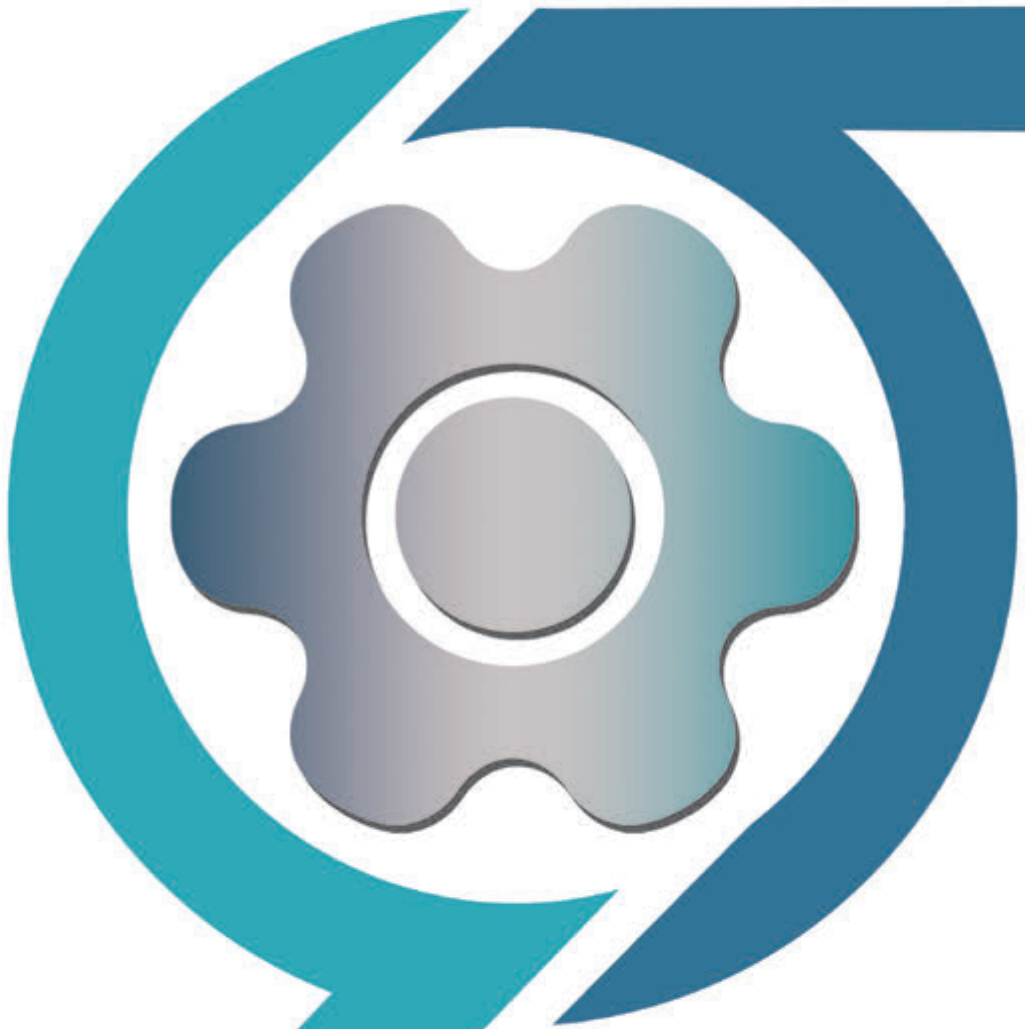




khaitan (India) Limited



Annual Report 2019-20
Unity in Diversity

Contents

Notice	2	Directors' Report	10	Report on Corporate Governance	31
Auditors' Report	38	Balance Sheet	44	Profit & Loss Account	45
Cash Flow Statement	46	Notes on Accounts	52		



khaitan (India) Limited

Regd. Office: 46 C, J. L. Nehru Road, Kolkata 700 071

Phone: (033) 2288 8391, 4050 5000

E-mail: kilsugar@gmail.com website: www.khaitansugar.in.

BOARD OF DIRECTORS

SUNAY KRISHNA KHAITAN (DIN: 07585070)

SANDIP CHATTERJEE (DIN: 06875010)

SUJATA SARKAR (DIN: 08173535)

SUJATA CHATTERJEE (DIN: 00245656) w.e.f. 31.07.2020

CHIEF FINANCIAL OFFICER

SWAPAN KUMAR DAS

COMPANY SECRETARY

PRADIP HALDER

STATUTORY AUDITORS

K. C. BHATTACHERJEE & PAUL

CHARTERED ACCOUNTANTS

BANKERS

IDBI BANK LTD.

BANK OF BARODA

SUGAR & AGRICULTURE DIVISIONS OFFICE:

46 C, J.L. NEHRU ROAD, KOLKATA 700 071

PHONE: (033) 2288 8391, 4050 5000

SUGAR MILL:

KHAITAN NAGAR 741 157

PLASSEY (NADIA), WEST BENGAL

PHONE: (03474) 262345/6/7, FAX: 03474 262348

AGRICULTURAL DIVISION

RAMNAGAR 742 163

(MURSHIDABAD), WEST BENGAL

PHONE: (03482) 244244



NOTICE

NOTICE TO THE MEMBERS

Notice is hereby given that the 83rd Annual General Meeting of **Khaitan (India) Limited** will be held on Wednesday, 30th September, 2020 at 11.30 A.M. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2020, together with the Report of the Directors and Auditors thereon.
2. To appoint a director in place of Mr. Sunay Krishna Khaitan (DIN 07585070), who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. K. C. Bhattacharjee & Paul Chartered Accountants, Kolkata (Reg. No. 303026E) be and is hereby appointed as Statutory Auditor of the company to hold office from the conclusion of this Annual General Meeting until the conclusion of the 88th Annual General Meeting of the Company, at such remuneration plus Goods & Service Tax as applicable and reimbursement of out of pocket expenses in connection with the audit as the Board of Directors may fix in this behalf."

SPECIAL BUSINESS

4. To re-appoint Mr. Sunay Krishna Khaitan as a Whole-time Director (DIN 07585070)

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

"RESOLVED THAT subject to the provisions of sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013, [the Act] read with Schedule V of the Act and Rules made there under, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, consent of the members be and is hereby accorded to the re-appointment of Mr. Sunay Krishna Khaitan (DIN 07585070) as a Whole Time Director of the Company, to be designated as Executive Director for a period of three years with effect from October 1, 2020 and payment of salary and perquisites [herein after referred to as "remuneration"] upon terms and conditions as detailed in the explanatory statement attached hereto and as set out in the draft agreement proposed to be executed between the Company and the appointee, with an authority to the Board of Directors to alter and vary the terms and conditions of the said appointment and / or agreement in such a manner as may be agreed to between the Board of Directors and the appointee."

"RESOLVED FURTHER THAT the remuneration payable to Mr. Sunay Krishna Khaitan (DIN 07585070), in each financial year during the currency of his tenure of appointment shall be as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors based on his performance evaluation, which shall not exceed the overall ceiling of the total managerial remuneration of 5% of the net profits as provided under the provisions of section 197 and Schedule V of the Companies Act, 2013 or such other limits as may be prescribed from time to time."

"RESOLVED FURTHER THAT notwithstanding anything to the contrary herein contained, wherein in any financial year during the currency of his tenure, the Company has no profits or the profits are inadequate, the Whole Time Director will be paid Minimum Remuneration within the ceiling limit prescribed under section II of part II of Schedule V of the Companies Act, 2013 or any modification or re-enactment thereof."

5. Appointment of Mrs. Sujata Chatterjee as Non-Executive, Independent Director (DIN 00245656)

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

"RESOLVED THAT pursuant to the provision of Sections 149, 152, 160, 161, the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and other rules made there under, Schedule IV and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) Mrs. Sujata Chatterjee (DIN 00245656) in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for office of Director, be and is hereby appointed as an Independent Director of the Company, to hold office for a period of five consecutive years, for a term ending at the conclusion of Annual General Meeting to be held during the financial year 2025."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Registered Office:
46C, J. L. Nehru Road
Kolkata-700071
The 29th, August, 2020

By Order of the Board of Directors
For **Khaitan (India) Limited**
Pradip Halder
Company Secretary and Compliance Officer

NOTES:

1. In view of the continuing COVID-19 global pandemic, the Ministry of Corporate Affairs vide its Circular No.20/2020 dated May 05, 2020 read with Circular No.14/2020 dated April 8, 2020 and Circular No.17/2020 dated April 13, 2020 allows conducting of Annual General Meeting of the Company through Video Conferencing (VC) or Other Audio Visual Means (OAVM) without the physical presence of the members for the meeting at a common venue. In terms of the said Circulars and in compliance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the AGM of the Company is being held through VC / OAVM. Hence, Members can attend and participate in the AGM through VC / OAVM only. The deemed venue for the AGM shall be the Registered Office of the Company. The detailed procedure for participating in the meeting through VC/OAVM is appended herewith and also available at the Company's website www.khaitansugar.in
2. Since the AGM is being conducted through VC/OAVM, the facility for appointment of proxies by the Members will not be available for this AGM and hence, the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Corporate members are requested to send to the Company, a certified copy of the Board Resolution/Power of Attorney authorizing their representative to attend and vote in the AGM through VC/OAVM on its behalf and to vote through remote e-voting. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM.
4. **The Register of Members and Share Transfer Books will remain closed from Thursday, 24th September, 2020 to Wednesday, 30th, September, 2020 (both days inclusive) on account of the Annual General Meeting.**
5. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details, relating to Special Business at the meeting, is annexed hereto.
6. Shareholders are requested to update their Bank account details with their Depository Participant, if they are holding the shares in Demat and RTA in case they are holding the shares in physical. In this connection, the Company has already issued three reminders to all shareholders, who have not updated their PAN and Bank account details of first and sole shareholder of the Company. Once again, the members are advised to update the details with RTA.
7. Further, the Company draws your attention to the notification issued by SEBI dated June 8, 2018 and the press release dated 3rd December 2018 amending Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Pursuant to the amended provisions, any request for effecting transfer of shares in physical form shall not be processed except in case of transmission or transposition of shares unless the shares are held in demat form. Hence, the Company/ Registrar and Share Transfer Agent would not be in position to accept / process the requests for transfer of shares held in physical form with effect from 01.04.2019. Therefore, the Company advises you to take immediate steps for dematerializing your shareholding in the Company. Holding of shares in dematerialized form offers lots of benefits like enhanced security, ease of handling, faster transfers and eliminating deliveries. In view of the above, in order to ensure that you are able to deal in shares hassle-free, kindly take steps for dematerializing the shares at the earliest.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every Participant in Securities market. Members holding Shares in electronic form are, therefore, requested to submit the PAN details to their Depositor Participants with whom they are demat account. Members holding Shares in physical form can submit their PAN details to the Company's Registrar and Shares Transfer Agents.
9. Pursuant to Section 72 of the Act, Members holding shares in physical form are advised to file nomination in the prescribed Form SH-13 with the Company's RTA. In respect of shares held in electronic/ demat form, the Members may please contact their respective depository participants(s).
10. Disclosure pursuant to Regulation 36(3) of SEBI (LODR) Regulations, 2015 and Secretarial Standard -2 (SS-2) with respect to the Directors seeking re-appointment at the forthcoming Annual General Meeting is appended to this Notice.
11. In compliance with the aforesaid MCA Circular and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. The Notice calling the AGM and Annual Report has been uploaded on the website of the Company at <https://www.khaitansugar.in>. The Notice can also be accessed from the website of the Stock Exchange i.e. National Stock Exchange of India Limited at www.nseindia.com and BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the VC/OAVM facility, Remote Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
12. The Register of Directors' and key Managerial Personnel (KMPs) 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 send an e-mail requesting for inspection of the Registers.
13. The attendance of the members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under section 103 of the Companies Act, 2013.
14. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to this Notice. Voting Through Electronic means Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended) and MCA Circulars dated April 8, 2020, April 13, 2020 and May 05, 2020 the Company shall provide the facility of remote e-voting to its



NOTES: (cont.)

Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM through VC or OAVM will be provided by CDSL.

The instructions for members for remote e-voting are as under:

The remote e-voting period begins on Sunday, 27th September 2020 at 9.00 A.M. and ends on Tuesday, 29th September, 2020 at 5.00 P.M. During this period, Members holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Wednesday, 23rd September, 2020 may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.

- (i) Shareholders who have already voted prior to the meeting date would not be entitled to vote through e-voting provided during VC / OAVM.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com
- (iii) Click on "Shareholders" module to cast your votes.
- (iv) Now Enter your User ID:

Details	For Members holding shares in Demat Form	For Members holding shares in Physical Form
Form User ID	For NSDL : 8 Character DP ID followed by 8 Digits Client ID For CDSL : 16 digits beneficiary ID	Folio Number registered with the Company

- (v) Then enter the Captcha Code as displayed and Click on Login.
- (vi) If you are holding shares in Demat Form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used:
- (vii) If you are a first time user follow the steps given below:

Details	For Members holding shares in Demat Form	For Members holding shares in Physical Form
PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (applicable for both Demat shareholders as well as Physical shareholders). Shareholders who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number which is mentioned in the e-mail communication in the PAN field sent by Company / RTA or contact Company / RTA.	
Dividend Bank Details or DOB	Enter the Dividend Bank Details or Date of Birth as recorded in your Demat account or in the Company records for the said Demat account or folio in dd/ mm/yyyy format in order to login. If both the details are not recorded with the Depository or Company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).	

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for Resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the Resolutions contained in this Notice.
- (xi) Click on the relevant Company Name i.e. Khaitan (India) Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same, the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution.
- (xiv) After selecting the Resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the Resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

NOTES: (cont.)

- (xvii) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) If you are registered for CDSL's EASI/EASIEST e-services, you can login at <https://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-voting available for android based mobiles. The m-voting app can be downloaded from Google Play store, iPhone and windows phone users can download the app from the App Store and the Windows Phone Stores respectively.
- (xx) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- (a) A scanned copy of the Registration Form bearing the stamp and signature of the entity should be e- mailed to helpdesk.evoting@cdslindia.com.
- (b) After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on. The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- (c) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (d) Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer (amithmchoraria@gmail.com) and to the RTA (mdpldc@yahoo.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- (xxi) If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com
- (xxii) All grievances connected with the facility for voting by electronic means may be addressed to Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call 022-23058542/43.

Process for those shareholders whose email addresses are not registered with the depositories for obtaining login credentials for e-voting for the resolutions proposed in this Notice:

1. For Physical shareholders: Members are requested to directly register their email id/update their PAN by visiting the link of the Company's Registrar and Share Transfer Agent M/s. Maheshwari Datamatics Pvt Ltd as given below:

Link for email registration - <http://mdpl.in/form/email-update>
2. For Demat shareholders: Register/Update through respective Depository Participants (DPs) (Any such updation effected by the DPs will automatically reflect in the Company's subsequent records)

Instructions for shareholders attending the AGM through VC / OAVM are as under:

1. Shareholders will be provided with a facility to attend the AGM through VC / OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders / members login by using the remote e-voting credentials. The link for VC / OAVM will be available in shareholder / members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / Desktop / IPads for better experience.
3. Further, shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable WiFi or LAN Connection to mitigate any kind of aforesaid glitches.
5. The Members can join the AGM through VC / OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
6. Shareholders who would like to express their views / ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 05 days prior to meeting mentioning their name, demat account number / folio number, email



NOTES: (cont.)

id, mobile number atkilsugar@gmail.com The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 05 days prior to meeting mentioning their name, demat account number/ folio number, email id, mobile number at kilsugar@gmail.com.please mention the email id of the Company

7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views / ask questions during the meeting.

Instructions for shareholders for e-voting during the AGM are as under:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC / OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

General

- a) The remote e-voting period commences on Sunday, 27th September 2020 at 9.00 A.M. and ends on Tuesday, 29th September 2020 at 5.00 P.M. 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 only shall be entitled to avail the facility of remote e-voting as well as voting in the general meeting. The remote e-voting module shall be blocked by CDSL for e-voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- b) After dispatch of the notice, any person who acquires shares of the Company and becomes member of the Company as on the cut-off date i.e. Wednesday, 23rd September, 2020 may obtain the login ID and password by sending an email to mdpldc@yahoo.com or helpdesk. evoting@cdslindia.com by mentioning their Folio No./DP ID and Client ID No. However, if you are already registered with CDSL for remote e-voting, then you can use your existing user ID and password for casting your vote.
- c) The voting rights of a member shall be in proportion to his shares in the paid-up equity share capital of the Company as on the cut-off date of i.e Wednesday, 23rd September, 2020 .
- d) Mr. Amit Choraria, proprietor M/s. Amit Choraria & Co., Chartered Accountants, Membership No. 066838 Kolkata, has been appointed as Scrutinizer to scrutinize the voting process (electronically or otherwise) in a fair and transparent manner.
- e) The Scrutinizer shall, immediately after the conclusion of voting in the Annual General Meeting held through VC / OAVM, will first count the votes cast in the meeting, and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days after the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairperson or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- f) The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.khaitansugar.in website of CDSL www.evotingindia.com and also forward the same to The National Stock Exchange of India Limited simultaneously, where the Company's shares are listed.

ANNEXURE TO NOTICE**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

The following explanatory Statement of pursuant to provision of Section 102 of the Companies Act, 2013 (including any statutory modification(s) thereto or re-enactments(s) thereof for the time being in force), sets out all material facts relating to the business items of the accompanying Notice.

ITEM NO: 4

The term of appointment of Mr. Sunay Krishna Khaitan as Whole Time Director, designated as Executive Director expired on 30th September, 2020. The Remuneration Committee after considering Mr. Sunay Krishna Khaitan vast managerial experience has recommended his appointment for further 3 years, i.e. 1st October, 2020 to 30th September, 2023 on the following terms and conditions.

After considering the recommendation of the Remuneration Committee, the Board at its meeting held on August 29, 2020 re-appointed (subject to the approval of shareholders), him as a whole Time Director of the Company for a period of three years commencing October 1, 2020.

The terms and conditions of his appointment are as follows:

A. Term and Termination

- a. Subject as hereinafter provided, the Agreement shall remain in force up to the 30th September, 2023 i.e. for a period of 3 years from the Date of appointment unless terminated earlier,
- b. This appointment can be terminated by either party by three months notice in writing to other.

B. Duties & Powers

- a. The Executive Director shall devote his whole time and attention to the business of the Company perform such duties as may be entrusted to him by the Board from time to time and separately communicated to him and exercise such powers as may be assigned to him, subject to the superintendence, control and directions of the Board in connection with and in the best interests of the Company and the business of one or more of its associated companies and /or subsidiaries, including performing duties as assigned to the Executive Director from the time to time by serving on the board of such associated companies and /or subsidiaries or any other executive body or any committee of such a company
- b. The Executive Director undertakes to employ the best of his skill and ability and to make his utmost endeavors to promote the interests and welfare of the Company and to conform to and comply with the policies and regulations of the Company and all such orders and directions as may be given to him time to time by Board.

C. REMUNERATION

Remuneration proposed Remuneration as approved by the Remuneration Committee and the Board of Directors, subject to the approval of Share Holders (1st October, 2020 to 30th September, 2020).

I Salary: Rs. 2,00,000 / per month

ii. Commission:

Such remuneration by way of commission in addition to the salary, perquisites and allowances payable, calculated with reference to the net profits of the Company in a particular year, as may be determined by the Board of Directors of the Company at the end of each financial year subject to the overall ceiling stipulated in Sections 196, 197, 203 and Schedule V and other applicable provisions of the Companies Act, 2013 read with applicable Rules (hereinafter referred to as the Act,) as amended up to date. The specific amount payable to Executive Director will be based on certain performance criteria to be laid down by the Board and will be payable annually after the Annual Accounts have been approved by the Board of Directors.

iii. Perquisites:

In addition to the salary, he will be entitled to the following Perquisites which shall be restricted to an amount equal to their individual salary.

CATEGORY I

- i) Rent-free residential accommodation, failing which House Rent Allowance@ 60% of the salary.
- ii) The expenditure allowance incurred by the Company on Gas, Electricity, domestic help, Water and Furnishings shall be valued as per Income Tax Rules, 1962 and shall not exceed 10% of the Salary.
- iii) City Compensatory Allowance @ 10% of the Salary.
- iv) The reimbursement of medical expenses actually incurred for self and family, in accordance with the Rules of the Company.
- v) Leave Travel Assistance for self and family once in a year, incurred in accordance with the Rules of the Company.
- vi) Fee of Club subject to a maximum of two Clubs. This will not include the Admission and/or Life Membership Fee.

CATEGORY II

- i. The Company's contribution to Provident, Superannuation and other funds as per the rules. Such contribution will not be included in computation of the ceiling on perquisites to the extent, not taxable under the Income Tax Act, 1961.
- ii. Gratuity at the rate of half month's salary for every completed year of service as per rules of the Company, subject to the limits prescribed by the Central Government, which will not be included in the computation of ceiling on perquisites.
- iii. Earned Leave as per Rules of the Company. Encashment of leave at the end of the tenure will not be included in the computation of ceiling on perquisites.

CATEGORY III (Not to be considered as Perquisites)

- i) Provision of car with driver for use on Company's business, alternatively car/ conveyance expenses incurred on Company's business will be reimbursed at actual.
- ii) Free telephone facility at residence, provided that charges for all personal long distance calls shall not be borne by the Company
- iii) Group Personal Accident Insurance, premium of which not to exceed Rs. 10,000/- p.a.
- iv) He will not be entitled to receive any fee for attending any meeting of the Board or Committee thereof.



ANNEXURE TO NOTICE: (cont.)

- v) The remuneration, designation, terms and conditions of his appointment can be altered and varied from time by the Board as it may, in his discretion, deem fit within the provisions of Sections 196, 197, 203 and Schedule V and other applicable provisions of the Companies Act, 2013 read with applicable Rules.
- vi) In the event of absence or inadequacy of profits of the Company in any financial year during the period of the Executive Director's appointment, the Company shall pay to the Executive Director remuneration by way of salary, benefits, perquisites and allowances, performance linked bonus/commission, as specified above, subject to provisions of the Act and Schedule V of the Act.
- D. Information relevant to the appointment of Mr. Sunay Krishna Khaitan as the Executive Director as required under Section II of Part II of Schedule V of the Companies Act, 2013

1. GENERAL INFORMATION

a) Nature of Industry :

- i) Manufacture and Trading of Sugar and Agricultural output
- ii) Trading of Electric Fans, Lighting Products, Appliances, Wires and Cables & Pumps ect.

b) Date of Commencement:

The Company's business commenced commercial production since 1936

c) In case of new Companies expected date of commencement and activities as per project financial institutions appearing in the prospects:

Not Applicable

d) Financial Performance based on given indicators:

(Rs. In lakhs)

Particulars	2019-20	2018-19	2017-18
Turnover (Sales)	5708.54	10068.13	8289.64
Net Profit/ (Loss) before Tax	-490.54	59.26	165.56
Net Profit/ (Loss) after Tax as per Statement of Profit and Loss (before adjustment for other comprehensive income)	-490.54	59.26	165.56
Amount of dividend	Nil	Nil	Nil
Rate of dividend declared (%)	Nil	Nil	Nil

e) Foreign Investment or collaborations, if any :

NIL

2. INFORMATION ABOUT THE APPOINTEE:

- 1) Background details: Mr. Sunay Krishna Khaitan is a graduate (BSC in Economics and Finance) from Purdue University, Indiana, USA and Green belt in Lean 6 Sigma. Mr. Sunay Krishna Khaitan was appointed as additional director of Khaitan (India) Limited in August, 2016

During 2019-20 Mr. Sunay Krishna Khaitan attended 6 Meeting of the Board of Directors. He is a Director of the following Companies-

Khaitan Lefin Limited

Khaitan Hotels Private Limited

- 2) Past remuneration from the Company (including contribution to Pf, Superannuation fund, Gratuity fund & Commission)

Period	Total Rs. (p.a.)
1st April, 2019 to 31st March, 2020	11,62,992.00
1st April, 2018 to 31st March, 2019	10,13,880.00

- 3) Recognition and awards : NIL

- 4) Job profile and his suitability: Mr. Sunay Krishna Khaitan, Executive Director is going to be vested with substantial powers of management under the superintendence, control and direction of the Board of Directors. He will also be involved in policy planning, vision and strategy and long term development activities of the Company.

- 5) Remuneration Proposed: As mentioned above

- 6) Comparative Remuneration Profile with respect to industry, size of the Company, profile of the position and person:

The remuneration proposed is commensurate with respect to the industry, size of Company & profile of the person,

- 7) Pecuniary Relationship directly or indirectly with the Company or relationship with managerial presence if any:

Besides the remuneration Sri Sunay Krishna Khaitan does not have any pecuniary relationship with the Company. He is also one of the Promoters of the Company. The Board recommends the Resolution at item No. 6 of the Notice for approval by the members of the Company, None of the Directors, Key Managerial Personal or their relatives, except Mr. Sunay Krishna Khaitan, Executive Director of the Company are concerned or interested, in the resolution.

The Directors recommend the approval of the ordinary resolution. None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr. Sunay Krishna Khaitan is concerned or interested, financial or otherwise, in the resolution set out at item No. 5.

ANNEXURE TO NOTICE: (cont.)
ITEM NO: 5

Mrs. Sujata Chatterjee (DIN: 00245656) was appointed as an additional director by the board of the board of directors of the Company upon the recommendation of Nomination & Remuneration Committee, w-e-f 31.07.2020. Pursuant to the provisions of Section 161 of the Companies Act, 2013 Mrs. Sujata Chatterjee will hold office up to the date of ensuing AGM. The Company has received from Mrs. Sujata Chatterjee (i) consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules 2014 (ii) Intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect that she is not disqualified under sub section (2) of Section 164 of the Companies Act, 2013 and (iii) a declaration to the effect that she meets the criteria of independence as provided in sub section 149 of the Companies Act, 2013. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with requisite deposit proposing the candidature of Mrs. Sujata Chatterjee for the office of director. The resolution seeks the approval of members for the appointment of Mrs. Sujata Chatterjee as an Independent Director of the Company Annual General Meeting to be held during the financial year 2025, pursuant to section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made there under. She is not liable to retire by rotation.

Copy of the draft letter of appointment of the Independent Director setting out the terms and conditions of appointment would be available for inspection by the members at the Registered Office of the Company during normal business hours on any working day, except Saturday upto the Annual General Meeting

Mrs. Sujata Chatterjee does not hold any shares in the Company either in his individual capacity or beneficially for others and is not related to any Director of the Company.

The Directors recommend the approval of the ordinary resolution. None of the Directors and Key Managerial Personnel of the Company and their relatives except Mrs. Sujata Chatterjee is concerned or interested, financial or otherwise, in the resolution set out at item No. 5.

Details of Directors proposed to be appointed / re-appointed at the Annual General Meeting:

Pursuant to Regulation 36(3) of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the details of the Directors seeking appointment/ re-appointment at the forthcoming Annual General Meeting are provided as under:-

Name of Director	SUNAY KRISHNA KHAITAN	SUJATA CHATTERJEE
Date of Birth (Age in years)	09/12/1991 (28)	09/05/19729 (48)
Date of Appointment	12/11/2016	31/07/2020
Expertise in specific functional area (Experience in year)	4 years in Marketing of Fans and Electrical appliances.	Nearly a decade of experience in Financial Management and Administration.
Qualification	BSC (Economics & Finance)	B.A. (Hons.) and M.A.
Shareholding in the Company (either personally or on beneficial basis)	292079	0
List of other Public Limited Companies in which Directorship held	Khaitan Lefin Limited	Khaitan Electrical Limited Ojas Cottages Limited
Chairman/ Member of the Committees of the Board across all Public Companies in which he is a Director	NIL	NIL
Chairman/ Member of the Committees of the Board of the Company	Audit Committee (Member) Nomination and Remuneration Committee (Member) Shareholder Relationship Committee (Member)	Audit Committee (Member) Nomination and Remuneration Committee (Member) Shareholder Relationship Committee (Member)
Disclosure of relationships between Directors inter-se and other Key Managerial Personnel	NIL	NIL
Terms and Conditions of appointment/re-appointment	Reappointment pursuant to retire by rotation	-Being Independent Directors for a period 5 years -Being Independent Directors, entitled to sitting fees only
Remuneration sought to be paid/ last drawn	Details as per Annexure V of the Director's Report	Details as per Annexure – V of the Director's Report
Number of Board Meeting attended during the year	6	NIL*

* As appointed after 31.03.2020



DIRECTORS' REPORT

TO THE MEMBERS

KHAITAN (INDIA) LIMITED

SUMMARY OF FINANCIAL HIGHLIGHTS

Your Directors present their 83rd Annual Report together with the Audited Accounts for the year ended 31st March, 2020.

Rs. In Lacs

FINANCIAL RESULTS	2019 - 2020	2018 - 2019
Sales & Operating Income	5664.91	10,025.14
Profit/(Loss) before Interest Depreciation	-92.07	507.92
Amortisation and Taxation		
• Interest / Finance Cost	217.55	267.69
Profit/(Loss) before Depreciation and Taxation	-309.62	240.22
• Depreciation	-180.92	180.96
Profit/(Loss) before Taxation	-490.54	59.26
• Taxation	0	0
Profit/(Loss) for the year from continuing operations	-490.54	59.26
• Profit /(Loss) from discontinued operations	0	0
Profit for the year	-490.54	59.26
• Other Comprehensive Income/(Loss)	-634.69	-261.33
Total Comprehensive Income /(Loss)	-1125.23	-202.07
STATEMENT OF RETAINED EARNINGS		
At the beginning of the year	2391.69	2332.44
Add: Profit for the Year	-490.54	59.26
At the end of year	2391.69	2391.69

COVID-19

The beginning of 2020 has witnessed the global spread of COVID-19, i.e. corona virus. Global threat from COVID-19 is continuing to grow, and at a rapidly accelerating rate. Governments in many countries announced lockdowns and asked people to stay indoors. Around the world, these corona virus lockdowns have driven professional and social life out of the physical world and into the virtual realm. The economic fallouts of this is still difficult to assess as the situation is still evolving.

INDIAN ACCOUNTING STANDARDS

The Financial Statements are prepared in accordance with the Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis. The ministry of corporate affairs (MCA), vide is notification in the official Gazette date February 16, 2015 notified the Indian Accounting Standards (Ind AS) applicable to certain classes of companies. Ind AS is applicable from 1st April, 2017.

SHARE CAPITAL

There was no change in the share capital of the company.

DIVIDEND AND TRANSFER TO RESERVE

The Company had incurred losses and Board considered it prudent (with a view to conserve the resources for the company's growth and expansion) not to recommend payment of any dividend on the Equity shares for the financial year under review. Further, Board of the company has decided not to transfer any sum to reserve.

ECONOMIC CLIMATE AND OUR PERFORMANCE

In the last month of FY 2020, the COVID-19 pandemic developed rapidly into a global crisis, forcing governments to enforce lock-downs of all economic activity. Before the COVID-19 lockdown, both the Reserve Bank of India (RBI) and the Central Statistical Office (CSO) of the Government of India had revised the GDP growth rate downwards. The RBI changed its full year GDP growth estimate from 7.2% to 5.0% in February 2020. In a similar vein, the second advance estimates of national income for FY2020 released by the CSO on 28 February 2020 pegged GDP growth for FY2020 at 5.0% compared to 6.1% in FY2019; and growth in gross value added (GVA) at 4.9% in FY2020 versus 6.0% in FY2019.

The CSO officially released the data on GDP growth for FY2020 and Q4 on 29 May 2020. The numbers were worse than projected above. GDP growth for FY2020 was 4.2%, an 11-year low. And for Q4 FY2020 it was 3.1%, thanks to the COVID-19 lockdown effect. The company is also expected to greatly affected due to effect and after effect of economic slowdown and Corona pandemic.

Marketing division of the company markets electrical products like fan, cooler, pumps etc. We report that the marketing division has contributed significantly to turnover of the company. We believe that the marketing division would perform better in the time to come and shall contribute significantly in profitability also. Due to Covid – 19 reasons there has been a substantial fall in Revenue and the company is expecting that in 1st half of the year 2020-21 the revenue shall be affected. This effect may continue beyond first 6 months also.

During the year, company could not start operation of the sugar mill (seasonal) mainly due to paucity of fund to finance the working capital

DIRECTORS' REPORT (Contd.)

requirement and other direct and operation expenses.

CREDIT RATING

No credit rating during the financial year under review was received by the company.

SUSTAINABLE DEVELOPMENT AND ENVIROMENT

We consider sustainable development and environment protection as integral part our management culture. There is renewed thrust of environment protection in current year wherein we have put special effort on plant protection on our agricultural land.

CASH FLOW ANALYSIS

In conformity of the provision of Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, the cash flow statement for the year ended 31.03.2020 is included in the financial accounts.

SIGNIFICANT EVENTS AFTER BALANCE SHEET DATE

There has been no significant event after Balance Sheet Date.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Reference is made to financial statements for loans to bodies corporate and for guarantees provided by the Company.

As regards details of Investments in bodies corporate, the same are given in the financial statements.

CERTIFICATION FROM AUDITORS IN RELATION TO CORPORATE GOVERNANCE

The Report on Corporate Governance as stipulated in the Listing Regulations forms part of the Annual Report. The requisite certificate from M/s. K. C. Bhattacharjee & Paul, Chartered Accountants, confirming compliance with the conditions of Corporate Governance as stipulated under the Listing Regulations is annexed hereto Annexure I to this Report.

CORPORATE GOVERNANCE

As per SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 annexed to this report is Auditors' Certification on Corporate Governance forming part of the Annual Report.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12)

During the year under review, there were no frauds reported by the auditors to the Audit Committee or the Board under section 143(12) of the Companies Act, 2013.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report for the year under review as stipulate under SEBI (Listing and Disclosure Requirements) Regulations, 2015 is attached.

DEPOSITS

The Company has not accepted any deposit from public falling within the ambit of Section 73 of the Companies Act, 2013 and the Company's (Acceptance of Deposit) Rules, 2014

PARTICULARS OF LOAN AND GUARNTEE AND INVESTMENT

Details of Loans, Guarantees and Investments covered under the provisions of section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements and hence not repeated in directors report.

CORPRATE SOCIAL RESPONSIBILITY (CSR)

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable to the Company.

WHISTLE BLOWER POLICY

The Company has a Whistle blower policy which is hosted on its website www.khaitansugar.in in compliance with the provisions of Section 177 (9) of the Act and Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of Annual Return in Form MGT- 9 is given in **Annexure –I**

DIRECTORS

There are 3 Directors on the Board out of which 2 are independent Director and 1 is Whole Time Director.

- (i) There has been no change in Directorship during the year 2019-2020. Mrs. Sujata Chatterjee (DIN No. 00245656) was appointed as Additional, Non Executive, Independent director with effect from 31.07.2020. She is B.A. (Hons) and M.A. She has nearly two decades of experience in management of Secretarial Compliance and Administration. Her appointment as Independent Director is to be confirmed by the Share Holders in the forthcoming Annual General Meeting.
- (ii) **RETIREMENT BY ROTAION**
In accordance with the provision of section 152 of the Companies Act, 2013 Mr. Sunay Krishna Khaitan (Din: 07585070) retires by rotation and being eligible offers himself for reappointment.
- (iii) **BOARD AND COMMITTEES EVALUATION**
Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 the Board has carried out annual performance evaluation of its own performance, the directors individually as well as working of its Audit,



DIRECTORS' REPORT (Contd.)

Nomination & Remuneration and Shareholders Relationship Committee. The method of evaluation has been explained in Corporate Governance Report.

(iv) BOARD MEETING

The details of meeting of Board and its various committees are given in Corporate Governance Report part of the report.

(v) DISQUALIFICATION OF DIRECTORS

None of the Directors are disqualified under section 164(2) of the Companies Act, 2013.

(vi) INDEPENDENT DIRECTOR DECLARATION

All the Independent Directors have given their declaration confirming that they meet the criteria of independence in terms of section 149(6) of the Companies Act, 2013.

(vii) COMMISSION

Executive Director and whole time Director were not in receipt of any commission from the company.

Executive Director and Whole time Director was not in receipt of any commission from the subsidiary (there is no subsidiary).

KEY MANAGEMENT PERSONNEL

(I) APPOINTMENT

Mr. Swapan Kumar Das appointed as Chief Financial Officer (CFO) with effect from 06.04.2019. He is a qualified M.Com in Commerce and has more than three decades of Experience in Finance, Account and Administration industries including consumer durables.

Mr. Pradip Halder was appointed as Company Secretary and Compliance Officer with effect from 29.05.2019. He is a Qualified Company Secretary and is a Member of the Institute of Company Secretaries of India.

(II) RESIGNATION

There has been no resignation of KMP during the year 2019-2020.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO

The information on Conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Account) Rule 2014 is annexed as **Annexure-II**.

INFORMATION OF EMPLOYEES

Provision of Section 197 of the Companies Act, 2013 read with Rule 5 (2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable as no employee or director of the Company was in receipt of such remuneration as prescribed under the said rules.

The Company believes that its employees are a vital resource in the current business environment. The Company is enjoying good and congenial industrial relations at all the Divisions of the Company. The prescribed information of the employees required under section 134(3)(q) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 is attached herewith as **Annexure -III**.

ESTABLISHMENT OF VIGIL MECHANISM POLICY

To ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adopting high standards of professionalism, honesty, integrity, the company has adopted a vigil mechanism policy. This policy is explained in Corporate Governance and also posted on Company's website www.khaitansugar.in.

DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY

The Company has adopted risk management policy which covers assessment of various risks impacting the business of the company. The policy covers framework to identify, evaluate and mitigate business risk. The Risk Management policy has been uploaded on the website of the Company www.khaitansugar.in.

REMUNERATION POLICY

The Board has on the recommendations of Nomination & Remuneration Committee framed a policy of selection/ appointment of Directors, Senior Management Personnel and their remuneration policy is stated in Corporate Governance Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Directors responsibility statement pursuant to section 134(3)(c) of the Companies Act, 2013 is attached as Annexure -IV.

RELATED PARTY TRANSACTIONS

All Transaction entered into with related parties as defined the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, during the financial year were in the ordinary course of business and on arm's length basis. All related party transactions are placed before the audit Committee and also the Board for approval. Particulars of contracts or arrangement with relate parties referred to in sub section (i) of section 188 have been given in the prescribed form AOC -2 as **Annexure -V**.

The policy on Related Party Transaction as approved by the Board is uploaded on the Company's website www.khairansurar.in

AUDITORS

DIRECTORS' REPORT (Contd.)

STATUTORY AUDITORS

M/s V.K.Tulsyan & Co.LLP. Reg. No. FRN 326740E/E300015), Chartered Accountants, have been appointed as Statutory Auditors of the company at the Annual General Meeting held on 28th September, 2018, for a period of 5 years. M/s V. K. Tulsyan & Co.LLP had resigned as Statutory Auditors on 14.11.2019. The Board of Directors had accepted its resignation and appointed M/s K. C. Bhattacharjee & Paul, Chartered Accountants, "Siddhartha" Block –B, 7C, 14/2, Burdwan Road, Alipore, Kolkata – 700027 (Reg. No. 303026E) in the meeting held on 19.12.2019 to fill the casual vacancy by the resignation of M/s V. K. Tulsyan & Co.LLP. As per Section 139(8) of the Companies Act 2013 M/s K. C. Bhattacharjee & Paul, Chartered Accountants appointment was approved by the Shareholders in the Extra Ordinary General Meeting held on 11th March, 2020. M/s K. C. Bhattacharjee & Paul, Chartered Accountants retire at ensuing Annual General Meeting and are eligible for the re-appointment.

The Board has duly examined the Statutory Auditor's Report to Financial Statement. The reply of the management in regard to qualification in the auditor's report is as follows:

- i. Balance of deferred tax assets has not been carried in the financial statements at Rs. 3,26,43,751/-. Considering the absence of the reasonable certainty as regards to realization of the said balances in the coming years, the same needs to be provided for. Had the said balance of Deferred Taxes has been fully provided for, the losses would have gone up by Rs. 7,06,41,706/- and the net worth would have reduced by the said extent. The reply of the company is that Deferred Tax Asset's balance represents brought forward balance for earlier years, which shall be written off in due course.
- ii. In terms of the requirements of Ind As109, Financial Instruments, the company has not opted for Expected Credit Loss (ECL) model for estimating the provisions against Trade Receivables. Had the said model of estimation of receivable delinquencies been applied the balances of provisioning against trade receivables might undergo a change. The possible effect of the non-application of ECL model on the financial statements is un-ascertained. The reply of the company in this relation is that the company has not opted for Expected Credit Loss (ECL) model for estimating the provisions against Trade Receivables as management believes that there will be no material difference in the value of realization of Trade Receivable.
- iii. The biological assets amounting to Rs. 2,57,00,854/- includes Bearer and Non Bearer plants and trees. As per Ind AS-16, Property, Plant & Equipment, bearer plant is a part of Fixed Assets and depreciation to be charged on the basis of useful life of the bearer plants. The company has not segregated the portfolio of biological assets in to bearer and non-bearer plants and consequent accounting adjustment thereof and continues to recognize the same under current assets, which is in disagreement with the requirements of the above referred Ind As Accounting standard, Pending completion of the said exercise, the consequent impact of the above matter on the financial statements could not be ascertained. The company's reply is that due to Covid -19 related reason this could not be undertaken as on 31.03.2020. The management has taken up the task of segregating the biological assets in the respective classes and is expecting to complete the same during current year.

Detail of fees paid to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part is given in enclosed Financials for the year 2018-2019 and 2019-2020.

SECRETARIAL AUDITORS

Pursuant to the provision of Section 204 of the Companies Act 2013 and The Companies, (Appointment and Remuneration of Managerial Personnel) Rule, 2014 the Company had appointed Ms. Nisha Munka (ACS No. 49058 CP No. 18201), Company Secretary in Practice, to undertake the Secretarial Audit of the Company for the FY 2019-20. The Secretarial Audit Report is annexed herewith as **Annexure –VI**.

The Qualifications therein are self explanatory and management's response is also covered therein.

Total fees paid by the Company, to the auditors during the year 2018-2019 and 2019-2020 is given below:-

Auditors' Remuneration	As at March 31, 2020 (Amount in Rs.)	As at March 31, 2019 (Amount in Rs.)
- As Auditors	200000.00	275000.00
- For Tax Audit	50000.00	50000.00
- For Other Services	150000.00	75000.00

CERTIFICATION FROM COMPANY SECRETARY IN PRACTICE

A certificate has been received from M/s. Nisha Munka, Practising Company Secretaries, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority. The Certificate for the year 2018-2019 and 2019-2020 are attached as Annexure - VII to this Report.

INTERNAL AUDITORS

Your Company's in house internal audit department carries out internal audits across all location of the county. Their objective is to assess the existence, adequacy and operation of financial and operating controls set up by the Company and to ensure compliance with the Companies Act, 2013, SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015 (SEBI Listing Regulations, 2015 and corporate policies, Internal Auditors Reports are reviewed by the Audit Committee. The Company has thought to have in house internal audit department to conduct internal audit in future.



DIRECTORS' REPORT (Contd.)

COST AUDITORS

Your Board had appointed M/s AB & Co. (Reg. No. 00256) qualified Cost Accountants to carry out Cost Audit of the cost Accounts maintained by the Company in respect of sugar Division for FY 2019-20. However as sugar mill could not start operation during year, cost audit was not conducted.

SUBSIDIARY COMPANY

The Company doesn't have any subsidiary.

MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitment affecting financial position of the company which has occurred between the end of financial year of the company i.e. 31st March 2020 and till the date of report.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has in place a policy in line with the requirements of The Sexual Harassment or Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, trainees) are covered under this Policy. During the year under review, no complaints were received.

INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENT

The Company has adequate financial control procedures commensurate with its size and of business, the company has identified and documented all key internal financial controls which impact the financial statements, as a part of its Standard Operating Procedure (SOP). The SOPs are designed for critical processes across all branches wherein financial transactions are undertaken.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS

There are no significant material orders passed by the regulators/courts which would impact the going concern status of the company and its future operations.

ACKNOWLEDGEMENTS

The Company has been well supported from all the quarters and therefore your directors wish to place on record their sincere appreciation for the support and co-operation from Employees, Suppliers, Government of West Bengal, cane growers, depositors and the shareholders.

For and on behalf of the Board

Sunay K. Khaitan
Whole Time Director
(DIN: 07585070)

Place: Kolkata

Date: The 29th August, 2020

FORM NO MGT-9 ANNEXURE - I

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31.03.2020

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rule 214

i. REGISTRATION AND OTHER DETAILS:

(i)	CIN	L10000WB1936PLC008775
(ii)	Registration Date	7th Day of October, 1936
(iii)	Name of Company	KHAITAN (INDIA) LIMITED
(iv)	Category/Sub Category of the Company	Category: Company Limited by Shares; Sub-Category: Indian Non-Government Company
(v)	Address of the Registered Office and contact details	46-C J L Nehru Road, Kolkata-700071
(vi)	Whether listed company Yes/No	Yes
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s Maheshwari Datamatics (P) Ltd 23, R.N. Mukherjee Road, 5th Floor, Kolkata-700001 Phone Nos. 033-2243 5029/5809, 2248-2248 Fax 033-22484787 Email: mdpldc@yahoo.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 :-

Sl. No	Name and Description of main products/service	NIC Code of the Products/Service	% of total turnover of the Company
1	Trading in Electric Products (Fan)	2750	99.39
2	Agriculture	011, 0114 and 012	0.61

iii) PARTICULARS OF HOLDNG, SUBSIDIARY AND ASSOCIATE COMPANIES:-

Sl. No	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associates	% of Share held	Applicable Section
	-	-	-	-	-

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i) Category-wise Share Holding

Category of Shareholders	No of Shares held at the beginning of the year [As on 01/Apr/2019]				No of Shares held at the end of the year [As on 31/Mar/2020]				% change during the year
	CIN/GLN	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	
A. Promoters									
(1) Indian									
a) Individual/HUF	774126	0	774126	16.2974	774126	0	774126	16.2974	0.0000
b) Central Govt.									
c) State Govt.(s)									
d) Bodies Corp.	2085754	1750	2087504	43.9475	2085754	1750	2087504	43.9475	0.0000
e) Banks/FI									
f) Any Other									
Sub-Total(A)(1)	2859880	1750	2861630	60.2449	2859880	1750	2861630	60.2449	0.0000
(2) Foreign									
a) NRIs-Individuals									
b) Other-Individuals									
c) Bodies Corp									
d) Banks/FI									
e) Any Other									
Sub-Total(A)(2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	2859880	1750	2861630	60.2449	2859880	1750	2861630	60.2449	0.0000



FORM NO MGT-9 ANNEXURE-I (contd.)

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31.03.2020

Category of Shareholders CIN/GLN	No of Shares held at the beginning of the year [As on 01/Apr/2019]				No of Shares held at the end of the year [As on 31/Mar/2020]				% change during the year
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
B.Public Shareholding									
(1) Institution									
a) Mutual Funds									
b) Banks/FI	0	1234	1234	0.0260	0	1234	1234	0.0260	0.0000
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Alternate Investment Funds									
Foreign Portfolio Investors									
Provident Funds / Pension Funds									
Qualified Foreign Investor									
Sub-Total(B)(1)	0	1234	1234	0.0260	0	1234	1234	0.0260	0.0000
(2) Non Institutions									
a) Bodies Corp.									
i) Indian	354932	16050	370982	7.8101	361017	15650	376667	7.9298	0.1197
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	609453	401778	1011231	21.2891	625182	400154	1025336	21.5860	0.2969
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	452589	10400	462989	9.7471	461980	10400	472380	9.9448	0.1977
c) Others (Specify)									
Non Resident Indians	6874	200	7074	0.1489	12142	200	12342	0.2598	0.1109
Qualified Foreign Investor									
Custodian of Enemy Property									
Foreign Nationals									
Clearing Members	34860	0	34860	0.7339	411	0	411	0.0087	-0.7252
Trusts									
Foreign Bodies-D R									
Foreign Portfolio Investors									
NBFCs registered with RBI									
Employee Trusts									
Domestic Corporate Unclaimed Shares Account									
Investor Education and Protection Fund Authority									
Sub-total(B)(2):-	1458708	428428	1887136	39.7291	1460732	426404	1887136	39.7291	0.0000
Total Public Shareholding (B)=(B)(1)+(B)(2)	1458708	429662	1888370	39.7551	1460732	427638	1888370	39.7551	0.0000
Grand Total (A+B+C)	4316989	433011	4750000	100.0000	4318588	431412	4750000	100.0000	0.0000
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	4318588	431412	4750000	100.0000	4320612	429388	4750000	100.0000	0.0000

FORM NO MGT-9 ANNEXURE-I (contd.)
ii) Shareholding of Promoters

SI No	Shareholders Name	Shareholding at the beginning of the year [As on 01/Apr/2019]			Shareholding at the end of the year [As on 31/Mar/2020]			% change during the year	PAN
		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		
1	KHAITAN LEFIN LIMITED	1131561	23.8223	0.0000	1131561	23.8223	0.0000	0.0000	AABCK1371L
2	KHAITAN HOTELS PVT. LTD.	555745	11.6999	99.8659	555745	11.6999	99.8659	0.0000	AABCK5493M
3	THE ORIENTAL MERCANTILE CO LTD	400198	8.4252	0.0000	400198	8.4252	0.0000	0.0000	AAACT9623P
4	SUNAY KRISHNA KHAITAN	292079	6.1490	99.2882	292079	6.1490	99.2882	0.0000	BTMPK5794F
5	ISHANI KHAITAN	126197	2.6568	0.0000	126197	2.6568	0.0000	0.0000	AMIPK2994F
6	VAGEESHA KHAITAN	113000	2.3789	0.0000	113000	2.3789	0.0000	0.0000	AJFPK2055H
7	SHREE KRISHNA SUNIL KRISHNA KHAITAN HUF	97500	2.0526	97.4359	97500	2.0526	97.4359	0.0000	AAFHS5971K
8	VIDITA KHAITAN	62100	1.3074	0.0000	62100	1.3074	0.0000	0.0000	AFZPK3387A
9	DURGADUTT CHIRANJILAL HUF	52500	1.1053	0.0000	52500	1.1053	0.0000	0.0000	AABHD7121E
10	SARITA DABRIWAL	20000	0.4211	0.0000	20000	0.4211	0.0000	0.0000	AGTPD2962K
11	CHIRANJILAL SHREEKRISHNA KHAITAN HUF	10750	0.2263	0.0000	10750	0.2263	0.0000	0.0000	AABHC0170L
	TOTAL	2861630	60.2448	32.8484	2861630	60.2448	32.8484	0.0000	

iii) Change in Promoters' Shareholding (please specify, if there is no change)

SI No	Name	Shareholding at the beginning [01/Apr/19]/end of the year [31/Mar/20]		Cumulative Shareholding during the year [01/Apr/19 to 31/Mar/20]		PAN
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	
1	THE ORIENTAL MERCANTILE CO LTD 01/04/2019 31/03/2020	400198 400198	8.4252 8.4252	400198	8.4252	AAACT9623P
2	KHAITAN LEFIN LIMITED 01/04/2019 31/03/2020	1131561 1131561	23.8223 23.8223	1131561	23.8223	AABCK1371L
3	KHAITAN HOTELS PVT. LTD. 01/04/2019 31/03/2020	555745 555745	11.6999 11.6999	555745	555745	AABCK5493M
4	CHIRANJILAL SHREEKRISHNA KHAITAN HUF 01/04/2019 31/03/2020	10750 10750	0.2263 0.2263	10750	10750	AABHC0170L
5	DURGADUTT CHIRANJILAL HUF 01/04/2019 31/03/2020	52500 52500	1.1053 1.1053	52500	1.1053	AABHD7121E
6	SHREE KRISHNA SUNIL KRISHNA KHAITAN HUF 01/04/2019 31/03/2020	97500 97500	2.0526 2.0526	97500	2.0526	AAFHS5971K
7	VIDITA KHAITAN 01/04/2019 31/03/2020	62100 62100	1.3074 1.3074	62100	1.3074	AFZPK3387A
8	SARITA DABRIWAL 01/04/2019 31/03/2020	20000 20000	0.4211 0.4211	20000	0.4211	AGTPD2962K



FORM NO MGT-9 ANNEXURE-I (contd.)

SI No	Name	Shareholding at the beginning [01/Apr/19]/end of the year [31/Mar/20]		Cumulative Shareholding during the year [01/Apr/19 to 31/Mar/20]		PAN
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	
9	VAGEESHA KHAITAN 01/04/2018 31/03/2019	113000	2.3789			AJFPK2055H
		113000	2.3789	113000	2.3789	
10	ISHANI KHAITAN 01/04/2018 31/03/2019	126197	2.6568			AMIPK2994F
		126197	2.6568	126197	2.6568	
11	SUNAY KRISHNA KHAITAN 01/04/2018 31/03/2019	292079	6.1490			BTMPK5794F
		292079	6.1490	292079	6.1490	

**IV) Shareholding Pattern of top ten Shareholders
(Other than Directors, Promoters and Holders of GDRs and ADRs)**

SI No	Name	Shareholding at the beginning [01/Apr/19]/end of the year [31/Mar/20]		Cumulative Shareholding during the year [01/Apr/19 to 31/Mar/20]		PAN
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	
1	NATUREWEALTH DEVELOPMENT CORPORATION LIMITED #					AAACN8651M
	4/1/2019	54000	1.1368			
	24/01/2020 - Transfer	-40206	0.9481	13794	0.3253	
	31/01/2020 - Transfer	-253	0.0060	13541	0.3186	
	07/02/2020 - Transfer	-4035	0.0949	9506	0.2236	
	21/02/2020 - Transfer	-11	0.0003	9495	0.2234	
	3/31/2020	9495	0.1999	9495	0.1999	
2	VIDYA TRADECON PVT. LTD. *					AAACV8375N
	4/1/2019	0	0.0000			
	10/01/2020 - Transfer	4136	0.0871	4136	0.0871	
	17/01/2020 - Transfer	5531	0.1164	9667	0.2035	
	24/01/2020 - Transfer	35338	0.8333	45005	1.0612	
	31/01/2020 - Transfer	20453	0.4812	65458	1.5400	
	14/02/2020 - Transfer	566	0.0133	66024	1.5536	
	28/02/2020 - Transfer	11119	0.2667	77143	1.8504	
	06/03/2020 - Transfer	1217	0.0256	78360	1.6497	
	13/03/2020 - Transfer	3066	0.0645	81426	1.7142	
3/31/2020	81426	1.7142	81426	1.7142		
3	EAST INDIA SEC LTD					AABCE2412N
	4/1/2019	0	0.0000			
	31/05/2019 - Transfer	100	0.0021	100	0.0021	
	07/06/2019 - Transfer	-100	0.0021	0	0.0000	
	24/01/2020 - Transfer	20106	0.4741	20106	0.4741	
	31/01/2020 - Transfer	-19893	0.4680	213	0.0050	
	07/02/2020 - Transfer	3792	0.0892	4005	0.0942	
	14/02/2020 - Transfer	-4005	0.0942	0	0.0000	
	21/02/2020 - Transfer	11	0.0003	11	0.0003	
	28/02/2020 - Transfer	-11	0.0003	0	0.0000	
3/31/2020	0	0.0000	0	0.0000		

FORM NO MGT-9 ANNEXURE-I (contd.)

4	BMA WEALTH CREATORS LTD					AACCB5141L
	4/1/2019	20339	0.4282			
	26/04/2019 - Transfer	142	0.0030	20481	0.4312	
	03/05/2019 - Transfer	-142	0.0030	20339	0.4282	
	30/06/2019 - Transfer	-20339	0.4282	0	0.0000	
	05/07/2019 - Transfer	19839	0.4177	19839	0.4177	
	19/07/2019 - Transfer	-19500	0.4105	339	0.0071	
	09/08/2019 - Transfer	-339	0.0080	0	0.0000	
	30/08/2019 - Transfer	310	0.0065	310	0.0065	
	24/01/2020 - Transfer	-310	0.0073	0	0.0000	
	06/03/2020 - Transfer	310	0.0065	310	0.0065	
	3/31/2020	310	0.0065	310	0.0065	
5	Mandpam Commercial Limited					AACCM0741K
	4/1/2019	42550	0.8958			
	3/31/2020	42550	0.8958	42550	0.8958	
6	PURVANCHAL LEASING LIMITED #					AACCP9719J
	4/1/2019	82130	1.7291			
	21/02/2020 - Transfer	-82130	1.9326	0	0.0000	
	3/31/2020	0	0.0000	0	0.0000	
7	XTENDED BUSINESS REPORTING LIMITED					AADCA3920B
	4/1/2019	56300	1.1853			
	3/31/2020	56300	1.1853	56300	1.1853	
8	SIDHANT CREDIT CAPITAL LTD.					AADCS6539G
	4/1/2019	0	0.0000			
	21/02/2020 - Transfer	82130	1.9326	82130	1.9326	
	28/02/2020 - Transfer	-82130	1.9701	0	0.0000	
	3/31/2020	0	0.0000	0	0.0000	
9	ANDREW GRACIAS					AADPG7521P
	4/1/2019	43266	0.9109			
	3/31/2020	43266	0.9109	43266	0.9109	
10	NITESH JAIN *					AAFHN9745N
	4/1/2019	19996	0.4210			
	3/31/2020	19996	0.4210	19996	0.4210	
11	SHRAWAN KUMAR TODI					AAFHS7049C
	4/1/2019	24946	0.5252			
	3/31/2020	24946	0.5252	24946	0.5252	
12	ARISTRO CAPITAL MARKETS LIMITED *					AAHCA7588F
	4/1/2019	0	0.0000			
	17/01/2020 - Transfer	15000	0.3158	15000	0.3158	
	24/01/2020 - Transfer	-15000	0.3537	0	0.0000	
	06/03/2020 - Transfer	82130	1.7291	82130	1.7291	
	3/31/2020	82130	1.7291	82130	1.7291	



FORM NO MGT-9 ANNEXURE-I (contd.)

13	RICHARD JOHN MASILMANI					AAIPM3594P
	4/1/2019	23003	0.4843			
	3/31/2020	23003	0.4843	23003	0.4843	
14	RAHUL BAMMI					AAKHR6066B
	4/1/2019	19801	0.4169			
	3/31/2020	19801	0.4169	19801	0.4169	
15	NITESH JAIN					ADKPJ2862J
	4/1/2019	19500	0.4105			
	3/31/2020	19500	0.4105	19500	0.4105	
16	NITIN MASILAMANI					AIAPM1835B
	4/1/2019	19493	0.4104			
	3/31/2020	19493	0.4104	19493	0.4104	
17	SEETHA KUMARI					APFPS2411B
	4/1/2019	55429	1.1669			
	24/01/2020 - Transfer	-55429	1.3070	0	0.0000	
	06/03/2020 - Transfer	46429	0.9775	46429	0.9775	
	3/31/2020	46429	0.9775	46429	0.9775	
18	FRANCIS JOSEPH PEREIRA					APLPP2863G
	4/1/2019	25650	0.5400			
	3/31/2020	25650	0.5400	25650	0.5400	
19	ANKIT CHHIKARA #					BAUPC4854P
	4/1/2019	22212	0.4676			
	05/04/2019 - Transfer	-16	0.0003	22196	0.4673	
	12/04/2019 - Transfer	-162	0.0034	22034	0.4639	
	19/04/2019 - Transfer	35	0.0007	22069	0.4646	
	26/04/2019 - Transfer	20	0.0004	22089	0.4650	
	03/05/2019 - Transfer	38	0.0008	22127	0.4658	
	10/05/2019 - Transfer	362	0.0076	22489	0.4735	
	17/05/2019 - Transfer	-4484	0.0944	18005	0.3791	
	24/05/2019 - Transfer	-1018	0.0214	16987	0.3576	
	31/05/2019 - Transfer	52	0.0011	17039	0.3587	
	07/06/2019 - Transfer	-2608	0.0549	14431	0.3038	
	14/06/2019 - Transfer	-14431	0.3038	0	0.0000	
	3/31/2020	0	0.0000	0	0.0000	

* Not in the list of Top 10 Shareholders as 01.04.2019. The same has been reflected above since the shareholders was one of the Top 10 shareholder as on 31.03.2020

Ceased to be in the list of Top 10 Shareholders as on 31.03.2020. The same is reflected above since the shareholders was one of the Top 10 shareholders as on 01.04.2019

FORM NO MGT-9 ANNEXURE-I (contd.)
v) Shareholding of Directors and Key Managerial Personnel

Sl No	Name	Shareholding at the beginning [01/Apr/19]/end of the year [31/Mar/20]		Cumulative Shareholding during the year [01/Apr/19 to 31/Mar/20]		PAN
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	
1	SUNAY KRISHNA KHAITAN 01/04/2019 31.03.2020	292079 292078	6.1490 6.1490	292079	6.1490	BTMPK5794F

vi) Indebtedness

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

PARTICULARS	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
1) Principal Amount	53138525	156153090	-	209291615
2) Interest due but not paid	-	-	-	-
3) Interest accrued but not due	-	-	-	-
Total (1+2+3)	53138525	156153090	-	209291615
Change in Indebtedness during the financial year				
a) Addition	5200967	25197055	-	30398022
b) Reduction	(9383819)	(32612000)	-	(41995819)
c) Net Change	(4182852)	(7414945)	-	(11597797)
Indebtedness at the beginning of the financial year				
1) Principal Amount	48951720	138896090	-	187847810
2) Interest due but not paid	3953	9842055	-	9846008
3) Interest accrued but not due	-	-	-	-
Total (1+2+3)	48955673	148738145	-	197693818

VII) 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 Whole time Director Mr. Sunay Krishna Khaitan	Name of Chief Financial Officer (CFO) Mr. Swapan Kumar Das (w.e.f. 06.04.2020)	Name of Company Secretary Mr. Pradip Kumar Halder (w.e.f. 29.05.2020)	Total Amount Rs.
	Gross Salary				
1	a) Salary as per Provisions contained in Section 17(1) of the Income Tax Act 1961	1162992	1454914	354200	2972106
	b) Value of perquisites u/s 17(2) Income Tax Act 1961	-	-	-	-
	c) Profits in lieu of salary under Section 17(3) Income Tax Act 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
5	Others (Please specify)	-	-	-	-
	Total	1162992	1454914	354200	2972106
	Ceiling as per the Act				6000000

B. Remuneration to Other Directors

Sl No.	Particulars of Remuneration	Name of Directors	
		Mr. Sandip Chattopadhyay	Mrs. Sujata Sarkar
1	Independent Directors fee for attending board, committee meeting	60000	60000
	Total (1)	60000	60000
2	Other Non-Executive Directors fee for attending board committee meeting	0	0
	Total (2)	60000	60000
	Total (B)=(1+2)	60000	60000
	Total Managerial Remuneration	60000	60000
	Overall Ceiling as per Act		6000000



FORM NO MGT-9 ANNEXURE-I (contd.)

VIII) PENALTIES/PUNISHMENT / COMPOUNDING OF OFFENCE

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority RD/ NCLT Court	Appeals made if any (give details)
A Company Penalty Punishment Compounding	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL
B Directors Penalty Punishment Compounding	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL
C Directors Penalty Punishment Compounding	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL

ANNEXURE-II

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

[Pursuant to Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014]

Type	For the year ending 31.03.2020	For the year ending 31.03.2019
A. CONSERVATION OF ENERGY *		
POWER & FUEL CONSUMPTION		
1. Electricity		
a) Purchased Units (in lacs)	N.A.	N.A.
Total amount Rs. (in lacs)	N.A.	N.A.
b) Own Generation	N.A.	N.A.
i) Through Diesel Generator Units (in lacs)		
Unit per litre of Diesel Oil	N.A.	N.A.
Cost/ Unit (Rs)	N.A.	N.A.
ii) Through Steam Turbine/ Generator Units (in lacs)	N.A.	N.A.
2. Coal Quantity Tonnes Total Cost Average Rate	N.A.	N.A.
3. Furnace Oil Furnace Oil Quantity (Kilo Litre) Total Cost Average Rate	N.A.	N.A.
4. Others/ Internal Generation Quantity of Paddy husk (MT) Total Value (Rs/ lacs) Rate Unit (Rs)	N.A. N.A. N.A.	N.A. N.A. N.A.
Consumption per Unit of Production	N.A.	
Product- Sugar (Qtls.)	N.A.	N.A.
Electricity (Units/ Qtls. Of Sugar)	N.A.	N.A.
Furnace Oil	N.A.	N.A.
Coal	N.A.	N.A.
Others	N.A.	N.A.

* As the sugar mill has not been into operation during the financial years 2018-2019 and 2019-2020 the said information is not provided.

FORM NO MGT-9 ANNEXURE-II (contd.)

B. TECHNICAL ABSORPTION

I. Research & Development (R&D):

- a) Specific areas where R&D carried out by the Company:
Development of better varieties of sugarcane and higher productivity per unit of land and in the plant side or improving quality of sugar.
- b) Benefits derived as a result of the above R&D
Improvement in cane yields and in quantity of sugar.
- c) Future plan of action:
Development of cane in Company's reserved Area and Captive Farms.
- d) Expenditure on R&D: NIL

II. Technology absorption, adaptation and Innovation:

The Company is trying to adopt the latest technology for improving productivity/ quality and reducing the consumption of raw materials and energy. No technology has been imported.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

FOB Value of Exports : Rs.3876757.00
Expenditure in foreign currency : Rs.0.00

For and on behalf of the Board


Sunay K. Khaitan
(DIN: 0758507)

Place: Kolkata
Date: The 29th August, 2020

ANNEXURE- III

Particulars of Employees as required U/S 134 of the Companies Act, 2013 and forming part of Directors' Report for the year ended 31.03.2020

A. Top ten employees in terms of remuneration drawn during the year.

Sl No	Name	Qualification	Designation	Age (years)	Remuneration (Rs.)	Experience (years)	Date of Joining	Last Employment
1	SHAIKH JAWED MOHD.	Graduate	Dy.Gen Manag-er	40	2490600	17	6/1/2018	Bajaj Electricals Ltd
2	ASHUTOSH PAREEK	MSC and MBA	General Man-ager	62	1750020	37	10/10/2018	Havels India Limited
3	PANKAJ TANEJA	Graduate	Dy.Gen Manager	40	1612800	17	5/1/2017	Khaitan Electricals Ltd
4	JOYDIP GHOSH	PGDM-MKT & BA	Asst. General Man-ager	51	1460947	30	10/1/2017	Khaitan Electricals Ltd
5	SWAPAN KU-MAR DAS	Graduate	Chief Financial Of-ficer	58	1454914	33	4/1/2019	Khaitan Electricals Ltd
6	ASHOK KU-MAR AGARWAL	Graduate	Chief Marketing Officer	61	1287519	33	1/21/2019	M/s Rybra Electronics Pvt. Ltd.
7	AJAY KUMAR KEDIA	PMP/ITIL/Business	IT-Head	52	1212723	27	5/1/2017	Khaitan Electricals Ltd
8	SUNAY KRISHNA KHAITAN	BSC (Economics & Finance), Purdue University, Indiana USA, Green belt in Lean Six Sigma	Executive Director	29	1162992	4	5/1/2017	Khaitan Electricals Ltd
9	S SRIKANTH RAGHAV RAO	Graduate	Business Manager	44	1126008	20	7/2/2018	Sun Blaze Appliances Ltd
10	SUMIT PASARI	Graduate	Manager- Accounts	40	1074108	17	5/1/2017	Khaitan Electricals Ltd
11	BIJAY KR. JHA	Graduate	Branch Manager	47	1069848	17	10/1/2017	Khaitan Electricals Ltd
12	GIBU KURIAN MATHEW	Graduate	State Head	50	951388	24	8/23/2019	Surya Roshni Ltd

B. Employed throughout the financial year and were in receipt of remuneration not less than Rupees One Crore and Two lacs per annum.

NONE

C. Employed for the part of the financial year and were in receipt of remuneration not less than Rupees eight lacs fifty thousand per monty

NONE



FORM NO MGT-9 ANNEXURE-III (contd.)

Note:

- a) Remuneration includes actual payment and /or taxable value of perquisites and the company's contribution to provident and other funds but excludes gratuity.
- b) Other terms and conditions: As per rules of the company.

Other Details Pertaining to remuneration

- (i) The percentage increase in remuneration of each Director and Company Secretary during the financial year 2019-20, ratio of the remuneration or each employee of the financial year 2018-19 and the comparison of remuneration of each key Management Personnel (KMP) against the performance of the company are as under

Sl No	"Name of Director/KMP"	Director	"Remuneration of Director/ KMP for FY 2019-20 (Rs. In lacs)"	% Increase in remuneration in FY 2019-20	Ratio of remuneration of Each Director/to median remuneration of employee
1	Mr. Sunay K. Khaitan	Executive Director	11.63	14.69	9.00
2	Mr. Swapan Kumar Das	CFO & Company Secretary	14.55	Not applicable as he has been promoted as CFO of the company during the financial year 2019-20 and worked as CFO for a part of the year.	Not applicable as he has been promoted as CFO of the company during the financial year 2019-20 and worked as CFO for a part of the year.
3	Pradip Kumar Halder	Director & Company Secretary	3.54	Not applicable as he has been promoted as CS of the company during the financial year 2019-20 and worked as CS for a part of the year.	Not applicable as he has been promoted as CS of the company during the financial year 2019-20 and worked as CS for a part of the year.

- (ii) The Median remuneration of the employees of the company during the financial year was Rs.1.29 lacs p.a.
- (iii) In the financial year there was a decrease of 35.82 % in the median remuneration of employees.
- (iv) There were 142 permanent employees on the payroll of the company as on 31.03.2020
- (v) It is affirmed the remuneration paid is as per remuneration policy of the company for Director, Key Management Personnel.
- (vi) The compensation of the KMP is as per the compensation philosophy of the Company. The remuneration is benchmarked against market and also based on the performance of the Company and the individual. There has been no change in remuneration of KMPs during the year.

FORM NO MGT-9 ANNEXURE-III (contd.)
ANNEXURE- IV
DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, Directors of your Company hereby state and confirm that:

- in the preparation of the annual Financial Statements for the year ended 31st March, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for the same period;
- the directors have 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;
- they have prepared the annual accounts on a going concern basis;
- they have laid down proper internal financial controls (IFC) in the company that are adequate and were operating effectively.
- they have devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively.

Sunay Krishna Khaitan
Whole Time Director

FORM No, AOC-2 ANNEXURE-V

[Pursuant to clause (h) of sub-section 134 of the act and rule 8(2) of the Companies (Accounts) Rules, 2014 Disclosure of particulars of contract/ arrangement/entered into by the company with related parties referred to in sub-section 188 of the Companies Act, 2013 including arms length transaction under third proviso thereto

Details of material contracts or arrangement or transaction at Arm's Length Basis:

Name(s) of the Related Party & Nature of Relationship	Nature of contracts/ arrangements/ transactions	Duration of contracts/ attangements / transactions	Salient terms of contracts/ arrangements/ transactions	Salient terms of contracts/ arrangements/ transaction including values, if any	Date of Approval of the Board, if any	Amount paid as Advance, if any
Mr. Sunay Krishna Khai-tan	Remunera-tion	01.04.19to 31.03.20	Service Rendered in Capacity of Director	Rs. 11,62,992/-	Not Required as all the transactions were on Arm's Length basis of ordinary business	NIL
Mr. Swapan Kumar Das	Remunera-tion	01.04.19to 31.03.20	Service Rendered in Capacity of CFO	Rs.14,54,914/-		
Mrs. Pradip Kumar Halder	Remunera-tion	01.04.19to 31.03.20	Service Rendered in Capacity of Compa-ny Secretary and Compliance Officer	Rs. 3,54,200/-		
Ms. Vageesha Khaitan	Remunera-tion	01.04.19to 31.03.20	Service Rendered	Rs.7,94,652/-		
Mr. Sandip Chattopadh-yay	Sitting Fees	01.04.19to 31.03.20	Service Rendered in Capacity of Director	Rs.60,000/-		
Mrs. Sujata Sarkar	Sitting Fees	01.04.19to 31.03.20	Service Rendered in Capacity of Director	Rs.60,000/-		
M/s Khaitan Lefin Ltd.	Rent Paid	01.04.19to 31.03.20	Rental Property	Rs.11,56,800/-		
M/s Khaitan Lefin Ltd.	Rent Payable	01.04.19to 31.03.20	Rental Property	Rs. 11,13,542/-		
M/s Khaitan Hotel Pvt. Ltd.	Interest Paid	01.04.19to 31.03.20	Loan for Working Capital need	Rs. 6,06,985/-		
Mr. Sunay Krishna Khai-tan	Loan Taken	01.04.19to 31.03.20	Loan for Working Capital need	Rs. 1,53,55,000/-		
Mr. Sunay Krishna Khai-tan	Loan Repaid	01.04.19to 31.03.20	Loan for Working Capital need	Rs. 20,00,000/-		
M/s Khaitan Lefin Limited	Loan Repaid	01.04.19to 31.03.20	Loan for Working Capital need	Rs. 1,94,85,000/-		
M/s Khaitan Lefin Limited	Loan Taken	01.04.19to 31.03.20	Loan for Working Capital need	Rs. 71,00,000/-		



FORM NO MGT-9 ANNEXURE-III (contd.)

MR-3 ANNEXURE-VI

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2020

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

To,

The Members,

Khaitan (India) Ltd

46C, J. L. Nehru Road

Kolkata – 700071

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Khaitan (India) Ltd (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon. Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1996 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and external Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
 - a) SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015;
 - b) SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c) SEBI (Prohibition of Insider Trading) Regulations, 2015;
 - d) SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during the Audit Period);
 - e) SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company during the Audit Period);
 - f) SEBI (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit period);
 - g) SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
 - h) SEBI (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period);
 - i) SEBI (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period);
- (vi) OTHER APPLICABLE ACTS.
 - The environment (Protection) Act, 1986
 - The Water (Prevention and Control of Pollution) Act, 1974
 - The Air (Prevention and Control of Pollution) Act, 1981
 - The Industrial Employment (Standing Orders) Act, 1946

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

The Company could not produce any document relating to the environment (Protection) Act, 1986, the Water (prevention and Control of Pollution) Act, 1974 and The Air (Prevention and Control of Pollution) Act, 1981.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above, save and except the following observations:

1. There have been some instances where the Forms were filed with some delay, thereby paying the additional fees.
2. It has been observed that, the Company has defaulted in the payment of statutory dues, within the prescribed time. We have been informed by the management that they are in process of payment of outstanding statutory dues.
3. Mr. Manoj Kumar Jain, CFO, Company Secretary and Compliance officer of the company, resigned from the positions with effect from 01.02.2019. In his place, the company has appointed Mr. Swapan Kumar Das as CFO of the Company with effect from 06.04.2019 and Mr. Pradip Halder as Company Secretary and Compliance Officer of the Company with effect from 29.05.2019.

FORM NO MGT-9 ANNEXURE-III (contd.)

4. As on date the trading in equity shares of Khaitan (India) Limited in NSE and BSE is showing status as Temporary Suspended. As informed by the company the reason of temporary suspension is delay in payment of Annual Listing Fees with NSE. However, Management has informed that as on date all Annual Listing fees dues has been paid and the company is following up with NSE for removal of suspension.

I further report that,

The board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda are sent as per the provisions of the Act, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

Date: 22nd June, 2020

Place: Kolkata

Nisha Munka
Practicing Company Secretary
ACS No.: 49058 COP No.: 18201

Note: this report is to be read with my letter of even date which is annexed as 'Annexure A' and forms an integral part of the report.

ANNEXURE 'A'

TO
THE MEMBERS
KHAITAN (INDIA) LIMITED
46C, J.L. NEHRU ROAD
KOLKATA – 700071

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

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit
2. I have followed the audit practices and processes as are appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records, the verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices. I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management hsas conducted the affairs of the company.

Date: 22nd June, 2020

Place: Kolkata

Nisha Munka
Practicing Company Secretary
Membership No. ACS No. 49058 COP No.: 18201



Annexure - VIIA

For the year 2019- 2020

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members,
Khaitan (India) Ltd
46C, J. L. Nehru Road
Kolkata – 700071

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Khaitan (India) Limited having CIN: L10000WB1936PLC008775 and having registered office at 46C, J. L. Nehru Road, Kolkata-700 071 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority

Sl. No.	Name of Director	DIN
1	Mr. Sandip Chatterjee - Independent Director	06875010
2	Mrs. Sujata Sarkar - Independent Director	08173535
3	Mr. Sunay Krishna Khaitan - Wholetime Director	07585070

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

Date: 13th June, 2020
Place: Kolkata

Nisha Munka
Practicing Company Secretary
Membership No. ACS No. 49058 COP No.: 18201

Annexure - VIIB

For the year 2018- 2019

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of **Khaitan (India) Ltd**
46C, J. L. Nehru Road
Kolkata – 700071

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Khaitan (India) Limited having CIN: L10000WB1936PLC008775 and having registered office at 46C, J. L. Nehru Road, Kolkata-700 071 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority

Sl. No.	Name of Director	DIN
1	Mr. Sandip Chatterjee - Independent Director	06875010
2	Mrs. Sujata Sarkar - Independent Director	08173535
3	Mr. Sunay Krishna Khaitan - Wholetime Director	07585070

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

Date: 31st March, 2020
Place: Kolkata

Nisha Munka
Practicing Company Secretary
Membership No. ACS No. 49058 COP No.: 18201

Management Discussion and Analysis
Overall Economy

India's economy slowed down to 3.1 per cent in Q4 on the back of the corona virus pandemic superimposed on a prolonged slowdown. The full year 2019-20 GDP growth stood at 4.2 per cent during the year under review. The government has also revised down the GDP growth in Q1, Q2, and Q3 to 5.2 per cent, 4.4 per cent, and 4.1 per cent respectively. The Indian economy continued to be sluggish, seeking government catalysts to perform better.

Indian Sugar Industry Structure

Sugar mills are incurring losses as prices of sugar have fallen below production cost and on account of reduced output of 28-29 million tonnes (mt) in 2019-20 from 33 million tonnes (mt) in 2018-19. Heavy Rain had majorly hit the sugarcane crop. This has created problem of scarcity for already troubled cane farmers, sugar mills as well as governments at centre and state. The sugar mills need to buy cane from farmers at state advised price (SAP) but have to sell their produce at either marginal cost above production or in loss. Thus, higher price purchase of sugarcane but low price sale of sugar in open market creates stress on sugar mills and they are unable to make payments to farmers. This leads to accumulation of arrears.

Though government decontrolled sugar industry partially in 2013 and allowed them to sell their produce in open market, the sugar industry faces a bizarre problem that price of its raw material (cane) is fixed by state and central governments as State Advised Price (SAP) and Fair and Remunerative Price FRP) respectively. The government supported cane prices are attractive to farmers, but loss due to any fall in the prices of sugar in open market has to be borne by the sugar industry. Sugar Industry is also going to be effected by prolonged Corona pandemic and the production is also expected to decline in near future.

Fan Industry

The electric fan industry is well-established in the country and has grown significantly over the years. Large number of players in both, organized and unorganized market, has helped the fan industry to come a long way. However, much of the growth has been through organized players now as consumers move towards branded and more technologically efficient fans. A concerted move has been seen towards widening distribution reach and improving rural penetration by the organized players. Also, the threat from Chinese fans has lowered. According to "India Electric Fan Market Outlook, 2022", the revenues for organized electric fan market are growing with a CAGR of more than 10% from the last five years. Higher disposable incomes, increased availability of continuous power and a faster shift to the organized sector has propelled the electric fan market in India. The electric fan industry is divided into product types like ceiling fans, table fans, pedestal fans, wall fans and others. Others include fans like industrial, exhaust, multi-utility, tower, bladeless, etc. In India, ceiling fans dominate the market heavily both in organized and unorganized sector. According to region, south India caters to the largest revenue share, followed by west and north. Eastern region is expected to grow fast in the coming few years.

Fan Industry is also expected to be effected by prolonged Corona pandemic and the production and sale is also expected to decline in near future.

Review and Analysis of Our Performance:
Marketing Division

This is the third full year of operation of the marketing division. This division markets Fans, cooler and Pumps and gets royalty. Fans contribute the highest business in the segment. The company has 4 branches and pan India network of distributors and dealers to market the products. The division achieved turnover of Rs 5047.28 lacs in FY 2019-20 as against Rs.7903.40 lacs in FY 2018-19. The reduction in sale is mainly due to scarcity of working capital and effect of Corona pandemic related restrictions on sales. The Company is in the process of expanding the footprint of this division pan India and expects to do better in time to come. The Royalty income was Rs. 496.66 lacs as compared to Rs. 274.45 lacs last year.

Sugar Division

During the year and immediately preceding year, company could not start operation of the sugar mill (seasonal) mainly due to paucity of fund to finance the working capital requirement and other direct and operational expenses.

DETAILS	2019-2020	2018-2019
Start of Crushing Season	-	-
Close of Crushing Season	-	-
Cane Crushed (in lacs Qtls.)	-	-
Recovery (%)	-	-
Sugar Production (in Qtls.)	-	-

Agriculture Division

The agricultural was also not stable and contributed Rs.34.81 lacs to revenue as compared to Rs 1761.89 lacs in FY 2017-18.

Profitability

The PBITD for FY 2019-20 was - Rs.92.07 lac (loss) as against Rs.507.92 lac in FY 2017-18 which was mainly due to higher losses in sugar division.



Management Discussion and Analysis (Contd.)

Outlook

The Outlook for Marketing division is positive and we expect good demand in electrical products specially fans. However Sugar division would continue to be pain area. Focus would be on reducing costs by increasing crushing. Agricultural division is expected be stable due to better monsoon.

Opportunity and Threats

The demand for electrical products like fans and cooler is fairly stable. The company had been focusing on economy segment in fans sees a good opportunity in decorative fans. The company is in the processing of marketing decorative fans which would improve profit margins also.

The Support price to farmers to buy sugar cane which is ever increasing due to government policy without any consideration to depressed sugar process is big threat to the sugar industry.

Human Resource and Industrial Relation

Industrial relation had been harmonious and company gives due credence to betterment of its workforce.

Internal Control and their adequacy

The Company has adequate internal control system which provides reasonable assurance with regard to safeguarding company's assets. The company has appointed in-house internal auditor who reviews the internal control on regular basis. Report of Internal Auditors is reviewed by the senior management at regular intervals.

For and On Behalf of the Board

Sunay K Khaitan
(DIN : 07585070)

Place : Kolkata
Date : The 29th August, 2020

REPORT ON CORPORATE GOVERNANCE

Philosophy on corporate Governance

The company believes that Corporate Governance is as set of process customs polices, sales, regulation and laws for ensuing transparency, professionalism and accountability in its dealing with is customers, employees, shareholders, and with every individual who comes in contact with the company. The detailed report on corporate governance as per SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 is as under:

Board of Directors

The company has 3 (Three) Directors of which 2 (Two) 66% are non executive and independent Directors and one whole time Director. The composition of the Board is conformity with SEBI (Listing Obligation and Disclosure Requirements) regulation 2015 entered with the Stock Exchange.

During the year under review Six Board Meeting were held on 06th April, 2019, 29th May, 2019, 13th August, 2019, 14th November, 2019 (Adjourned to 19th December, 2019), 26th December, 2019 and 14th February, 2020. The maximum time gap between any two consecutives meeting did not exceed 120 days. The composition of Board, attendance at the last Annual General Meeting, number of other directorships and committee memberships are below:

Name of Directors	DIN	Category	Attendance at Board Meeting	Attendance at Last AGM	Number of Committee member	Membership in Other Boards*	Membership in Other Committee
Mr. Sunay Krishna Khaitan	07585070	WTD	6/6	Yes	3	1	0
Mr. Sandip Chatterjee	06875010	ID&NED	6/6	Yes	3	3	3
Mrs. Sujata Sarkar	08173535	ID&NED	6/6	Yes	3	0	0

*Excluding Directorship in private limited companies, foreign companies and section 8 companies act.

Category Details:

C& NED – Chairman & Non Executive Director, ID&NED – Independent & Non Executive Director, WTD – Whole Time Director and ED – Executive Director.

None of the present Directors are Relatives of each other as defined in section 2(77) of Companies Act, 2013 and Rule 4 of the Companies (Specification of definitions details) Rules, 2014

During the year information as mentioned in applicable clauses of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 has been placed before the Board for its consideration

Details of Shares held by Directors

Name of Directors	No. of Shares Held
Mr. Sunay Krishna Khaitan	292079
Mr. Sandip Chatterjee	NIL
Mrs. Sujata Sarkar	NIL

Details of Remuneration and Sitting Fee of Directors

The details of remuneration of the Directors during the period under review are as mentioned in Form MGT - 9

Familiarization Programmed:

The company has formulated a policy to familiarize the directors with the company, their roles, rights, responsibilities in the company nature of the industry which has been disclose in the website of the company www.khaitansugar.in

Board committees

The Company had Three Committees i.e. Risk and Audit Committee, Nomination & Remuneration Committees and Stockholders Relationship Committee. Details on role and composition of these committees including the number of meeting held during the financial year and the related attendance are mentioned below:-

Risk and Audit Committee

The committee discharge such duties and functions generally described in SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 with the stock exchanges. The major task performed by the audit committee may be grouped as under:-

1. Oversight of the Company's financial reporting process and the disclosure of the financial information to ensure that the financial statement is correct, sufficient and credible and ensuing timely submission to statutory auditors.
2. Reviewing the management discussion & analysis of financial and operation performance.
3. Reviewing with the Management, the quarterly financial statements and annual financial statements and auditor's report thereon before submission to the board for approval.
4. Review the adequacy and effectiveness of the company's system and internal control.
5. Evaluation of internal financial controls and risk management systems.
6. Tore view the functioning of the Whistle Blower mechanism.

REPORT ON CORPORATE GOVERNANCE (contd.)
Audit & other duties

1. Discussion with statutory auditors before the audit commences, about the nature scope of audit as well as post-audit discussion to ascertain any area of concern.
2. Discussion with internal auditors of any significant findings and follow up there on.
3. Review and recommend to the Board the appointment/re-appointment of the Statutory Auditors considering their independence and effectiveness and their replacement and removal.
4. To recommend to the Board the remuneration of the statutory Auditors and internal auditors.
5. To grant approval for related party transactions which are in the ordinary course of business and on an arms length pricing basis and to review and approve such transaction subject to the Board.

Present Composition of the Risk and Audit Committee

Mr. Sandip Chatterjee	Chairman	Independent, Non Executive Director	Appointed to committee on 07.07.2018
Mrs . Sujata Sarkar	Member	Independent, Non Executive Director	Appointed to committee on 07.07.2018
Mr. Sunay Krishna Khaitan	Member	Whole Time Director	

During the year under review the committee comprised of two independent directors & one whole time Director. All of whom are financially literate and have relevant finance and/or audit exposure. The Chairman of the Risk and Audit Committee also attended the last Annual General Meeting of the Company during the period under review. Six Audit Committee meetings were held on 06th April, 2019, 29th May, 2019, 13th August, 2019, 14th November, 2019 (Adjourned to 19th December, 2019), 26th December, 2019 and 14th February, 2020. The composition of the Audit Committee and attendance at its meetings is as follows:-

Members	Designation	Category	No. of Committee Meeting attended during 2019 -2020
Mr. Sandip Chatterjee	Chairman	Independent, Non Executive Director	6
Mrs . Sujata Sarkar	Member	Independent, Non Executive Director	6
Mr. Sunay Krishna Khaitan	Member	Whole Time Director	6

Nomination & Remuneration Committee

The terms of reference of the committee are follows:

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

The remuneration policy as adopted by the company envisages payment of remuneration according to qualification, experience and performance at different levels of the organization. The workers at the factory as well as those rendering clerical, Administrative and professional services are paid as per the Agreement. Remuneration is paid to a whole time director at present.

Present Composition of the Nomination & Remuneration Committee

Mr. Sandip Chatterjee	Chairman	Independent, Non Executive Director
Mrs . Sujata Sarkar	Member	Independent, Non Executive Director
Mr. Sunay Krishna Khaitan	Member	Whole Time Director

During the year under review the committee comprise of two independent directors & one whole time director. All of whom are financially literate and have relevant finance and/ or audit exposure. During the period under review. The Committee Meeting was held on April 06th, 2019, and May, 29th, 2019, of the details of attendance at meeting of the Nomination & Remuneration Committee is as follows:

Members	Designation	Category	No. of Committee Meeting attended during 2019 -2020
Mr. Sandip Chatterjee	Chairman	Independent, Non Executive Director	2
Mrs . Sujata Sarkar	Member	Independent, Non Executive Director	2
Mr. Sunay Krishna Khaitan	Member	Whole Time Director	2

Shareholders Relationship Committee

The Committee performs following

- Transfer/ Transmission of shares.
- Issue of Duplicate Share Certificates.

REPORT ON CORPORATE GOVERNANCE (contd.)

- Review of share dematerialization and rematerialisation.
- Monitoring the expeditious Redressal of Investor Grievance.
- Monitoring the performance of company's Registrar & Transfer Agent.
- All other matters related of the shares.

During 2018-19 the committee was chaired by Mr. Sandip Chatterjee. At present the committee comprises of two Independent, Non Executive Director and one Executive Director. During the year committee met 4 times i.e. 29th May, 2019, 13th August, 2019, 14th November, 2019 (Adjourned to 19th December, 2019) and 14th February, 2020. The composition of the Committee and attendance at its meeting is as follows:

Present Composition of the Shareholders Relationship Committee

Members	Designation	Category	No. of Committee Meeting attended during 2019 -2020
Mr. Sandip Chatterjee	Chairman	Independent, Non Executive Director	4
Mrs . Sujata Sarkar	Member	Independent, Non Executive Director	4
Mr. Sunay Krishna Khaitan	Member	Whole Time Director	4

Mr. Pradip Halder Company Secretary was the Compliance Officer during year under review. He performed the function of monitoring the complaints received vis-a vis Share transfer and other related processes and reported them to the Board. He also carried out his responsibility as liaison officer with the investors and regulatory authorities, such as SEBI, Stock Exchange, Registrar of Companies in respect of implementing laws, rule and regulations and directives of such authorities concerning investor service and complaints.

During the Financial Year 2019-20, the company didn't receive any complaint from the shareholders.

Independent Directors' Meeting

During the year under review, the Independent Directors met on February 14, 2020 inter alia to discuss:

1. Review of performance of Non-Independent Director and Board as whole;
2. Review of performance of the Chairperson of the Company, taking into account the views of Executive Directors and non executive director;
3. Assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board of effectively and reasonably perform their duties:
All independent directors attended the meeting.

Formation of Policy for selection and appointment of Directors including Independent Director KMP / Senior Management Personnel

The Nomination and Remuneration Committee discussed and thereafter decided upon the policy for selection and appointment of directors and their remuneration. The highlights of the policy are as follows:

- i) Person of eminence, standing and knowledge with sufficient achievements in business, professions and /or public service. Their financial and business literacy/skill.
- ii) Relative Industry experience
- iii) To build team and carry the team members along for achieving the goals/ objectives and corporate mission

Remuneration Policy

To ensure that the level and components of remunerations is reasonable and sufficient to attract, retain and motivate Directors KMP and other employees of the quality to run the company successfully.

To ensure that relationship of remuneration to performance is clear and meets appropriate performance benchmark. Improved performance should be rewarded.

Remuneration packages should strike a balance between fixed and incentive pay, where ever applicable.

To ensure that the remuneration structure is simple and cost the company (CTC) is not shown inflated and effective take home pay is not low.

Corporate Social Responsibility

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

Related Party Transaction

All transaction entered into with Related Parties as defined in SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 during the financial year under reviewed were in the ordinary course of business and do not attract the provisions of section 188 of the Companies Act 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standard (IND AS-24) has been made in the in the notes to Financial Statements.

The Board has approved a policy for related party transactions which has been reported on the company's website.

Prevention of Insider Trading

The company has always ensured fair code of conduct for prevention of Insider Trading with a view to regulated trading securities by the Directors and designated employees of the company.

Compliance with Accounting Standards

In the preparation to the Financial Statement, the Company has followed the Indian Accounting Standards (IND AS) notified pursuant to Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013 read with General Circular 8/2014 dated April 04, 2014, issued by the Ministry of Corporate Affairs. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statement.



REPORT ON CORPORATE GOVERNANCE (contd.)

General Body Meeting

Details of last three Annual General Meetings and the Special resolution passed there at are as follows:

YEAR	LOCATION	DATE	TIME	Whether Special Reso-lution Passed
2018-2019	Bharatiya Bhasha Parishad 36-A, Shakespeare Sarani, Kol-17	27/09/2019	11.00 A.M.	No
2017-2018	Bharatiya Bhasha Parishad 36-A, Shakespeare Sarani, Kol-17	28/09/2018	11.00 A.M.	No
2016-2017	Bharatiya Bhasha Parishad 36-A, Shakespeare Sarani, Kol-17	26/09/2017	2.00 P.M.	No

Details of Extraordinary General Meeting and the Special resolution passed there at during the year are as follows:

YEAR	LOCATION	DATE	TIME	Whether Special Reso-lution Passed
2019-2020	Bharatiya Bhasha Parishad 36-A, Shakespeare Sarani, Kol-17	11/03/2020	11.00 A.M.	No

CEO/CFO Certification

The Executive Director and Chief Financial Officer have issued certificate pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 certifying that the financial statement do not contain any materially untrue statement and these statement represent a true and fair view of the company's affairs. The said certificate is annexed herewith.

Code of conduct for Board members and Senior Management

A code of conduct as applicable to the Directors and the members of the senior management was approved by the board and the same is being duly abided by all of them. Declaration t this effect was obtained from the Executive Director and is annexed herewith.

Compliance Certificate

Compliance certificate for corporate Governance from auditors of the company is annexed herewith.

Means of communications

The quarterly/ half yearly/ annual un-audited / audited financial results of the company are posted to the stock exchanges immediately after they are approved by the Board of Directors and are published in the one English and one Bengali Newspaper.

The financial and other information filed by the company are also available on the website of National Stock Exchange and Bombay Stock Exchange.

Management discussion & Analysis

The Management Discussion and Analysis Report (MD & AR) is part of this report and is provided separately.

Notes on Directors Reappointment

Relevant details from part of the explanatory statement, attached with the notice of the Annual General Meeting.

General Shareholder's Information

a) Date, time and Venue of Next Annual General Meeting	30th September, 2020 at 11.30 A.M. Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") Registered Office: 46C J. L. Nehru Road, Kolkata - 700071
b) Date of Book Closing	23rd September, 2020 to 30th September, 2020 (both days inclusive)
c) Dividend payment date for the FY 2019-2020	Dividend has not been recommended
d) Information regarding Stock Exchanges where the shares of the Company Listed.	The National Stock Exchange of India Limited Exchange Plaza, Bandra East Mumbai -400051 Calcutta Stock Exchange Ltd 7, Lyons Range, Kolkata – 700001 Bombay Stock Limited Floor 25, F. J. Towers, Dalal Street, Mumbai - 400001
e) Payment of Listing Fees	

-The Company had applied for de-listing with the Calcutta Stock Exchange Ltd. which is pending.

- ISIN No. for the Company's Ordinary Shares in Demat Form is INE731C01018

- The shares of the company are traded in permitted category at Bombay Stock Exchange Limited

REPORT ON CORPORATE GOVERNANCE (contd.)

f) Financial Calendar 2020 - 2021

Results for the quarter ending	
First Quarterly Results	Before September 15, 2020 (Due to Covid – 19 relaxation allowed by SEBI)
Second Quarterly Results	Before November 14, 2020
Third Quarterly Results	Before February 14, 2021
Audited Yearly Results for the year ending March 31, 2021	Before May 31, 2021

g) Market Price (2019 -2020)

(Rs.)

NSE	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR
HIGH	35.95	34.70	30.85	25.50	23.15	23.10	21.55	20.70	19.80	24.55	20.90	18.75
LOW	28.20	26.40	21.50	20.00	17.00	18.00	17.90	16.75	17.00	17.85	18.10	17.05
(NIFTY 50) HIGH	11856.15	12041.15	12103.05	11.981.75	10975.65	11694.85	11945.00	12158.80	12293.90	12430.50	12246.70	11433.00
(NIFTY 50) LOW	11549.10	11108.30	11625.10	11072.65	10637.15	10691.00	11090.15	11802.65	11832.30	11929.60	11175.05	8244.00

As the Company's shares are listed on National Stock Exchange, the prices at NSE given only.

h) Distribution of Shareholding as on 31st March, 2020
(a) According to Category of Holding

Category	Shareholders		Shares	
	No.	%	No.	%
Promoters Group	11	0.3121	2861630	60.2448
Banks, Financial Institution	2	0.0568	1234	0.0260
Private Corporate	53	1.5040	376667	7.9298
NRI	18	0.5108	12342	0.2598
Indian Public	3437	97.5312	1497716	31.5309
Other/ Clearing Members	3	0.0851	411	0.0087
Grand Total	3524	100.0000	4750000	100.0000

(b) Pattern of Shareholdings as on 31st March, 2020

Share Holding Pattern			Shareholders		Shares	
			Nos.	%	No.	%
Upto 500			3148	89.25	486952	10.25
501	To	1000	181	5.14	150469	3.17
1001	To	2000	87	2.47	125425	2.64
2001	To	3000	22	0.62	58216	1.23
3001	To	4000	12	0.34	43042	0.91
4001	To	5000	8	0.23	35350	0.74
5001	To	10000	25	0.73	198442	4.18
10001	and	above	44	1.25	3652104	76.89
Grand Total			3524	100.00	4750000	100.00

i) Registrar and Share Transfer Agent (for physical as well as for D'mat Segment)

M/s. Maheshwari Datamatics (P) Ltd. 23, R. N. Mukherjee Road, 5th Floor, Kolkata –700001
 Phone: 033-2243 5029/5809, 22482248, Fax: 033-2248-4787, Email: mdpldc@yahoo.com

j) Share Transfer System:

Share Transfers are registered and returned within 30days of lodgment thereon, if the documents are clear in all respects. Transfers of shares are done through depositories with no involvement of the Company, Regarding transfer of shares in physical form, the transfer documents can be lodged with M/s. Maheshwari Datamatics (P) Ltd. 23, R. N. Mukherjee Road, 5th Floor, Kolkata – 700001.

k) Dematerialization of Shares and liquidity:

The Company's shares are compulsorily traded in dematerialized form and are available for trading under both Depository Systems. NSDL and CDSL as on 31.03.2020 a total of 4320612, Equity Shares of the Company were held in demat mode and is highly liquid

l) Outstanding GDR's/ADR's/warrants or any convertible instruments, conversion data and impact on equity – NIL
m) Plant Location : Khaitan Nagar, Plassey, Dist: Nadia, West Bengal.



REPORT ON CORPORATE GOVERNANCE (contd.)**Disclosures**

- (i) The company has always ensured fair code of conduct and maintained transparency. There are no transactions of the Company of material nature with promoters, directors, subsidiaries or relatives etc. which would have potential complaints with the interest of the Company large.
- (ii) In accordance with requirement of Companies Act as well listing agreement a vigil mechanism has been adopted by the board of directors and accordingly a Whistle Blower Policy has been formulated with a view to provide a mechanism for employees of the company to approach Internal Auditor of Chairman of the Audit Committee of the Company to report any grievance. The same has been uploaded on company's website.
- (iii) The Company has complied with various rules and regulation prescribed by the Stock Exchanges, Securities and Board of India or other statutory authority relation to the capital markets during the last 3years. No strictures have been imposed by them on the Company.
- (iv) The Board has obtained certificate/ disclose from key management personnel confirming the do not have any material financial and commercial interest in transaction with the Company at large.
- (v) The Company is complying with few of the non mandatory requirement and shall endeavor to company balance non mandatory requirements.
- (vi) The Company has no subsidiary hence no policy on dealing is require to be disclosed.
- (vii) Commodity price risks and commodity hedging activities. Is not applicable to the company.
- (viii) The company is in compliance of requirement of corporate governance report of sub0pares (2) to (10)
- (ix) The company the discretionary requirements as specified in Part E of Schedule II have been adopted.

For and behalf of the Board

Kolkata
Date: The 29th August, 2020

Sunay Krishna Khaitan
Executive Director

Declaration Regarding Code of Conduct**The Board of Directors
Khaitan (India) Limited**

This is to confirm that the company has received affirmation of compliance with "The Code of Conduct for Directors and Senior Executive" from all the Directors and Senior Executives of the company to whom the same is applicable for the year ended 31.03.2020

Kolkata
Date: The 29th August, 2020

Sunay Krishna Khaitan
Whole Time Director (Din: 07585070)

CFO/ Executive Director Certificate**The Board of Directors
Khaitan (India) Limited****We hereby certify that:**

- a) We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2020 and to the best of our knowledge and belief.
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2019 are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the auditors and the Audit Committee and steps we have been taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the audit committee
 - i) Significant changes in internal control during the said financial year.
 - ii) Significant changes in accounting policies during the said financial year and that same have been disclosed in the notes to the financial statements and
 - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any of the management or an employee having a significant role in company's internal control system.

Thanking You,

Kolkata
Date: The 20th August, 2020

Swapan Kumar Das
Chief Financial Officer
(PAN: AGYPD0287C)

Sunay Krishna Khaitan
Whole Time Director
(DIN: 07585070)

Independent Auditor's Report on Compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To,
The Members of
KHAITAN (INDIA) LTD.

The Corporate Governance Report prepared by Khaitan (India) Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) of sub – regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended March 31, 2020 as required by the Company for annual submission to the Stock exchange.

Management's Responsibility

The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion, whether the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.

We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedure includes but not limited to verification of secretarial records and financial information of the company and obtained necessary representation and declarations from directors including independent directors of the company.

The procedure also includes examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any of the financial information of the financial statements of the company taken as a whole.

Opinion

Based on the procedures performed by us and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2020.

Other matters and Restriction on Use

This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company. It is neither an audit nor in an expression of opinion on the standalone Ind AS financial statement of the company.

This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For K.C.Bhattacharjee & Paul
Chartered Accountants
FRN: 303026E

(Anjan Ghosh)
Partner

Place: Kolkata
Date : The 31st July, 2020

Membership No.: 066509
UDIN: 20066509AAAABC7527



INDEPENDENT AUDITOR'S REPORT

To
The Members of Khaitan (India) Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statement of Khaitan (India) Limited (the "Company") which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of the 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 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 subject to qualification as mention in the basis for qualified opinion paragraph, in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, and profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

- Balances of deferred tax assets has been carried in the financial statements at Rs. 3,26,43,751/- since long period of time. Considering the absence of the reasonable certainty as regards to realization of the said balances in the coming years, the provision for deferred tax asset balances needs to be provided for. Had the said balances of Deferred Taxes provision has been fully provided for, the losses would have gone up to Rs. 8,16,97,532/- and the net worth would have reduced by the said extent.
- In terms of the requirements of Ind AS 109, Financial Instruments, the company has not opted for Expected Credit Loss (ECL) model for estimating the provisions against Trade Receivables. Had the said model of estimation of receivable delinquencies been applied the balances of provisioning against trade receivables might undergone a change. The possible effect of the non-application of the ECL model on the financial statements is un-ascertained.
The above matters were also qualified by our predecessor auditor in the report for the financial statements ended March 31st 2019.
- Reference is invited to Note no 10.1, The biological assets amounting to Rs. 2,57,00,854/- includes Bearer and Non Bearer plants and trees. As per Ind AS-16, Property, Plant & Equipment, bearer plant is a part of Fixed Assets and depreciation to be charged on the basis of useful life of the bearer plants. The company has not segregated the portfolio of biological assets into bearer and non-bearer plants and consequent accounting adjustment thereof and continues to recognize the same under current assets, which is in disagreement with the requirements of the above referred Ind AS Accounting standard. Pending completion of the said exercise, the consequent impact of the above matter on the financial statements could not be ascertained.

We conducted our audit in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Results" 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Without modifying our opinion:

- Reference is invited to Note No - 45 to the financial statements regarding the non-operation of sugar mill of the company and management plan for resumption of the activity thereof. Considering the ongoing management plans for continuation of the sugar manufacturing related business, the same has not been considered as discontinued operations.
- Reference is invited to Note No - 46 Fixed Assets of the Sugar Mill division especially the plant and machinery has not been used for active service for more than 12 months. Considering the age of the assets and non-usage of machineries for a considerable time, the technical evaluation of the assets needs to be done for ascertainment of impairment provision, if any required.
- Reference is invited to Note No - 47 to the financial statements detailing therein initiation of proceedings under Insolvency Bankruptcy Code 2016 against the company by certain operational and financial creditors. The matter is still not yet admitted / decided by the concerned court of law. The account has been prepared on going concern basis.
- As more described fully in Note No - 48 to assess the recoverability of certain assets, the company has considered internal and external information upto the date of this report in respect of the current and estimated economic indicators consequent to the COVID 19 pandemic. The actual impact of the said pandemic may be different from that considered in assessing the recoverability of these assets.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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

INDEPENDENT AUDITOR'S REPORT (Contd.)

Key Audit Matter	Auditor response to key audit matters
<p>Impact of COVID-19 pandemic on Going Concern assessment of the Company</p> <p>Refer Note no 2(B) on significant accounting policies related to "Going Concern" and Note no 2(U) on "critical estimates and judgements" related to "Estimation of uncertainties relating to the global health pandemic from COVID-19" of the financial statements.</p> <p>Company's manufacturing plants and offices also had to be closed down for a considerable period of time, including after the year end.</p> <p>These lockdowns have a significant impact on the overall economic activity in India. Accordingly, the future cash flow projections used to assess going concern are subject to significant estimation uncertainties.</p>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> • Obtained an understanding of the Company's internal controls over its forecasting process • Assessed the adequacy of the disclosures related to application of the going concern assumption. • Compared the key assumptions adopted by the Company in preparing the forecasted cash flows with our expectations based on actual cash flows of 2019-20 and our understanding of the changes to the Company's business • Assessed the sensitivities on the forecasted cash flows
<p>Revenue Recognition</p> <p>Revenue from the sale of goods (hereinafter referred to as "Revenue") is recognized when the Company performs its obligation to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition in case of sale of goods is when the control over the same is transferred to the customer, which is mainly upon delivery to the super distributor of the company situated at different state. The timing of revenue recognition is relevant to the reported performance of the Company. The management considers revenue as a key measure for evaluation of performance. There is a risk of revenue being recorded before control is transferred.</p>	<p>We have checked the compliances of the revenue recognition of the Company and found it in compliances with revenue recognition as required by IND AS 115. Further service charge collected by super distributor for after sales services are retained by them and the corresponding charges incurred by the distributor are incurred at their end only.</p> <p>Hence the revenue from such service charges so collected are not recognized in the books of accounts of KhaiTan (India) Ltd.</p>
<p>The company is having Chagres outstanding at MCA against the assets of the company in respect to debts /loans /borrowings taken it by company for its business operation.</p>	<p>The company is unable to provide us the corresponding charge documents and its Satisfaction at MCA.</p>

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Report on Corporate Governance, Shareholder information and Report of the Board of Directors & Management Discussion and Analysis, but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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 Responsibilities for the Financial Results

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit / loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with 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 judgements 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.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements.

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 the 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 Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.



“ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT (Contd.)

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 with reference to the financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the IndAS Financial Statement represents the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid 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 is 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 B”. 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:
- h) 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 read with Schedule V to the Act. In respect of one director (Sunay Krishna Khaitan), aggregate remuneration of Rs. 11,62,992/- paid / provided during the year, is subject to the approval of the Members at the forthcoming Annual General Meeting.
- i) 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:
 1. Reference to the Note no 35, the Company has disclosed the impact of pending litigations on its financial position in its financial statements in accordance with the generally accepted accounting practice in the financial statements.
 2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company. However there are no such instances during this year.
- j) 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 A” a statement on the matters specified in paragraphs 3 and 4 of the Order.

For K.C.Bhattacharjee & Paul
Chartered Accountants
FRN: 303026E

Anjan Ghosh
(Partner)

Membership No.: 066509
UDIN: 20066509AAAABC7527

Place: Kolkata
Date : The 31st July, 2020

“ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph j) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Khaitan (India) Limited of even date)

i	In respect of the Company’s fixed assets:	
a	The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.	
b	The Property, plant and equipment were physically verified during the year by the management in accordance with a regular programme for verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, plant and equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed as on date on such verification.	
c	<p>According to the information and explanations given to us, the records examined by us and based on the examination of the records of the Company, the lands admeasuring approximately 8053.54 Acres are held by the company originally in the name of Ramnagar Cane & Sugar Company limited as per the order of Government of west Bengal land and revenue Department land Reform Branch vide order No. 4572-L Ref. dated Calcutta 12th march 1964 and thereafter the name of the company was changed to Khaitan Agro complex Limited as per the certificate of incorporation issued by the registrar of the companies on 1st October 1994. Further M/s Khaitan (India) Limited was amalgamated with Khaitan Agro Complex limited with effect from 1st January 1994 as per the order of Honorable Calcutta High court dated 17th October 1994 and as per the order of the court the name of the company was retained as khaitan India Limited. The registrar of the Companies, West Bengal issued the Fresh Certificate of Incorporation on 14th November, 1994 and changed the name of the company from Khaitan Agro Complex Limited to Khaitan (India) Limited. Subsequently the Government of West Bengal in its Calcutta Gazette published on 17th April, 1995, vide its Notification no. 186-Ci/C dated 24th march, 1995 issued by the commerce and Industries Department, Group C made the amendments and substitute the Word and brackets from Khaitan Agro Complex Limited (Sugar Division) to Khaitan (India) Limited.</p> <p>Further, as per the letter issued by the Government of West Bengal, Memo No.- 158/BL & LRO/Bel-II/18 dated – 19.04.2018, the “retainer” mill is a “lessee” directly under the State for such land with the terms and conditions specified in rules made under section 4B of the WBLR Act, 1955.</p> <p>However, based on legal advice, the management is of the opinion that pending completion of necessary legal formalities and resolution of the demands as made by the Government of West Bengal, the Company continued to consider the said parcel of land freehold in character.</p>	
ii	The inventories (excluding stocks with third parties if any) have been physically verified during the year by the management at reasonable intervals. No material discrepancies were noticed on such physical verification of stocks by the management as compared to book records.	
iii	According to the information and explanations given to us, the Company has not granted loan, secured, unsecured to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore clause (iii) (a), (b) and (c) of paragraph 3 of the said order are not applicable to the company.	
iv	In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.	
v	The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2015 with regard to the deposits accepted from the public are not applicable	
vi	We have broadly reviewed the Books of Accounts maintained by the Company pursuant to sub section 1 of Section 148 of the Companies Act, 2013 related to the Sugar Division and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We, however have not made a de-tailed examination of such record.	
vii	According to the information and explanations given to us, in respect of statutory dues:	
a	<p>The Company has generally been irregular in depositing undisputed statutory dues including Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, duty of excise, Customs Duty Goods and Service Tax, Cess and other material statutory dues to the extent applicable with appropriate authorities.</p> <p>According to the records, the following statutory dues were outstanding as at March, 2020 for a period of more than more six months from the day they became payable are given below.</p>	

Nature of Statute	Nature of Dues	AMOUNT (Rs.)	Period to which the Amount Relates	Due Dates
Employee State Insurance Commission	ESIC	1,62,677.45	From 01.11.2018 to 30.09.2019	21st of Next Month
Provident Fund	EPF	5,19,817.60	From 01.05.2018 to 30.09.2019	15th of Next Month
State Tax	PROFESSIONAL TAX	4,94,570.50	From 01.03.2017 to 30.09.2019	21st of Next Month
Income Tax	TDS	41,88,165.00	From 01.01.2018 to 30.09.2019	7th of Next Month
Sales Tax	GST	1,15,61,823	From 01.09.2017 to 30.09.2019	21st of Next Month
Sales Tax	VAT	41,03,467.00	From 01.04.2016 to 30.06.2017	21st of Next Month
Panchayat Tax	PANCHAYAT TAX	29,603.00	From 01-04-2016 to 31-03-2018	No Specific date
Land Rent	LAND RENT	4,50,714.00	From 01-04-2016 to 31-03-2018	No Specific date



“ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT (Contd.)

b	According to the information and explanations given to us the details of dues of Income Tax, Service Tax, Excise Duty and Value Added Tax have no dispute pending at any forum. However, Sales Tax have not been deposited as at March 31, 2020 on account of dispute are given below:
---	--

Name of the statute	Nature of dues	Demand Raised	Period to which is relating	Forum where dispute is pend-ing
Maharashtra Sales Tax Act	Tax & Penalty on higher turnover on reassessment	94,87,225.00	-	Joint Commissioner & Sales Tax (Appellate) Mumbai.

viii	According to the information and explanations given to us by the management the Company has not defaulted in repayment of Loans or borrowings to a Financial Institutions bank or Government. The Company did not have any outstanding de-bentures during the year.
ix	Based on our audit procedures and according to the information given by the management, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) or taken any term loan during the year.
x	To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or 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 Act.
xii	The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
xiii	In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of re-lated party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
xiv	According to the information and explanation given by the management, the Com-pany has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
xv	In our opinion and according to the information and explanations given to us, dur-ing the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors or persons connected with him as re-ferred to in Section 192 of the companies Act, 2013.
xvi	The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For K.C.Bhattacharjee & Paul
Chartered Accountants
FRN: 303026E

Anjan Ghosh
(Partner)

Membership No.: 066509
UDIN: 20066509AAAABC7527

Place: Kolkata
Date : The 31st July, 2020

“ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our Report of even date on the Standalone Ind AS financial Statements of Khaitan (India) Limited)

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

We have audited the internal financial controls over financial reporting of Khaitan (India) Limited (“the Company”) as of 31st March, 2020 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial Reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

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

For K.C.Bhattacharjee & Paul
Chartered Accountants
FRN: 303026E

Anjan Ghosh
(Partner)

Place: Kolkata
Date : The 31st July, 2020

Membership No.: 066509
UDIN: 20066509AAAABC7527


Balance Sheet as at March 31, 2020

Particulars	Notes	As at March 31, 2020 Amount in ₹	As at March 31, 2019 Amount in ₹
ASSETS			
1. Non-current assets			
(a) Property, plant and equipment	3	50,22,75,408	52,00,89,869
(b) Investment property	4	50,65,000	50,65,000
(c) Financial Assets			
(i) Investments	5	2,88,73,063	9,40,51,715
(ii) Loans	6	90,88,728	93,71,682
(d) Deferred Tax Assets (net)	7	3,26,43,751	3,26,43,751
(e) Other Non-Current Assets	8	1,32,83,295	96,78,008
		59,12,29,245	67,09,00,025
2. Current assets			
(a) Inventories	9	5,47,77,385	6,72,89,384
(b) Biological Assets	10	2,57,00,854	2,57,00,854
(c) Financial Assets			
(i) Trade receivables	11	11,83,90,521	22,67,12,248
(ii) Cash and Cash equivalents	12	10,29,090	22,40,800
(iii) Loans	13	4,09,57,828	4,38,03,966
(e) Other current assets	14	22,26,548	51,27,914
		24,30,82,226	37,08,75,166
Total Assets		83,43,11,471	1,04,17,75,191
EQUITY AND LIABILITIES			
EQUITY			
1. Shareholders' Funds			
(a) Share Capital	15	4,75,00,000	4,75,00,000
(b) Other Equity	16	19,09,45,657	30,34,68,579
Total Equity		23,84,45,657	35,09,68,579
LIABILITIES			
2. Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	14,87,38,145	15,85,40,119
(b) Other Non-Current Liabilities	18	74,99,069	75,79,071
(c) Provisions	19	2,70,41,322	2,27,60,377
		18,32,78,536	18,88,79,567
3. Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	4,89,55,673	5,46,78,887
(ii) Trade Payables	21	23,06,38,212	30,78,76,554
(iii) Other financial liabilities	22	9,44,15,550	10,00,91,451
(b) Other Current Liabilities	23	3,79,76,987	3,75,91,173
(c) Provisions	24	6,00,856	16,88,980
		41,25,87,278	50,19,27,045
Total Liabilities		59,58,65,814	69,08,06,612
Total equity and liabilities		83,43,11,471	1,04,17,75,191
Summary of Significant Accounting Policies	1 & 2		
Notes on Financial Statements	3 - 50		
The notes referred to above form an integral part of the financial statements			

As per our Report attached of even date

For and on Behalf of the Board of Directors

 For **K.C. Bhattacharjee & Paul**
 Chartered Accountants
 Firm Regn. No. 303026E

Sunay K. Khaitan
 Director
 DIN: 07585070

Sandip Chatterjee
 Director
 DIN: 06875010

Sujata Sarkar
 Director
 DIN: 08173535

Anjan Ghosh
 (Partner)
 Membership No. 066509
 UDIN: 20066509AAAABC7527

Swapan Kumar Das
 Chief Financial Officer
 PAN: AGYPD0287C

Pradip Halder
 Company Secretary
 PAN: AIRPH7882C

 Kolkata
 31st day of July, 2020

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

Particulars	Notes	As at March 31, 2020 Amount in ₹	As at March 31, 2019 Amount in ₹
I. Income			
Revenue from Operations	25	56,64,90,738	1,00,25,14,410
Other Income	26	43,62,830	42,98,677
Total Revenue		57,08,53,568	1,00,68,13,087
II. Expenses			
Cost of material consumed	27	-	8,88,523
Purchase of trading goods		44,32,31,688	66,95,73,639
Changes in inventories of finished goods, work-in-progress and stock-in-trade	28	57,93,833	10,21,69,682
Employee benefits expense	29	6,59,16,870	8,96,09,262
Finance costs	30	2,17,55,329	2,67,69,231
Depreciation and amortization expense	3	1,80,91,620	1,80,96,102
Other expenses	31	6,51,18,009	9,37,80,296
Total Expenses		61,99,07,349	1,00,08,86,735
III. Profit before tax		(4,90,53,781)	59,26,352
IV. Tax expenses	33		
Current tax		-	-
Tax adjustment for earlier years		-	-
Deferred tax		-	-
Total tax expenses		-	-
V. Profit for the year		(4,90,53,781)	59,26,352
VI. Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss	32		
(ii) Income tax relating to items that will not be reclassified to profit or loss		(6,34,69,141)	(2,61,33,354)
B (i) Items that will be reclassified to profit or loss			
(ii) Income tax relating to items that will be reclassified to profit or loss			
Other Comprehensive Income for the year		(6,34,69,141)	(2,61,33,354)
VII. Total Comprehensive Income for the year (V + VI)		(11,25,22,922)	(2,02,07,002)
VI. Basic and diluted Earnings per equity share of face value of Rs. 10/- each	34	(10.33)	1.25
Summary of Significant Accounting Policies	1 & 2		
Notes on Financial Statements	3 -50		
The notes referred to above form an integral part of the financial statements			

As per our Report attached of even date

For K.C. Bhattacharjee & Paul
Chartered Accountants
Firm Regn. No. 303026E

Anjan Ghosh
(Partner)
Membership No. 066509
UDIN: 20066509AAAABC7527

Kolkata
31st day of July, 2020

For and on Behalf of the Board of Directors

Sunay K. Khaitan
Director
DIN: 07585070

Swapan Kumar Das
Chief Financial Officer
PAN: AGYPD0287C

Sandip Chatterjee
Director
DIN: 06875010

Pradip Halder
Company Secretary
PAN: AIRPH7882C

Sujata Sarkar
Director
DIN: 08173535



CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

Particulars	Year ended March 31, 2020 Amount in ₹	Year ended March 31, 2019 Amount in ₹
A. Cash Flow from Operating Activities		
Profit / (Loss) before tax for the period	(4,90,53,781)	59,26,352
Adjustments for :		
Depreciation and Amortization Expense	1,80,91,620	1,80,96,102
Investment Written off	41,599	-
Finance Costs	2,17,55,329	2,67,69,231
Interest Income	(3,23,371)	(9,47,863)
Operating Profit/ (Loss) before changes in operating assets and liabilities	(1,25,89,921)	4,68,84,342
Adjustments for changes in operating assets and liabilities:		
(Increase) in trade and other receivables	11,07,47,172	(3,32,22,152)
(Increase) / Decrease in Inventories and biological assets	1,25,11,999	10,20,60,732
Increase/(Decrease) in trade and other payables	(7,77,47,670)	6,33,34,738
Direct Taxes (paid)/ refund	-	-
Net Cash from / (used in) Operating Activities	3,29,21,580	17,90,57,660
B. Cash Flow from Investing Activities		
Sale of property, plant and equipment	47,500	-
Rent income	30,83,084	29,59,480
Net Cash from / (used in) Investing Activities	31,47,227	20,55,536
C. Cash Flow from Financing Activities		
Repayment of non-current borrowings	(98,01,974)	(14,61,52,347)
Repayment of current borrowings (net)	(57,23,214)	(68,52,632)
Finance Costs	(2,17,55,329)	(2,67,69,231)
Net Cash from / (used in) Financing Activities	(3,72,80,517)	(17,97,74,210)
Net increase / (decrease) in cash and cash equivalent (A + B + C)	(12,11,710)	13,38,986
D. Cash and cash equivalents		
Net increase / (decrease) in cash and cash equivalent	(12,11,710)	13,38,986
Cash and cash equivalents at the beginning of the year	22,40,800	9,01,814
Cash and cash equivalents at the end of the year	10,29,090	22,40,800
Cash and cash equivalents consist of cash in hand and balance with banks and deposits with banks.		
In Current Accounts	10,14,145	9,10,895
Cash in Hand	14,945	13,29,905
Cash and cash equivalents as at 31st March	10,29,090	22,40,800
(a) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard on 'Statement of Cash Flows (Ind AS-7)' issued by The Institute of Chartered Accountants of India.		

As per our Report attached of even date

For **K.C. Bhattacharjee & Paul**
Chartered Accountants
Firm Regn. No. 303026E

Anjan Ghosh
(Partner)
Membership No. 066509
UDIN: 20066509AAAABC7527

Kolkata
31st day of July, 2020

For and on Behalf of the Board of Directors

Sunay K. Khaitan
Director
DIN: 07585070

Swapan Kumar Das
Chief Financial Officer
PAN: AGYPD0287C

Sandip Chatterjee
Director
DIN: 06875010

Pradip Halder
Company Secretary
PAN: AIRPH7882C

Sujata Sarkar
Director
DIN: 08173535

Summary of Significant Accounting Policies**1. Corporate Information**

Khaitan (India) Limited ('KIL' or 'the Company') having domicile presence in the State of West Bengal, India, has been incorporated under the Companies Act in the year 1936. The Company is manufacturer of Sugar and also cultivates sugarcane in its captive farms for utilizing the same for manufacturing sugar in its factory. The Company has also commenced trading activities of Electrical Goods. The Company is the owner of 'Khaitan' brand and getting royalty from its users.

2. Statement of Compliance and Recent Pronouncements**2.1 Statement of Compliance**

The Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 ("the Act") with effect from April 1, 2017 and therefore Ind AS issued, notified and made effective till the financial statements are authorized have been considered for the purpose of preparation of these financial statements.

2.2 Recent Pronouncements

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) (Amendment) Rules, 2019 on 30th March, 2019:

- notifying IND AS 116, 'Leases' and
- amending IND AS 12 'Income Taxes' and IND AS 19 'Employee Benefits'.

The same are applicable for financial statements pertaining to annual periods beginning on or after 1st April, 2019. The Company expects that there will be no material impact on the financial statements resulting from the implementation of these standards.

2.3. Significant Accounting Policies**A. Basis of Preparation**

- i) The Financial Statements have been prepared under the historical cost convention on the accrual basis, except for certain financial instruments that are measured in terms of relevant IND AS at fair values /amortized costs at the end of each reporting period.
- ii) Historical cost convention is generally based on the fair value of the consideration given in exchange for goods and services.
- iii) As the operating cycle cannot be identified in normal course, the same has been assumed to have duration of 12 months.
- iv) All Assets and Liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in IND AS-1 'Presentation of Financial Statements' and Schedule III to the Companies v) Act, 2013.
- vi) The Standalone Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest rupee except otherwise stated.

Fair value measurement

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 under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:

- a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- b) Level 2: inputs other than quoted prices included within level 1 that are observable either directly or indirectly for the asset or liability.
- c) Level 3: inputs for the asset or liability which are not based on observable market data.

B. Going Concern

These financial statements have been prepared on a going concern basis. The management has given the significant uncertainties arising out of the outbreak of COVID-19, as explained in point "U" herein below, assessed the future cash flow projections and available liquidity from the date of these financial statements. Based on this evaluation, management believes that the Company will be able to continue as a 'going concern' in the foreseeable future and for a period of at least twelve months from the date of these financial statements based on the following:

- As at March 31, 2020, the Company reviewed its business and operations to take into consideration the estimated impacts and effects of the COVID-19 pandemic
- The estimated impact on the macroeconomic environment,
- The estimated impact on the market outlook and the Company's operations.
- The estimated impact on Expected future cash flows from operating activities and capital expenditure.
- Available & Expected fund balances & credit facilities.

Based on the above factors, Management has concluded that the 'going concern' assumption is appropriate. Accordingly, the financial statements do not include any adjustments regarding the recoverability and classification of the carrying amount of assets and classification of liabilities that might result, should the Company be unable to continue as a Going Concern.

C. Property, Plant and Equipment

Property, plant and equipment (PPE) are stated at cost of acquisition or deemed cost on the date of transition less accumulated depreciation and impairment losses, if any. Cost of an asset comprises of cost of acquisition or construction and includes, where applicable, inward freight, duties and taxes, installation expenses, professional fees, borrowing costs, initial estimates of the cost of dismantling, cost of replacing parts of the property, plant and equipments and other costs directly attributable to the bringing the asset to the location and condition necessary for it to be capable of operating in the intended manner and purposes. Capital Spare parts which are integral part of the plant and equipment are capitalized.

When significant parts of plant and equipment are required to be replaced at intervals, the same are capitalized and old component is derecognized.



Notes on Significant Accounting Policies (Contd.)

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

Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

Depreciation on PPE commences when the assets are ready for their intended use.

Depreciation on all Property, Plant and Equipments is provided as per Schedule II of Companies Act, 2013 under Straight Line Method over estimated useful lives for each category of assets as under:

Asset	Useful lives (estimated by the management) (as on 31.3.2015)
Factory building	30
Other buildings	60
Plants and machinery	15
Office equipment	5
Furniture and fixtures	10
Vehicles	8

-The residual value of assets has been considered as five percent of the original cost of the assets as per Schedule II of the Act.

- Depreciation is provided on pro-rata basis on additions and deletions of Property, Plant and Equipments during the year.

- In case of impairment, if any, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

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

D. Intangible Assets

Intangible assets are stated at cost comprising of purchase price inclusive of duties and taxes, where applicable, less accumulated amount of amortization and impairment losses. Such assets are amortized over the useful life using straight line method and assessed for impairment whenever there is an indication of the same. The Company currently have intangible asset by way of "Ferry Right".

E. Derecognition of Tangible and Intangible Assets

An item of PPE is de-recognized upon disposal or when no future economic benefits are expected to arise from its use or disposal. Gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

F. Investment properties

Investment Property is property (comprising land or building or both) held to earn rental income or for capital appreciation or both, but not for sale in ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognized in the statement of profit and loss.

The depreciable investment property i.e., buildings, are depreciated on a straight line method at a rate determined based on the useful life as provided under Schedule II of the Act. Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from the use and no future economic benefit is expected from their disposal. The net difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of derecognition.

G. Impairment of Tangible and Intangible Assets

Tangible and Intangible assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of assets is determined. An impairment loss is recognized in the statement of profit and loss, whenever the carrying amount of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The recoverable amount is the higher of assets fair value less cost of disposal and its value in use. In assessing value in use, the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rate.

Impairment losses recognized earlier may no longer exist or may have come down. Based on such assessment at each reporting period the impairment loss is reversed and recognized in the Statement of Profit and Loss. In such cases the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

H. Financial Assets and Liabilities

Financial assets and financial liabilities (financial instruments) are recognized when 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 or financial liabilities at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss.

The financial assets and financial liabilities are classified as current if they are expected to be realised or settled within operating cycle of the company or otherwise these are classified as non-current.

The classification of financial instruments whether to be measured at Amortized Cost, at Fair Value Through Profit and Loss (FVTPL) or at Fair Value Through Other Comprehensive Income (FVTOCI) depends on the objective and contractual terms to which they relate. Classifications of financial instruments are determined on initial recognition.

(i) Cash and cash equivalents

All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

Notes on Significant Accounting Policies (Contd.)**(ii) Financial Assets and Financial Liabilities measured at amortized cost**

Financial Assets held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost.

The above Financial Assets and Financial Liabilities subsequent to initial recognition are measured at amortized cost using Effective Interest Rate (EIR) method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortized cost of financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

(iii) Financial Asset at Fair Value through Other Comprehensive Income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, they are measured at fair value and changes therein are recognized directly in other comprehensive income.

(iv) For the purpose of para (ii) and (iii) above, principal is the fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

(v) Financial Assets or Liabilities at Fair value through profit or loss

Financial Instruments which do not meet the criteria of amortized cost or fair value through other comprehensive income are classified as Fair Value through Profit or loss. These are recognized at fair value and changes therein are recognized in the statement of profit and loss.

vi) Impairment of financial assets

A financial asset is assessed for impairment at each reporting date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

The company measures the loss allowance for a financial assets at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a 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.

However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the company has not opted to measure the loss allowance at an amount equal to lifetime expected credit losses.

vii) De-recognition of financial instruments

The Company de-recognizes a financial asset or a group of financial assets 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.

On de-recognition of a financial asset (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable are recognized in statement of profit and loss.

On de-recognition of assets measured at FVTOCI the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

Financial liabilities are derecognized if the Company's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in Statement of Profit and Loss.

I. Inventories

(i) Inventories are valued at lower of the cost or estimated net realizable value. Cost of inventories is ascertained on 'Average Cost Method' basis. Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

(ii) Cost in respect of raw materials and stores and spares includes expenses incidental to procurement of the same. Cost in respect of finished goods and those under progress represents prime cost, and includes appropriate portion of overheads and excise duty.

J. Biological assets

Biological assets comprise Standing crops of sugarcane. Biological assets are measured at fair value less estimated costs to sell. Changes in fair value are recognized in the Statement of Profit and Loss.

The fair value of these assets excludes the land upon which the crops are planted or the items of PPE utilized in the upkeep of planted areas. The biological process starts with preparation of land for planting, seedlings and ends with the harvesting of crops.

For biological assets, where little biological transformation has taken place since the initial cost was incurred (for example seedlings planted immediately before the balance sheet date), such biological assets are measured at cost i.e. the total expenses incurred on such plantation up to the balance sheet date. When harvested, cane is transferred to inventory at fair value less costs to sell.

K. Foreign Currency Transactions**Presentation Currency:**

These financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the company.

Transactions and Balances:

Transactions in foreign currencies are translated into the functional currency at the exchange rates prevailing on the date of the transactions. Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction. Foreign



Notes on Significant Accounting Policies (Contd.)

exchange gain/loss to the extent considered as an adjustment to Interest Cost are considered as part of borrowing cost. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transactions during the year are recognized as income or expense in the profit and loss account.

L. Equity Share Capital

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as Securities Premium.

Costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effects.

M. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognized for future operating losses. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Contingent liabilities is not recognized and are disclosed by way of notes to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made.

Contingent Assets are disclosed in the financial statements by way of notes to accounts when an inflow of economic benefits is probable.

N. Employee Benefits

Short term Employee benefits are accrued in the year services are rendered by the employees.

Provident & Family Pension Fund: In accordance with the provisions of the Employee Provident Funds and Miscellaneous Provisions Act, 1952, eligible employees of the company are entitled to receive benefits with respect to provident fund, a defined contribution plan, in which both the company and employee contribute monthly to Provident Fund Scheme by the Central Government/Trust at a determined rate. The company contributes to the Employees' Pension Scheme, 1995 for certain categories of employees. The Company's contribution is charged off to the Statement of Profit and Loss.

Gratuity: Post Employment and Retirement benefits in the form of Gratuity are considered as defined benefit obligations and is provided for on the basis of third party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Every Employee who has completed five years or more of service is entitled to Gratuity on terms not less favorable than the provisions of The Payment of Gratuity Act, 1972.

The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measured gains and losses arising from experience adjustments and changes in actuarial assumptions of the defined benefit obligation are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Leave encashment benefits: The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period on government bonds using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the Company does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

O. Revenue

i) Sale of Goods

Revenue is recognized at the fair value of consideration received or receivable when the significant risk, rewards and ownership of goods have been transferred and the amount thereof can be measured reliably. This represents the net invoice value of goods supplied to third parties after deducting trade discounts, returns, volume rebates and outgoing sales tax and is inclusive of packing charges and excise duty there against

ii) Interest, Dividend and Claims

Dividend income is recognized when the right to receive payment is established. Interest has been accounted using effective interest rate method. Insurance claims/other claims are accounted as and when admitted / settled.

P. Borrowing Cost

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognized in the Statement of Profit and Loss using the effective interest method except to the extent attributable to qualifying Property Plant and Equipment (PPE) which are capitalized to the cost of the related assets. A qualifying PPE is an asset, that necessarily takes a substantial period of time to get ready for its intended use or sale.

Q. Taxes on Income

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognized in the income statement except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Notes on Significant Accounting Policies (Contd.)

Amount in ₹

Current income tax is provided on the taxable income and recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Taxable Income differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

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 realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

R. Earnings Per Share

Basic earnings per share are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

S. Non-current assets held for sale

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell.

Assets and liabilities classified as held for sale are presented separately in the balance sheet. However there are no such assets described as held for sale in current Financial year

The Company classifies non-current assets as held for sale if their carrying amount will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

T. Cash dividend and non-cash distribution to equity holders

The Company recognizes a liability to make cash distributions to equity holders of the Company when the distribution is authorized and the distribution is no longer at the discretion of the Company. Distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

U. Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the Company's accounting policies.

This Note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

- i) Estimated useful lives of property, plant and equipment and intangible assets – Note 3
- ii) Estimation of defined benefit obligation and leave encashment - Note 38
- iii) Estimation of fair values of contingent liabilities - Note 35
- iv) Impairment of trade receivables - Note 11
- v) Estimation of fair value of investment property – Note 4

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Estimation of uncertainties relating to the global health pandemic from COVID-19.

The World Health Organization in February 2020 declared COVID-19 as a pandemic. The pandemic has been rapidly spreading throughout the world, including India. Governments around the world including India have been taking significant measures to curb the spread of the virus including imposing mandatory lockdowns and restrictions in activities. Consequently, the Company's manufacturing plants and offices also had to be closed down for a considerable period of time, including after the year end. As a result of the lockdown, the likely revenue for the quarter ended March 2020 has been impacted. Continued lockdowns are likely to impact the Company operationally including on supply chain matters. The Company is monitoring the situation closely taking into account directives from the Government

Management believes that it has taken into account all the possible impacts of known events arising from COVID-19 pandemic and the resultant lockdown in the preparation of the financial statements including but not limited to its assessment of liquidity and going concern, recoverable values of its property, plant and equipment, intangible assets and the net realisable values of other assets. However, given the effect of these lockdowns on the overall economic activity in India and the impact assessment of COVID-19 on the above-mentioned financial statement captions is subject to significant estimation uncertainties given its nature and duration and, accordingly, the actual impacts in future may be different from those estimated as at the date of approval of these financial statements. The Company will continue to monitor any material changes to future economic conditions and consequential impact on its financial results.



Notes to financial statements as at and for the year ended March 31, 2020

Amount in ₹

3. Property, Plant and Equipment and Intangible Assets		Gross Carrying Value / Deemed Cost				Accumulated Depreciation / Amortisation			Net Block	
a) As at March 31, 2020		As at 1st April 2019	Additions	Disposal/ Adjustments	As at 31st Mar 2020	As at 1st April 2019	Deductions/ Adjustments	Charge for the year	As at 31st Mar 2020	As at 31st March 2019
Property, Plant and Equipment:										
a) Freehold Land *		42,45,47,492	-	-	42,45,47,492	-	-	-	42,45,47,492	42,45,47,492
b) Building		-	-	-	-	-	-	-	-	-
Factory		3,01,321	-	-	3,01,321	3,01,297	-	-	3,01,297	24
Others		2,39,88,638	-	-	2,39,88,638	31,63,857	-	10,61,450	1,97,63,331	2,08,24,781
c) Plant & Machinery		12,90,01,360	-	-	12,90,01,360	5,61,18,732	-	1,65,82,567	7,27,01,299	5,63,00,061
d) Office Equipment		99,174	1,29,984	-	2,29,158	47,758	-	51,283	99,041	1,30,117
e) Furniture & Fixtures		3,10,804	-	-	3,10,804	2,88,324	-	4,389	2,92,713	18,091
f) Vehicles		12,54,117	-	-	12,54,117	1,72,909	-	1,22,116	2,95,025	9,59,092
g) Computers		8,02,447	1,76,744	47,214	9,31,978	1,24,008	-	2,69,815	3,75,876	5,56,101
h) Ferry Rights		1,098	-	-	1,098	-	-	-	-	1,098
Total		58,03,06,451	3,06,728	47,214	58,05,65,966	6,02,16,885	17,947	1,80,91,620	7,82,90,558	50,22,75,408
a) As at March 31, 2019										
Property, Plant and Equipment:										
a) Freehold Land		42,45,47,492.00	-	-	42,45,47,492.00	-	-	-	-	42,45,47,492
b) Building		-	-	-	-	-	-	-	-	-
Factory		3,01,321.00	-	-	3,01,321.00	3,01,297	-	-	3,01,297.00	24
Others		2,39,88,638.00	-	-	2,39,88,638.00	21,02,409	-	10,61,448	31,63,857.00	2,18,86,229.00
c) Plant & Machinery		12,90,01,360.00	-	-	12,90,01,360.00	3,93,06,961	-	1,68,11,767	5,61,18,728.00	7,28,82,632.00
d) Office Equipment		99,174.00	-	-	99,174.00	35,188	-	12,271	47,459.00	51,715.00
e) Furniture & Fixtures		3,10,804.00	-	-	3,10,804.00	2,82,319	-	6,005	2,88,324.00	22,480.00
f) Vehicles		1,73,257.00	10,80,860	-	12,54,117.00	88,855	-	84,055	1,72,910.00	84,402.00
g) Computers		31,500.00	7,70,947	-	8,02,447.00	3,451.00	-	1,20,556	1,24,007.00	6,78,440.00
h) Ferry Rights		1,098.00	-	-	1,098.00	-	-	-	-	1,098.00
Total		57,84,54,644	18,51,807	-	58,28,57,451	4,21,20,480	-	1,80,96,102	6,02,16,582	52,00,89,869
<p>1) Land retained by the Company as per State Government Order No 4572 - 1 reference dated 12th March, 1964. However as per the letter issued by the Government of West Bengal, Memo No. - 158/BL & LRO/Bel/118 dated - 19.04.2018, the "retainer" mill is a "lessee" directly under the State for such land with the terms and conditions specified in rules made under section 4B of the WBLR Act, 1955. However, based on legal advice, the management is of the opinion that pending completion of necessary legal formalities and resolution of the demands as made by the Government of West Bengal, the Company continued to consider the said parcel of land freehold in character.</p>										
<p>* It also includes the agricultural land at Nadia District being 3144 acre apart from 4 acres of land which was given on lease in said district.</p>										

Notes to financial statements as at and for the year ended March 31, 2020 (Contd.)

Amount in ₹

Particulars		As at March 31, 2020	As at March 31, 2019
4.	Investment Property		
	Gross carrying amount		
	Opening gross carrying amount / Deemed cost	50,65,000	50,65,000
	Additions / other adjustments	-	-
	Closing gross carrying amount / Deemed cost	50,65,000	50,65,000
	Accumulated depreciation		
	Opening accumulated depreciation	-	-
	Depreciation charged during the year	-	-
	Closing accumulated depreciation	-	-
	Net carrying amount	50,65,000	50,65,000
4.1	The company has total 7904.64 acres of Agricultural Land in 3 districts of West Bengal state. Out of which, 3148.18 acres of Agricultural land situated at Nadia District. Included in the investment Property, a portion of land measuring 4 acre and located in Nadia District of West Bengal. The Fair value of land was last assessed in March-2018. also shown in schedule 3. The Total land measuring 7904.64 Acre land is pledged as security by the company		
4.2	The fair value of the Company's investment properties as at 31st March 2018 Rs. 26.22 Lakhs however no fair Valuation has been done for March-20 The fair value has been arrived on the basis of valuation performed by an independent valuer, who is valuing these types of investments properties, having appropriate qualifications and recent experience in the valuation of properties in relevant location. The fair value measurement is categorised in level 3 fair value hierarchy.		
4.3	The amount recognised in Statement of Profit and Loss in relation to investment properties:		
	- Rental income (Flat)	30,83,084	28,79,478
	- Lease rent (Agri)	80,002	80,002
		31,63,086	29,59,480

Particulars		No. of Shares	Face Value per Share Rs.	As at March 31, 2020	As at March 31, 2019
5.	Investments				
	Non- Current				
	(i) Quoted Equity Instruments				
	Investments at fair value through Other Comprehensive Income				
	Other Body Corporate - Fully paid-up Equity Shares				
	Khaitan Electricals Limited	17,20,752	10	1	56,61,274
	(ii) Unquoted Equity Instruments				
	Investments at fair value through Other Comprehensive Income				
	Other Body Corporate - Fully paid-up Equity Shares				
	Naturewealth Development Corpn Ltd *	19,300	10	1	1
	The Oriental Mercantile Company Ltd *	44,980	10	15,62,591	15,62,591
	Khaitan Lefin Limited **	14,04,000	10	1,56,96,720	7,51,72,500
	Khaitan Hotels Private Limited **	47,500	10	1,16,13,750	1,16,13,750
	(iii) Quoted Bonds				
	11.5% Maharashtra Krishna Valley Dev. Corpn.			-	34,499
	(iv) Unquoted Government securities at amortised cost				
	National Defence / Savings Certificate			-	7,100
	Total (i+ii)			2,88,73,063	9,40,51,715
	Aggregate amount of investments :				
	Quoted Investments and Market value thereof			1	56,95,773
	Unquoted Investments			2,88,73,062	8,83,55,942

Notes: (1) National Defence / Savings Certificate are deposited with various Government Departments. Security being very old, no documents are available with the Company hence written off this year.

(2) At the time of migration of IND AS accounting frame work , the impact of Investment at fair value as per IND AS amounting to Rs. 16,70,85,02/- is shown as Fair Value through Other Comprehensive Income.

** Quote not available

* Stated at fair value as provided by the management



Notes to financial statements as at and for the year ended March 31, 2020 (Contd.)

Amount in ₹

Particulars		Notes	As at March 31, 2020	As at March 31, 2019
6.	Loans - Non-Current			
	Other loans, advances and deposit			
	Security Deposit		22,61,577	18,95,973
	In deposit accounts / margin money*		49,75,394	47,84,865
	Deposits with maturity period more than 12 months / Margin Money		18,51,757	26,90,844
	Total		90,88,728	93,71,682
	*Pledged with Bank for availment of overdraft Limits			
7.	Deferred Tax Assets (net)			
a)	Deferred Tax Assets			
	Brought forward losses	7.1	2,15,87,925	2,15,87,925
	Timing difference in depreciable assets		1,10,55,826	1,10,55,826
			3,26,43,751	3,26,43,751
b)	Deferred Tax Liabilities			
	Timing difference on fair valuation of quoted Investment		-	-
	Net Deferred Tax Asset / (Liability)		3,26,43,751	3,26,43,751
	Deferred tax charge / (Credit)			
	Deferred tax credit to P&L		-	-
	Deferred tax charge to OCI		-	-
	Net Deferred Tax Income / (Expense)		-	-
7.1	Fresh Deferred tax on entire brought forward losses have not been created due to lack of reasonable certainty of reversal in future period.			
8.	Other Non-Current Assets			
	(Unsecured, considered good)			
	Balances with Statutory Authorities			
	Income tax and TDS		1,32,83,295	96,78,008
	Total		1,32,83,295	96,78,008
9.	Inventories			
	Valued at Lower of Cost or Net Realisable Value			
	Raw Material and Work-in-progress			
	- Process Stock (Aforestation scheme)	9.1	-	32,79,408
	- Process stock of standing sugarcane		-	25,91,443
	Finished Goods			
	Closing Stock of Sugar		-	28,98,069
	Closing Stock of Trading Goods		4,77,00,048	5,05,95,812
	Stores & Spares			
	- Stores, Spares, Process Chemicals & Fuels		70,77,337	78,90,007
	- Loose tools		-	34,645
	Total		5,47,77,385	6,72,89,384
9.1	The Company had not done the Fair Valuation of Standing Sugarcane & Plants Under Aforestation Scheme and the figures are arrived at by the management by their own Valuation.			
10.	Biological Assets			
	Reconciliation of changes in book value of biological assets:			
	Opening balance		2,57,00,854	10,51,43,646
	Decrease due to harvested sugarcane transferred to inventory		-	(7,94,42,792)
	Closing Balance		2,57,00,854	2,57,00,854
10.1	Management is under the process of segregation of the biological assets comprising of plants and trees into Bearer and Non Bearer ones. Pending the completion of the said exercise, the biological assets has been recognised and disclosed under current assets.			
11.	Trade Receivables			
	Unsecured, Considered Good :			
	Trade Receivables		11,83,90,521	22,89,76,504
	Less: Provision for impairment	11.1	-	(22,64,256)
	Total		11,83,90,521	22,67,12,248
11.1	The Management has opted not to apply the Expected Credit Loss (ECL) Model for the provision of Trade Receivables for the Year ended 31st March, 2020			

Notes to financial statements as at and for the year ended March 31, 2020 (Contd.)

Amount in ₹

	Particulars	As at	
		March 31, 2020	March 31, 2019
12. Cash and Cash Equivalents (As certified by the management)			
	Balances with Banks		9,10,895
	In Current Accounts	10,14,145	
	Cash in Hand	14,945	13,29,905
	Total	10,29,090	22,40,800
13. Loans & Advances - Current (Unsecured, considered good)			
	Advances to Related Party & Others	3,43,03,195	2,64,13,397
	Advances against expenses	52,37,798	1,46,11,508
	Advances to employees	14,16,835	18,29,278
	Interest receivable	-	4,41,493
	Claims receivable	-	5,08,290
	Total	4,09,57,828	4,38,03,966
14. Other Current Assets (Unsecured, considered good)			
	Balances with Statutory Authorities		
	Sales tax / GST deposit / Advance	9,63,986	25,78,708
	Cane advances	-	7,57,435
	Prepaid Expenses	2,03,139	12,57,694
	Others	10,59,423	5,34,077
	Total	22,26,548	51,27,914
15. Share Capital			
a) Authorised:			
	24,750,000 Equity Shares of Rs.10/- each	24,75,00,000	24,75,00,000
Preference Shares :			
	4000, 6% (Tax Free) Cumulative Preference Shares of Rs. 100/- each amounting to Rs. 4,00,000/- have been authorised but the same is not Issued.	4,00,000	4,00,000
	21000 Preference Share of Rs. 100/- each amounting to Rs. 21,00,000/- have been authorised but the same is not Issued.		
		25,00,00,000	25,00,00,000
b) Issued, Subscribed and fully paid-up Shares:			
	4,750,000 Equity Shares of Rs. 10/- each fully paid up	4,75,00,000	4,75,00,000
	Total	4,75,00,000	4,75,00,000
		As at March 31, 2020	As at March 31, 2019
		No. of shares	% holding
		No. of shares	% holding
c) Details of shareholders holding more than 5% shares along with number of shares held:			
	Name of Shareholders		
	Khaitan Lefin Limited	11,31,561	23.82%
	Khaitan Hotels Pvt. Ltd.	5,55,745	11.70%
	The Oriental Mercantile Company Limited	4,00,198	8.43%
d) Reconciliation of the shares outstanding is set out below:		As at March 31, 2020	As at March 31, 2019
		No. of shares	No. of shares
	Equity Shares		
	At the beginning of the period	47,50,000	47,50,000
	Outstanding at the end of the period	47,50,000	47,50,000
e) Terms/rights attached to each class of shares			
	Equity Shares:		
	The Company has only one class of equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.		
	In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.		



Notes to financial statements as at and for the year ended March 31, 2020 (Contd.)

Amount in ₹

16	OTHER EQUITY	As at March 31, 2020	As at March 31, 2019
	A. General Reserve	15,06,56,224	15,06,56,224
	B. Retained Earnings	19,01,15,972	23,91,69,753
	D. Other Comprehensive Income	(14,98,26,539)	(8,63,57,398)
	Total	19,09,45,657	30,34,68,579

16.1	Refer Statement of Changes in Equity for movement in balances of Reserves. Other Comprehensive Income (OCI) Comprises of the balance in equity primarily relating to remeasurement gains/(losses) on defined benefit obligations and gains and losses on fair valuation of Investment. This will not be reclassified to Statement of Profit and Loss.
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(a) Equity Share Capital		
Particulars	Number of Shares	"Amount (in Rs.)"
Equity Shares of Rs. 10/- each issued, subscribed and fully paid up		
As at 31st March 2019	47,50,000	4,75,00,000
As at 31st March 2020	47,50,000	4,75,00,000

Note: There is no change in the equity share capital

(b) Other Equity									
Particulars	Reserves and Surplus								Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	Amalgamation Reserve	Revaluation Reserve	General Reserve	Retained Earnings	Other Comprehensive Income	
Balance at 1st April 2018	-	-	-	-	-	15,06,56,224	23,32,43,401	(6,02,24,044)	32,36,75,581
Transfer/Adjustment during the year	-	-	-	-	-	-	-	-	-
Profit / (Loss) for the year	-	-	-	-	-	-	59,26,352	-	59,26,352
Other Comprehensive Income for the year	-	-	-	-	-	-	-	(2,61,33,354)	(2,61,33,354)
Total Comprehensive Income for the year	-	-	-	-	-	-	59,26,352	(2,61,33,354)	(2,02,07,002)
Balance at 31st March 2019	-	-	-	-	-	15,06,56,224	23,91,69,753	(8,63,57,398)	30,34,68,579
Transfer/Adjustment during the year								-	-
Profit / (Loss) for the year							(4,90,53,781)	-	(4,90,53,781)
Other Comprehensive Income for the year								(6,34,69,141)	(6,34,69,141)
Total Comprehensive Income for the year	-	-	-	-	-	-	(4,90,53,781)	(6,34,69,141)	(11,25,22,922)
Balance at 31st March 2020	-	-	-	-	-	15,06,56,224	19,01,15,972	(14,98,26,539)	19,09,45,657

	Notes	As at March 31, 2020	As at Mar 31, 2019
17. Borrowings -Non Current			
Others:			
Unsecured			
Advance from Others	17.1	14,87,38,145	15,85,40,119
Total		14,87,38,145	15,85,40,119

17.1 Advance from others are unsecured and it includes advances taken from Director and other 8 parties with or without interest.

18. Other Non-Current Liabilities	As at March 31, 2020	As at Mar 31, 2019
Deferred lease rent	74,99,069	75,79,071
Total	74,99,069	75,79,071
The Company has leased out its land at Ramnagar 4 Acre for 99 years and have received full lease rent in advance and rent for the same is adjusted during the year Rs. 80002/- P.Y. (80002/-).		

19. Provisions	As at March 31, 2020	As at Mar 31, 2019
Provision for Employee Benefit - Gratuity (Refer Note No. 38)	2,16,85,297	1,98,89,808
Provision for Employee Benefit - Leave encashment	53,56,025	28,70,569
Total	2,70,41,322	2,27,60,377

Notes to financial statements as at and for the year ended March 31, 2020 (Contd.)

Amount in ₹

20.	Borrowings	Notes	As at March 31, 2020	As at March 31, 2019
	At Amortised cost			
	Secured			
	Rupee denominated Cash Credit			
	- From IDBI Bank and Bank of Baroda	20.1	2,46,27,257	3,00,73,345
	Other loan against pledge of FDR		35,53,611	35,51,596
	Rupee denominated Short term loan			
	- From IDBI Bank	20.2	-	15,40,362
	- From Non Banking Financial Institute	20.3	2,07,74,805	1,95,13,584
			4,89,55,673	5,46,78,887
20.1	Secured by Hypothecation of stocks, book debts, standing crops, stores & spares and all other current assets and mortgage of agricultural land measuring about 2067.21 Acres and entire fixed assets of sugar division of the company, present & future and personal guarantee of a Director.			
	Details of Security:			
	Term Loan from IDBI Bank under the "Scheme for extending financial assistance to Sugar undertaking 2014" is secured by hypothecation of stocks, book debts, standing crops, stores & spares and all other current assets and mortgage of agricultural land measuring about 2067.21 Acres and entire fixed assets of sugar division of the company, present & future and personal guarantee of then Director.			
	Terms of Repayment of secured term loans:			
20.2	Term loan from IDBI Bank is repayable in 36 monthly installments starting from September, 2016. The rate of interest is BASE BANK RATE (BBR)+350 Bps (current BBR is 10.25% p.a). Any delay will attract panel interest @ 2% p.a. and also liquidated damages in case of default.			
20.3	Loan to the tune of Rs. 250,00,000/- has been obtained from the NBFC with two co borrower at interest rate of Rs. 18% pa at monthly advance basis for 2 year period for general corporate purposes.			
21.	Trade Payables		As at March 31, 2020	As at March 31, 2019
	Micro, Small and Medium Enterprises*			
	Other		23,06,38,212	30,78,76,554
	Total		23,06,38,212	30,78,76,554
	*Disclosure of payables to MSME vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is used on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts/interest payable for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years. The Company is dealing with 3 MSME during the year. Trade payables are non-interest bearing and are normally settled on 30 to 90 day terms.			
22.	Other Financial liabilities		As at March 31, 2020	As at March 31, 2019
	Advance from customers		3,10,37,213	2,49,74,049
	Other Payables:			
	- Trade / Security deposits received		2,12,49,351	3,18,12,228
	- Dues of employees		2,83,39,139	2,58,73,971
	- Liability for expenses		1,37,89,847	1,74,31,203
	Total		9,44,15,550	10,00,91,451
23.	Other Current Liabilities		As at March 31, 2020	As at March 31, 2019
	Other Payables *		3,79,76,987	3,75,91,173
	Total		3,79,76,987	3,75,91,173
	* Other payables includes statutory liabilities which includes liabilities toward Service Tax, GST, Provident Fund, Tax Deducted at Source etc.			
24.	Provisions		As at March 31, 2020	As at March 31, 2019
	Provision for bonus		6,00,856	16,88,980
	Total		6,00,856	16,88,980
25.	Revenue from Operations		As at March 31, 2020	As at March 31, 2019
	Sale of products (including Agriculture Products)	25.1	34,81,311	17,83,55,732
	Sale of trading goods		50,47,28,392	79,03,40,364
	Other Operating Revenue			
	Services (Income from Royalty)		4,96,65,545	2,74,44,504
	Services (Marketing & Service for Network Development)		86,15,490	63,73,810
	Total		56,64,90,738	1,00,25,14,410



Notes to financial statements as at and for the year ended March 31, 2020 (Contd.)

Amount in ₹

		As at March 31, 2020	As at March 31, 2019
25.1	Particulars of Sale of Products		
	Manufactured goods	-	-
	Sugar	-	21,66,649
	Other crop sale	34,81,311	17,61,89,077
	Total	34,81,311	17,83,55,726
26.	Other Income	As at March 31, 2020	As at March 31, 2019
	Interest Income		
	From fixed deposit with banks and others	3,23,371	9,47,863
	Profit on sale of Fixed Assets (Net)	18,233	-
	Exchange Fluctuation	32,282	38,330
	Others:		
	- Rental income	30,83,084	28,79,478
	- Lease rent (Agri)	80,002	80,002
	- Others	8,25,858	3,53,004
	Total	43,62,830	42,98,677
27.	Cost of material consumed	As at March 31, 2020	As at March 31, 2019
	Raw & Process Materials Consumed	-	18,700
	Power & Fuel	-	6,367
	Stores, Spares, Chemicals & Packing Materials Consumed	-	8,63,456
	Cost of Raw Material Consumed	-	8,88,523
28.	Changes in inventories of finished goods, work-in-progress and stock-in-trade	As at March 31, 2020	As at March 31, 2019
	Closing Stock:		
	- Standing Trees	2,57,00,854	2,57,00,854
	- Finished goods	-	28,98,069
	- Trading goods	4,77,00,048	5,05,95,812
	Less: Opening Stock:	-	-
	- Standing Trees	2,57,00,854	10,51,43,646
	- Finished goods	28,98,069	34,95,607
	- Trading goods	5,05,95,812	7,27,25,164
	(Increase) / Decrease	(57,93,833)	(10,21,69,682)
29.	Employee benefits expense	As at March 31, 2020	As at March 31, 2019
	Salaries, Wages and Bonus	5,96,85,116	8,29,17,358
	Contribution to Provident and other funds	5,96,511	14,81,002
	Gratuity	40,98,140	27,79,005
	Staff Welfare Expenses	15,37,103	24,31,897
	Total	6,59,16,870	8,96,09,262
30.	Finance costs	As at March 31, 2020	As at March 31, 2019
	Interest Expenses	2,11,31,323	2,58,84,673
	Other Borrowing Cost	6,24,006	8,84,558
	Total	2,17,55,329	2,67,69,231
31.	Other expenses	As at March 31, 2020	As at March 31, 2019
	Processing charges	18,41,202	13,66,808
	Repairs to Plant & Machinery	16,43,222	6,78,199
	Repairs to Others	5,83,054	9,12,296
	Rent	40,78,444	86,84,626
	Rates & Taxes	3,14,650	56,65,814
	Testing, Drawing & Development Charges	3,58,907	3,20,820
	Books & Periodicals	6,424	1,880
	Insurance	2,35,288	2,21,241
	Advertisement, Publicity & Sales Promotion	26,30,240	1,17,77,761
	Travelling & other incidental expenses	75,06,342	81,08,087
	Retainership Fees	7,18,688	11,72,082
	Office maintenance	15,01,465	44,94,398
	Vehicle running and maintenance	6,21,429	5,46,409
	Electricity Expenses	25,13,123	40,43,545
	Printing & Stationery	1,85,774	3,20,945
	Communication expenses	18,16,640	20,71,941

Notes to financial statements as at and for the year ended March 31, 2020 (Contd.)

Amount in ₹

Other expenses (Contd.)		As at March 31, 2020	As at March 31, 2019
	General Charges	18,20,845	11,86,329
	Staff Recruitment & Training	3,69,716	1,47,863
	Membership subscription	1,67,839	1,15,737
	Conference & Meeting Expenses	7,73,022	13,47,540
	Carriage Outward	-	15,200
	Auditors' Remuneration		
	- As Auditors	2,00,000	2,75,000
	- For Tax Audit	50,000	50,000
	- For Other Services	1,50,000	75,000
	Legal, professional and consultancy charges	48,19,877	52,43,650
	Freight and Forwarding	20,76,920	60,64,757
	After sales services	88,15,207	2,23,15,398
	Sales promotion expenses	1,13,963	21,446
	Director's sitting fees	1,20,000	90,000
	Filing fees	79,489	80,860
	Sundry Balance Written off	41,599	-
	Software Development Expenses	4,00,000	-
	Packing charges	3,702	53,672
	Commission and brokerage	11,15,935	63,10,992
	Provision for Sundry Balances	58,70,850	-
	Provision for doubtful debt	1,15,74,153	-
	Total	6,51,18,009	9,37,80,296
32.	Other Comprehensive Income	As at March 31, 2020	As at March 31, 2019
	(A) Items that will not be reclassified to profit or loss	(6,34,69,141)	(2,61,33,354)
	Remeasurements of the defined benefit plans		
		(6,34,69,141)	(2,61,33,354)
33.	Reconciliation of estimated tax expense at Indian statutory Income tax rate to income tax expense reported in statement of comprehensive income	As at March 31, 2020	As at March 31, 2019
	Income before Income taxes (PBT)	(4,90,53,781)	59,26,352
	Indian Statutory Income Tax Rate	27.82%	27.82%
	Estimated income tax expense	-	16,48,711
	Tax effect of adjustments to reconcile expected income	-	-
	Tax expense to reported Income Tax expense	-	-
	Income exempt	-	-
	Tax payable at different rate	-	-
	Effect of tax allowance	-	16,48,711
	Deferred tax / MAT credit entitlement	-	-
	Others	-	-
	Income tax expense in the Statement of Profit and Loss	-	-
34.	Earnings / (loss) per equity share	For the year ended March 31, 2020	For the year ended March 31, 2019
	(I) Basic		
	a. Profit after tax	(4,90,53,781)	59,26,352
	b. (i) Number of Equity Shares at the beginning of the year	47,50,000	47,50,000
	(ii) Number of Equity Shares at the end of the year	47,50,000	47,50,000
	(iii) Weighted average number of Equity Shares outstanding during the year	47,50,000	47,50,000
	(iv) Face Value of each Equity Share (Rs.)	10	10
	c. Basic Earning per Share [a / (b(iii))] (Rs.)	(10.33)	1.25
	(II) Diluted		
	a. Dilutive potential Equity Shares	-	-
	b. Weighted Average number of Equity Shares for computing Dilutive earning per Share	47,50,000	47,50,000
	c. Diluted Earning / (Loss) per Share [same as (I)(c) above] (Rs.)	(10.33)	1.25
35.	Contingent liabilities and Commitments	As at March 31, 2020	As at Mar 31, 2019
	A. Contingent liabilities		
	a. Claims against the Company not acknowledged as debts		
	Provident Fund litigations	35,78,925	-
	b. Other money for which the Company is contingently liable:		
	(i) Estimated liabilities for sales tax relatin to earlier years	94,87,225	94,87,225
	(ii) Sevice Tax	1,08,96,794	1,08,96,794



Notes to financial statements as at and for the year ended March 31, 2020 (Contd.)

Amount in ₹

	c. Guarantees		
	(ii) Counter Guarantee against guarantees given by the bank to various authorities	-	10,28,973
	Total contingent Liabilities	2,39,62,944	2,14,12,992
36.	Leave and License	As at March 31, 2020	As at Mar 31, 2019
	The Company has leave and license agreement for few premises which are in the nature of rental / license fees. The tenure of rental are not less than 1 year and are cancellable. There is no obligation for renewal of these lease agreements and are renewable by mutual consent. Rent payments recognised in the statement of Profit and Loss during the year	40,78,444	86,84,626

37. Segment information

The board of directors of the Company has appointed Mr. Swapan Kumar Das as Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators.

The Company deals with various customers, and there was only Two customer to whom sales of 10% or more of the Company's Revenue were made amounting to Rs. 1226.03 Lakhs

REPORTING OF BUSINESS SEGMENT INFORMATION						Rs. In Lakh
S.N	PARTICULARS	Quarter ended			Year Ended	Previous Year ended
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
I	Segment Revenue					
	(a) Electrical Goods	979.30	1,302.30	2,277.13	5,630.09	8,271.74
	(b) Sugar	-	-	9.48	-	31.15
	(c) Agriculture	2.36	4.73	3.35	34.81	1,765.24
	Total	981.66	1,307.03	2,289.96	5,664.90	10,068.13
	Less: Inter Segment Revenue	-	-	-	-	-
	Revenue from Operations	981.66	1,307.03	2,289.96	5,664.90	10,068.13
II	Segment Results(Profit before					
	Finance Cost and Taxes)					
	(a) Electrical Goods	(250.44)	58.12	(10.12)	48.92	(300.42)
	(b) Sugar	(76.15)	(58.78)	(71.36)	(271.89)	(313.46)
	(c) Agriculture	(56.88)	1.92	(3.53)	(50.01)	940.83
	Total	(383.47)	1.26	(85.01)	(272.98)	326.95
	Less:					
	(a) Finance Cost	42.30	52.08	60.27	217.55	267.69
	(b) Other Unallocable (Income)		-		-	-
	Profit Before Tax	(425.77)	(50.82)	(145.28)	(490.53)	59.26
III	Segment Assets					
	(a) Electrical Goods	3,047.72	3,895.00	4,748.05	3,047.72	4,748.05
	(b) Sugar	826.21	913.71	1,100.67	826.21	1,100.67
	(c) Agriculture	4,469.19	4,545.19	4,569.03	4,469.19	4,569.03
	Total Segment Assets	8,343.12	9,353.90	10,417.75	8,343.12	10,417.75
IV	Segment Liabilities					
	(a) Electrical Goods	4,925.93	2,346.17	5,837.39	4,925.93	5,837.39
	(b) Sugar	(1,995.01)	513.39	(2,006.89)	(1,995.01)	(2,006.89)
	(c) Agriculture	3,027.74	3,046.86	3,077.57	3,027.74	3,077.57
	(d) Unallocated					
	Total Segment Liabilities	5,958.66	5,906.42	6,908.06	5,958.66	6,908.06
V	Segment Capital (III - IV)					
	(a) Electrical Goods	(1,878.21)	1,548.83	(1,089.34)	(1,878.21)	(1,089.34)
	(b) Sugar	2,821.22	400.32	3,107.57	2,821.22	3,107.57
	(c) Agriculture	1,441.45	1,498.33	1,491.46	1,441.45	1,491.46
	(d) Unallocated					
	Total Segment Liabilities	2,384.46	3,447.48	3,509.69	2,384.46	3,509.69



Notes to financial statements as at and for the year ended March 31, 2020 (Contd.)

Amount in ₹

38. Employee benefit obligations / expenses

(1) Post Employment Defined Contribution Plan

The Company contributes to the Provident Fund (PF) having Code No. WBPRB0016205000 and Account No. 11107807864 maintained by the Regional Provident Fund Commissioner. Under the PF scheme contributions are made by both the Company and its eligible employees to the Fund, based on the current salaries. An amount of Rs. 64,12,709 (31 March 2019 : Rs 5,02,333) has been charged to the Statement of Profit and Loss towards Company's contribution to the aforesaid PF scheme. Apart from making monthly contribution to the scheme, the Company has no other obligation.

(II) Post Employment Defined Benefit Plan-Gratuity (Unfunded)

The Company provides for Gratuity, a defined benefit retirement plan covering eligible employees. As per the scheme, the Gratuity Trust Funds managed by the Life Insurance Corporation of India (LIC) make payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's eligible salary for specified number of days, as per provisions of Gratuity Act depending upon the tenure of service subject to a maximum limit of Rs.2,000,000. Vesting occurs upon completion of five years of service. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation as set out in Note 38 (III) and (IV), based on which, the Company makes contributions to the Gratuity Fund.

The following Table sets forth the particulars in respect of the aforesaid Gratuity fund of the Company.

(III) Balance Sheet amounts - Post employment Defined benefit plan - Gratuity (Funded)			
	Present value of obligation	Fair value of plan assets	Net amount
1 April 2018	1,17,42,821	32,45,886	84,96,935
Current service cost	21,24,741	-	21,24,741
Interest cost / income	9,04,197	-	9,04,197
Investment income		2,49,933	(2,49,933)
Total amount recognised in profit or loss	30,28,938	2,49,933	27,79,005
Remeasurement (gains) / losses			
- Change in Financial assumptions	83,47,600		83,47,600
- Experience Variance (i.e Actual Experience vs assumptions)	16,335		16,335
- Return on plan asset, excluding amount recognised in net interest expense	-	(2,49,933)	2,49,933
Total amount recognised in Other Comprehensive Income	83,63,935	(2,49,933)	86,13,868
Contribution by employer			
Benefits paid			
31 March 2019	2,31,35,694	32,45,886	1,98,89,808
1 April 2019	2,31,35,694	32,45,886	1,98,89,808
Current service cost	25,66,625	-	25,66,625
Interest cost / income	17,81,448	2,49,933	15,31,515
Investment income	-	-	-
Total amount recognised in profit or loss	43,48,073	2,49,933	40,98,140
Remeasurement (gains) / losses			
- Change in Demographic assumptions	-	-	-
- Change in Financial assumptions	7,91,280	-	7,91,280
- Experience Variance (i.e Actual Experience vs assumptions)	(33,43,864)	-	(33,43,864)
- Return on plan asset, excluding amount recognised in net interest expense	-	(2,49,933)	2,49,933
Total amount recognised in Other Comprehensive Income	(25,52,584)	(2,49,933)	(23,02,651)
Contribution by employer			
Benefits paid			
31 March 2020	2,49,31,183	32,45,886	2,16,85,297

(IV) The net amount disclosed above relates to the aforesaid Gratuity Plan (Funded) is as follows:		
	As at March 31, 2020	As at March 31, 2019
Reconciliation of the Present Value of the Defined Benefit Obligation and the Fair Value of Plan Assets:		
Present Value of funded obligation at the end of the year	2,49,31,183	2,31,35,694
Fair Value of Plan Assets at the end of the year	32,45,886	32,45,886
Net Asset / (Liability) recognised in the Balance Sheet	2,16,85,297	1,98,89,808

	As at March 31, 2020	As at March 31, 2019
Principal Actuarial Assumption Used:		
Discount Rates	7.50%	7.50%
Expected Salary increase rates	5.00%	5.00%
Attrition rate	2.00%	2.00%
Mortality	IALM(06-08) Ultimate	IALM(06-08) Ultimate

The Company ensures that the investment positions are managed within an Asset - Liability Matching (ALM) framework that has been developed to achieve investment that are in line with the obligation under the Gratuity scheme. Within this framework the Company's ALM objective is to match



Notes to financial statements as at and for the year ended March 31, 2020 (Contd.)

Amount in ₹

asset with gratuity obligation. The Company actively monitor how the duration and the expected yield of instruments are matching the expected cash outflow arising from the gratuity obligations. The Company has not changed the process used to manage its risk from previous period. The Company does not use derivatives to manage its risk. The gratuity scheme is funded with LIC which has good track record of managing fund

Maturity Profile of Defined Benefit Obligation

Weighted average duration (based on discounted cashflow) is 11 Years

The expected maturity analysis of undiscounted gratuity benefit is as follows:

	1 Year	2 to 5 Year	6 to 10 Year	> 10 Year	Total
As at 31 March 2020					
Defined benefit obligation	1,25,05,059	59,76,971	97,55,409	11,82,48,198	14,64,85,637
As at 31 March 2019					
Defined benefit obligation	99,74,439	1,70,66,715	64,12,009	97,69,437	4,32,22,600
As at 31 March 2018					
Defined benefit obligation	42,77,685	55,88,933	32,75,596	28,74,566	1,60,16,780
As at 31 March 2017					
Defined benefit obligation	26,14,553	35,19,375	12,64,851	5,64,442	79,63,221

(V) Sensitivity Analysis

The following table present a sensitivity analysis to one of the relevant actuarial assumption, holding other assumptions constant, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumptions that were reasonably possible at the reporting date.

	As at March 31, 2020		As at March 31, 2019	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+1%)	2,61,24,301	2,38,63,144	2,41,40,478	2,22,29,925
Salary Growth Rate (-/+1%)	2,39,54,878	2,60,21,897	2,22,79,129	2,40,83,161
Attrition Rate (-/+50%)	2,48,49,933	2,49,99,345	2,30,28,987	2,32,28,110
Mortality Rate (-/+10%)				

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(VI) Risk Exposure:

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary overtime. Thus, the Company is exposed to various risks in providing the above gratuity benefit, the most significant of which are as follows:

(VII) Interest Rate risk:

The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

(VIII) Liquidity Risk:

This is the risk that the company is not able to meet the short term gratuity pay-outs. This may arise due to non availability of enough cash/ cash equivalents to meet the liabilities.

(IX) Salary Escalation Risk:

The present value of the defined benefit plans calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

(X) Demographic Risk:

The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

(XI) Regulatory Risk:

Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act , 1972(as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of Rs. 20,00,000). An upward revision of maximum gratuity limit will result in gratuity plan obligation.

Notes to financial statements as at and for the year ended March 31, 2020 (Contd.)

Amount in ₹

39. Financial Instruments disclosure			
(A) CATEGORIES OF FINANCIAL INSTRUMENTS			
Particulars	Ref Note No.	As at March 31, 2020	As at Mar 31, 2019
Financial Assets			
Measured at Amortised Cost			
Trade receivables	11	11,83,90,521	22,67,12,248
Cash and Cash Equivalents	12	10,29,090	22,40,800
Non-Current and Current Loans	6 & 13	5,00,46,556	4,38,03,966
Total financial assets measured at amortised cost		16,94,66,167	27,27,57,014
Measured at Fair Value through Other Comprehensive Income			
Non Current Investments			
Total Financial Assets measured at Fair Value through Other Comprehensive Income	5	2,88,73,063	9,40,51,715
		2,88,73,063	9,40,51,715
Financial Liabilities			
Measured at Amortised Cost			
Non Current borrowings	17	14,87,38,145	15,85,40,119
Current borrowings	20	4,89,55,673	5,46,78,887
Trade Payables	21	23,06,38,212	30,78,76,554
Other financial liabilities	22	9,44,15,550	10,00,91,451
Total financial liabilities measured at amortised cost		52,27,47,580	62,11,87,011
Measured at Fair Value through Profit or Loss			
Total financial liabilities measured at Fair Value through Profit or Loss		-	-
		-	-
(B) Fair Values			
Class wise fair value of the Company's financial instruments:			
Particulars		As at March 31, 2020	As at Mar 31, 2019
Non Current Investments, other than investment in subsidiary and joint venture (quoted)		1	56,95,773
Non Current Investments, other than investment in subsidiary and joint venture (unquoted)		2,88,73,062	8,83,55,942

(C) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's financial assets and liabilities. The different levels have been defined below:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

Particulars	Date of valuation	Fair value measurement using		
		"Quoted prices in active markets (Level 1)"	"Significant observable inputs (Level 2)"	"Significant observable inputs (Level 3)"
Quantitative disclosures of fair value measurement hierarchy for assets as at 31st March 2020:				
A. Financial assets:				
Assets measured at fair value:				
Non Current Investments, other than investment in subsidiary and joint venture (quoted)	31st March 2020	1	-	-
Non Current Investments, other than investment in subsidiary and joint venture (unquoted)	31st March 2020	-	-	2,88,73,062
B. Financial liabilities:				
		-	-	-



Notes to financial statements as at and for the year ended March 31, 2020 (Contd.)

Amount in ₹

	Date of valuation	Fair value measurement using		
		"Quoted prices in active markets (Level 1)"	"Significant observable inputs (Level 2)"	"Significant observable inputs (Level 3)"
Quantitative disclosures of fair value measurement hierarchy for assets as at 31st March 2019:				
A. Financial assets:				
Assets measured at fair value:				
Non Current Investments, other than investment in subsidiary and joint venture (quoted)	31st March 2019	56,95,773	-	-
Non Current Investments, other than investment in subsidiary and joint venture (unquoted)	31st March 2019	-	-	8,83,55,942
B. Financial liabilities:				
Quantitative disclosures of fair value measurement hierarchy for assets as at 31st March 2018:				
A. Financial assets:				
Assets measured at fair value:				
Non Current Investments, other than investment in subsidiary and joint venture (quoted)	31st March 2018	2,23,69,776	-	-
Non Current Investments, other than investment in subsidiary and joint venture (unquoted)	31st March 2018	-	-	8,83,55,942
B. Financial liabilities:				

Fair Value Technique

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between participants at the measurement date. The following methods and assumptions were used to estimate the fair values:

- The fair value of cash and cash equivalents, trade receivables, trade payables, current financial liabilities and borrowings approximate their carrying amount largely due to the short-term nature of these instruments. The board considers that the carrying amounts of financial assets and financial liabilities recognised at cost/amortised costs in the financial statements approximates their fair values.
- Investments in quoted equity shares are measured using quoted market prices at the reporting date multiplied by the quantity held.
- Fair Value for valuation of unquoted equity instruments is arrived based on management estimate.
- During the year ended 31st March 2020 and 31st March 2019, there were no transfer between different levels of fair value measurement.

40 Financial Risk Management objectives and policies

The Company's principal financial liabilities comprise borrowings in domestic currency, capital creditors and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, cash and cash equivalents, investments at cost/fair value and deposits, that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

A Market risk

Market risk means that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The goal of market risk management is optimization of profit and controlling the exposure to market risk within acceptable limits. Market risk comprises two types of risk: 'Foreign currency risk', 'Interest rate risk', and 'Price risk on traded goods'.

Price Risk on Traded Goods

The company is impacted by the price volatility of goods in which the Company trades. To minimize the risk related to price of traded goods, the Company obtain order for sales from buyers prior to purchase of goods with immediate despatch to buyer.

B Credit risks

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and others. In addition, credit risk arises from financial guarantees.

The Company implements a credit risk management policy under which the Company only transacts business with counterparties that have a certain level of credit worthiness based on internal assessment of the parties, financial condition, historical experience, and other factors. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Company has established a credit policy under which each new customer is analyzed individually for creditworthiness.

The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component that are expected to occur. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets. Debt securities are analyzed individually, and an expected loss shall be directly deducted from debt securities.

Notes to financial statements as at and for the year ended March 31, 2020 (Contd.)
“(i) Credit risk exposure

The carrying amount of financial assets represents the Group's maximum exposure to credit risk. The maximum exposure to credit risk as of 31 March 2020, 31 March 2019 are as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Trade receivables (net)	11,83,90,521	22,67,12,248
Cash and Cash Equivalents	10,29,090	22,40,800
Bank balances other than cash and cash equivalents	-	-
Non-Current and Current Loans	5,00,46,556	4,38,03,966

(ii) Impairment losses on financial assets

Refer the table below for reconciliation of loss allowance in respect of Trade Receivables:

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Loss allowance at the beginning of the year	22,64,256	22,64,256
Add: Loss Allowance provided during the year	-	-
Less: Loss Allowance reversed during the year	-	-
Loss allowance at the end of the year	22,64,256	22,64,256

The aging of trade accounts and notes receivable as of 31 March 2020, 31 March 2019 are as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Within Credit Period	-	-
1 to 90 days past due	3,63,31,127	16,17,27,769
91 to 180 days past due	1,01,06,535	2,17,41,700
More than 180 days past due	7,19,52,858	4,32,42,780

No significant changes in estimation techniques or assumptions were made during the reporting period.

C Liquidity Risk

The Company's objective is to at all times maintain optimum level of liquidity to meet its cash and collateral requirement at all times. The need of the funds of the company are being met by internal accrual and borrowings. The short and medium term requirements are met through the committed lines of credit.

The table provides undiscounted cash flow towards non-derivative financial liability and net settled derivative financial liabilities into relevant maturities based on the remaining period at balance sheet date to contractual maturity date.

Particulars	0 - 180 days	181 - 365 days	Payable in more than 1 year	Total
As at 31st March 2020				
Non Current borrowings	-	-	14,87,38,145	14,87,38,145
Current borrowings	4,89,55,673	-	-	4,89,55,673
Trade Payables	23,06,38,212	-	-	23,06,38,212
Other financial liabilities	9,44,15,550	-	-	9,44,15,550
	37,40,09,435	-	14,87,38,145	52,27,47,580
As at 31st March 2019				
Non Current borrowings	-	-	15,85,40,119	15,85,40,119
Current borrowings	5,46,78,887	-	-	5,46,78,887
Trade Payables	30,78,76,554	-	-	30,78,76,554
Other financial liabilities	10,00,91,451	-	-	10,00,91,451
	46,26,46,892	-	15,85,40,119	62,11,87,011
As at 1st April 2018				
Non Current borrowings	-	-	30,46,92,466	30,46,92,466
Current borrowings	6,15,31,519	-	-	6,15,31,519
Trade Payables	24,51,20,299	-	-	24,51,20,299
Other financial liabilities	10,45,54,286	-	-	10,45,54,286
	41,12,06,104	-	30,46,92,466	71,58,98,570

41 CAPITAL MANAGEMENT
A. Risk management

The fundamental goal of capital management are to: - safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and - maintain an optimal capital structure to reduce the cost of capital.

The Board of Directors has the primary responsibility to maintain a strong capital base and reduce the cost of capital through prudent management of deployed funds and leveraging opportunities in domestic and international financial markets so as to maintain investor, creditor and market confidence and to sustain future development of the business.

For the purpose of company's capital management, capital includes issued capital and all other equity reserves. The company manages its capital structure in light of changes in the economic and regulatory environment and the requirements of the financial covenants.

The Company manages its capital on the basis of net debt to equity ratio which is net debt divided by total equity. Net debt are long-term and short-term debts as reduced by cash and cash equivalents. The Company is not subject to any externally imposed capital requirements.



Notes to financial statements as at and for the year ended March 31, 2020 (Contd.)

The following table summarises the capital of the Company:

Particulars	As at March 31, 2020	As at March 31, 2019
Total borrowings	19,76,93,818	21,32,19,006
Less: Cash and cash equivalents	(10,29,090)	(22,40,800)
Net Debt	19,66,64,728	21,09,78,206
Equity	23,84,45,657	35,09,68,579
Total Capital (Equity + Net Debt)	43,51,10,385	56,19,46,785
Net Debt to Equity ratio	82%	60%

42 Related Party Disclosure pursuant to Ind AS 24

(a) Related Parties

	Name of the Related Parties	Name of Associates
Key Managerial Personnel	Mr.Sunay Krishna Khaitan	M/s Khaitan Hotel Pvt. Ltd.
	Ms. Vageesha Khaitan	M/s Khaitan Lefin Limited
	Mr. Swapan Kumar Das	
	Mr. Sandip Chattopadhyay	
	Mrs. Sujata Sarkar	
	Mr. Pradip Halder	

(b) Details of Transactions with Related Parties

Nature of Transactions	Name of related parties	As at March 31, 2020	As at March 31, 2019
Remuneration	Mr.Sunay Krishna Khaitan	11,62,992	10,13,880
	Mrs. Sulekha Dutta	-	34,813
	Ms. Vageesha Khaitan	7,94,652	5,98,320
	Mr. Manoj Jain	-	21,34,861
	Mr. Swapan Kr. Das*	14,54,914	-
Sitting Fees	Mr. Sandip Chattopadhyay	60,000	45,000
	Mrs. Sujata Sarkar	60,000	30,000
Loan taken	Mr.Sunay Krishna Khaitan	1,53,55,000	35,00,000
	M/s Khaitan Hotel Pvt. Ltd.	-	96,70,000
	M/s Khaitan Lefin Limited	71,00,000	-
Loan paid	Mr.Sunay Krishna Khaitan	20,00,000	6,00,000
	M/s Khaitan Hotel Pvt. Ltd.	-	25,00,000
	M/s Khaitan Lefin Limited	1,94,85,000	-
Interest Paid	M/s. Khaitan Hotel Pvt. Ltd.	6,06,985	3,59,603
Rent Payable	M/s. Khaitan Lefin Limited	11,13,542	7,02,658
Rent Paid	M/s. Khaitan Lefin Limited	11,56,800	14,35,200

* Appointed as Chief Financing Officer w.e.f. 01.04.19

(c) Details of balances with Related Parties

Payables

Particulars	As at March 31, 2020	As at March 31, 2019
Mr.Sunay Krishna Khaitan	2,97,96,423	-
Ms. Vageesha Khaitan	11,38,435	7,04,072
Mr. Swapan Kumar Das	1,56,217	-
Mr. Manoj Jain	18,95,949	23,87,529
Mr. Sandip Chattopadhyay	45,000	-
Mrs. Sujata Sarkar	32,500	15,000
M/s Khaitan Hotel Pvt. Ltd.	81,00,628	74,93,643
M/s Khaitan Lefin Limited	1,23,85,000	7,02,658
Total	5,35,50,152	1,13,02,902

Notes to financial statements as at and for the year ended March 31, 2020 (Contd.)
(d) Details of compensation paid to KMP

	For the year ended March 31, 2020	For the year ended March 31, 2020	For the year ended March 31, 2020
	Mr.Sunay Krishna Khaitan	Ms. Vageesha Khaitan	Mr. Swapan Kumar Das
Short-Term Employee Benefits	-	-	-
Post-Employment Benefits	28,668	15,288	19,873
Long-Term Employee Benefits	-	-	-
Termination Benefits	-	-	-
Employee Share Based Payments	-	-	-
Total Compensation	28,668	15,288	19,873

- 43 No Borrowing cost have been capitalised during the year.
- 44 On the basis of MCA site verification, some charges are existing but their being no reflection in the standalone Ind AS Financial Statement.
- 45 Operational activity of the sugar division of the company is under suspension for more than 12 months as the division was incurring heavy losses because of various reasons like high cost of production and un-remunerative selling prices. The management is expecting that situation should improve in foreseeable future as it has taken various remedial measures. There is no plan to discontinue the activities related to sugar division. Hence, the same has been considered as part of continuing business operations.
- 46 Although in the opinion of the management, Fixed Assets of the Sugar Division of the company has an aggregate realizable value higher than the book value and therefore do not envisage any indication of the impairment at this stage. However, as an abundant precaution, management will initiate measures to make independent valuation of the assets. Necessary impairment losses, if any will be recognized after the completion of such exercise
- 47 Certain financial and operational creditors of the company have initiated Insolvency and Bankruptcy proceedings against the Company under IBC Code 2016. However, in all of the cases, the petition of the concerned creditors has not been admitted yet by the competent court of law. Management is taking necessary steps to resolve the issue of such creditors. Therefore, it does not envisage any concerns as regards to going concern status of the company at this stage.
- 48 The spread of Covid-19 from March 2020 is having an unprecedented impact on people and economy. The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of trade receivables, tangible assets, Investments and other items of current assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information. The Company based on current estimates expects the carrying amount of these assets will be recovered.
- 49 The Government of India has pronounced Section 115BAA of Income Tax Act, 1961 through Taxation Laws (Amendment) Ordinance, 2019 which provides domestic companies a non-reversible option to pay corporate tax at reduced rate effective from 1st April, 2019 subject to compliance of certain conditions. Company is currently in the process of evaluating this option and continues to recognise the taxes on income for the year ended 31st March 2020 as per the earlier provisions of the Income Tax Act, 1961.

50 Previous year figures:

The figures of previous year have been regrouped / reclassified wherever necessary to make them comparable with those of the current period.

As per our Report attached of even date

For **K.C. Bhattacharjee & Paul**
Chartered Accountants
Firm Regn. No. 303026E

Anjan Ghosh
(Partner)
Membership No. 066509
UDIN: 20066509AAAABC7527

Kolkata
31st day of July, 2020

For and on Behalf of the Board of Directors

Sunay K. Khaitan
Director
DIN: 07585070

Swapan Kumar Das
Chief Financial Officer
PAN: AGYPD0287C

Sandip Chatterjee
Director
DIN: 06875010

Pradip Halder
Company Secretary
PAN: AIRPH7882C

Sujata Sarkar
Director
DIN: 08173535



Date: 29th, August 2020

Dear Shareholder,

Sub:- Registration of email address

In terms of Rule 18(3) of the Companies (management and Administration) Rules, 2014, we request the shareholders of Khaitan (India) Limited who have till date not registered their e-mail id(s) in order to receive the Notices of future Annual General Meeting and Annual Report of the Company in electronic form. This will also facilitate sending any other communication to shareholders, in electronic form.

We therefore, request you to fill up the registration form below and send it to Company's Share Registrar & Agent at M/s. Maheshwari Datamatics (P) Ltd. 23, R.N. Mukherjee Road, 5th Floor, Kolkata – 700001 for registration your email address Shareholders who hold shares in Demat form are requested approach concerned Depository Participant for updating/modifying the e-mail Id (s) as the case may be.

For KHAITAN (INDIA) LTD.

Pradip Halder

Company Secretary and Compliance Officer

EMAIL REGISTRATION FORM

To*:

The Company (for Members holding shares in physical mode)/

The Depository Participants (for Members holding shares in Demat mode)

Sub: Registration of email address (Khaitan (India) Ltd.)

I/We would like to receive Notices, Annual Reports and other communication/documents from the company in electronic mode. We request you register my/our email address for receiving communication/documents electronically as per following details:

Name of the Shareholder(s)	
Folio No./DP ID/ Client ID	
Email Address	
Mobile No.	

Date:

Place:

Signature of the Shareholder(s)**

* Please tick as applicable.

**Please ensure that the form is signed by the registered shareholder himself, along with joint shareholder, if any

BOOK - POST



The name is enough

www.khaitansugar.in

If undelivered please return to :

Khaitan (India) Limited. 46C, J.L.Nehru Road, Kolkata - 700 071 (India)