recognition of Financial Assets:**

The Company derecognises a financial asset 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 party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

On de-recognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

(vii) **Foreign exchange gain and losses:**

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss.

Changes in carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.

For the purposes of recognising foreign exchange gains or losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in the Statement of Profit and Loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

B. **Financial liabilities and equity instruments**

(i) Classification as debt or equity

Debt and equity instruments issued by the Company as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(ii) Equity Instruments:

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

(iii) Financial Liabilities:

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company are measured in accordance with the specific accounting policies set out below.

(iv) Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a Company of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the Companying is provided internally on that basis;

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in the Statement of Profit and Loss.

(v) Financial Liabilities subsequently measured at amortised cost:

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

(vi) Foreign exchange gain and losses:

For financial liabilities that are denominated in a foreign currency and measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on amortised cost of the instruments and are recognised in the Statement of Profit and Loss.

The fair value of the financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured at FVTPL, the foreign exchange component forms part of the fair value gains or losses recognised in the Statement of profit and Loss.

(vii) Derecognition of financial liabilities:

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised the Statement of Profit and Loss.

(viii) Offsetting:

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off amounts and it indents either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(ix) Financial guarantee and contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contract contracts issued by the Company are initially measured at their fair values and, if not designated as FVTPL, are subsequently measured at their fair values and, if not designated as FVTPL, are subsequently measured at the higher of:

- The amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- The amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

Amount previously recognised in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to the Statement of Profit and Loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity (but not a reclassification adjustment) are included in the initial measurement of the cost of the non-financial asset or non-financial liability.

3.18 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue is measured at the transaction price for each separate performance obligation, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The transaction price is net of Revenue is reduced for estimated customer returns, rebates and other similar allowances. The specific recognition criteria described below must also be met before revenue is recognised

Sale of Goods:

Revenue from the sale of goods is recognized at a point in time when the control of the products has transferred which generally coincides with dispatch of products to customers in case of domestic sales and on the basis of bill of lading in the case of export sales.

Revenue from the sale of goods is recognised when the control of the product is transferred the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- Company has a present right to payment for the asset
- Company has transferred physical possession of the asset, whereby the customer has the ability to direct the use of, and obtain substantially all of the remaining benefits from, the asset or to restrict the access of other entities to those benefits.

When the consideration is received, before the Company transfers a goods to the customer, the Company shall present the consideration as a contract liability.

Rendering of services

Revenue from divisible service contracts:

a) service contracts are recognised over a period of time determined using the percentage completion method, synchronized to the billing schedules agreed by the customers, identical with others in similar business and

b) the revenue relating to of supplies are measured in line with policy set out in 3.4.1 in respect of indivisible contracts, the revenues are recognised over a period of time, measured as per (a) above.

When the consideration is received, before the Company transfers a goods to the customer, the Company shall present the consideration as a contract liability and when the services rendered by the Company exceed the payment, a contract asset is recognised excluding any amount presented as receivable.

Other income

Royalty income is recognised on an accrual basis in accordance with the substance of the relevant agreement.

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

Interest income from a financial asset is recognised and accrued using effective interest rate method.

Rental income is recognised on a straight line basis in accordance with the agreement.

3.19 Government grants, subsidies and export incentives

Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Company will comply with all attached conditions. Government grants are recognised in the statement of profit or loss on a systematic basis over the periods in which the Company recognises the related costs for which the grants are intended to compensate.

Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non - current assets are recognised as deferred revenue in the Balance Sheet and transferred to the profit or loss on a systematic and rational basis over the useful lives of the related assets.

The value of money receivable from Government grants is discounted based on past trends and the company makes an estimate of the expected future cash flows based on suitable discount rate to calculate the present value to those cash flows.

3.20 Employee Benefits

Employee benefits include Provident Fund, Superannuation Fund, Employee State Insurance Scheme, Gratuity Fund and Compensated Absences.

a. **Defined Contribution Plan**

Fixed contributions to the Superannuation Fund which is administered by the Company nominated trustees and managed by Life Insurance Corporation of India are charged to the Statement of Profit and Loss as and when due. Company also contributes to a Government administered Provident Fund and Pension Fund on behalf of its employees, which are charged to the Statement of Profit and Loss.

b. **Defined Benefit Plan**

The liability for Gratuity to employees as at the Balance Sheet date is determined on the basis of actuarial valuation using Projected Unit Credit Method and is funded to a Gratuity fund administered by the trustees and managed by Life Insurance Corporation of India. The liability thereof paid / payable is absorbed in the accounts. The actuarial gains / losses are recognized in the Statement of Profit and Loss. The employees and the Company make monthly fixed contributions to the Parry Agro Industries Staff Provident Fund, equal to a specified percentage of the covered employee's salary. The interest rate payable by the Fund to the beneficiaries shall not be lower than the rates notified by the Government every year. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate.

c. **Long Term Compensated Absences**

In respect of long term portion of compensated absences, the liability is determined and provided for on the basis of actuarial valuation as at the Balance Sheet date, using Projected Unit Credit Method.

d. **Short Term Employee Benefits**

Short term employee benefits including accumulated compensated absences determined as per Company's policy / scheme are recognized as an expense based on expected obligation on undiscounted basis.

Notes forming part of the Consolidated Financial Statements

3.21 Depreciation and Amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. No deprecation is charged on land (freehold)

Depreciation on Property, Plant & Equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013, except in respect of certain bearer plants, machines used in harvesting / pruning and vehicles under the employee car purchase scheme, in whose case the life of the assets has been assessed as given below, based on internal technical evaluation, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, and maintenance support, etc.

Bearer plants	65 to 105 years
Machines used in harvesting / pruning	2 to 4 years
Vehicles under employee car purchase scheme	6 -7.5 years

Cost of Software License is fully amortised in the year of addition.

In respect of additions and deletions, depreciation charge is restricted to the period of use.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

3.22 Borrowing costs

Borrowing costs include interest; amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

3.23 Taxes on income

Taxes on income comprises of current taxes and deferred taxes. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with applicable tax rates and provisions of Income Tax Act, 1961 and other applicable tax laws.

Minimum alternative tax (MAT) paid in accordance to the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company.

Deferred tax is recognized on temporary differences between the carrying amount of assets and liabilities and the corresponding tax bases used in computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively

3.24 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

3.25 Operating segment

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer.

Notes forming part of the Consolidated Financial Statements

Note 4 : Property, plant and equipment (Owned unless otherwise stated)

(₹ in Lacs)

Particulars	Freehold land	Leasehold land	Buildings	Plant and Machinery	Bearer Plants	Furniture and Fittings	Vehicles	Intangibles	Total
Gross block									
Balance as at March 31, 2018	**226.17**	**17.97**	**999.30**	**1,794.15**	**454.51**	**118.14**	**215.90**	**-**	**3,826.14**
Additions	-	29.21	409.95	747.88	54.11	39.19	75.01	-	1,355.35
Disposals	56.68	-	121.76	209.51	-	6.97	90.49	-	485.41
Balance as at March 31, 2019	**169.49**	**47.18**	**1,287.49**	**2,332.52**	**508.62**	**150.36**	**200.42**	**-**	**4,696.08**
Additions	-	-	13.68	108.12	56.87	37.35	69.18	-	285.19
Disposals	-	-	0.44	56.24	-	1.62	81.39	-	139.69
Balance as at March 31, 2020	169.49	47.18	1,300.73	2,384.39	565.49	186.09	188.22	-	4,841.59
Accumulated depreciation									
Balance as at April 01, 2018	**-**	**0.17**	**66.22**	**271.37**	**42.04**	**18.92**	**11.23**	**-**	**409.94**
Charge for the year	-	0.18	76.29	306.76	33.10	39.23	51.29	-	506.85
Disposals	-	-	34.49	153.93	-	5.39	61.59	-	255.40
Balance as at March 31, 2019	**-**	**0.35**	**108.02**	**424.20**	**75.14**	**52.76**	**0.93**	**-**	**661.39**
Charge for the year	-	0.18	68.28	325.19	28.39	40.35	45.87	-	508.25
Disposals	-	-	0.44	52.76	-	1.62	45.48	-	100.30
Balance as at March 31, 2020	**-**	**0.53**	**175.87**	**696.62**	**103.53**	**91.48**	**1.32**	**-**	**1,069.34**
Net block									
As at April 01, 2019	**169.49**	**46.83**	**1,179.47**	**1,908.32**	**433.48**	**97.60**	**199.49**	**-**	**4,034.68**
As at March 31, 2020	**169.49**	**46.65**	**1,124.87**	**1,687.77**	**461.96**	**94.61**	**186.91**	**-**	**3,772.26**

Note 4A : Right of Use Assets

(₹ in Lacs)

Particulars	Leasehold Buildings	Total
Year ended 31 March 2020		
Gross carrying amount		
Opening gross carrying amount	-	-
Additions	168.73	168.73
Disposals	-	-
Closing gross carrying amount	**168.73**	**168.73**
Accumulated amortisation	-	-
Amortisation charge during the year	31.23	31.23
Disposals	-	-
Closing accumulated amortisation	**31.23**	**31.23**
Net carrying amount as on 31 March 2020	**137.50**	**137.50**

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

Note 5A : Investments

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Non Current investments :		
Quoted Equity Instruments		
a) Investment in Equity Shares (fully paid) at FVTOCI		
Coromandel Engineering Company Limited (25,00,100 Shares held as on 31st March 2020, 31st March 2019)	302.51	715.03
Total (a)	**302.51**	**715.03**
UnQuoted Equity Instruments (Non-Trade)		
b) Investments in Equity Shares (fully paid)		
(i) Manjushree Plantations (149 Shares held as on 31st March 2020, 31st March 2019)	0.07	0.07
(ii) NEPC Agro foods (44 Shares held as on 31st March 2020, 31st March 2019)	0.05	0.05
(iii) Southern Energy Development Corporation (100 Shares held as on 31st March 2020, 31st March 2019)	0.01	0.01
c) Investments in Preference Shares at Amortised cost		
Coromandel Engineering Company Ltd (6,00,000 cumulative redeemable Preference shares held as on 31st March 2020)	423.30	-
Total (b)	**423.42**	**0.13**
Grand Total (a+b)	**725.93**	**715.16**

Notes forming part of the Consolidated Financial Statements

Note 5B : Investments

Particulars	As at March 31, 2020			As at March 31, 2019		
	Unit No's	₹ per share	Value (₹ in Lacs)	Unit No's	₹ per share	Value (₹ in Lacs)
Current investments :						
(a) Investment in Mutual Funds - Quoted						
ICICI Prudential - Money Market Fund - Growth	55,021.46	277.51	152.69	-	-	-
ICICI Prudential credit risk Fund- Growth		-	-	18,85,318.754	18.575	374.58
ICICI Prudential Banking & PSU Debt Fund - Growth	13,80,764.115	23.16	319.82			
ICICI Prudential - Ultra Short Term Fund - Growth		-	-	6,93,303.383	30.913	214.32
Franklin India Savings Fund Retail Option Growth	1,37,695.148	37.00	50.95			
Franklin India Short Term Income Plan-Retail Plan-Growth		-	-	8,173.809	3,997.269	326.73
Aditya Birla Sun Life Floating Rate Fund - Regular Plan - Growth		-	-			
Aditya Birla Sun Life Short Term Opportunities Fund - Growth-Regular	6,93,303.383	33.18	230.01	5,63,335.850	18.880	106.36
Aditya Birla Sun Life Liquid Fund - Regular Plan - Growth	81,212.458	312.48	253.77	1,35,688.726	299.005	405.72
L&T Liquid Fund - Growth		-	-	23,876.130	2,553.632	609.71
L&T Short Term Income Fund - Growth		-	-	-	-	-
DHFL Pramerica Credit Opportunities Fund - Regular Growth		-	-	21,79,947.391	14.487	315.80
Reliance Regular SF - Dp - Growth Plan - Growth Option		-	-	14,46,567.914	25.769	372.76
Reliance Ultra short duration fund - Growth Plan - Growth Option		-	-	3,617.020	2,908.496	105.20
SBI Savings fund - Regular Plan Growth	6,66,109.355	31.00	206.47	3,57,394.310	28.936	103.42
SBI Liquid fund - Regular Growth	6,622.565	3,093.67	204.88	10,337.162	2,916.309	301.46
SBI Banking & PSU Fund Regular Growth	14,125.802	2,280.58	322.15			-
DSP Saving Fund - Growth	9,06,186.125	39.15	354.81			-
DSP Ultra Short Fund - Regular Plan - Growth	3,864.784	2,598.59	100.43			-
Invesco India Ultra Short Term Fund - Growth	7,476.477	2,038.39	152.40			-
IDFC Corporate Bond Fund Regular Plan-Growth	7,71,813.376	13.78	106.37			-
			2,454.75			**3,236.06**
(b) Other investments						
Rural Electrification Corporation Limited Bonds (500 Nos)			50.00			50.00
National Savings Certificate			0.27			0.27
Total			**2,505.02**			**3,286.33**

Notes forming part of the Consolidated Financial Statements

Note 6 : Other financial assets

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
A. Non-current		
Security deposits	207.13	217.00
Subsidies Receivable at amortised cost	93.03	70.58
Total (a)	**300.16**	**287.58**
B. Current		
Subsidies Receivable	20.98	23.77
(i) Subsidy receivable	19.51	22.02
(ii) Add: Interest	1.47	1.75
Interest Accrued on deposits	33.25	47.51
Advances to employees	51.37	29.81
Total (b)	**105.60**	**101.09**
Grand Total (a+b)	**405.76**	**388.67**

Note 7 : Other assets

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
A. Non-current		
Capital advances	138.76	15.20
Deposits paid under protest	13.17	13.17
Prepayments for investment in preference shares	34.44	-
Total (a)	**186.37**	**28.36**
B. Current		
Balances with Statutory Authorities :		
- GST & VAT Receivable	51.17	87.35
Prepaid Expenses	158.32	108.05
Prepaid - Amortisation of Preference Shares	137.77	-
Claims receivable	21.13	18.60
Other receivables :		
Considered good	43.09	69.44
Considered doubtful	40.61	40.61
Less: Allowance for doubtful receivables	(40.61)	(40.61)
Total (b)	**411.47**	**283.44**
Grand Total (a+b)	**597.84**	**311.80**

Notes forming part of the Consolidated Financial Statements

Note 8A : Inventories

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Finished goods - Tea	1,680.86	1,454.49
Finished goods - Pepper	25.43	3.38
Stores and spares	312.44	358.35
Nursery	23.31	20.19
Total	**2,042.04**	**1,836.41**

Note 8B : Biological Asset

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Green Leaf on Bush	50.01	34.91

Note 9 : Trade receivables (Unsecured)

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Current		
Considered good	350.16	673.31
Total	**350.16**	**673.31**

a) Trade receivables are generally due between 30 to 60 days. The Company's term includes charging of interest for delayed payment beyond agreed credit days. However, the Compnay exercises charging of interest after considering the historical trend, business prospects, reason for delay, market conditions etc.

b) Credit risk is managed at the respective entity level . The credit limit and credit period are fixed for each customer after evaluating the financial position, past performance, business opportunities, credit references etc. The Company may consider credit rating when needed. The credit limit and the credit period are reviewed regularly at periodical intervals.

c. Concentration risk considers significant exposures relating to industry, counterparty, geography, currency etc. The concentration of credit risk is not significant due to the fact that the customer base is large and diversified.

d. Based on the historical credit loss experience adjusted for forwardlooking information,no allowance for expected credit loss in respect of Trade Receivables is considered necessary as at 31st March 2020, 31st March 2019.

Note 10A : Cash and cash equivalents

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Balances with banks		
(i) In Current Accounts	217.16	47.45
Deposit account	-	75.00
Cash on hand	27.09	4.19
Total	**244.25**	**126.64**

Notes forming part of the Consolidated Financial Statements

Note 10B : Other Bank Balances

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Unpaid Dividend Account	7.42	8.43
Balance in Earmarked Accounts	96.10	77.71
Deposit with orginal maturity of more than 3 months	500.00	1,000.00
Total	**603.52**	**1,086.14**

Note 11 : Equity Share Capital

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised share capital:		
1,00,00,000 Equity shares of ₹ 10/- each	10,00,00,000	10,00,00,000
Issued, Subscribed and Paid-up		
37,56,816 equity shares of ₹ 10/- each fully paid	**375.68**	**375.68**

i) Details of shares held by shareholders holding company and shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholder	As at March 31, 2020	As at March 31, 2019
Ambadi Investments Ltd	29,27,414	29,27,378

ii) Terms / rights attached to Equity Shares

The company has only one class of equity shares having a par value of Rs.10 per share. All these shares have the same rights and preferences with respect to payment of dividend, repayment of capital and voting.

The dividend proposed by the Board of Directors is subject to the approval of the Share Holders at the ensuing Annual General Meeting except in case of interim dividend.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes forming part of the Consolidated Financial Statements

Note 12 : Other equity

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
A. Reserves and Surplus		
a. General reserve	5,506.06	5,506.06
b. Retained earnings	3,091.61	3,408.58
	8,597.67	**8,914.64**
B. Items of Other Comprehensive Income :	(667.13)	(170.74)
Total Other Equity	**7,930.54**	**8,743.90**

a. General reserve

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	5,506.06	5,465.46
Transfer from retained earnings	-	40.60
Balance at end of the year	**5,506.06**	**5,506.06**

b. Retained earnings: (₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	3,408.58	3,035.25
Add : Profits for the year	(203.74)	504.37
Less : Transfer to General Reserve	-	40.60
Less : Final dividend paid during the year including dividend tax	93.92	75.14
Less : Dividend tax	19.31	15.30
Balance at end of the year	**3,091.61**	**3,408.58**

c. Other Compherensive Income Reserve:

Particulars	As at March 31, 2020	As at March 31, 2019
Opening Balance	(170.74)	359.89
Investments - Revaluation of Coromandel Shares	(412.52)	(475.02)
Remeasurement of Gratuity	(92.19)	(63.93)
Tax impact on Remeasurement of Gratuity	8.32	8.32
	(667.13)	**(170.74)**

The directors after considering the financial performance of the company does not recommend any divided for the financial year ended 31st March, 2020. Consequently, no amount is proposed to be transferred to the General Reserves of the company.

Nature and Purpose of Reserves and Surplus:

a) General Reserve: This reserve represents appropriations of profits made from retained earnings and can be distributed and utilized.

b) Retained Earnings: This reserve represents the cumulative profits as well as remeasurement of defined benefit plans and can be distributed / utilized by the Company in accordance with the Companies Act, 2013.

Notes forming part of the Consolidated Financial Statements

Note 13 : Provisions

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
A. Current		
Employee benefits - Compensated absences	560.68	545.45
Provision for Contingencies	727.21	720.55
Total	**1,287.89**	**1,266.00**

Note 13A : Current Tax Liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for Taxation - (Net of Advance Tax ₹ 8,019.95 lacs as at March 31, 2020; ₹ 7,958.34 lacs as at March 31, 2019)	227.09	371.03
Total	**227.09**	**371.03**

Note 14A : Taxation:

(a) Income tax expense:

Provision for tax comprises provision for Central Income Tax and provision for Assam Agricultural Income Tax. The Provision for Central Income Tax has been computed as per the provisions other than 115JB of the Income Tax Act,1961. The major components of income tax expenses for the year ended March 31, 2020 and for the year ended March 31, 2019 are:

(i) Income tax recognised in Profit or Loss: (₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
(1) Current Tax	72.00	220.00
(2) Deferred Tax	31.32	81.35
Total Income Tax expense recognised in statement of Profit & Loss	**103.32**	**301.35**

(ii) Income tax recognised in Other Comprehensive Income:

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax (credit)/charge on Remeasurement of DBO	-	8.32
Income tax charged to OCI	**-**	**8.32**

Notes forming part of the Consolidated Financial Statements

(b) Reconciliation of effective tax rate:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Loss / (Profit) Before Tax (A)	(100.41)	707.23
Enacted tax rate in India (B)	27.82%	27.82%
Expected tax expense using the Company's applicable rate	-	196.75
Tax Effect of:		
- Effect of income that is exempt from taxation	-	(4.08)
- Effect of unused tax losses and tax offsets not recognised as deferred tax assets	-	106.83
- Effect of concessions (research and development and other allowances)	(66.70)	(40.25)
- Effect of expenses that are not deductible in determining taxable profit	-	(5.90)
- Effect of different tax rates of capital gains	36.88	(41.17)
- Effect of previously unrecognised and unused tax losses and deductible temporary differences now recognised as deferred tax assets	63.27	88.84
- Effect of income taxable as per Income Tax Act but not considered in books due to book loss	64.52	-
- Others - Changes in recognised temporary differences	5.35	0.32
Income tax expenses recognised in statement of profit or loss	**103.32**	**301.35**

Note 14B : Deferred tax Assets (net)

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax Assets (net)	105.63	136.95
Total	**105.63**	**136.95**

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax asset arising out of timing difference relating to:		
Provision for Contingencies & Others	118.03	96.65
Provision for Doubtful advances	34.96	10.86
Provision for Employee benefits	225.51	261.31
Total	**378.50**	**368.82**
Deferred tax asset arising out of timing difference relating to:		
Depreciation	(241.55)	(158.84)
Total	**(241.55)**	**(158.84)**
Net Deferred Tax Asset	136.95	209.98
Net deferred tax asset as at the beginning of the year	136.95	209.98
Add / (Less) : Deferred tax Income / (Expense) recognised in / asset credited to the statement of Profit and Loss	(31.32)	(81.35)
Add / (Less) : Deferred tax impact on remeasurement of defined benefit plan	**-**	**8.32**
Net Deferred Tax Asset as at the end of the year	**105.63**	**136.95**

Notes forming part of the Consolidated Financial Statements

Note 15 : Trade payables

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Trade Payable for MSME Supplies	12.32	7.72
Trade Payable for Supplies	808.67	942.51
Trade Payable for Employees	856.09	964.89
Total	**1,677.08**	**1,915.12**

a) Trade payables are non-interest bearing and are normally settled within the agreed due dates, generally ranging from 30 to 90 days.

b) All the payables are settled within the credit period as per pre-agreed terms. The Company has financial risk management policies in place to ensure that the payments are made within agreed period.

Note 16 : Other financial liabilities

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured		
Unclaimed dividends	7.42	8.43
Payable on Purchase of Fixed Assets	1.23	-
Payable to earmarked funds (Fair Trade & NTRF Project)	95.97	77.64
Total	**104.62**	**86.07**

Note 17 : Other current liabilities

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Advance from Customers	6.60	12.69
Statutory liabilities	95.66	105.88
Gratuity Payable - Refer Note 24.10	355.12	260.45
Total	**457.38**	**379.02**

Notes forming part of the Consolidated Financial Statements

Note 18 : Revenue from Contract with Customers

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
a. Gross Sales / Income from Operations		
Sale of products		
Tea	16,821.46	17,498.92
Pepper	45.00	64.40
Total (a)	**16,866.46**	**17,563.32**
b. Other operating income :		
Sale of tea waste	253.34	189.37
Sale of timber	-	24.00
Sale of Scrap	61.55	62.82
Subsidies	27.86	18.56
Income from Eco Operations	113.34	99.24
Export benefits	55.64	53.52
Total (b)	**511.73**	**447.50**
Total Revenue from operations (a + b)	**17,378.19**	**18,010.82**

Note 18.1 Trade Receivables and Contract Balances

A receivable is a right to consideration that is unconditional upon passage of time. In case of customers where the credit is allowed, the same is disclosed in Note 9 - Trade Receivables.

Note 18.2 Transaction price allocated to the remaining performance obligation

Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis.

Note 18.3 Information about major customers

Company has no single customer from whom the revenue is not less than 10 % of the revenue from external customers of the company.

Note 19 : Other Income

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Dividend Income		
Dividend Income from Long term Investments	0.09	0.12
(b) Interest Income earned on financial assets that are not designated as fair value through profit or loss [FVTPL]		
- Bank Deposits	89.32	80.31
(c) Interest Income on Amortisation of Lease rentals	0.24	-
(d) Interest Income on Amortisation of Preference shares	29.95	-
(e) Other Non operating income	**209.65**	**521.21**
Profit on sale of current investments	132.56	67.59
Fair value changes in current investment	-	136.06
Profit on sale of Property, Plant & Equipment *	-	240.67
Provision for expenses no longer required written back	44.23	17.77
Miscellaneous income	32.86	59.12
Total Other Income (a+b+c+d)	**329.25**	**601.63**

* Previous year Profit on sale of Property, Plant & Equipment includes sale of Sirajuli Factory.

Notes forming part of the Consolidated Financial Statements

Note 20 : Changes in inventories of finished goods, stock-in-trade, work in progress

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Opening stock		
Biological Assets	34.91	41.51
Finished Goods - Tea	1,454.49	1,506.30
Finished Goods - Pepper	3.38	0.52
Less: Closing stock		
Biological Assets	50.01	34.91
Finished goods - Tea	1,680.86	1,454.49
Finished goods - Pepper	25.43	3.38
Net (Increase) / Decrease	**(263.52)**	**55.55**

Note 21 : Employee benefits expense

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries, Wages and Bonus	6,267.08	6,033.54
Contribution to Provident and other funds	775.78	678.81
Staff Welfare expenses	598.52	567.41
Total	**7,641.38**	**7,279.76**

Note 22 : Finance costs

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest costs		
- on lease	15.74	-
- on Others	0.06	1.80
Amortization of Preference shares	34.44	-
Total	**50.24**	**1.80**

Note 23 : Other expenses

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Consumption of Stores and Spares	658.77	557.16
Consumption of Packing Materials	313.64	339.16
Cost of Consumables and Nursery Items	0.14	25.73
Power and fuel	2,124.80	2,105.31
Rent	48.44	85.99
Repairs & Maintenance - Buildings	113.10	109.52
Repairs & Maintenance - Machinery	150.52	168.11
Repairs & Maintenance - Others	298.76	296.46
Insurance	95.73	82.38
Rates & Taxes	49.43	57.76
Communication Expenses	35.80	43.28
Travelling and Conveyance	184.57	168.36
Commision to Directors	-	5.70
Directors' sitting fees	3.25	4.40
Printing & Stationery	12.34	13.44
Freight and forwarding	275.58	259.53
Sales commission	81.17	84.40
Selling and distribution expenses	113.72	108.91
Expenses on Corporate Social Responsibiilty	12.67	12.45
Legal Expenses	2.40	4.47
Professional Charges	286.12	343.40
Payment to Auditors (Refer Note Below)	21.30	17.80
Provision for Doubtful Advances	-	18.23
Provision for Contingencies	6.66	7.48
Miscellaneous expenses	211.66	221.05
	5,101.30	**5,140.49**

Auditors Remuneration

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(i) Payments to the auditors comprises		
(a) To statutory auditors		
For Audit	18.10	15.10
For Taxation matters (including tax audit)	2.00	1.50
(b) To cost auditors for cost audit (including GST)	1.20	1.20
Total	**21.30**	**17.80**

Notes forming part of the Consolidated Financial Statements

Additional Notes to Accounts

Note 24.1 Contingent Liabilities and Commitments:

Note	Particulars	As at March 31, 2020 (₹ in Lacs)	As at March 31, 2019 (₹ in Lacs)
24.1	Contingent liabilities and commitments (to the extent not provided for)		
(i)	**Contingent liabilities:**		
	(a) Claims against the Company not acknowledged as debt		
	(i) Various Labour related issues pending before the labour Commissioner	50.99	50.99
	(ii) Disputes in Electricity Tax	87.73	87.73
	(b) No Adjustment is required to be made in the accounts in respect of the following: The Company has claimed for patta under the Gudalur Janmam Estate (Abolition and Conversion into Ryotwari) Act, 1969 for an extent of 1,606.36 acres under Section 8 (outright purchase) and 479.53 acres under Section 9 (leasehold rights) aggregating to 2,085.89 acres. The Settlement Officer has passed an order dated 10.10.2017 rejecting the company's application for patta. The Company has filed an appeal CMA 2/2018 in the District Court, Nilgiris against the order ot the settlement officer and the court has granted a stay order on April 2, 2019. The appeal is pending. However, the Company is restricting its claim for patta for an extent of 615.02 acres, under section 8 (outright purchase) and for an extent of 479.53 acres under section 9 (lease hold land) aggregating to an extent of 1,094.55 acres.		
(ii)	**Commitments**		
	(a) Estimated amount of contracts remaining to be executed on capital account and not provided for tangible assets	85.95	15.20
24.2	**Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**		

Note		Particulars	As at March 31, 2020 (₹ in Lacs)	As at March 31, 2019 (₹ in Lacs)
	(i)	Principal amount remaining unpaid to any supplier as at the end of the accounting year	12.32	7.72
	(ii)	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
	(iii)	The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
	(iv)	The amount of interest due and payable for the year	-	-
	(v)	The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
	(vi)	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-
		Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.		

Notes forming part of the Consolidated Financial Statements

Note 24 : Additional information to the financial statements

Note	Particulars	As at March 31, 2020 (₹ in Lacs)	As at March 31, 2019 (₹ in Lacs)
24.3	**Segment reporting**		
	Consequent to the adoption of Ind AS, the company has identified one operating segment 'Tea' which is consistent with the internal reporting provided to the Chief Executive Officer/Head of Operations who is the chief operating decision maker CODM. The company deals in only one product i.e. "Tea". The products and their applications are homogeneous in nature.		

Note	Particulars	As at March 31, 2020 (₹ in Lacs)	As at March 31, 2019 (₹ in Lacs)
24.4	**Details of government grants**		
	Government grants received/recognised by the Company during the year towards		
	- Subsidies		
	Tea Board Subsidy (recognised under other operating revenue)	27.86	18.56
	- Duty drawback & Export incentives (recognised under other operating revenue)	55.64	53.52

Note 24.5 : EARNINGS PER SHARE

Note	Particulars	As at March 31, 2020 (₹ in Lacs)	As at March 31, 2019 (₹ in Lacs)
24.5	**Earnings per share (Basic & Diluted)**		
	Net profit for the year (₹ Lacs)	(203.73)	504.36
	Weighted average number of equity shares	37,56,816	37,56,816
	Par value per share (₹)	10.00	10.00
	Earnings per share (₹)	(5.42)	13.43

Notes forming part of the Consolidated Financial Statements

Note 24.6 : Related party transactions (as identified by the mangagement and relied upon by auditors)

The details of Related Party Transactions listed below: **(₹ in lacs)**

Note	Particulars			
24.6	**Description of relationship**	**Names of related parties**		
	Holding Company	Ambadi Investments Limited (AIL)		
	Fellow Subsidiaries	Parry Enterprises India Limited (PEIL)		
	Details of related party transactions for the year ended March 31, 2020 and balances outstanding as at March 31, 2020:			
	Nature of Transactions		**Holding Company**	**Fellow Subsidiary**
			AIL	**PEIL**
	Reimbursement of expenses incurred on behalf of the company			23.55
				(12.22)
	Travel expenses			17.19
				(20.22)
	Purchase of Material			0.78
				(0.87)
	Dividend paid		73.16	
			(58.53)	
	Amount Receivable			2.83
				(0.04)

Note: Figures in the bracket represents previous year figures.

Note 24.7 : Details of research and development expenditure recognised as an expense

Note	Particulars	Year ended March 31, 2020 (₹ in Lacs)	Year ended March 31, 2019 (₹ in Lacs)
	Employee benefits expense (excluding provision for gratuity as it is provided for company as whole)	64.00	58.47
	Professional charges	5.67	5.37
	Consumables	8.90	10.50
	Travelling expenses	1.55	1.31
	Depreciation	2.60	2.62
	Others	5.77	7.51
	Total	**88.48**	**85.79**
	Details of Capital Expenditure relating to Research & Development		
	Plant and Machinery	0.73	0.51

Notes forming part of the Consolidated Financial Statements

Note 24.8 : Provision for Contingencies

(₹ in Lacs)

The Company has made provision for various contractual obligations and disputed liabilities based on its assessment of the amount it estimates to incur to meet such obligations:

Particulars	As at April 01, 2019	Additions	Reversal	As at March 31, 2020
Provision for contingencies - On legal disputes	720.55 (730.83)	28.24 (7.48)	21.58 (17.76)	727.21 (720.55)

Note: Figures in bracket relates to the previous year.

Note 24.9 : Corporate Social Responsibility

During the year, the company incurred an aggregarte amount of ₹ 12.67 lacs towards Corporate Social Responsibility in compliance of Section 135 of the Companies Act 2013 read with relevant schedule and rules made thereunder. The details of the CSR spend is given below:

(₹ in Lacs)

Particulars	For the year 2019-20	For the year 2018-19
A. Expenditure incurred directly by the company		
Repair & Renovation work - Revenue Expenditure	12.67	6.22
B. Expenditure incurred through Agencies		
AMM Foundation	-	6.23
Total	**12.67**	**12.45**

Notes forming part of the Consolidated Financial Statements

Note 24.10 : Employee benefits

Employee benefits include Provident Fund, Superannuation Fund, Employee State Insurance Scheme, Gratuity Fund and Compensated Absences.

a. Defined Contribution Plan

Fixed contributions to the Superannuation Fund which is administered by the Company nominated trustees and managed by Life Insurance Corporation of India are charged to the Statement of Profit and Loss as and when due. Company also contributes to a Government administered Provident Fund and Pension Fund on behalf of its employees, which are charged to the Statement of Profit and Loss.

b. Defined Benefit Plan

The Company operates defined benefit schemes in respect of Gratuity, Pension, Provident fund and postretirement medical benefit towards its employees. These schemes offer specified benefits to the employees on retirement. The liabilities arising in the Defined Benefit Schemes are determined in accordance with the advice of independent, professionally qualified actuaries, using the projected unit credit method as at year end. The Company makes regular contributions to these Employee Benefit Plans. Additional contributions are made to these plans as and when required based on actuarial valuation.

The employees and the Company make monthly fixed contributions to the Parry Agro Industries Staff Provident Fund, equal to a specified percentage of the covered employee's salary. The interest rate payable by the Fund to the beneficiaries shall not be lower than the rates notified by the Government every year. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate.

Risk Management

These plans typically expose the company to actuarial risks such as: Investment, Interest rate, longevity and salary escalation risk:

(i) Investment risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. Currently, the investments are made in accordance with the guidelines under the applicable statutes.

(ii) Interest risk: A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

(iii) Longevity risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

(iv) Salary escalation risk: The present value of the defined benefit plan liability is calculated with reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Assumptions:

The principal assumptions used for the purposes of the actuarial valuations are given below:

S. No.	Particulars	As at March 31, 2020	As at March 31, 2019
1	Discount Rate	6.54%	7.76%
2	Expected Rate of Return	6.54%	7.76%
3	Expected Salary Escalation	7.00%	7.00%
4	Attrition Rate	10.00%	3.00%
5	Mortality table used	Indian Assured Lives Mortality (2012-14) Ultimate	

Notes forming part of the Consolidated Financial Statements

₹ in Lacs

S. No.	Net Asset/(Liability) Recognised in Balance Sheet	March 31, 2020	March 31, 2019
1	Present value of Funded Obligation	2,989.34	2,881.88
2	Fair Value of Plan Assets	2,461.15	2,433.38
3	Present value of Unfunded obligation	-	-
4	Funded status [Surplus/(Deficit)] {Para 64(a)}	(528.19)	(448.50)
5	Unrecognised Past Service Costs	-	-
6	Amount not Recognised as an Asset (limit in Para 64(b))	-	-
7	Net Liability	(528.19)	(448.50)
8	Recognised in balance sheet	(528.19)	(448.50)
9	Net Exp	(528.19)	(448.50)
	Assumption on 31 -Mar-19		
	Discount Rate as per Para 144 of Ind As 19	6.54%	7.76%

₹ in Lacs

S. No.	Reconciliation of Net Balance Sheet Liability	March 31, 2020	March 31, 2019
1	Net Balance sheet Asset/(Liability) Recognised at beginning	(448.50)	(471.84)
2	Amount Recognised in Accumulated Other Comprehensive Income/Loss at the beginning of the period	(440.70)	(376.77)
3	(Accrued)/ Prepaid benefit cost(Before adjustment) at beginning the of period	(7.80)	(95.07)
4	Net Periodic Benefit (Cost) / Income for the period excluding Para 59 (b)	(187.50)	(212.73)
5	Employer Contribution	20.00	300.00
6	Employers Direct Benefits Payments	-	-
	Amount not recognised as an asset (Limit in Para 59(b)) opening figure of 31-Mar-18	-	-
7	(Accrued)/ Prepaid benefit cost(Before Adj) at end of period	4.70	-7.80
8	Amount Recognised in Accumulated Other Comprehensive Income/Loss at the end of the period	(532.89)	(440.70)
9	Acquisition / Divestures / Transfer	-	-
10	Effect of the Limit in Para 59(b)	-	-
11	Net Balance Sheet Asset/Liab Recognised at the end of the period	(528.19)	(448.50)

Estimates of future salary increase takes into account inflation, seniority, promotion and other relevant factors such as Supply and demand in the employment market

Sensitivity analysis in respect of the actuarial assumptions used in calculation of defined benefit obligation are given below:

₹ in Lacs

S.No	Particulars	March 31, 2020	March 31, 2019
1	Discount Rate - 100 basis point higher	(2,827.92)	(2,677.53)
2	Discount Rate - 100 basis point lower	3,168.10	3,111.18
3	Salary growth rate - 100 basis point higher	3,159.40	3,106.00
4	Salary growth rate - 100 basis point lower	(2,833.01)	(2,678.19)
5	Attrition rate - 100 basis point higher	(2,978.01)	(2,879.52)
6	Attrition rate - 100 basis point lower	3,001.77	2,882.01
7	Morality rate - 100 basis point higher	(2,989.31)	(2,880.49)

In the above table, positive figures indicate increase in liability and negative figures indicate decrease in the liability.

Notes forming part of the Consolidated Financial Statements

Note 24.11 : Financial Instruments and Related Disclosures

Capital Management

The Company manages its capital to ensure that it is able to continue as a going concern while maximizing the return to the stakeholders through the optimization of the Debt and Equity balance. The Company determines the amount of Capital required on the basis of an annual budgeting exercise, future capital projects outlay etc. The funding requirements are met through Equity, Internal Accruals and Borrowings (short term / long term).

Categories of Financial Instruments

Financial Assets:

Particulars	As at March 31, 2020 (₹ in Lacs)	As at March 31, 2019 (₹ in Lacs)
Measured at fair value through profit or loss (FVTPL)		
- Current Investments in mutual funds	2,505.02	3,286.33
- Other Investments	725.93	715.16
Measured at amortised cost		
- Security Deposits	207.13	217.00
- Others receivables	94.46	99.25
- Trade receivables	350.16	673.31
- Cash and Cash equivalents	244.25	126.64
- Bank Balances	603.52	1,086.14
- Subsidy receivable	114.01	94.35
- Interest accrued, but not due on Fixed Deposits with banks	33.25	47.51
Total	**4,877.71**	**6,345.70**

Financial Liabilities:

Particulars	As at March 31, 2020 (₹ in Lacs)	As at March 31, 2019 (₹ in Lacs)
Measured at amortised cost		
- Trade payables	1,677.08	1,915.12
- Others	144.96	86.07
Total	**1,823.27**	**2,001.18**

Financial Risk Management Framework:

The Company is exposed to certain financial risks that could have a significant impact on the Company's operational and financial performance. These risks include market risk, credit risk and liquidity risk. The Company's treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse the exposure by degree and magnitude of risks. The treasury function reports periodically to the Board of Directors of the Company, who monitors the risks and policies implemented to mitigate the risk exposures and have the overall responsibility to ensure the same. The Company has not offset financial assets and financial liabilities.

Notes forming part of the Consolidated Financial Statements

Market Risk:

The Company's activities exposes it primarily to the financial risk of change in foreign currency exchange rates and interest rates.

Foreign Currency Risk Management:

The Company undertakes transactions denominated in foreign currencies and consequently, exposures to exchange rate fluctuation arises. The Company follows the principle of nature hedge considering that the foreign currency exposures primarily are on account of import of capital goods/raw materials and export of finished goods. The Company does not enter into trade financial instruments including derivative financial instruments for hedging its foreign currency risk. The appropriateness/adequacy of the natural hedging principle is reviewed periodically with reference to the approved foreign currency risk management policy followed by the Company.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of each reporting period are as follows:

The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

A. Outstanding as at 31st March 2020

Particulars	Currency	Amount in Foreign Currency	(₹ in Lacs)
Receivables (including contractually reimbursable expenses)	USD	73,773.16	53.12
	EURO	51,344.00	41.01
		1,25,117.16	**94.13**

B. Outstanding as at 31st March 2019

Particulars	Currency	Amount in Foreign Currency	(₹ in Lacs)
Receivables (including contractually reimbursble expenses)	USD	2,28,371.28	159.45
	EURO	30,444.00	24.16
		2,58,815.28	**183.61**

Notes forming part of the Consolidated Financial Statements

Note 24.11 : Financial Instruments and Related Disclosures (Contd)

Foreign Currency sensitivity analysis:

The Company is mainly exposed to the currencies of USD, EURO

The following table details the Company's sensitivity to a 5% increase and decrease in the INR against the relevant foreign currencies.5% is the rate used in order to determine the sensitivity analysis considering the past trends and expectation of the management for changes in the foreign currency exchange rate. The sensitivity analysis includes the outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the INR Strengthens 5% against the relevant currency. For a 5% weakening of the INR against the relevant currency, there would be a comparable impact on the profit or equity and balance below would be negative.

Particulars	As at March 31, 2020 (₹ in Lacs)	As at March 31, 2019 (₹ in Lacs)
(i) Impact of USD		
Increase by 5%	55.77	167.42
Decrease by 5%	50.46	151.48
(ii) Impact of EURO		
Increase by 5%	43.06	25.37
Decrease by 5%	38.96	22.95

Note: This is mainly attributable to the exposure of outstanding receivables in the above mentioned currencies at the end of the reporting period.

Interest Rate Risk Management:

The Company is exposed to interest rate risks as the Company borrows funds from the market based on market determined interest rates, based on need. The interest rate risk is managed by the Company in accordance with the approved risk management policy, mix and nature of the borrowings etc. in order to reduce the risk of variability of interest rates on the Company.

Credit Risk:

Credit risk refers to the risk that a customer or a counterparty will default on its contractual obligations resulting in a financial loss to the Company. The credit worthiness of the customers are assessed through a strong credit risk assessment policy of the Company. The Company's domestic sales operates primarily on a cash and carry/advance model and do not carry significant credit risk. The Company's exports carry an average credit period of normally 180 days and are normally backed by a letter of credit to cover the risk. Further, the Company periodically assesses the credit worthiness of its customers and, has a number of customers across geographies thereby minimizing the concentration risk.

The credit risk on receivables from government agencies/authorities is minimal considering the sovereign nature of the receivables. Similarly, the credit risk on liquid funds in banks is limited considering that the counterparties are banks with high credit ratings and repute. As per the policy, the Company makes an allowance for doubtful receivables using expected credit loss model on a case to case basis.

The carrying amount of the financial assets recorded in these financial statements, grossed up for any allowance for losses, represents the maximum exposures to credit risk.

None of the Company's cash equivalents, including deposits with bank, are past due or impaired. Regarding the trade receivables, other loans and receivables that are neither impaired nor past due, there were no indicators as at 31 March 2020 that defaults in payment obligations will occur.

Notes forming part of the Consolidated Financial Statements

Note 24.11 : Financial Instruments and Related Disclosures (Contd)

Liquidity and Interest Risk Tables :

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Financial Liabilities

Particulars	Less than 3 Months	3 Months to 1 Year	1 to 5 Years	Beyond 5 Years	Total
As at March 31, 2020:					
Non-interest bearing instruments	1,250.51	306.48	150.19	114.87	**1,822.04**
Variable interest rate instruments	-	-	-	-	**-**
As at March 31, 2019:					
Non-interest bearing instruments	1,335.21	524.00	132.65	126.29	**2,118.15**
Variable interest rate instruments	-	-	-	-	**-**

Note:

1. Non-interest rate bearing financial liabilties disclosed above represents trade payables.
2. Variable interest rate financial liabilties disclosed above represents loans repayable on demand.

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Financial Assets

Particulars	Less than 3 Months	3 Months to 1 Year	1 to 5 Years	Beyond 5 Years	Total
As at March 31, 2020:					
Non-interest bearing instruments	2,556.62	1,326.56	150.62	800.84	**4,834.64**
Fixed interest rate instruments	-	-	-	-	**-**
As at March 31, 2019:					
Non-interest bearing instruments	2,323.02	2,754.77	160.59	1,037.88	**6,276.25**
Fixed interest rate instruments	-	-	-	-	**-**

Note:

1. Non-interest rate bearing financial assets disclosed above includes Investments, trade receivables, cash and bank balances (Other than in deposit accounts) and other financial assets.
2. Fixed interest rate instruments disclosed above represents Balances with banks held in deposit accounts.
3. The amounts included above for variable interest rate instruments for financial assets is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

Fair Value measurement:

Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurements:

* Level 1 - Quoted price in an active market.
* Level 2 - Discounted cash flow. Future cash flows are estimated based on forward exchange rates and contract rates, discounted at a rate that reflects the credit risk of various counterparties.
* Level 3 - Discounted cash flow method is used to capture the present value of the expected future economic benefits that will flow to the company.

Fair value of the Company's financial assets and financial liabilities that are measured at fair value on recurring basis

Financial Assets / Liabilities	As at March 31, 2020	As at March 31, 2019	Fair value hierarchy	Valuation technique(s)
Financial Assets:				
Investment in Coromandel engineering	302.51	715.03	Level 1	Quoted price

Financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Company's financial assets and liabilities are measured at fair value at the end of each reporting period. Note 6 schedule to accounts gives information about how the fair value of these financial assets and liabilities are determined.

Financial assets and financial liabilities that are not measured at fair value

The Management considers that the carrying amount of all the financial asset and financial liabilities that are not measured at fair value in the financial statements approximate the fair values and, accordingly, no disclosures of the fair value hierarchy is required to be made in respect of these assets/liabilities.

Note 24.12 : Leases

A. Break-up of current and non-current lease liabilities :

The following is the break-up of current and non-current lease liabilities as at March 31, 2020:

Particulars	As at March 31, 2020
Current lease liabilities	40.34
Non-current lease liabilities	-
Total	**40.34**

B. Movement in Lease liabilities :

The following is the movement in lease liabilities during the nine months ended March 31, 2020:

Particulars	As at March 31, 2020
Balance as on 1st April 2019	-
Reclassified on account of adoption of IND AS 116	168.73
Additions	-
Finance costs accrued during the period	15.19
Deletions	-
Payment of Lease liabilities	40.34
Balance as on 31st March 2020	**143.58**

C. The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2020 on an undiscounted basis:

Particulars	As at March 31, 2020
Less than one year	40.52
One to five years	56.60
More than five years	255.02
Total	**352.14**

D. The impact of changes in acounting policy on account of adoption of Ind AS 116 is as follows.

Particulars	2019-20
Decrease in Property, Plant and equipment by	-
Increase in lease liability by	40.34
Increase in rights of use by	137.50
Increase/(Decrease) in Deferred tax assets by	-
Increase/(Decrease) in finance cost by	15.19
Increase/(Decrease) in depreciation by	(31.23)

E. Amounts recognized in profit or loss

Particulars	2019-20
Interest on lease liabilities	15.19
Variable lease payments not included in the lease payment liabilities	-
Income from sub-leasing right of use assets	-
Expenses relating to short- term leases	-
Expenses relating to leases of low- value assets,excluding short term leases of low value assets.	-

F. Amounts recognized in profit or loss

Particulars	2019-20
Total cash outflows for leases	40.34

Notes forming part of the Consolidated Financial Statements

Note 24.13

The Company has considered internal and certain external sources of information including credit reports, economic forecasts and industry reports up to the date of approval of the financial statements in determining the impact on various elements of its financial statements. The Company has used the principles of prudence in applying judgments, estimates and assumptions including sensitivity analysis and based on the current estimates, the Company expects to fully recover the carrying amount of Trade receivables, Inventories, Other financial assets, Other current assets. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements.

In terms of our report attached.
For Deloitte Haskins & Sells
Chartered Accountants

Ananthi Amarnath
Partner

Place : Chennai
Date : June 15, 2020

For and on behalf of the Board of Directors

M.M. Venkatachalam
Chairman
(DIN:00152619)

A. Sridhar
Director
(DIN:07913908)

ESTATE LOCATIONS	FACTORY LOCATIONS	MARKETING OFFICES
Iyerpadi Estate Iyerpadi Post P.O. Iyerpadi - 642 108 (Via) Pollachi	**Iyerpadi Factory** Iyerpadi Post P.O. Iyerpadi - 642 108 (Via) Pollachi	**South India** Post Box No. 521, 26/1847, Bristow Road, Willingdon Island Kochi - 682 003
Paralai Estate Iyerpadi Post P.O. Iyerpadi - 642 108 (Via) Pollachi	**Paralai Factory** Iyerpadi Post P.O. Iyerpadi - 642 108 (Via) Pollachi	**North India** House No.38, 2nd Floor, Jyoti Prasad Agarwala Road, Sixmile, Guwahati - 781 022 Kamrup (Metro), Assam
Sheikalmudi Estate Murugalli Bazaar P.O. (Via) Pollachi - 642 125	**Mayura Factory** Murugalli Bazaar P.O. (Via) Pollachi - 642 125	
Murugalli Estate Murugalli Bazaar P.O. (Via) Pollachi - 642 125	**Murugalli Factory** Murugalli Bazaar P.O. (Via) Pollachi - 642 125	
Attikunna Estate Uppatti P.O. - 643 241 (Via) Gudalur The Nilgiris	**Attikunna Factory** Uppatti P.O. - 643 241 (Via) Gudalur The Nilgiris	
Carolyn Estate Mangorange P.O. - 643 220 (Via) Gudalur The Nilgiris	**Carolyn Factory** Mangorange P.O. - 643 220 (Via) Gudalur The Nilgiris	
Deckiajuli Estate Post Deckiajuli Dist. Sonitpur Assam 784 110	**Deckiajuli Factory** Post Deckiajuli Dist. Sonitpur Assam 784 110	
	Rajajuli Factory Village-No. 4, Rajagarh P.O.- Rajagarh, Dist. Udalguri (BTAD) Assam 784 527	

Cautionary Statement :

This Annual Report contains certain "Forward Looking Statements" relating to our future business developments and economic performance.These are based on our judgements and future expectations. The actual results could be materially different in terms of future performance and outlook due to a number of risks, uncertainties and other important factors and Parry Agro is under no obligation to publicly revise any Forward Looking Statement to reflect future events or circumstances.

The Spirit of the Murugappa Group

Integrity

Responsibility

Passion

The five lights

The values, principles and beliefs that have always guided us and continue to show the way forward.

Respect

Quality

Integrity

We value professional and personal integrity above all else. We achieve our goals by being honest and straightforward with all our stakeholders. We earn trust with every action, every minute of every day.

Passion

We play to win. We have a healthy desire to stretch, to achieve personal goals and accelerate business growth. We strive constantly to improve and be energetic in everything that we do.

Quality

We take ownership of our work. We unfailingly meet high standards of quality in both what we do and the way we do it. We take pride in excellence.

Respect

We respect the dignity of every individual. We are open and transparent with each other. We inspire and enable people to achieve high standards and challenging goals. We provide everyone equal opportunities to progress and grow.

Responsibility

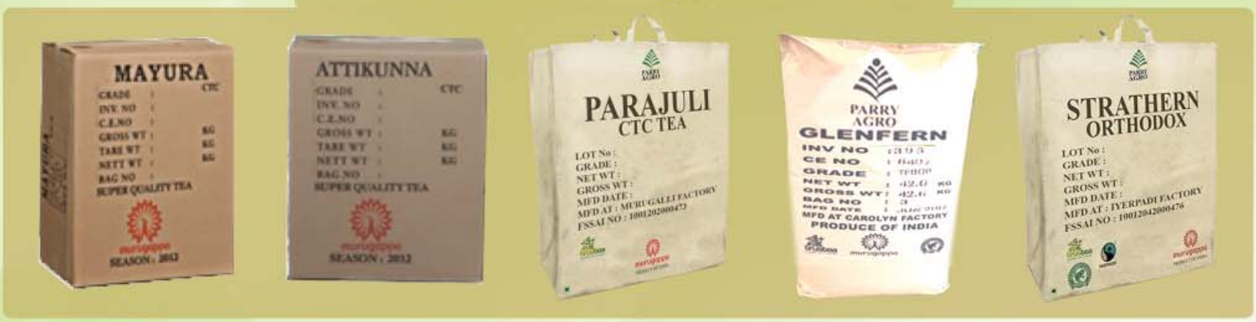
We are responsible corporate citizens. We believe we can help make a difference to our environment and change lives for the better. We will do this in a manner that befits our size and also reflects our humility.

murugappa

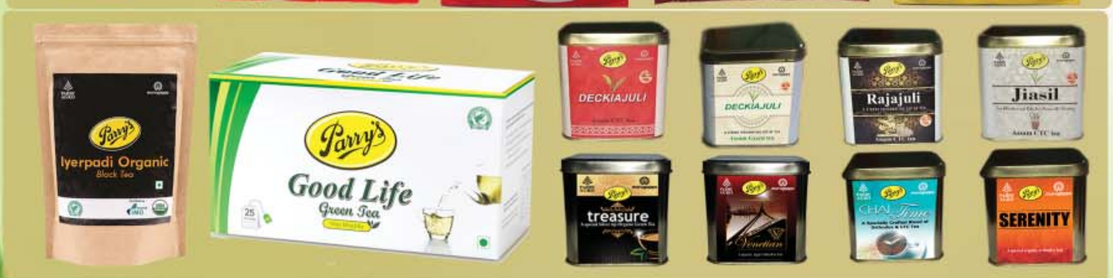
Be the energy

NOTES

Our Products
Bulk Tea



Retail Packets



Certifications

PARRY
AGRO

Parry Agro Industries Limited
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43 Moore Street, Chennai 600 001