



Golden Tobacco Limited

**64th ANNUAL
REPORT
2019-2020**



GOLDEN TOBACCO LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS

Shri Pawankumar Malsaria	-	Whole-time Director & CFO
Shri Raj kamal Gupta	-	Whole-time Director
Ms. Kokila Panchal	-	Non Executive Independent Director
Shri Vinod Bhatia	-	Non Executive Independent Director
Shri Rajnikant Patel	-	Non Executive Independent Director
Shri Jignesh Engineer	-	Non Executive Director

COMPANY SECRETARY

Shri Harish Punwani

STATUTORY AUDITORS

M/s. Bagaria & Co. & LLP
Chartered Accountants
Mumbai

SECRETARIAL AUDITORS

M/s. Devesh Pathak & Associates
Practising Company Secretaries
Vadodara

REGISTERED OFFICE AND WORKS

At Darjipura, Post Amaliyara,
Vadodara - 390 022 Gujarat, India
CIN : L16000GJ1955PLC067605
Tel. (0265) 2540281 Fax : (0265) 2541700
Website : www.goldentobacco.in
E-mail : share@goldentobacco.in

INVESTORS' CELL

Toll Free No. 1800223951
Email : share@goldentobacco.in

REGISTRAR & TRANSFER AGENT

M/s. Link Intime India Pvt. Ltd.
C101, 247 Park,
L.B.S. Marg, Vikhroli West, Mumbai - 400083
Tel. (22) 48186000 Fax (22) 49186060
Email : rnt.helpdesk@linkintime.co.in

BANKS

Canara Bank
Bank of Baroda

STOCK EXCHANGE(S)

BSE Ltd.
National Stock Exchange of India Ltd.

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64TH ANNUAL GENERAL MEETING

Day, Date & Time	:	Wednesday, December 30, 2020 at 11.00 AM
Venue	:	At Darjipura, Post Amaliyara, Vadodara - 390 022 Gujarat, India
Book Closure Date	:	December 24, 2020 to December 30, 2020 (Both Days inclusive)



NOTICE

Notice is hereby given that the Sixty-Fourth Annual General Meeting (AGM) of the Members of Golden Tobacco Limited will be held on **Wednesday, 30th December, 2020 at 11.00 a.m.** at the Registered Office of the Company at Darjipura, Post: Amaliyara, Dist: Vadodara-390022 to transact following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt :

- a. The Audited Financial Statements of the Company for the Financial Year ended March 31, 2020 together with the Reports of the Board of Directors' and the Auditors' thereon and
- b. The Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2020 together with Reports of the Auditors' thereon.

SPECIAL BUSINESS:

2. To approve reappointment of Shri Jaskaran S Khurana (DIN:00005035) as Managing Director of the Company:

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

“RESOLVED THAT pursuant to the provisions of Section 196, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with Regulation 17 and other regulations applicable, if any of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] subject to approval of requisite authority, if any, approval, be and is, hereby accorded to the re-appointment of Shri Jaskaran S Khurana as a Managing Director of the Company for a period from December 31, 2019 to August 29, 2020 on the terms and conditions as set out in the draft agreement as approved by the Nomination and Remuneration Committee as well as Board of Directors of the Company.”

3. To approve terms and conditions of remuneration of Shri Jaskaran S Khurana (DIN:00005035):

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

“RESOLVED THAT pursuant to the provisions of Section 196,197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with Regulation 17 and other regulations applicable, if any of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] subject to approval of requisite authority, if any, approval, be and is, hereby accorded to the payment of remuneration to Shri Jaskaran S Khurana as Managing Director for a period from December 31, 2020 to August 29, 2020 on the terms and conditions as set out in Explanatory Statement.

RESOLVED FURTHER THAT in the event of absence of or inadequacy of profit in any Financial Year during the tenure of the office of Managing Director, remuneration as aforesaid will be paid as minimum remuneration subject to approval of the requisite authorities, if any.

RESOLVED FURTHER THAT the Board of Directors will have liberty to alter and /or vary the terms and conditions of the remuneration which shall not exceed the limits specified in schedule V of the Companies Act, 2013 including any statutory modification(s) or reenactment(s) thereof for the time being in force as may be agreed to between the Board and Mr. Jaskaran S. Khurana.

RESOLVED FURTHER THAT Shri Jaskaran S Khurana shall not be paid any sitting fees for attending meetings of the Board of Directors or its Committees so long as he continues as Managing Director and shall be liable to retire by rotation.”

4. To appoint Mr. Pawan Kumar Malsaria (DIN: 01710944) as a Whole-Time Director of the Company

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

“RESOLVED THAT Mr. Pawan Kumar Malsaria (DIN: 01710944), who was appointed by the Board of Directors as an Additional Director of the Company pursuant to Section 161 of the Companies Act, 2013 (“the Act”) read with applicable clauses of the Articles of Association of the Company, to hold office upto the next Annual General Meeting and in respect of whom a requisite notice is received pursuant to Section 160 of the Act, and whose appointment is recommended by the

Nomination & Remuneration Committee and the Board of Directors, be and is, hereby appointed as a Director of the Company, liable to retire by rotation, pursuant to provisions of Section 152 of the Act.

RESOLVED FURTHER THAT the approval, be and is, hereby accorded to the appointment of Mr. Pawan Kumar Malsaria (DIN: 01710944) as a Whole-time Director of the Company for a term of three years w.e.f 1st September, 2020 upto 31st August, 2023 pursuant to Section 196, 197, 203 and other provisions applicable, if any, read with Schedule V of the Companies Act, 2013, at the remuneration of Rs. 59,543/- per month (Rupees Fifty Nine Thousand Five Hundred and Forty Three only) with the perquisites as well as other terms and conditions of his appointment as set out in the draft agreement and as recommended by Nomination & Remuneration Committee and approved by the Board of Directors at their respective meetings held on 31st August, 2020.

RESOLVED FURTHER THAT the Board of Directors will have liberty to alter and/or vary the terms and conditions of the remuneration which shall not exceed the limits specified in Schedule V of the Companies Act, 2013 including any statutory modification(s) or re-enactment(s) thereof, for time being in force as may be agreed to between the Board and Mr. Pawan Kumar Malsaria.

RESOLVED FURTHER THAT in case of no profit or inadequacy of profits in any financial year during the currency of his tenure, the remuneration as aforesaid will be paid as minimum remuneration.

RESOLVED FURTHER THAT any Director or Company Secretary of the Company be and is, hereby authorized to do all the acts and deeds necessary and expedient for the purpose.”

5. To appoint Mr. Raj Kamal Gupta (DIN: 00685296) as a Whole-Time Director of the Company.

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

“RESOLVED THAT Mr. Raj Kamal Gupta (DIN: 00685296), who was appointed by the Board of Directors as an Additional Director of the Company pursuant to Section 161 of the Companies Act, 2013 (“the Act”) read with applicable clauses of the Articles of Association of the Company, to hold office upto the next Annual General Meeting and in respect of whom a requisite notice is received pursuant to Section 160 of the Act, and whose appointment is recommended by the Nomination & Remuneration Committee and the Board of Directors, be and is, hereby appointed as a Director of the Company, liable to retire by rotation, pursuant to provisions of Section 152 of the Act.

RESOLVED FURTHER THAT the approval, be and is, hereby accorded to the appointment of Mr. Raj Kamal Gupta (DIN: 00685296) as a Whole-time Director of the Company for a term of three years w.e.f 1st September, 2020 upto 31st August, 2023 pursuant to Section 196, 197, 203 and other provisions, applicable, if any, read with Schedule V of the Companies Act, 2013, at the remuneration of Rs. 50,000/- per month (Rupees Fifty Thousand only) with the perquisites as well as other terms and conditions of his appointment as set out in the draft agreement and as recommended by Nomination & Remuneration Committee and approved by the Board of Directors at their respective meeting held on 31st August, 2020.

RESOLVED FURTHER THAT the Board of Directors will have liberty to alter and/or vary the terms and conditions of the remuneration which shall not exceed the limits specified in Schedule V of the Companies Act, 2013 including any statutory modification(s) or re-enactment(s) thereof, for time being in force as may be agreed to between the Board and Mr. Raj Kamal Gupta.

RESOLVED FURTHER THAT in case of no profit or inadequacy of profits in any financial year during the currency of his tenure, the remuneration as aforesaid will be paid as minimum remuneration.

RESOLVED FURTHER THAT any Director or Company Secretary of the Company be and is, hereby authorized to do all the acts and deeds necessary and expedient for the purpose.”

6. To appoint Mr. Jignesh Engineer (DIN: 08872827) as a Non-Executive Director of the Company.

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

“RESOLVED THAT Mr. Jignesh Engineer (DIN:08872827), who was appointed by the Board of Directors as an Additional Director of the Company pursuant to Section 161 of the Companies Act, 2013 (“the Act”) read with applicable clauses of the Articles of Association of the Company, to hold office upto the next Annual General Meeting and in respect of whom a requisite notice is received pursuant to Section 160 of the Act, and whose appointment is recommended by the Nomination & Remuneration Committee and the Board of Directors, be and is, hereby appointed as a Director of the Company, liable to retire by rotation, pursuant to provisions of Section 152 of the Act.



RESOLVED FURTHER THAT any Director or Company Secretary of the Company be and is, hereby authorized to do all the acts and deeds necessary and expedient for the purpose.”

7. To appoint Mr. Rajnikant Khodabhai Patel (DIN: 08661189) as a Non-Executive Independent Director of the Company.

To consider and if thought fit to pass the following resolution as Ordinary Resolution.

“**RESOLVED THAT** pursuant to the Regulation 17(1)(a) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (LODR) read with Section 149, 150, 152, 161(1) and any other provisions applicable, if any, read with Schedule IV of the Companies Act, 2013 (‘the Act’) [including statutory modification(s) and re-enactment(s) thereof] as also any other applicable laws as the case may be and Articles of Association of the Company and on the recommendation of Nomination and Remuneration committee and Board of Directors, Mr. Rajnikant Patel, (DIN: 08661189), who holds office as an Additional Director up to ensuing Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the LODR and in respect of whom the Company has received a requisite notice in writing under Section 160(1) of the Act from a Member, signifying intention to propose his candidature for the office of Director, be and is hereby appointed as a Non-Executive Independent Director, not liable to retire by rotation, for a term of five consecutive years with effect from 9th January, 2020.

RESOLVED FURTHER THAT any Director or Company Secretary of the Company be and is, hereby authorized to do all the acts and deeds necessary and expedient for the purpose.”

8. To re-appoint Ms. Kokila Panchal (Din: 07144653) as an Independent Director of the Company

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, Schedule IV and any other applicable provisions of Companies Act, 2013 and the rules made thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] as also regulation 16(1)(b), Regulation 17(1A) and other applicable regulations of the LODR and based on the recommendation of the Nomination and remuneration Committee and approval of the Board of Directors, Ms. Kokila Panchal, who was appointed as an Independent Director for consecutive term of five years up to 30th March, 2020 by the shareholders and in respect of whom the Company has received a notice in writing under Section 160 of the Act, proposing her candidature for the office of Director be and is hereby re-appointed as an Independent Director of the Company for a term of five years commencing from 31st March, 2020 to 30th March, 2025 and also continue as an Independent Director of the Company even if she has already attained the age of 75 years, not liable to retire by rotation.

RESOLVED FURTHER THAT Any Director or Key Managerial Person of the Company be and is, hereby severally authorized to do all such acts, deeds and things as may be necessary and expedient to give effect to aforesaid resolutions”.

**By order of the Board,
For GOLDEN TOBACCO LIMITED,
SD/-**

**Place : Vadodara
Date : November 12, 2020**

**Harish Punwani
Company Secretary**

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ('AGM') MAY APPOINT A PROXY TO ATTEND AND VOTE ON HIS BEHALF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY AT DARJIPURA, POST-AMALIYARA, VADODARA – 390022. GUJARAT, NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE AGM i.e. BY 11:00 A.M. ON 30TH DECEMBER, 2020. A PERSON CAN ACT AS A PROXY ON BEHALF OF THE MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL PAID-UP CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER SHAREHOLDERS.
2. Corporate Members are required to send to Registered Office a certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at the Annual General Meeting.
3. Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at this Annual General Meeting is annexed.
4. In terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rule, 2014, the Resolutions proposed at this Annual General Meeting will be transacted through remote e-voting (facility to cast vote from a place other than the venue of the AGM) and also voting through ballot at the AGM. For remote e-voting the Company has engaged the services of Central Depository Services Ltd (CDSL). The Board of Directors of the Company has appointed CS Devesh A. Pathak (FCS NO. 4559), of M/s Devesh Pathak & Associates, Practising Company Secretaries as the Scrutinizer for the purpose.
5. Voting rights will be reckoned on the paid-up value of share registered in the name of the Members as on **Wednesday, the December 23, 2020 (cut-off date)**. Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by remote e-voting or voting at the Annual General Meeting.
6. The facility for voting by ballot will be available at the AGM venue for those Members who do not cast their votes by remote e-voting prior to the Annual General Meeting. Members, who cast their votes by remote e-voting prior to the Annual General Meeting, may attend the meeting but will not be entitled to cast their votes once again.
7. Members can opt for only one mode of voting i.e. either by ballot form or e-voting. In case members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through ballot form shall be treated as invalid.
8. Members are required to bring their admission/attendance slips to the AGM. Duplicate admission slips and / or copies of the Annual Report will not be provided at the AGM venue.
9. In case of Joint Holders attending the Meeting, only such Joint Holder who is higher in the order of names will be entitled to vote.
10. Relevant documents referred to in the accompanying Notice and the Statements are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays and Sundays, during business hours up to the date of the AGM.
11. The Company has notified closure of Register of Members and Share Transfer Books from **Thursday, December 24, 2020 to Wednesday, December 30, 2020** (both days inclusive).
12. Members may note that all unpaid/unclaimed dividends up to 1993-94 declared by the Company has been transferred to the General Revenue Account of the Central Government. In accordance with the Scheme approved by BIFR the unpaid/unclaimed dividend for the year 1994-95 was to be paid by 31st March, 2023 and the unpaid/unclaimed dividend, if any, will be transferred to Investor Education & Protection Fund accordingly.
13. Members, holding shares in dematerialization form are requested to intimate all changes pertaining to their address, bank details, nominations, power of attorneys, change of name, email address, contact numbers etc. to their Depository Participants (DP). Changes intimated to the DP will then be automatically reflected in the Company's record which will help to the Company and Company's RTA, to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to the Company and / or Company's RTA M/s Link Intime India Pvt. Ltd.



14. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be downloaded from the Company's website www.goldentobacco.in under the section Investor Relations.
15. Members holding shares in physical are requested to consider converting their holding to dematerialization form to eliminate all risks associated with physicals and to ease of portfolio management. Members can contact the Company or RTA for assistance in this regard.
16. The physical copies of the Notice of AGM along with Annual Report of 2019-20 is being sent to all the Members of the Company by the permitted mode, and also by electronic mode to those Members whose email addresses are registered with the Company / RTA / DP.
17. To support the "Green Initiative", the Members who have not registered their email address are requested to register the same with the Company's RTA/ DP for receiving all communication including Annual Report, Notices and Circulars etc. from the Company electronically.
18. Members, who wish to obtain information on the Company or view the Financial Statements, may visit the Company's website www.goldentobacco.in or send their queries at least ten days before AGM to the Company Secretary at the Registered Office of the Company.
19. Any person, who acquires Shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date i.e. November 27, 2020 may obtain the login ID and password by sending a request to CDSL at helpdesk.evoting@cdslindia.com 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.
20. The e-voting period commences on **Sunday, December 27, 2020 (9.00 a.m. IST) and ends on Tuesday, December 29, 2020 (5.00 p.m. IST)**. During this period, Members holding shares either in physical form or in dematerialized form, as on **Wednesday, December 23, 2020 i.e. cut-off date**, may cast their vote electronically. The e-voting module shall be disabled by Central Depository Services Ltd (CDSL) for voting thereafter. Once the vote on a resolution is cast by the Member he/she shall not be allowed to change it subsequently or cast vote again.
21. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, would count the votes cast at the meeting, 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 make, not later than three days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Managing Director /Company Secretary or a person authorized by the Company.
22. The results declared along with the Scrutinizer's Report will be placed on the Company's website www.goldentobacco.in and on the website of Central Depository Services (India) Ltd (CDSL) www.evotingindia.com after declaration of result. The Company will simultaneously forward the results to BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"), where the shares of the Company are listed.

PROCEDURE FOR E-VOTING

- (i) The shareholders should log on to the e-voting website www.evotingindia.com.
- (ii) Click on Shareholders.
- (iii) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) 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.

- (vi) If you are a first time user follow the steps given below.

For Members holding shares in Demat Form and 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)
	<ul style="list-style-type: none"> - Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN filed. The Sequence Number/default PAN is printed on Address Slip of Annual Report. - In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. EG. if your name is Ramesh Kumar with sequence number 1 the enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth Details as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> - Please enter the DOB or Dividend Bank Details in order to login. If 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 (iv).

- (vii) After entering these details appropriately, click on “SUBMIT” tab.
- (viii) Members holding shares in physical form will then directly reach 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 Central Depository Services (India) Ltd (CDSL) platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the Electronic Voting Sequence Number (EVSN) of Golden Tobacco Limited on which you choose to vote.
- (xi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvi) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Note for Non – Individual Shareholders and Custodians
- a. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - b. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - c. 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.
 - d. The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - e. 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.
- (xviii) In case you have any queries or issues regarding e-voting, 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 or call Toll Free No. 1800223951. You may also send your queries to the share@goldentobacco.in



INFORMATION ABOUT THE APPOINTEES:

Pursuant to clause 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with clause 1.2.5 of secretarial standards-2

Name	Shri Jaskaran S. Khurana \$	Mr.Pawan Kumar Malsaria	Mr. Raj Kamal Gupta
Date of Birth & Age	22/09/1972 (48 Years)	24/08/1969 (51 Years)	29/06/1959 (61 Years)
Date of Appointment	23.05.2016	01/09/2020	01/09/2020
Qualifications	B.Com.(H), MBA	M.Sc. Mathematics	B.Sc, LLB, PG Diploma (HRM)
DIN	00005035	01710944	00685296
No. of Shares held	NIL	NIL	NIL
Experience	Wide experience in the field of finance, production and strategy, planning and international business.	Wide experience in the field of IT, Systems, Finance & Accounts Taxation and operations	Wide experience in the sector of Automotive, Tyres, IT (Hardware & Software), FMCG, Hospitality & Pharmaceutical Industry
*Directorship in other public companies	NIL	NIL	NIL
**Chairmanship/ membership of committees	Member-Audit Committee & SRC	Member-Audit Committee	Member – SRC Committee

Name	Mr.Jignesh Engineer	Mr.Rajnikant K. Patel	Ms.Kokila Panchal
Date of Birth & Age	07/05/1957 (63 Years)	24/06/1950 (70 Years)	20/10/1948 (72 Years)
Date of Appointment	11/09/2020	09/01/2020	31/03/2015
Qualifications	B.E. Electrical	Diploma , B.E.	B.A., LLB
DIN	08872827	08661189	07144653
No. of Shares held	NIL	NIL	NIL
Experience	Wide experience in the Project Planning & Management, Operation & Maintenance, Equipment Erection & Commissioning, Team Management, Energy Audit/Energy Conservation, Man Power Planning etc.	Wide experience in the field of Engineering, Technical, Marketing & Sales	Wide experience in Legal Matters
*Directorship in other public companies	NIL	NIL	NIL
**Chairmanship/ membership of committees	NIL	NIL	Chairperson-Audit Committee & SRC Committee

*Directorship in private companies, foreign companies and associations are excluded.

**Represents Membership/Chairmanships of Audit Committee and stakeholder-cum-shareholders'/Investors' Grievance Committee only.

\$ Resigned as a Director w.e.f August 29, 2020

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**ITEM 2, 3, 4 & 5:**

Mr. Jaskaran S. Khurana was reappointed as a Managing Director by the Board of Directors of the Company at its meeting held on December 30, 2019 for the period from December 31, 2019 to August 29, 2020. He is B.Com and MBA. He is having a bright academic career and rich experience of more than 19 years in the field of domestic sales and International Marketing to his credit. He joined the Dalmia's Group in the year 2007 and in the Company as Chief Operation Officer (COO) in the year 2010 and inducted on the Board as Whole Time Director on May 23, 2013. He was a Member of The Stakeholders Relationship Committee (SRC) and Risk Management Committee (RMC) on the Board of the Company. However, thereafter he resigned from the Directorship of the Company wef 29th August, 2020.

Mr. Pawan Kumar Malsaria, CFO and Mr. Raj Kamal Gupta, on the recommendation of the Nomination & Remuneration Committee, were appointed as Additional Directors of the Company, with effect from 1st September, 2020 by the Board of Directors at its meeting held on 31st August, 2020 keeping in view their background and overall experience in the Company.

Mr. Pawan Kumar Malsaria, aged 51 years, has an overall experience of more than 25 years in the field of IT, Systems, Finance & Accounts Taxation and operations.

Mr. Raj Kamal Gupta, aged 62 year, has an overall experience of more than 35 years in the sector of Automotive, Tyres, IT (Hardware & Software), FMCG, Hospitality & Pharmaceutical Industry.

Pursuant to Section 161 of the Companies Act, 2013, Mr. Malsaria and Mr. Gupta hold office as Director up to the date of the ensuing AGM and are eligible for appointment as Director liable to retire by rotation. A Notice under Section 160(1) of the Act has been received from the members indicating his intention to propose their appointment as Directors.

MAJOR TERMS AND CONDITIONS OF APPOINTMENT:**A. BASIC SALARY:**

Jaskaran Singh Khurana	Pawan Kumar Malsaria	Raj Kamal Gupta
₹ 232,490/- per month (in the grade of ₹ 120,000/- to ₹ 650,000/-)	₹ 59,543 /- Per Month (in the grade of ₹ 40,000/- to – ₹ 3,00,000)	₹ 50,000/- Per Month (in the grade of ₹ 40,000/- to – ₹ 3,00,000)

B. PERQUISITES & ALLOWANCES:

Jaskaran Singh Khurana	Pawan Kumar Malsaria	Raj Kamal Gupta
HRA @ 60% of Basic, Servant Allowance @ 15% of Basic, Gas & Electricity @ 8.33% of Basic, Home Maintenance Allowance @ 8.33% of Basic, Children Education Allowance: INR 1,500/-, Books & Periodicals: INR 3,000/-, Business Promotion: INR 3,000/-, Special Pay: INR 3,17,000/-, Car Scheme: INR 30,000/- and Personal Pay Allowance : INR 58,044/-.	HRA @ 60% of Basic, Home Maintenance Allowance @ 8.33% of Basic, Children Education Allowance: ₹ 1000/-, Books & Periodicals : ₹ 2500/-, Business Promotion : ₹ 2500/-, Special Pay : ₹ 51785/- PM, Car Scheme: up to ₹ 39000/- PM.	HRA @ 60% of Basic, Servant Allowance @ 15% of Basic, Gas & Electricity @ 8.33% of Basic, Home Maintenance Allowance @ 8.33% of Basic, Children Education Allowance: ₹ 1500/-, Books & Periodicals : ₹ 2500/-, Business Promotion : ₹ 3000/-, Car Scheme: up to ₹ 42,430/- PM.

C. OTHER PERQUISITES AND ALLOWANCES:

- Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961;
- Gratuity payable at a rate not exceeding half a month's salary for each completed year of service and encashment of leave at the end of the tenure;
- Provision of the Company's maintained Car and driver's salary for use of the Company's business and telephone at residence shall not be considered as perquisites;
- Reimbursement of entertainment, traveling and all other actual expenses properly incurred for the purpose of the Company's business shall not be considered as remuneration;
- No sitting fees to be paid for attending Meeting of the Board of Director or any of its Committee;



-
- f. Personal accident and medical insurance as per Company policy;
 - g. Use of car for Company's business and telephone at residence;
 - h. medical expenses incurred for self and all dependent family members subject to a ceiling of one month's basic salary per year;
 - i. Leave Travel Concession (LTC) once in a year from the place of residence to anywhere in the world by air (business class) or by train (AC first class) for self and all dependent family members, subject to a ceiling of one month's basic salary;
 - j. Hospitalization reimbursement in accordance with the scheme and rules of the Company;
 - k. Variable Performance Pay (VPP) as per the Company's Policy;

D. MINIMUM REMUNERATION:

Notwithstanding anything to the contrary herein contained, wherein in any financial year, during the currency of the tenure of the appointment, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as aforesaid as minimum remuneration, within the limits as may be allowable under section 197 and schedule V of Companies Act, 2013 as amended from time to time

E. TERMINATION:

The aforesaid appointments may be terminated by either party giving at least three months' notice in writing in that behalf or notice pay in lieu thereof at the end of which period, termination of the contract shall take effect.

Brief profile pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and clause 1.2.5 of Secretarial Standard 2 is set out in the notes to the accompanying notice. Additional Information as required pursuant to schedule V of the Companies Act, 2013 is set out at the end of the Explanatory Statement.

Considering expertise and knowledge, appointment of Mr. Pawan Kumar Malsaria and Mr. Raj Kamal Gupta as Whole Time Directors would be in the best interest of the Company

Documents referred in the resolution will be available to the shareholders for inspection between 11 a.m. to 1 p.m. on all working days (except Saturdays and Sundays) at the registered office of the Company up to the date of the AGM.

Your Directors recommend and seek your approval to the resolution as appearing in item No. 2, 3, 4 and 5 of the accompanying notice by way of Ordinary Resolution.

None of the Directors/Key Managerial Personnel or their relatives, except Mr. Khurana, Mr. Malsaria & Mr. Gupta, shall be deemed to be interested or concerned financially or otherwise in the Resolution.

ITEM 6:

Mr. Jignesh Engineer, on the recommendation of the Nomination & Remuneration Committee, was appointed as an Additional Director of the Company by the Board of Directors at its meeting held on 11th September, 2020 keeping in view his background and overall experience in the Company.

Mr. Jignesh Engineer, aged 63 years, has an overall experience of 30 years in Project Planning & Management, Operation & Maintenance, Equipment Erection & Commissioning, Team Management as well as on hand experience in Energy Audit/Energy Conservation, Man Power Planning etc. Brief profile pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and clause 1.2.5 of Secretarial Standard 2 is set out in the notes to the accompanying notice.

Pursuant to Section 161 of the Companies Act, 2013, Mr. Jignesh Engineer holds office as Director up to the date of the ensuing AGM and is eligible for appointment as a Director liable to retire by rotation. A Notice under Section 160(1) of the Act has been received from a Member indicating his intention to propose appointment of Mr. Jignesh Engineer as a Director liable to retire by rotation.

Your Directors recommend and seek your approval to the resolution as appearing in item no. 6 of the accompanying notice by way of Ordinary Resolution.

None of the Directors/Key Managerial Personnel or their relatives, except Mr. Jignesh Engineer, shall be deemed to be interested or concerned financially or otherwise in the Resolution.

ITEM 7:

Mr. Rajnikant Patel, on the recommendation of the Nomination & Remuneration Committee, was appointed as an Additional Director of the Company by the Board of Directors through circular resolution passed on 9th January, 2020 keeping in view his background and overall experience.

Mr. Patel, aged 70 years, has an overall experience of 47 years in the field of Engineering, Technical, Marketing & Sales. He has served the reputed companies like Elecon Engineering & others. He established successful dealership of Hyundai Cars & Massy Fergusson Tractors in Anand. Brief profile pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and clause 1.2.5 of Secretarial Standard 2 is set out in the notes to the accompanying notice

Pursuant to Section 161 of the Companies Act, 2013, Mr. Patel holds office as Director up to the date of the ensuing AGM and is eligible for appointment as a Non-executive Independent Director not liable to retire by rotation. A Notice under Section 160(1) of the Act has been received from a Member indicating his intention to propose appointment of Mr. Rajnikant Patel as an Independent Director not liable to retire by rotation. Mr. Rajnikant Patel, does not hold any shares or beneficial interest in any shares of your Company.

Your Directors recommend and seek your approval to the resolution as appearing in item no. 7 of the accompanying notice by way of Ordinary Resolution.

None of the Directors / Key Managerial Personnel or their relatives except Mr. Rajnikant Patel shall deemed to be interested or concerned, materially or otherwise in the resolution.

ITEM 8:

Earlier Ms. Koikila Panchal, aged 72 years was appointed as Non-Executive Independent Director of the Company under Section 149 and 152 of the Companies Act, 2013 read with Schedule IV attached thereto and Rules made there under and pursuant to Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to hold office for a period of five years from 1st April, 2015 to 31st March, 2020, not liable to retire by rotation.

Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations'), provides that no listed Company shall appoint or continue the Directorship of a Non-Executive Director who has attained the age of 75 years, unless a special resolution is passed to that effect and justification thereof is indicated in the explanatory statement annexed to the notice for such appointment.

The Board of Directors is of the opinion that Ms. Kokila Panchal is a person of integrity; possess relevant expertise and vast experience. Her association as non-executive Independent Director will be beneficial and in the best interest of the Company. Accordingly, your directors recommend her continued association even if she would attain the age of 75 years before the completion of her tenure.

Ms. Kokila Panchal holds a Degree in Law from Government Law College, Mumbai in year 1970. Since then she has been practicing advocacy in Bombay High Court. Her specialization is in Civil Cases especially in Property Cases. She has 40 years of experience in the field of Law. Brief profile pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and clause 1.2.5 of Secretarial Standard 2 is set out in the notes to the accompanying notice.

Your Directors recommend and seek your approval to the resolution as appearing in item no. 8 of the accompanying notice by way of Special Resolution.

None of the Directors / Key Managerial Personnel or their relatives except Ms. Kokila Panchal shall deemed to be interested or concerned, materially or otherwise in the resolution.

**By order of the Board,
For GOLDEN TOBACCO LIMITED,
SD/-**

**Place : Vadodara
Date : November 12, 2020
Registered Office:
At Darjipura, Post-Amaliyara,
Vadodara, Gujarat- 390022**

**Harish Punwani
Company Secretary**



STATEMENT IN COMPLIANCE WITH CLAUSE NO. IV OF SUB PARAGRAPH B, SECTION II, OF PART II OF SCHEDULE V OF THE COMPANIES ACT, 2013

(I) GENERAL INFORMATION:

1.	Nature of Industry:	The Company's products are classified under Tobacco Industry.
2.	Date or expected date of Commencement of commercial Production Company:	The Company's plant for manufacturing Tobacco Products (Licensed Capacity of 14500 Million and installed Capacity of 10950 Million) is already in operation.
3.	In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	N.A.
4.	Financial performance based on Given Indicator:	
	(a) Net Profit/Loss (Before Tax)	(228.89)
	(b) Effective Capital	(16,782.20)
	(c) Total Income	2530.61
5.	Foreign investments or Collaborations, if any	NIL

(II) INFORMATION ABOUT THE APPOINTEES:

Name of Directors	Jaskaran Singh Khurana	Pawan Kumar Malsaria	Raj Kamal Gupta
1. Background details	Exposure of around 19 years	Exposure of around 25 years	Exposure of around 35 years
2. Past remuneration	₹ 1,41,639/- per month + perks	NIL	NIL
3. Recognition or awards	The Company has no information to offer.	The Company has no information to offer.	The Company has no information to offer.
4. Job profile and his sustainability	1. Managing Director 2. Suitable in view of his experience and contribution	1. Whole Time Director and CFO 2. Suitable in view of his experience and contribution	1. Whole Time Director 2. Suitable in view of his experience and contribution
5. Remuneration proposed	As appearing in the Explanatory Statement	As appearing in the Explanatory Statement	As appearing in the Explanatory Statement
6. Comparative remuneration	Not available	Not available	Not available
7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	Not related	Not related	Not related

- (III)**
- (i) Reasons of loss or inadequate profits:
The Company's volume has gone down drastically in domestic as well as in international market resulting into losses. This is mainly due to increased grey market & illegal cigarettes activities coupled with steep escalation in tax incidence & global threat posed by spread of COVID-19.
- (ii) Steps taken or proposed to be taken for improvement:
The Company has planned new measures to spread its wings in several other new international markets to increase the sales after the COVID-19 situation normalizes.
- (iii) Expected increase in productivity and profits in measurable terms:
The Company is very much positive in regards to the future sales & expecting a fair increase in the productivity as well as the profits once the global pandemic crisis normalizes.

(IV) DISCLOSURES:

The following disclosures shall be mentioned in the Board of Director's report under the heading "Corporate Governance", if any, attached to the financial statement:

1.	All elements of remuneration package such as salary benefits bonuses, stock options, pension etc. of all the directors.	As detailed in the explanatory statement
2.	Details of fixed component and performance linked incentives along with the performance criteria.	As detailed in the explanatory statement
3.	Service contracts, notice period, severance fees	(i) service contracts for 3 years (ii) Notice period: 3 months (iii) No severance fees
4.	Stock option details, if any	N.A.

BOARD'S REPORT

To,
The Members
Golden Tobacco Limited
Vadodara

Your Directors have pleasure to present the 64th Annual Report along with the Audited Financial Statements of the Company for the Financial Year ended March 31, 2020.

FINANCIAL HIGHLIGHTS

(₹ in Lacs)

Particulars	Standalone		Consolidated	
	2019-20	2018-19	2019-20	2018-19
Revenue from Operations	2342.55	7,607.98	2342.55	7,607.98
Profit/(Loss) for the year after charging all expenses but before providing finance costs, Depreciation, Tax and Other Comprehensive Income	(1199.26)	3,666.63	(1202.32)	3,664.04
Finance Costs	1082.14	1,593.00	1082.14	1,593.00
Depreciation and Amortisation Expense	101.18	62.35	101.18	62.35
Profit/(Loss) before Taxation	(2382.58)	2011.28	(2385.64)	2,008.69
Current Tax MAT	-	63.95	-	63.95
Tax Expense for the earlier Year	(63.95)	-	(62.40)	
Profit/(Loss) after Taxation	(2318.63)	1947.33	(2323.24)	1,944.74
Exceptional Item - Net	2153.69	781.64	2164.58	781.64
Net Profit/(Loss) after Exceptional Item	(164.94)	2,728.97	(158.66)	2,726.38
Other Comprehensive Income (net of tax)	(428.64)	(38.90)	(445.48)	(30.34)
Total Comprehensive Income	(593.58)	2,690.07	(604.14)	2,696.04

PERFORMANCE OF THE COMPANY

In the previous Financial Year the Company's volume has gone down drastically in export as well as domestic sales resulting into the losses. The increased grey market and illegal cigarettes activities coupled with steep escalation in tax incidence on cigarettes adversely affected the organized sector of legal cigarette industries at large. However, the export performance of the Company has also gone down compare in previous year. Further the Company has initiated new measures to spread its wings in several other new more international markets to increase the export sales in coming years. At the domestic front, the Company has initiated several efforts in the previous financial year by exploring untapped markets to regain the lost volume.

REAL ESTATE BUSINESS

Bombay High Court has attached the Company's property situated at Vile Parle Mumbai. However, the attachment made by the excise department is still continued. The management is hopeful to get this lifted as well and thereafter the management will look into the possibility of dealing the said property in a suitable manner. The Company is also in process to develop its Property situated at Guntur Andhra Pradesh.

DIVIDEND

In view of the carried forward losses for the financial year ended on March 31, 2020, Your Directors do not recommend any dividend on equity shares of the Company.

DIVIDEND DISTRIBUTION POLICY

The Company does not fall in any of the criteria of Dividend Distribution Policy as specified under the Companies Act, 2013 as well as per the SEBI Listing Regulations.



SHARE CAPITAL

The paid up Equity Capital of the Company as on March 31, 2020 was ₹ 175880212 comprising of 17608802 equity shares of ₹ 10 each. During the year under review, the Company has neither bought back nor issued any kind of equity shares either by bonus or by right or stock option or sweat equity or otherwise.

FINANCE

During the year under review, your Company does not have any obligation towards its bankers or any lenders.

DEPOSITS

The Company has not accepted any deposits within the meaning of section 73 of the Companies Act, 2013 ("the Act") read with the Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Loans, guarantees and investments covered under section 186 of the Act forms part of the Notes to the financial statements

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Particulars of contracts or arrangements with related parties referred to section 188 (1) of the Act, In the prescribed form AOC – 2 are annexed as per **Annexure – 7** of the Board's Report.

CORPORATE SOCIAL RESPONSIBILITY ("CSR")

The Company does not fall in any of the criteria of Corporate Social Responsibility ("CSR") as specified in section 135 (1) of the Companies Act, 2013 and accordingly, the Company is not required to comply with provisions of section 135 of the Act and rules framed there under.

CORPORATE GOVERNANCE

The Company is committed to maximize the value of its stakeholders by adopting the principles of good Corporate Governance in line with the Act read with Regulation 24 and other applicable clauses of the of the Listing Regulations.

A separate report of Corporate Governance pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") is annexed with the report and forms part of Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to Regulation 34 of the Listing Regulations, the Management Discussion and Analysis Report is annexed with the report and forms part of this Annual Report.

ENVIRONMENT, OCCUPATIONAL HEALTH AND SAFETY

Good environment as well as safe & healthy working conditions are the root of the good performance. Your Company has been in a constant quest for providing to its employees, a very congenial work environment which will in turn add to the performance of the Company. Keeping in mind, the dynamism in the environment, your Company is continuously imparting requisite training to its employees in their respective fields of work.

Health and safety of our employees is of prime concern to us. The workplace is designed to abate the hazards naturally prone to our product. No accident or any pollution problem was noticed during the year. Care is taken to ensure that all laws pertaining to environment, pollution, health and safety of employees and other relevant enactments are being scrupulously adhered to. Our commitment towards the society in terms of providing a clean and healthy environment is of utmost concern and we pledge to take active efforts to preserve the same. The Company is also now accredited with ISO 9001: 2015 certification by TUV NORD – a certification agency for Manufacture and Supply of Cigarettes and Tobacco Products.

KEY MANAGERIAL PERSONNEL ("KMP")

Shri Jaskaran S. Khurana, Managing Director, Shri Pawan Kumar Malsaria, Chief Financial Officer and Shri Harish Punwani, Company Secretary & Compliance Officer of the Company are whole time Key Managerial Personnel (KMP) of the Company pursuant to the Companies Act, 2013.

During the year under review Shri Jaymeen Patel has resigned from the post of Company Secretary and Compliance Officer of the Company w.e.f. 16.01.2020. Shri Harish Punwani was appointed as Company Secretary and Compliance Officer of the Company w.e.f. 24.02.2020

DIRECTORS AND CHANGE OF DIRECTORS

Shri Jaskaran S. Khurana* , Managing Director of the Company Mrs. Kokila Panchal, Shri Vinod Bhatia and Rajnikant Patel are the Non Executive Independent Director on the board of the Company.

INTERNAL FINANCIAL CONTROL

The Corporate Governance Policy guides the conduct of the affairs of your Company and clearly delineates the roles, responsibilities at each level of its key functionaries involved in governance. Your Company has in place adequate internal financial controls with reference to the Financial Statements. During the year under review, no reportable material weakness in the operation was observed. Regular audit and review processes ensure that such systems are reinforced on an ongoing basis. Details in respect of internal financial controls and their adequacy are included in the Management Discussion & Analysis Report.

RELATED PARTY TRANSACTIONS

None of the transactions with related parties falls under the scope of section 188 (1) of the Companies Act, 2013. There were no materially significant related party transactions made by the Company with Promoters, Key Managerial Personnel (KMP) or other designated persons which may have potential conflict with interest of the Company at large. All related party transactions that were entered into during the year under review were on arm's length basis and in the ordinary course of the business. Particulars of the transactions are available in the financial statement.

DIRECTORS APPOINTMENT AND REMUNERATION POLICY

The Company's policy is to have an appropriate mix of executive and non executive and independent director to maintain the independence of the Board and separate its function of governance and management. As on March 31, 2020 the Board consisted of four members, one of whom is an Executive Director and other three are Non-executive Independent Directors. The Board has on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, senior management and their remuneration including criteria for determining, qualifications, positive attribute independence of a director and other matters as required pursuant to section 178(3) of the Companies Act, 2016. The remuneration policy is stated Corporate Governance report which form of the annual report.

WHISTLEBLOWER POLICY

Pursuant to Regulation 22 of the Listing Regulations read with the Act, the Company has a Vigil Mechanism/Whistle Blower Policy to deal with instance of fraud and mismanagement, if any in the Company. In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected Company's in India, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility. The Policy provides that the Company investigates such incidents, when reported, in an impartial manner and take appropriate actions to ensure that the requisite standards of the professional and ethical conduct are always upheld. It is the Company's policy to ensure that no employee is victimized or harassed for bringing such incidents to the attention of the Company. The practice of the whistleblower policy is overseen by the Audit Committee of the Board and no employee has been denied access to the Committee. The Whistleblower Policy is available on the Company's website www.goldentobacco.in

POLICY AND DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules there under and redressal of complaints of sexual harassment at work place. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year under review, no complaints were reported to the Board.

AUDIT COMMITTEE AND THE AUDITORS

The Composition of the Audit Committee is provided in the section of the Board of Directors in the Committees in the Report separately.

STATUTORY AUDITORS

In view of the mandatory requirement of the rotation of Auditors and in accordance with the provisions of the Act, M/s. Bagaria & Co. LLP., Chartered Accountants, were appointed with your approval at the 61st AGM to hold such office till the conclusion of 66th AGM to be held in the calendar year 2022 on the recommendations of the Audit Committee. The Audit Committee reviews the independence and objectivity of the Auditors and the effectiveness of the Audit process

The Auditors Report for the Financial Year 2019-20 does not contain any qualifications, reservations, or adverse remark. The Auditor's report is enclosed with the financial statement in this Annual Report.

SECRETARIAL AUDITOR:

Pursuant to the provisions of Section 204 of the Act and rules framed there under M/s. Devesh Pathak & Associates, Practicing Company Secretaries, was appointed as Secretarial Auditor to conduct the secretarial audit of the Company for the financial year



2019-20. The Secretarial Audit Report does not contain any qualification, reservations or adverse remark. The Secretarial Audit Report is enclosed as per **Annexure-1** which forms part of the Board's report. The Board has appointed M/s. Devesh Pathak & Associates, as Secretarial Auditor of the Company for the financial year 2019-20. The Secretarial Compliance Report certified by PCS has been annexed as per **Annexure-2** forms part of the Board's Report.

EXTRACT OF ANNUAL RETURN & ANNUAL RETURN

The extract of Annual Return pursuant to Section 134 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is annexed as per **Annexure-3** forming part of this report. Additionally pursuant to Section 92 of the Companies Act, 2013 read with Rules made there under, a draft Annual Return of the Company for the financial year 2019-20 would be available on the website of the Company, web link of which is <http://www.goldentobacco.in/financial-overview.asp>

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO:

The information on conversation of energy, technology absorption and foreign exchange earnings and outgo stipulated under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 are enclosed as per **Annexure-4** of the Board's report

SUBSIDIARY COMPANIES AND ITS ACCOUNTS:

Your Company has four subsidiaries namely Golden Realty & Infrastructure Ltd., Golden Investment (Sikkim) Pvt. Ltd., GTC Inc B.V., Western Express Industries Ltd. and Raigadh Papers Limited, the fellow subsidiary of Western Express Industries Limited as on March 31, 2020

Pursuant to section 129(3) of the Companies Act, 2013, the Board and the Audit Committee has reviewed the affairs of the subsidiary companies. There is no Associate Company within the meaning of section 2(6) of the Companies Act, 2013. There has been no material change in the nature of the business of the subsidiaries. Pursuant to section 136 of the Companies Act, 2013 the audited financial statement and related information of the Company and audited accounts of each subsidiaries will be provided to any shareholder of the Company on making requisition to the Company Secretary at the registered office of the Company or email share@goldentobacco.in. These documents will be available for inspection during business hours at the registered office of the Company. A statement containing the salient features of the financial statement of subsidiaries in the prescribed format AOC-1 is annexed as per **Annexure-5** which forms the Board's report.

CONSOLIDATED FINANCIAL STATEMENTS

Your Company's Board of Director is responsible for the preparation of the Consolidated Financial Statements of your Company and its subsidiaries pursuant to requirement of the Companies Act, 2013 read with Regulation 33 and 34 of Listing Regulations and other applicable provisions, if any. The Company has prepared Consolidated Financial Statements accordance with Accounting Standard 21 of the ICAI for the Financial Year ended March 31, 2020 annexed to the financial statement of the Company in which forms part of the annual report.

INDUSTRIAL RELATIONS:

Your Company enjoyed cordial relationship with workers and employees at all levels.

BUSINESS RESPONSIBILITY REPORTING :

Pursuant to the SEBI LODR (2015) Regulations, the Business Responsibility Report (BRR) is applicable only to top 1000 Listed Companies, based on the market capitalization of the preceding financial year i.e. March 31, 2020. Accordingly, the same is not applicable to your Company.

HUMAN RESOURCES DEVELOPMENT

Your Company's Human Resources Management Systems and process are aimed to create a responsive market focused and customer centric and endeavors to move ahead with its most valuable resources, its employees. Your Company is engaged with a constructive relationship with employees and always believed that motivated employees are the core source, the competitive advantage and these are the continuous investments providing training and development programs an emphasis on productivity and efficiency and underline safe working practices etc.

PARTICULARS OF EMPLOYEES:

Pursuant to Section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. A statement containing the names of employee in the financial year and in receipt of a remuneration of ₹ 1.02 crores or more per annum or posted for part of the year and in receipt of ₹ 8.5 lakhs or more a month enclosed as per **Annexure-6** of the Boards Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

During the year under review, no material significant orders were passed by any Regulator / Hon'ble Courts etc., which would impact the going concern status of the Company and its future operations. However, under Regulation 30 of the Listing Regulation read with guidance note issued by the SEBI / Stock Exchanges from time to time, the Company has been reporting all the updates / major cases / litigations and other matters etc. from time to time as and when necessary to the Stock Exchanges.

BOARD EVALUATION :

Pursuant to the provisions of the Companies Act, 2013 read with SEBI LODR (2015) Regulations, the Board carried out an evaluation of its own performance as well as of the directors individually. The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such as Board composition and structure, effectiveness of Board process, information and functioning etc. The Board and Nomination and Remuneration Committee (NRC) reviewed the performance of the individual directors. The Chairman of the Board / Committee was also evaluated on the key aspects of his roles mainly on Board dynamic and relationship, information flow, decision making, relationship with shareholders, company performance and strategy, tracking Board and Committee effectiveness etc.

In separate meeting of independent directors, performance of Non Independent Directors, performance of the Board as a whole and performance of the Chairman of the Board was evaluated, taking into account the views of Executive and Non Executive Directors including the performance of the Board, its Committees and individual directors. The same was discussed in the Board meeting that followed in the meeting of the Independent Directors.

COMPLIANCE OF CORPORATE GOVERNANCE :

Pursuant to requirement of Listing Regulation, a Certificate confirming material compliance by the Company with the provisions of Corporate Governance is given by M/s Devesh Pathak & Associates, Practising Company Secretary, Vadoadra, annexed with the Corporate Governance Report, which forms part of annual report.

MEETING OF THE BOARD OF DIRECTORS:

During the year under review, six meetings of the Board were held i.e. on May 30, 2019, August 8, 2019, October 14, 2019, November 14, 2019, December 30, 2019, and February 10, 2020. Details of meetings of the Board and their attendance are mentioned in the corporate governance report which forms part of annual report.

DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received necessary declaration from each independent directors under section 149(7) of the Companies Act, 2013 that he/she meets the criteria of independent laid down in section 149 (6) of the Companies Act, 2013 and Regulation 25 of the Listing Regulations.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

The Company believes that a Board, which is well informed / familiarized with the Company, can contribute significantly to effectively discharge its role of trusteeship. All new independent directors inducted into a Board attend an orientation program. The details of familiarization programme are provided in the corporate governance report and also available on the Company's website www.goldentobacco.in

CODE OF CONDUCT OF PREVENTAION OF INSIDER TRADING :

The Board of Directors of the Company has adopted the Insider Trading Policy in accordance with requirement of Listing Regulations. The Company has adopted following policies which lays down guidelines and procedure to be followed and disclosure to be made while dealing with shares of the Company.

- a) Code of conduct to regulate, monitor and report trading by its designated persons and others.
- b) Code of practices and procedures for fair disclosure of unpublished price sensitive information.

The policy has been formulated to regulate, monitor and ensure reporting of deals of employee and maintain the highest ethical standards of dealing the company's securities. The insider trading policies as mentioned above are available on the Company's website www.goldentobacco.in.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company complies with all the Secretarial Standards which are applicable and are mandatory to be complied with.

AUDIT COMMITTEE

The composition of the Audit Committee is in line with the provisions of Section 177 of the Act read with Regulation 18 of the Listing Regulation. The Chairman of the Audit Committee is an Independent Director. The Audit Committee of the Board provides reassurance to the Board on the existence of an effective internal control environment that ensures the efficiency and effectiveness



of the operations of the Company and safeguarding of assets and adequacy of provisions for all liabilities. The details of meetings and their attendance are included in the Corporate Governance Report.

NOMINATION AND REMUNERATION COMMITTEE:

The composition of the Nomination and Remuneration Committee (NRC) is in line with the section 178 of the Companies Act, 2013 read with Listing Regulation. The Committee is to determine overall Company's Policy on remuneration packages and other terms and conditions of the appointment of the Executive Directors and senior management of the Company and sitting fees to the Non Executive Directors of the Company and also to approve payment of remuneration to Managing Directors or Whole Time Directors as decided by the members of the Company and recommends to the Board of Directors for their consideration and approval. The details of meetings and their attendance are included in the Corporate Governance Report.

STAKEHOLDERS RELATIONSHIP COMMITTEE:

The composition of the Stakeholders Relationship Committee (SRC) is in line with the section 178 of the Companies Act, 2013 and Listing Regulation. The Committee is to look after the Stakeholders grievances and Redressal of investors' complaints related to transfer of shares, non receipt of balance sheet, non receipt of dividend etc. The details of meetings and their attendance are included in the Corporate Governance Report.

RISK MANAGEMENT COMMITTEE:

The composition of the Risk Management Committee is not applicable to your Company. However, the Company has voluntarily constituted the Risk Management Committee (RMC) which is in line with the section 134(3) of the Companies Act read with regulation 21 of the Listing Regulations. The Company has framed Risk Management Policy which inter-alia covers financials, operational, regulatory and Legal and product and market risk etc. and to formulate a procedure for mitigation of risk which may threaten the existence of the Company. The details of meeting and their attendance are included in the Corporate Governance Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 (5) of the Companies Act, 2013, the Board of Directors to the best of their knowledge and ability confirm that:

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) The Director have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the year under review;
- c) The Director have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Director have prepared the annual accounts on a going concern basis; and
- e) The Director have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) The Director have devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively; based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the, internal ,statutory and secretarial auditors and the review performed by the management and the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2019-20.

ACKNOWLEDGEMENTS:

Your Directors express their deep gratitude and sincere appreciation for the whole-hearted assistance and co-operation extended to the Company by the Bankers, Financial Institutions, Business associates, Employees and all the Shareholders of the Company who have continued to repose utmost faith in the Company.

For and on behalf of the Board

Place : Vadodara
Date : November 12, 2020

Kokila Panchal
Independent Director

Pawan Kumar Malsaria
Wholetime Director & CFO

ANNEXURE 1 TO THE BOARD'S REPORT**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020****(Form No. MR-3)**

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

**To,
The Members,
Golden Tobacco Limited
Darjipura, Post: Amaliyara
Vadodara - 390 022**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by the Company. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon. Based on our verification (generally electronically only in view of COVID-19 advisories) of the GOLDEN TOBACCO LIMITED'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, we 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:

We have examined (generally electronically only in view of COVID-19 due to lockdown) the books, papers, minutes' 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 By-Laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 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) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; [Presently: The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015];
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; [Presently: The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018];
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Regulations, 1999; [Presently: The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014];
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; [Presently: The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018]
- (vi) Having regard to the products, processes and locations of the Company as also having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, **on test check basis, we further report that** the Company has complied with the following laws applicable specifically to the Company:
 - 1 The Tobacco Board Act, 1945



- 2 Cigarettes and other Tobacco Products Act, 2003 (COTPA)
- 3 Water (Prevention and Control of Pollution) Act, 1974
- 4 Air (Prevention and Control of Pollution) Act, 1981
- 5 Hazardous Waste (Management and Handling) Rules, 1989
- 6 The Environment Protection Act, 1986
- 7 Indian Boiler Regulations Act, 1950

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE and NSE including The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR')

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 had received short term loan of Rs. 4.50 Crores within the meaning of Section 73 and other applicable provisions of the Companies Act, 2013 ('the Act') and rules framed thereunder against the pledge of 4,00,000 Equity Shares held by the Company in GHCL Ltd. on 23rd July, 2019.

We have been informed by the Company that it is in process of compliance of requisite provisions of the Act and that the repayment of the same is already made by way of invocation of pledge on 17th December, 2019. Accordingly, no amount is outstanding in the regard as at 31st March, 2020.

We 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 were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

We further report (by way of information) that during the audit period:

- (a) The Company has not issued any securities during the period under review and accordingly
 - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and
 - The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008were not applicable during the audit period.
- (b) The Company has not issued any stock options to the employees and accordingly The Securities and Exchange Board of India (Share Based Employees Benefits) Regulations, 2014 were not applicable.
- (c) The Company has neither got delisted Equity Shares nor bought back any security of the Company and accordingly
 - The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and
 - The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018were not applicable during the audit period.
- (d) Net-worth of the Company is totally eroded. However, the management is hopeful to turn around the Company's business especially in the Realty Business Segment considering valuable land held.

- (e) Special Resolutions as set out in the notice of 63rd Annual General Meeting held on 30th December, 2019 in respect of following matters could not be passed due to want of requisite majority:
- Fixation of terms and conditions of remuneration payable to Shri Jaskaran S. Khurana as an Executive Director.
 - Fixation of terms and conditions of remuneration payable to Shri A.K Joshi as a Managing Director.
 - Fixation of terms and conditions of remuneration payable to Shri Jaskaran S. Khurana as an Acting Managing Director.
- (f) Mr. Jaymeen Patel, Company Secretary & Compliance Officer of the Company resigned w.e.f 16th January, 2020 and Mr. Harish Punwani was appointed as a Company Secretary & Compliance Officer of the Company w.e.f. 24th February, 2020.
- (g) Consequent to the resignation of Mr. Bharat Merchant, Independent Director of the Company w.e.f. 10th June 2019 the Composition of Nomination and Remuneration Committee was not in line with Regulation 19 of LODR. However, with the appointment of Mr. Rajnikant Patel as an independent director and his induction in the reconstituted Nomination & Remuneration Committee, w.e.f. January 09, 2020, Composition was once again in compliance with Regulation 19 of LODR.

In the light of above, the Company had received following notices of non-compliance pursuant to Regulation 19(1)/(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from the stock exchanges seeking the penalties specified below:

Quarter	Delay by No. of Days	BSE	NSE	Status of payment
For the quarter ended on 30 th September, 2019.	21	49,560	49,560	Paid
For the quarter ended on 31 st December, 2019.	92	2,17,120	2,17,120	Paid
For the quarter ended on 31 st March, 2020.	8	18,880	18,880	Application to waive the penalty has been made.

**For M/s. Devesh Pathak & Associates
Practising Company Secretaries**

Sd/-

Place : Vadodara
Date : 09th November, 2020

CS Devesh A. Pathak
(Sole Proprietor)
FCS: 4559
CP No. 2306
UDIN: F004559B001194066

Note: This report is to be read with our letter of even date which is enclosed as forming integral part of this report



To,
The Members,
GOLDEN TOBACCO LIMITED
Darjipura, Post: Amaliyara,
Vadodara-390022

Ref: Secretarial Audit Report dated 9th November, 2020 pursuant to Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1. Maintenance of secretarial records is the responsibility of management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. In view of COVID-19 advisories, we have not been able to verify the books, papers, minute books, forms and returns filed and other records maintained by the Company in physical form at its Registered Office. Accordingly, we have only examined the electronically available soft copies of the minutes, forms and returns filed and other records provided by the Company for the financial year ended on 31st March, 2020.
3. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and the practices we followed provided reasonable basis for our opinion.
4. We have not verified the correctness and appropriateness of financial records and books of Accounts of the Company and have relied upon the Audited Financial Statement and Management Representation provided by the Company on the matter.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards, is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For M/s. Devesh Pathak & Associates
Practising Company Secretaries**

Sd/-

Place : Vadodara
Date : 09th November, 2020

CS Devesh A. Pathak
(Sole Proprietor)
FCS: 4559
CP No. 2306

ANNEXURE 2 TO THE BOARD'S REPORT**Secretarial Compliance Report of Golden Tobacco Limited for the year ended 31st March, 2020**

To,
Golden Tobacco Limited
Darjipura, Post – Amaliya,
Vadodara - 390022

We, M/s. Devesh Pathak & Associates have examined:

- (a) all the documents and records made available to us electronically only in view of COVID-19 advisories and explanation provided by GOLDEN TOBACCO LIMITED (“the listed entity”),
- (b) and explanation provided by Golden Tobacco Limited (“the listed entity”),
- (c) the filings/ submissions made by the listed entity to the stock exchanges,
- (d) website of the listed entity,
- (e) any other document/ filing, as may be relevant, which has been relied upon to make this certification for the year ended 31st March, 2020 in respect of compliance with the provisions of:
 - (a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
 - (b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and based on the above examination, We hereby report that, during the Review Period:
 - i. The Company has not issued any securities and accordingly
 - Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and
 - Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
 - Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013
 were not applicable.



- ii. The Company has neither got delisted Equity Shares nor bought back any security of the Company and accordingly
- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and
 - The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018
- were not applicable.

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1	The Nomination and Remuneration Committee (NRC) shall have at least 3 members pursuant to clause 19 of LODR for the quarter ended on 30 th September, 2019	Consequent to resignation of Mr. Bharat Merchant, there were only two members in the NRC	Penalty of ₹ 49,560 was imposed on 1 st November, 2019, which is already paid.
2.	The Nomination and Remuneration Committee (NRC) shall have at least 3 members pursuant to clause 19 of LODR for the quarter ended on 31 st December, 2019	Consequent to resignation of Mr. Bharat Merchant, there were only two members in the NRC	(i) Penalty of ₹ 2,17,120 was imposed on 3 rd February, 2020, which is already paid. (ii) With the induction of Mr. Rajnikant H. Patel as a member of NRC with effect from 9 th January, 2020, default is made good.

- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued there under in so far as it appears from my/our examination of those records;
- (c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
1.	NSE/BSE	Non-compliance with Corporate Governance Requirements for quarter ended 30 th September, 2019 pursuant to Regulation 19(1)/(2) of LODR	Penalty of ₹ 49,560 was imposed vide their Notice dated 1 st November, 2019	Penalty was paid on 18 th December, 2019
2.	NSE/BSE	Non-compliance with Corporate Governance Requirements for quarter ended 30 th December, 2019 pursuant to Regulation 19(1)/(2) of LODR	Penalty of ₹ 2,17,120 was imposed vide their Notice dated 3 rd February, 2020	Penalty was paid on 11 th February, 2020

(d) The listed entity has taken the following actions to comply with the observations made in previous reports

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended 31 st March, 2019 (The years are to be mentioned)	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
1.	Hon'ble Supreme Court vide its order dtd. 11.04.2018 reduced penalty from ₹ 1 Cr. To ₹ 25 Lakhs each to the then Directors	The Company petition before the Hon'ble Supreme Court by the Company against the appeal of SAT order dtd. 06.08.2016 for penalty of ₹ one crore each to the then Directors of the Company	As informed by the Company to us fine of ₹ 25 Lakhs each by the then Director have paid the same.	As informed by the Company to us the compliance is made.

**For M/s. Devesh Pathak & Associates
Practising Company Secretaries**

**Place : Vadodara
Date : 25TH July, 2020**

**CS Devesh A. Pathak
FCS: 4559
CP No. 2306
UDIN: F004559B000504916**



ANNEXURE 3 TO THE BOARD'S REPORT

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2020

(Form No. MGT - 9)

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

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	: L16000GJ1955PLC067605
ii.	Registration Date	: 28.06.1955
iii.	Name of the Company	: Golden Tobacco Limited
iv.	Category / Sub-category of the Company	: Company Limited by shares / Indian Non-Government Company
v.	Address of the Registered Office and contact details	: At Darjipura, Post Amaliyara, Vadodara - 390022 Gujarat, India Tel. (0265) 2540281 Fax : (0265) 2541700 E-Mail : share@goldentobacco.in Website : www.goldentobacco.in
vi.	Whether listed company	: Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	: M/s. Link Intime India Pvt. Ltd. C101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai - 400083 Tel. (22) 49186000 Fax : (22) 49186060 Email : rnt.helpdesk@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Cigarettes & Cigars Manufacturing	12003	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
1	Golden Realty & Infrastructure Limited	U45203GJ2008PLC080071	Subsidiary	100	2(87)
2	Western Express Industries Limited	U51900MH1991PLC063596	Subsidiary	100	2(87)
3	Golden Investment (Sikkim) Pvt. Ltd.	N/A	Subsidiary	99.97	2(87)
4	GTC INC.B.V	N/A	Subsidiary	100	2(87)
5	Raigadh Papers Limited	U99999MH1971PLC015362	Subsidiary	100	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-Wise Share Holding

Category of Shareholders		No. of Shares at the beginning of the year (i.e. 01.04.2019)				No. of Shares at the end of the year (i.e. 31.03.2020)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
1.	A : Promoters									
a.	Individuals / Hindu Undivided Family	0	0	0	0	0	0	0	0	0
b.	Central Government/ State Government(s).	0	0	0	0	0	0	0	0	0
c.	Bodies Corporate	45,52,965	0	45,52,965	25.85	50,00,675	0	50,00,675	28.4	2.55
d.	Financial Institutions /Bank	0	0	0	0	0	0	0	0	0
e.	Others - Trust	0	0	0	0	0	0	0	0	0
	Sub - Total (A) (1)	45,52,965	0	45,52,965	25.85	50,00,675	0	50,00,675	28.4	2.55
2	Foreign									
a.	Individuals (Non-Resident Individuals/Foreign Individuals)	0	0	0	0	0	0	0	0	0
b.	Bodies Corporate	0	0	0	0	0	0	0	0	0
c.	Institutions	0	0	0	0	0	0	0	0	0
d.	Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
e.	Others - Trust	0	0	0	0	0	0	0	0	0
	Sub - Total (A) (2)	0	0	0	0	0	0	0	0	0
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	45,52,965	0	45,52,965	25.86	50,00,675	0	50,00,675	28.4	0
B.	Public Shareholding									
1	Institutions									
a.	Mutual Funds / UTI	190	850	1040	0.01	190	850	1040	0.01	0
b.	Financial Institutions /Bank	145	9015	9160	0.05	147	9015	9162	0.05	0
c.	Central Government/ State Government(s)	0	0	0	0	0	0	0	0	0
d.	Venture Capital Funds	0	0	0	0	0	0	0	0	0
e.	Insurance Companies	0	3050	3050	0.02	0	3050	3050	0.02	0
f.	Foreign Institutional Investors	0	0	0	0	0	0	0	0	0
g.	Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
h.	Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
i.	Foreign Port folio Investors (Corporate)	3917	0	3917	0.02	3917	0	3917	0.02	0
j.	Any Other (specify)	0	0	0	0	0	0	0	0	0
	Sub - Total (B) (1)	4252	12915	17167	0.1	4254	12915	17169	0.1	0



Category of Shareholders		No. of Shares at the beginning of the year (i.e. 01.04.2019)				No. of Shares at the end of the year (i.e. 31.03.2020)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2	Non - Institutions									
a.	Bodies Corporate	7303829	18304	7322133	41.58	6907870	18304	6926174	39.33	-2.25
b.	Individuals									
i.	Individual Shareholders holding nominal share capital upto ₹ 1 lakh	2796025	1237472	4033497	22.91	2784063	1207848	3991911	22.67	-0.24
ii.	Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	913324	100051	1013375	5.75	1238738	100051	1338789	7.6	1.85
c.	NBFCs registered with RBI	301317	0	301317	1.71	0	0	0	0	-1.71
d.	Any Other	0	0	0	0	0	0	0	0	0
i.	Trusts	0	0	0	0	0	0	0	0	0
ii.	Hindu Undivided Family	253705	0	253705	1.44	254930	0	254930	1.45	0.01
iii.	Foreign Companies	0	0	0	0	0	0	0	0	0
iv.	Clearing members / Clearing House	41331	0	41331	0.23	2440	0	2440	0.02	-0.21
v.	Non Residence Indians (Repatriation)	16413	14580	30993	0.18	15649	14580	30229	0.17	-0.01
vi.	Non Residence Indians (Non Repatriation)	38569	3570	42139	0.24	42815	3570	46385	0.26	0.02
vii.	Directors & their relatives	180	0	180	0	100	0	100	0	0
	Sub - Total (B) (2)	11664693	1373977	13038670	74.04	11246605	1344353	12590958	71.50	-2.54
	Total Public Shareholding (B) = (B)(1)+(B)(2)	11668945	1386892	13055837	74.14	11250859	1357268	12608127	71.60	-2.54
	TOTAL (A)+(B)	16221910	1386892	17608802	100.00	16251534	1357268	17608802	100.00	0.00
C.	Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0	0	0	0	0	0
	GRAND TOTAL (A)+(B)+(C)	16221910	1386892	17608802	100.00	16251534	1357268	17608802	100.00	0

ii. Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholders at the beginning of the year (i.e. 01.04.2019)			Shareholding at the end of the year (i.e.31.03.2020)			% Change in shareholding during the year
		No.of Shares	% of total Share of the Company	% of Shares Pledged/ encumbered to total shares	No.of Shares	% of total Share of the Company	% of Shares Pledged/ encumbered to total shares	
1	WGF Financial Services Ltd.	959232	5.45	0	959232	5.45	0	0.00
2	Dear Investment Pvt. Ltd.	800000	4.54	0	800000	4.54	0	0.00
3	Lakshmi Vishnu Investment Ltd.	500485	2.84	0	500485	2.84	0	0.00
4	Swastik Commercial Pvt.Ltd.	404000	2.29	0	404000	2.29	0	0.00
5	Swagatham Investment Ltd.	398600	2.26	0	398600	2.26	0	0.00
6	GHCL Ltd.	272146	1.55	0	272146	1.55	0	0.00
7	Mourya Finance Ltd.	270945	1.54	0	270945	1.54	0	0.00
8	Bharatpur Investments Ltd.	147538	0.84	0	147538	0.84	0	0.00
9	Gems Commercial Co Ltd.	144500	0.82	0	561500	3.19	0	2.37
10	Soverign Commercial Pvt. Ltd.	132843	0.75	0	132843	0.75	0	0.00
11	Chirawa Investment Limited	107078	0.61	0	107078	0.61	0	0.00
12	General Exports and Credits Limited	101972	0.58	0	101972	0.58	0	0.00
13	Moderate Investment and Commercial Enterprises Ltd.	70650	0.40	0	0	0.00	0	-0.40
14	Harvatex Engineering and Processing Company Limited	51320	0.29	0	101320	0.58	0	0.28
15	Carissa Investment Pvt. Ltd.	48235	0.27	0	48235	0.27	0	0.00
16	Dalmia Finance Ltd.	42528	0.24	0	42528	0.24	0	0.00
17	Hotex Company Ltd.	38800	0.22	0	38800	0.22	0	0.00
18	Little Rock Trade and Investment Ltd.	22500	0.13	0	22500	0.13	0	0.00
19	International Resources Limited	11455	0.07	0	71455	0.41	0	0.34
20	Excellent Commercial Enterprises and Investment Ltd.	8640	0.05	0	0	0.00	0	-0.05
21	Sikar Investment Company Limited	6920	0.04	0	6920	0.04	0	0.00
22	Lovely Investment Pvt. Ltd.	6503	0.04	0	6503	0.04	0	0.00
23	Pashupatinath Commercial Pvt. Ltd.	2569	0.01	0	2569	0.01	0	0.00
24	Comosum Investment Pvt. Ltd.	960	0.01	0	960	0.01	0	0.00
25	Dalmia Housing Finance Limited	760	0.00	0	760	0.00	0	0.00
26	Lampa Trading Company Ltd.	720	0.00	0	720	0.00	0	0.00
27	Oval Investment Private Limited	392	0.00	0	392	0.00	0	0.00
28	Elegant Investment Pvt. Ltd.	340	0.00	0	340	0.00	0	0.00
29	Alter Investment Pvt. Ltd.	334	0.00	0	334	0.00	0	0.00
	TOTAL	4552965	25.86	0	5000675	28.40	0	2.54



iii. Change in Promoters' Shareholding :

Sr. No.	Name of Shareholders	Shareholding at the beginning of the year (i.e. 01.04.2019)		Cumulative Shareholding during the year (i.e.31.03.2020)	
		No. of Shares	% of Total shares of the company	No. of Shares	% of Total shares of the company
1.	At the beginning of the year	4552965	25.86	4552965	25.86
2.	Data wise Increase / Decrease in Promoters Share holding during the yearspecifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc):	447710	2.54	5000675	28.4
3.	At the end of the year	-	-	5000675	28.4

Note : There was change in Promoter's Shareholding between 01.04.2019 to 31.03.2020

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

Sr. No.	Top 10 Shareholders *	Shareholding at the beginning of the year (i.e.01-04-2019)		Shareholding at the end of the year (i.e.31-03-2020)	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	J. P. Financial Services Pvt. Ltd.	4410751	25.05	4410751	25.05
2	Lend Lease Company (India) Ltd.	490567	2.79	490567	2.79
3	Noble Communications Pvt. Ltd.	295248	1.68	295248	1.68
4	Hindustan Commercial Company Ltd.	0	0.00	289424	1.64
5	Aarkay Investments Pvt. Ltd.	274104	1.56	274104	1.56
6	Minal Bharat Patel	0	0.00	210251	1.19
7	Samarth Parekh	125000	0.71	125000	0.71
8	Nirbhay Bansal	49441	0.28	113981	0.65
9	Ghanshyam Salt & Chemicals Pvt. Ltd.	100000	0.57	100000	0.57
10	KIFS International LLP	93750	0.53	93750	0.53
	Total	5838861	33.16	6403076	36.36

* The shares of the Company are traded on a daily basis and hence the date wise increase / decrease in shareholding is not indicated.

v. Shareholding of Directors and Key Managerial Personnel :

Sr. No.	Folio/Beneficiary Account no	Name of the Shareholder	Designation	Date	Shareholding at the beginning of the year (i.e.01.04.2019)		Cumulative shareholding during the year (i.e.31.3.2020)	
					No. of shares	% of total shares of the company*	No. of shares	% of total shares of the company*
1.	IN30014210555467	Shri Bharat B. Merchant**	Non Executive Independent Director	1-Apr-2019 to 10-Jun-2019	100	-	100	-
2.	-	Shri A. K. Joshi***	MD	do	-	-	-	-
3.	-	Shri Jaskaran S. Khurana****	Managing Director	do	-	-	-	-
4.	-	Ms. Kokila Panchal	Non Executive Independent Director	do	-	-	-	-
5.	-	Shri Vinod Bhatia	Non Executive Independent Director	do	0	0	0	0
6.	-	Shri Rajnikant Patel*****	Non Executive Independent Director	do	0	0	0	0
7.	-	Shri Jaymeen Patel*****	Company Secretary	do	0	0	0	0
8.	-	Shri Pawan Kumar Malsaria	Chief Financial Officer	do	0	0	0	0
9.	-	Shri Harish Punwani*****	Company Secretary	do	0	0	0	0
	Total				100	0	100	0

*negligible

**Resignation as Non Executive Independent Director w.e.f. 10th June, 2019.

*** Resignation as Managing Director w.e.f. 27th September, 2019.

**** Appointment as Managing Director w.e.f. 28th September, 2019.

***** Appointment as Non Executive Independent Director w.e.f. 9th January, 2020.

***** Resignation as Company Secretary w.e.f. 16th January, 2020.

***** Appointment as Company Secretary w.e.f. 24th February, 2020.



V. INDEBTEDNESS

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness of the Company including interest outstanding / accrued but not due for payment				
(i) Principal Amount	12,75,70,974	-	-	12,75,70,974
(ii) Interest Due but not paid	41,57,31,294	-	-	41,57,31,294
(ii) Interest accrued but not due	-	-	-	-
Total (A)	54,33,02,268	-	-	54,33,02,268
Change in indebtedness during the financial year				
(i) Addition	70,87,955	2,00,00,000	-	2,70,87,955
(ii) Reduction	47,33,66,268	-	-	47,33,66,268
(iii) Net Change	-	-	-	-
Total (B)	46,62,78,313	-	-	46,62,78,313
Indebtedness at the end of the Financial year				
(i) Principal Amount	-	-	-	-
(ii) Interest Due but not paid	7,70,23,955	-	-	7,70,23,955
(ii) Interest accrued but not due	-	-	-	-
Total (C)	7,70,23,955	-	-	7,70,23,955

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(amount in ₹)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Shri A. K. Joshi Managing Director*	Shri Jaskaran S. Khurana Managing Director**	
1	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	36,36,770	63,52,390	99,89,160
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	71,684	1,75,479	2,47,163
	(c) Profits in lieu of salary under Section 17(3) of the Income tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission	0	0	0
5	Others: Allowances :			
	(i) Company's Contribution to Provident Fund	1,64,603	2,34,463	3,99,066
	(ii) Company's Contribution to Superannuation Fund	1,50,000	1,50,000	3,00,000
	(iii) Gratuity	65,947	93,936	1,59,883
	(iv) Others	1,61,070	3,27,600	4,88,670
	Total (A)	42,50,074	73,33,868	1,15,83,942
	Ceiling as per the Act	Limited as per Schedule V		

* Resignation as Managing Director w.e.f. 27th September, 2019.

** Appointment as Managing Director w.e.f. 28th September, 2019.

B. REMUNERATION TO OTHER DIRECTORS / INDEPENDENT DIRECTORS

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Shri Bharat B. Merchant*	Ms. Kokila Panchal	Shri Vinod Bhatia	Shri Rajnikant Patel**	
1	Independent Directors					
	Sitting Fee for attending Board Committee Meeting	40000	160000	140000	10000	350000
	Commission	0	0	0	0	0
	Others, Please specify	0	0	0	0	0
	Total (1)	40000	160000	140000	10000	350000
2	Other Non- Executive Directors					
	Sitting Fee for attending Board Committee Meeting	0	0	0	0	0
	Commission	0	0	0	0	0
	Others, Please specify	0	0	0	0	0
	Total (2)	0	0	0	0	0
	Total (B) = (1+2)	40000	160000	140000	10000	350000
	Total Managerial Remuneration	40000	160000	140000	10000	350000
	Overall Ceiling as per the Act					350000

*Resignation as Non Executive Independent Director w.e.f. 10th June, 2019.

**Appointment as Non Executive Independent Director w.e.f. 9th January, 2020.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		Shri Pawankumar Malsaria CFO	Shri Jaymeen Patel Company Secretary*	Shri Harish Punwani Company Secretary**	
1	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	8,67,600	3,57,136	36,223	12,60,959
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	32,400	17,129	2,172	51,701
	(c) Profits in lieu of salary under Section 17(3) of the Income tax Act, 1961	-	-	-	
2	Stock Option	-	-	-	
3	Sweat Equity	-	-	-	
4	Commission	-	-	-	
5	Others,				
	(i) Company's contribution to Provident Fund	56,942	23,584	2,379	82,905
	(ii) Company's contribution to Superannuation Fund	71,177	0	0	71,177
	(iii) Gratuity	22,813	9,449	953	33,215
	(iv) Others	63,600	33,865	2,656	1,00,121
	Total	11,14,532	4,41,163	44,383	16,00,078

* Resignation as Company Secretary w.e.f. 16th January, 2020.

**Appointment as Company Secretary w.e.f. 24th February, 2020.



VI. PENALTIES - PUNISHMENT / COMPOUNDING OF OFFENCES :

Type	Section of the Co.Act, 1956	Brief Discription	Details of penalty/ punishment/ compounding fees imposed	Authority (RD/CLB / COURT)	appeal made, if any
A. Company					
(i) Penalty					
(ii) Punishment					
(iii) Compounding					
B. Directors					
(i) Penalty					
(ii) Punishment					
(iii) Compounding					
C. Other Officers in Default					
(i) Penalty					
(ii) Punishment					
(iii) Compounding					

NIL

ANNEXURE 4 TO THE BOARD'S REPORT

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE AND OUTGO:

Pursuant to section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 the details as on March 31, 2020 are as follows :

1. CONSERVATION OF ENERGY :

The Company continues to emphasize on conservation of energy, power and other energy sources. As a part of continuous efforts, the Company has taken following steps on conservation of energy:

- i. Implementation of the latest know-how in each stages of production resulting into enhancement in productivity levels.
- ii. Planned maintenance and up gradation of machineries and equipments to ensure optimum energy consumption.

The reduction of above energy consumption give impact as reduce the cost of production of goods as well as reduction in specific consumption of electrical energy enhanced the operational efficiency.

2. TECHNOLOGY ABSORPTION:

Following efforts were made towards technology absorption in specific areas in the Research and Development was carried out by the Company:

- a. Developing blends of Cigars, Tipped Cigars, Pipe Tobacco and Smoking Mixture as per requirement and quality standard of International market.
- b. Developing of Slim & Super Slim Cigarettes of various types for global market.
- c. Online monitoring of process control parameters, for achieving high quality of product with optimum yield.
- d. Ongoing development in Packaging in enhancing the appearance in line adopting advanced packaging technologies.
- e. With international quality and also improving the product durability by improving printing Technology to achieve high quality printed packaging material.

Efforts in brief, made towards technology, adaptation and innovation which are as follows :

- i. Use of specific additives for improving product quality and smoke characteristics.
- ii. Monitoring each stage of production to ensure a final product.
- iii. Continues monitoring at each stage of production to ensure proper cost management with best and highest possible standard in quality parameters.
- iv. Offering customer unique products at a competitive price by continuous development work and close monitoring of each stage ensuring control on cost parameters at various stages of production.
- v. Benefits derived as a result of above efforts are quality products at optimized production cost.

Benefits derived from Research & Development :

- i. An appreciable enhancement in export volume, Cigars, & Cigarillos made in various categories of Fruity Flavors resulted in very wide acceptance in the Global Market.
- ii. Resulted a significant entry in the world of highly demanding Slims and Super Slims cigarettes.
- iii. Improved product consistency, yield and minimized fluctuations in tobacco chemistry.
- iv. Offering the customers products with International pack design/appearance in line with premium International Brands.



FUTURE PLAN OF ACTION:

1. Continuous endeavor to improve the efficiency in terms of creating differentiated / Innovative products for the Cigarette business, thereby healthy offer pipeline.
2. Continuous endeavor on smoke delivery reduction in cigarette brand.
3. Develop and establish integrated Vaporiums.
4. The Company will carry out the Research & Development on the above mentioned areas.

EXPENDITURE INCURRED ON THE RESEARCH AND DEVELOPMENT

During the year under review the Research and Development Expenditure are as follows

- i. Revenue Expenditure : ₹ 25.03 Lacks.
- ii. Research and development Expenditure as Percentage of Total Turnover: 0.99 %
- iii. Technology Imported : NIL
- iv. Capital Expenditure : NIL

ACTIVITIES RELATED TO EXPORTS AND FUTURE OUTLOOK:

Though the export market of cigarettes/cigars is highly competitive and is tough due to various restrictions imposed by different countries / governments, the Company has performed reasonably well in export of its various brands and is hope full to enhance the export volume in the years to come.

During the year under review, the Company has exported assorted brands of cigarettes of about 73.19 million sticks aggregating to total FOB Value of Rs. 523.91 **Lacs.**

3. FOREIGN EXCHANGE EARNING AND OUTGO :

Particulars	₹ in Lakhs	
	F.Y.2019-20	F.Y 2018-19
Foreign Exchange Earnings		
(i) Cigarettes	523.91	829.58
(ii) Tobacco	21.19	NIL
(iii) Smoking Mixture	148.87	NIL
Expenditure in foreign currency	3.59	11.71

ANNEXURE 5 TO THE BOARD'S REPORT**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures
for the year ended March 31, 2020**

Part "A": Subsidiaries

(₹ In Lakhs)

Sr. No.	Name of the subsidiary	WESTERN EXPRESS INDUSTRIES LTD.	RAIGADH PAPERS LTD.	GOLDEN INVESTMENT (SIKKIM) P. LTD.	GOLDEN REALTY & INFRASTRUCTURE LTD.	GTC INC B.V.
1.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	N.A.	N.A.	N.A.	N.A.
2.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	N.A.	N.A.	N.A.	N.A.	EURO per ₹ 82.77
3.	Share capital	750.00	150.00	0.60	5.00	15.06
4.	Reserves & surplus	(1,445.47)	(119.94)	29.03	(4,853.84)	(56.78)
5.	Total Assets	258.35	67.74	33.51	11,155.20	-
6.	Total Liabilities	953.82	37.68	3.88	16,004.04	41.72
7.	Investments	167.98	NIL	NIL	NIL	NIL
8.	Turnover	NIL	NIL	NIL	NIL	NIL
9.	Profit/(Loss) before taxation	(0.41)	(1.78)	NIL	(0.89)	NIL
10.	Provision for taxation	(1.55)	NIL	NIL	NIL	NIL
11.	Profit/(Loss) after taxation	(1.96)	(1.78)	NIL	(0.89)	NIL
12.	Proposed Dividend	NIL	NIL	NIL	NIL	NIL
13.	% of shareholding	100	100	99.97	100	100
Notes:						
1.	Names of subsidiaries which are yet to commence operations	None	None	None	None	None
2.	Names of subsidiaries which have been liquidated or sold during the year.	None	None	None	None	None

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sr. No.	Name of the subsidiary	WESTERN EXPRESS INDUSTRIES LTD.	RAIGADH PAPERS LTD.	GOLDEN INVESTMENT (SIKKIM) P. LTD.	GOLDEN REALTY & INFRASTRUCTURE LTD.	GTC INC B.V.
1.	Name of Associates/Joint Ventures	None	None	None	None	None
2.	Latest audited Balance Sheet Date	N.A.	N.A.	N.A.	N.A.	N.A.
3.	Shares of Associate/Joint Ventures held by the company on the year end					
	i. No.	N.A.	N.A.	N.A.	N.A.	N.A.
	ii. Amount of Investment in Associates/Joint Venture	N.A.	N.A.	N.A.	N.A.	N.A.
	iii. Extend of Holding %	N.A.	N.A.	N.A.	N.A.	N.A.
4.	Description of how there is significant influence	N.A.	N.A.	N.A.	N.A.	N.A.
5.	Reason why the associate/joint venture is not consolidated	N.A.	N.A.	N.A.	N.A.	N.A.
6.	Networth attributable to Shareholding as per latest audited Balance Sheet	N.A.	N.A.	N.A.	N.A.	N.A.
7.	Profit / Loss for the year					
	i. Considered in Consolidation	N.A.	N.A.	N.A.	N.A.	N.A.
	ii. Not Considered in Consolidation	N.A.	N.A.	N.A.	N.A.	N.A.
Notes:						
1.	Names of associates or joint ventures which are yet to commence operations.	None	None	None	None	None
2.	Names of associates or joint ventures which have been liquidated or sold during the year.	None	None	None	None	None

For and on behalf of the Board of Directors

Jaskaran S Khurana
Managing Director
DIN : 00005035
New Delhi, June 30, 2020

Kokila Panchal
Director
DIN : 07144653
Mumbai, June 30, 2020

Pawan Kumar Malsaria
Chief Financial Officer
Vadodara, June 30, 2020

Harish Punwani
Company Secretary
M.No. A-50950
Vadodara, June 30, 2020



ANNEXURE 6 TO THE BOARD'S REPORT

Disclosure on the Remuneration of the Managerial Personnel:

A. Pursuant to section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the details are as follows:

- The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year : Shri A. K. Joshi 1:55 and Shri Jaskaran S. Khurana 1:33. During the financial year no increment was given to any of its employees and Managerial Personnel of the Company.
- The percentage increase in remuneration of each Director, Managing Director, Chief Financial Officer and the Company Secretary in the financial year : **NIL**
- The percentage increase in the median remuneration of employees in the financial year: **NIL**
- The number of permanent employees on the Rolls of Company as on March 31, 2020: **123**
- Comparison of the remuneration of the KMP's against the performance of the Company; Remuneration of the KMP's as % of the PAT for financial year 2019-20 is **NIL** (due to accumulated losses). The Company's PAT during the financial year was **NIL**
- Variations in the market capitalization of the Company, Earning Per Share as at the closing date of the current financial year and previous financial year is as follows:

Particulars	March 31, 2020	March 31, 2019	% Change
Market Capitalization (₹ in lakhs)	3468.93	7915.16	(56.17)
Earning Per Share	(13.18)	11.07	219.06

- Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer: **N/A** (as the company has never issued public offer)
- Comparison of remuneration of the Key Managerial Personnel (KMP) against the performance of the Company:
Each KMP is granted salary based on their qualification, experience, nature of job, industry norms earlier salary etc. and some other factors. Accordingly, the comparison of one against other is not feasible. The performance of the Company is not up to the mark and quit not satisfactory during the year under review.

(INR in Lakhs)

Particulars	Shri A. K. Joshi (Managing Director) (upto 27.09.2019)	Shri Jaskaran S. Khurana (Acting Managing Director) (w.e.f. 28.09.2019)	Shri Pawan Malsaria (Chief Financial Officer)	Shri Jaymeen Patel (Company Secretary) (upto 16.01.2020)	Shri Harish Punwani (Company Secretary) (w.e.f. 24.02.2020)
Remuneration in FY 19-20 (₹)	40.07	81.91	9.96	4.24	0.39
Revenue (₹)	2324.55	2324.55	2324.55	2324.55	2324.55
Remuneration as % of revenue	1.17	3.50	0.43	0.18	0.02

- The key parameters for any variable component of remuneration availed by the directors:
Upon the recommendation of the NRC and as per the policy of the Company the Executive Directors and Managing Director is entitled to get Variable performance Pay. The detail is provided in the corporate governance report.
- The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: **NIL**

- k. Affirmation that the remuneration is as per the remuneration policy of the Company. The Company affirms remuneration is as per the remuneration policy of the Company.
- l. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: **NIL**
- B.** Information of employees drawing remuneration of ₹ 1.02 crores per annum or ₹ 8.50 Lacs per month for part of the year or more pursuant to Rule 5(2) of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Name	Designation	Qualification (yrs.)	Age (in yrs.)	Experience	Date of Joining	Gross remuneration paid (₹)	Previous employment and designation
Shri A. K. Joshi*	Managing Director	B.Com. F.C.A.	62	38	01.02.1993	101,86,239	Chinar Exports Ltd. Sr. Manager Fin. & A/cs.
Shri Jaskaran S. Khurana **	Managing Director	B.Com (H), MBA.	48	23	01.11.2010	121,90,248	Dalmia Brothers Pvt. Ltd. (DGM)

*Resignation as on 27.09.2019.

**Appointment w.e.f.28.09.2019.



ANNEXURE 7 TO THE BOARD'S REPORT

FORM NO. AOC -2

(Pursuant to Clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014:

Pursuant to section 188 (1) of the Companies Act, 2013 particulars of contracts/arrangements entered into by the Company with related parties are as follows:

1. Details of contracts or arrangements or transactions not at Arm's length basis. NIL

Sl. No.	Particulars	Details
1	Name (s) of the related party & nature of relationship	NIL
2	Nature of contracts/arrangements/transaction	NIL
3	Duration of the contracts/arrangements/transaction	NIL
4	Salient terms of the contracts or arrangements or transaction including the value, if any	NIL
5	Justification for entering into such contracts or arrangements or transactions'	NIL
6	Date of approval by the Board	NIL
7	Amount paid as advances, if any	NIL
8	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NIL

2. Details of contracts or arrangements or transactions with related party at Arm's length basis. NIL

SL. No.	Particulars	Details				
		Nature of Transaction	Duration of Contract	Date of Board Approval	Salient feature of contract and Value paid/Payable	Advance paid, if any
1.	Smt. Namrata Joshi W/o Shri Ashwin Joshi					
2.	Smt. Ivleen Khurana W/o Shri Jaskaran Khurana					
3.	Shri.Mohanbhai T. Patel F/o Shri Jaymeen Patel			N/A		
4.	Smt. Savita Malsaria W/o Shri Pawan Kumar Malsaria					

***Note:** Since related party transactions are in the ordinary course of business and on arm length basis, provisions of section 188(1) of the Companies Act, 2013 ("the Act") would not be applicable and accordingly particulars as contemplated under section 134(3)(h) read with section 188(1) of the Act, in the format under Rule 8(2) of the Companies (Accounts) Rules, 2014 are not applicable and accordingly not given.

For and on behalf of the Board

Place : Vadodara
Date : November 12, 2020

Kokila Panchal
Independent Director

Pawan Kumar Malsraia
Wholetime Director & CFO

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1) Industry Structure and Developments

a) Economic Environment

The Global Economy is facing a threat caused by unfortunate outbreak of COVID-19 pandemic at the start of 2020 instigated an unprecedented health and economic crisis around the world. The lockdowns and restrictions in movement and travel have had extensive effects on global economy. Widespread outbreaks and containment measures deployed by various governments have seen the projected growth of developed economies contract by 6.1%. Besides the unprecedented health crisis, emerging markets have to survive through the challenging financial conditions, massive external demand shocks and volatile commodity prices. Emerging markets are expected to contract by 1.0% in 2020 & other markets are expected to contract by 4.7%. The economic crisis caused from the pandemic has resulted in extreme uncertainty around forecasting growth prospects of various economies, industries and companies. Major central banks have taken significant steps to reduce systemic stress by offering large scale monetary stimulus packages and lending facilities. These central bank policies aimed to strengthen confidence levels contain the impact of the pandemic and also better position countries for rapid economic recovery. In view of the market challenges, the IMF has revised its Global GDP forecast to a decline of 3.0% in 2020, with the global economy likely to experience a severe recession.

b) Tobacco Industry

Over the years, tobacco has become an essential part of the Indian socio-cultural environment. The Indian cigarettes industry is passing through tough times due to strict government policies. Cigarette taxes in India are among the highest in the world. Therefore, high tax rates make cigarettes unaffordable to a large section of consumers. As a result, they shift towards the consumption of beedi and other forms of smokeless tobacco. Hence, the overall tobacco market has experienced slow growth. Consequently, all the players in cigarette industries are facing pricing, margin pressures & downfall caused by COVID-19. India's current taxation policy and regulatory regime is somewhat skewed against cigarettes over the years. It has led to the share of legal cigarettes continue decline, even if overall tobacco consumption has increased in India. The rest of the damage has been caused due to the spread of COVID-19 at a Global Level.

c) Regulation and Taxation

The regulatory environment has gotten stricter day by day since last many years. After GST come in picture Cigarette taxes (28% GST, and 5% to 36% cess + Cess on Quantity and length basis) in India are among the highest in the world, though it is imperative that revenue sensitive goods like cigarettes are subjected to uniform standard rates of tax applicable to general category of goods to ensure revenue buoyancy and rein in the growth of illicit trade.

Considering the consumption-tax revenue ratio of the overall segment of smoked tobacco, legal cigarettes account for ~10% of consumption and ~86% of tax revenues. This implies that even though smokeless tobacco has the highest rate of consumption, more revenue is earned from legal cigarettes

2) Opportunities, Threats and Future Outlook

The present COVID – 19 situations is the biggest threat to the tobacco sector. Anti smoking campaign has been gaining momentum due to spread of Corona Virus and is now resulting in a decline in the incidence of smoking. Many State Governments have also been issued no smoking advisories in public and has also banned/restricted sale of loose cigarettes in many states which is likely to impact substantially in the volume of cigarette industry.

3) Segment Wise Performance

Your Company is uni-product Company and accordingly segment wise or product wise performance reporting is not applicable to your Company.



4) **Risk Management and Concerns**

Risk Management forms an integral part of your Company's operations. Your Company continues to focus on a system based approach to business risk management. It broadly involves identification & potential risks, their analysis and impact as also risk mitigation initiatives to address the same. The Company's Risk Management Committee oversees the risk management Process.

5) **Internal Control System and their Adequacy**

Internal controls encompass a set of rules, policies and procedures to provide reasonable assurance for achievement of the organizational objectives in operational effectiveness and efficiency, reliable financial reporting and compliance with laws, regulations and policies. Your Company's internal control systems are commensurate with the size and nature of its operations, which records transactions and operations; ensures protection against misuse or loss of the Company's assets; ensures efficiency in operations of the plant and facilitates transparency and accuracy of financial reporting. Under the system, the Internal Audit department monitors the effectiveness of the internal control systems and to review the existing financial and operating controls. These reports are placed before the Audit committee. The system is assisted by an Enterprise Resource Planning (ERP) package

6) **Discussion on Financial Performance with respect to operational performance**

The performance of your Company's operations remained subdued and extremely challenging during the year 2019-20 due to unprecedented pressure on the legal cigarette industry in India and spread of corona virus also to be taken in account for the cumulative impact of steep increase in taxation and intense regulatory pressures including other reasons as explained in the Boards' Report has adversely affected the business of the Company. However, the net turnover for the year 2019-20 was Rs 23.43 crores as against Rs. 76.08 crores of the 2018-19. The net profit for the year was Rs (6.04) crores against Rs 26.96 crores loss of the previous year.

7) **Material Development in Human Resources/ Industrial Relations**

Your Company's Human Resources Management Systems and process are aimed to create a responsive market focused and customer centric and endeavors to move ahead with its most valuable resources, its employees. Your Company is engaged in a constructive relationship with employees with an emphasis on productivity and efficiency and underline safe working practices. As on March 31, 2020 employee strength on roll was 123.

8) **Cautionary Statement**

The statement made in the Management Discussion and Analysis is a based on the current scenario and inputs available to the Directors and is a forward looking statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied and important factors that could make a difference. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent development, information or events or otherwise.

CORPORATE GOVERNANCE REPORT

I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy of Corporate Governance is the application of continued best management practices assisting the management of the Company in the efficient conduct of its business, continued compliance of laws and adherence of highest ethical standards to achieve the Company's objective of enhancing the shareholders values. The Company's philosophy on the Code of Governance is based on the belief that effective Corporate Governance practices constitute a strong foundation of any successful organization and accordingly the Company's actions are governed by principles and values which are enforced at all levels within the Company.

Corporate Governance signifies acceptance by management of the inalienable rights of shareholders as the true owner of the Company and of their own role as trustees on behalf of the shareholders. The Company firmly believes that its affairs shall be conducted by following the best practices and principles, irrespective of its relation to the customers, employees, stakeholders or the community. It endeavors to provide detailed information on various issues concerning the Company's business and financial performance to the shareholders.

Your Company is in compliance with the requirements of Corporate Governance stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

II. THE BOARD OF DIRECTORS

The composition of the Board of Directors ('Board') of your Company is in conformity with Regulation 17(1) of Listing Regulations. The Company does not have a regular non-executive chairperson and accordingly atleast half of the Board of directors comprises of independent directors. The Board reviews and approves strategy; oversees the actions and results of Management to ensure that the long-term objectives of enhancing stakeholders' value and other stakeholder's interest are met.

The Managing Director / Executive Director of the Company is looking after the day to-day Management of your Company. The Non-Executive Directors comprise of three Independent Directors, who possess requisite qualifications and experience in general corporate management, finance and other allied fields which enable them to contribute effectively to the Company in their capacity as Directors.

Apart from reimbursement of expenses incurred in the discharge of their duties and the remuneration that Directors would be entitled under the Companies Act, 2013 ('the Act') as Non-Executive Directors, none of these Directors has any other material pecuniary relationships or transactions with the Company, its Promoters, its Directors, its Senior Management or its Subsidiaries and Associates which in their judgment would affect their independence. None of the Directors are inter-se related to each other. The Senior Management of the Company have made disclosures to the Board confirming that there are no material financial and/or commercial transactions between them and the Company which could have potential conflict of interest with the Company at large.

a. Composition of the Board

The Board comprises of 4 Directors as on March 31, 2020. The names and categories of Directors, the number of Directorships and Committee positions held by them in other companies are given below. None of the Executive Directors is an Independent Director in more than 3 listed companies and none of Non-Executive Directors is an Independent Director in more than 7 listed companies. None of the Director on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees [as specified in Regulation 26(1) of Listing Regulations], across all the listed entities.

b. Board Procedure

The Board of Directors oversees the overall functioning of the Company. The Board meetings are governed by the structured agenda. The Company Secretary drafts the agenda of each meeting along with explanatory note in consultation with Executive Director and circulates at least seven days prior to the Board meeting to all its directors. All agenda items are backed up with comprehensive background information to enable the Board to take informed decisions. The Board Members in consultation with the Chairman of the meeting may bring up any matter for the consideration of the Board. The dates of Board meetings are fixed in advance in consultation with all the directors individually as per their convenience with objective to ensure the presence of all the independent directors in the Board Meetings. The Board meets at least once in a quarter to review the quarterly results and other items on the agenda, and also on the occasion of the AGM.



The gap of each Board meeting is not more than 120 days as prescribed under Listing Regulations read with the Companies Act. Additional meetings are held whenever necessary. Independent Directors are expected to attend at least four Board meetings in the year.

c. Number of Board Meetings, Attendance of Directors at Meetings of the Board and at the Annual General Meeting

During the year under review, six meetings of the Board were held i.e. on 1) May 30, 2019, 2) August 9, 2019, 3) October 14, 2019, 4) November 14, 2019, 5) December 30, 2019 and 6) February 10, 2020. The attendance of the directors at the Board meetings and previous AGM are as follows:

Name of Director	Previous AGM held on 30.12.2019	Meeting held on						% of attendance
		30.5.19	09.08.19	14.10.19	14.11.19	30.12.19	10.2.20	
Shri A.K.Joshi*	NA	Yes	Yes	NA	NA	NA	NA	100
Shri Jaskaran S. Khurana	Yes	Yes	Yes	Yes	Yes	Yes	Yes	100
Shri Bharat B. Merchant**	NA	Yes	NA	NA	NA	NA	NA	100
Ms. Kokila Panchal	Yes	Yes	Yes	Yes	Yes	Yes	Yes	100
Shri Vinod S. Bhatia	Yes	Yes	Yes	Yes	Yes	Yes	Yes	100
Shri Rajnikant Patel***	NA	NA	NA	NA	NA	NA	Yes	100

Note:

*Resigned from Directorship w.e.f. September 27, 2019

**Resigned from Directorship w.e.f. June 10, 2019

***Appointed as an Independent Director w.e.f. January 9, 2020

Sr. No	Name of Director	Designation	Age	Listed Companies	All other Public Companies	Committee Members	Chair-person of the Committees
1	Shri Jaskaran S. Khurana	Managing Director	46	1	-	2	-
2	Ms. Kokila Panchal	Non Executive Independent Director	72	1	-	0	2
3	Shri Vinod S. Bhatia	Non Executive Independent Director	71	1	-	2	-
4	Shri Rajnikant Patel*	Additional Non-Executive Independent Director	70	1	-	0	-

Note

1. Including Golden Tobacco Ltd. & its subsidiary Companies.

2. Memberships in unlisted public companies are excluded.

3. Membership in NRC is excluded.

*Appointed as an Independent Director w.e.f. January 9, 2020

d. Listed entities in which the Directors hold position as Director and category of Directorships as on March 31, 2020:

Name of Directors	Name of Companies	Category of Directorships
Shri Jaskaran S. Khurana*	Golden Tobacco Limited	Managing Director
Ms. Kokila Panchal	Golden Tobacco Limited	Non-Executive Independent Woman Director
Shri Vinod S. Bhatia	Golden Tobacco Limited	Non-Executive Independent Director
Shri Rajnikant Patel**	Golden Tobacco Limited	Additional Non-Executive Independent Director

Note

*Resigned from Directorship on August 29, 2020

**Appointed as a Director w.e.f. January 9, 2020

e. List of core skills/expertise/competencies as identified by the Board of Directors of the Company as required in the context of Company's business and sector for it to function effectively and those actually available with the Board:

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

Sr. No.	Name of Directors	Skills/Expertise/Competencies
1	Shri Jaskaran S. Khurana*	Expertise in Finance, Production and Strategy, Planning and International Business
2	Ms. Kokila Panchal	Legal Acumen
3	Shri Vinod S. Bhatia	Legal Acumen
4	Shri Rajnikant Patel**	Expertise in Engineering, Technical, Marketing & Sales

Note

*Resigned from Directorship on August 29, 2020

**Appointed as a Director w.e.f. January 9, 2020

f. Annual Evaluation of Board, its Committees and Individual Directors:

A formal evaluation of the performance of the Board, its committee and the Independent Directors was carried out for FY 2019-20.

As a part of evaluation process, the performance of Non-Independent Directors and the Board was conducted by the Independent Directors. The performance evaluation of the respective committees and that of Independent and Non-Independent Directors was done by the Board excluding the Director being evaluated.

g. Directors' familiarisation programme:

Independent Directors inducted to the Board have been introduced to our Company culture through appropriate orientation sessions and have been familiarized with their roles, rights, responsibility in the Company pursuant to Regulation 25 of the Listing Regulations. Presentations were made by the Managing Director and the members of Senior Management to provide an overview and to familiarize the Independent Directors with our operations. They were also introduced to our organizational structure, our services, company structure, constitution, Board procedures, matters reserved for the Board, and our major risks and risk management policy. The details of the familiarization program for the Independent Directors have been placed on the website of the Company at www.goldentobacco.in.

III. AUDIT COMMITTEE:

Constitution of the Audit Committee of the Company as well as its terms of reference are in line with the provisions of Regulation 18 of the Listing Regulations read with section 177 of the Act as also other matters referred to it by the Board of Directors from time to time.

During the Financial Year ended on March 31, 2020 four meetings of the Audit Committee were held on 1) May 30, 2019, 2) August 09, 2019, 3) November 14, 2019, and 4) February 10, 2020. The composition & attendance details of the audit committee meetings are as follows:

Name	Designation	No. of Meetings	
		Held during the tenure of Director	Attended
Shri Bharat B. Merchant*	Chairman	1	1
Smt. Kokila Panchal#	Member	4	4
Shri A.K. Joshi**	Member	2	2
Shri Vinod S. Bhatia	Member	4	3
Shri Jaskaran S. Khurana***	Member	4	2

*Resigned from directorship w.e.f. 10.06.2019

**Resigned from directorship w.e.f. 27.9.2019

***Resigned from directorship w.e.f. 29.08.2020

Smt. Kokila Panchal was appointed as the Chairperson of the Committee w.e.f. 09.08.2019



The Managing Director, Chief Financial Officer, Statutory Auditors and Internal Auditors are permanent invitees to the meeting and attend and participate at the meetings of Committee. The minutes of each Audit Committee meeting are placed in the next meeting of the Board. The Audit Committee also communicates with the internal and external auditors separately, without the presence the management representatives.

Shri Harish Punwani, Company Secretary acts as the Secretary to the Audit Committee.

The chairperson of the audit committee, Ms. Kokila Panchal was present at the Annual General Meeting of the Company held on 30th December, 2019.

The terms of reference of the Audit Committee generally includes:

- examination of Financial Statements and Statutory Auditors' report thereon and discussion of any related issues with the Internal & Statutory Auditors and the management of the Company;
- approval or any subsequent modification of arrangements / transactions of the Company with related parties;
- evaluation of internal financial controls;
- evaluation of risk management system;
- review of Company's financial reporting processes and the disclosure of financial information to ensure that the Financial Statements are correct, sufficient and credible.

IV. **NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee (NRC) of the Company is constituted in line with the provisions of Regulation 19 of Listing Regulations read with section 178 of the Act.

During the Financial Year ended on March 31, 2020 two meeting of the Nomination and Remuneration Committee were held i.e. 1) May 30, 2019 and 2) October 14, 2019. The composition & attendance details are as follows:

Name	Designation	No. of Meetings	
		Held during the tenure of Director	Attended
Shri Bharat B. Merchant*	Chairman	1	1
Ms. Kokila Panchal	Member	2	2
Shri Vinod S. Bhatia#	Member	2	2
Shri Rajnikant Patel**	Member	NA	NA

*Resigned from directorship w.e.f 10.06.2019

** Appointed as a Director w.e.f. 09.01.2020

Shri Vinod S. Bhatia was appointed as the Chairperson of the Committee w.e.f. 09.01.2020

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

The terms of reference of the Committee include:

- Formulation of the remuneration policy, for the Directors, Key Managerial Personnel and other employees
- Formulation of criteria for evaluation of Independent Directors and the Board
- Devising a policy on Board diversity
- Identifying persons for Board and senior management positions.

The committee acts as a link amongst the management and the Board of Directors.

V. **REMUNERATION POLICY:**

The Nomination and Remuneration Committee determines and recommends to the Board, the remuneration payable to Directors. Remuneration of all the Executive Directors is approved by the shareholders and disclosed separately in the financial statements. The annual remuneration of the executive director(s) is approved by the nomination and remuneration committee and the Board of Directors which is then placed before the shareholders at their meeting. The details of the remuneration policy adopted by the Company have been disclosed on the website of the Company at www.goldentobacco.in.

Remuneration to Executive Directors

The Company pays remuneration by way of salary, benefits, perquisites and other allowances i.e. contribution to provident fund, superannuation fund and gratuity and encashment of leave etc. as per the policy and relevant applicable laws if any at the end of services/tenure to its Managing Director and the Executive Directors and senior management personnel of the Company. The remuneration payable to the Managing Director and Executive Directors is governed by the Remuneration package approved by the Board and Members of the Company. The Annual increment is decided by the Nomination and Remuneration Committee within the salary scale approved by the members of the Company. However, the Managing Director and Executive Directors of the Company are entitled to get a Variable Performance Pay (VPP) based on their performance and as per the Company's Policy. During the year under review Shri Jaskaran S. Khurana was eligible to get 50% of its VPP as he achieved the export target during the year. The remuneration paid/payable to the Executive Directors for the financial year ended March 31, 2020 are as follows:

(In Lakhs)

Particulars	Shri Jaskaran S. Khurana*	Shri A. K. Joshi**
Salary	22.54	13.72
Perquisites	55.98	24.29
Retiral benefits	NIL	NIL
Commission, bonus and performance linked incentives	NIL	NIL
Other benefits	NIL	NIL
Stock Options	NIL	NIL
Total	NIL	NIL
Equity shares held as on 31.03.2020	NIL	NIL
Service Contract (Tenure)	NIL	NIL
Notice Period	NIL	NIL
Severance Fees	NIL	NIL

Note:

*Resigned from directorship w.e.f. 29.08.2020

**Resigned from directorship w.e.f. 27.09.2019

Remuneration/Sitting fees to Non-Executive Directors

The Non-Executive Independent Directors are paid remuneration by way of sitting fees. No other remuneration is being paid to them. The remuneration paid to the Non-Executive directors for the financial year ended March 31, 2020 is as follows:

(In Lakhs)

Name	Sitting Fees	Total
Shri Bharat B. Merchant *	0.40	0.40
Smt. Kokila Panchal	1.60	1.60
Shri Vinod Bhatia	1.40	1.40
Shri Rajnikant Patel**	0.10	0.10
Sub Total	3.50	3.50

Note:

*Resigned from directorship w.e.f. 10.06.2019

** Appointed as a Director w.e.f. 09.01.2020

There have been no materially significant related party transactions, pecuniary transactions or relationships between the Company and its Directors that may have potential conflict with the interests of the Company at large.

Apart from drawing sitting fees, none of the Independent Directors have any other material pecuniary relationship or transactions with the Company, its promoters, its management or its subsidiaries, which in the judgment of the Board would affect the independence or judgment of Directors.



VI. **STAKEHOLDERS' RELATIONSHIP COMMITTEE:**

The Stakeholders' Relationship Committee (SRC) of the Company is constituted in line with the provisions of Regulation 20 of Listing Regulations and section 178 of the Act. The Committee has the mandate to review and redress shareholder grievances and inter-alia approves transmission of shares, sub division/consolidation / renewal /issue of duplicate share certificate etc.

During the financial year ended on March 31, 2020 four meetings of the Stakeholders' Relationship Committee were held on 1) May 30, 2019, 2) August 9, 2019, 3) November 14, 2019 and 4) February 10, 2020. The composition & attendance details are as follows:

Name	Designation	No. of Meetings	
		Held during the tenure of Director	Attended
Shri Bharat B. Merchant*	Chairman	1	1
Ms. Kokila Panchal#	Member	4	4
Shri Jaskaran S. Khurana	Member	4	4
Shri Vinod S. Bhatia**	Member	3	3

*Resigned from directorship w.e.f 10.06.2019

** Appointed as a Director w.e.f. 09.08.2019

Smt. Kokila Panchal was appointed as the Chairperson of the Committee w.e.f.09.08.2019

During the financial year under review no complaints have been received through SEBI Complaints Redress System (SCORES). There were no investor complaints, which remained unresolved at the end of the year. The Company receives several requests, either directly or through its RTA, such as, issue of duplicate share certificates, transmission of shares, dematerialization of shares etc. and such requests are addressed and resolved within the prescribed timelines, subject to completion of required formalities by the shareholders.

Shri Jaymeen Patel, Company Secretary was designated as Compliance Officer up to 16.01.2020. Consequent to his resignation, Shri Harish Punwani, Company Secretary was designated as a Compliance Officer w.e.f 24.02.2020.

Link Intime India Private Limited, registrar and share transfer agent of the Company attends to all the grievances of the stakeholders. The Committee expressed satisfaction with the company's performance in dealing with investor grievance and its share transfer system. The details of complaints received, cleared and pending during the financial year 2019-2020 are given as under:

Nature of Complaints	Received	Cleared	Pending
Letters from SEBI / SCORES Site	2	2	0
Letters from Depositories	NIL	NIL	NIL
Letters from Ministry of Corporate Affairs	NIL	NIL	NIL
Letters from Stock Exchanges	NIL	NIL	NIL

There are no grievances of stakeholders' remaining unattended / unresolved as every effort is made at all levels to immediately redress stakeholders' grievances without delay.

RISK MANAGEMENT COMMITTEE (NON MANDATORY COMMITTEE):

The Company has constituted a Risk Management Committee to assist the Board in fulfilling its corporate duties by overseeing the responsibilities with regard to the identification, evaluation and mitigation of operational, strategic and environmental risks. The Committee has the overall responsibility of monitoring and approving the risk policies and associated practices of the Company.

During the Financial Year ended March 31, 2020, one meeting of the Risk Management Committee was held on May 30, 2019. The composition & attendance details are as follows:

Name	Designation	No. of Meetings	
		Held during the tenure of Director	Attended
Shri A.K. Joshi*	Chairman	1	1
Shri Jaskaran S. Khurana**	Member	1	1
Shri Pawan Kumar Malsaria, CFO	Member	1	1

Note

*Resigned from directorship w.e.f. 27.9.2019

**Resigned from directorship w.e.f. 29.08.2020

VII. GENERAL BODY MEETINGS:

Financial Year	Venue	Day, Date and Time	Special Resolutions passed
2016-17	Registered Office of the Company at Darjipura, Post- Amaliyara, Vadodara, 390022. Gujarat.	Tuesday, July 18, 2017 at 12.15 P.M.	NIL
2017-18	Registered Office of the Company at Darjipura, Post- Amaliyara, Vadodara, 390022. Gujarat.	Thursday, December 27, 2018 at 10.30 A.M	NIL
2018-19	Registered Office of the Company at Banyan Paradise Resort, Near Dumad Road, Vemali, Vadodara - 390008. Gujarat.	Monday, December 30, 2019 at 10.30 A.M	NIL

a) **Postal Ballot:**

During the year ended March 31, 2020, no resolution was passed by postal ballot. Hence, disclosure under this section is not applicable.

At the forthcoming Annual General Meeting, there are no special resolutions for which the Listing Regulations or the Act has recommended / mandated postal ballot and there is no proposal to pass any resolution through postal ballot. Special resolutions by way of Postal Ballot, if required to be passed in the future, will be decided at the relevant time.

b) **Extra Ordinary General Meeting (EGM) :**

No Extraordinary General Meeting of the members was held during the year 2019-20.

VIII. MEANS OF COMMUNICATION TO THE SHAREHOLDERS

The Company has been regularly uploading on online platform of Stock Exchanges within 30 minutes of closure of the Board Meeting, Annual Audited as well as quarterly un-audited results to both the Stock Exchanges, BSE & NSE, after they are approved by the Board of Directors. All the information is submitted to NEAPS portal of NSE and Listing Centre of BSE.

Quarterly, half-yearly and annual results are published in prominent daily newspapers such as the Business Standard in English language and Loksatta in Vernacular language. The Company also informs Stock Exchanges in a prompt manner, all price sensitive information or such other matters, which in its opinion are material & relevant for the shareholders and subsequently issues a press release on the said matters.

The Company's website www.goldentobacco.com contains information on the Company and its performance. Presentations to analysts made, if any are immediately put on the website for the benefit of the shareholders and the public at large.

Annual Report

Annual Reports, notice of the meetings and other communications to the Shareholders are usually sent through e-mail, post or courier.

The Company will send Annual Report through e-mail to the members whose e-mail is updated in the records & remaining shareholders whose e-mail is not updated, physical copies of Annual Report will be despatched to them through courier.



IX. GENERAL SHAREHOLDER INFORMATION:

64 th Annual General Meeting : (Day, Date and Time)	December 30, 2020 at 11:00 A.M.
Venue	Registered Office of the Company at Darjipura, Post- Amaliyara, Vadodara, 390022. Gujarat.
Financial Year	April 1, 2019 to March 31, 2020
Book Closure / Record Date	December 24, 2020 To December 30, 2020.
Dividend	NIL (last declared in the year 1994-95 financial year)
Registered Office	At Darjipura, Post - Amaliyara, Vadodara, 390022. Gujarat
Stock Exchanges	i. National Stock Exchange of India Ltd. (GOLDENTOBC) Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex Bandra (E) Mumbai - 400 051. ii. BSE Ltd. (Scrip Code: 500151) Phiroze Jeejeebhoy Towers, Dalal Street Mumbai- 400001
	Listing fees for the year 2020-21 have been paid to both the stock exchanges within stipulated time.
Cut Off Date for Remote- e-voting	December 23, 2020
Remote e-voting period	December 27, 2020 to December 29, 2020 (three days)
Corporate Identity Number (CIN)	L16000GJ1955PLC067605
ISIN	INE973A01010

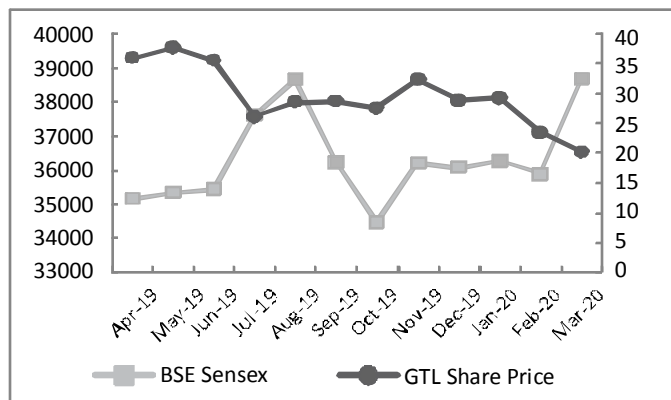
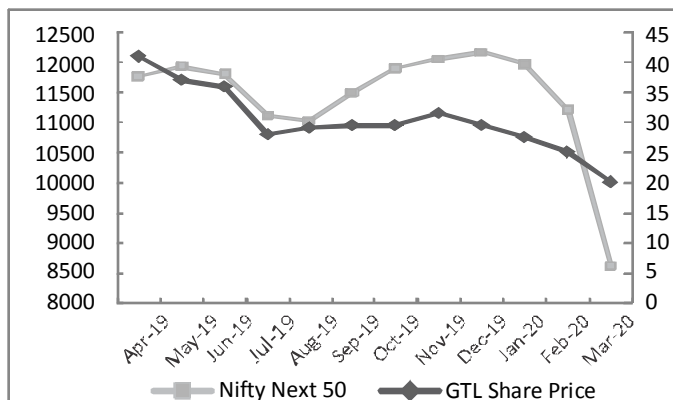
Financial Calendar for the year 2020-21 is as follows:

Nature of Event	Dates
Audited Annual Financial Results for the year ended March 31,2020	On June 30, 2020 (actual)
Un audited Financial Results for the Quarter ended June 30, 2020	On September 11 , 2020 (actual)
Un-audited Financial Results for the quarter ended Sept.30, 2020	On November 12, 2020 (actual)
Un audited Financial Results for the quarter ended December 31, 2020	By February 15, 2020
Audited financial results for the year ended March 31, 2021	By May 30, 2021

Market Price Data for the financial year 2019-20

High, Low (based on the closing prices) during each month of the year 2019-20 on the National Stock Exchange of India Ltd. and BSE Ltd. is as follows:

Date	BSE		BSE - SENSEX		NSE		NSE - NIFT	
	High (₹)	Low (₹)	High (₹)	Low (₹)	High (₹)	Low (₹)	High (₹)	Low (₹)
Apr-19	35.90	35.90	39105.88	38753.46	40.95	38.20	11756.25	11655.90
May-19	36.00	37.55	40122.34	39374.24	37.00	35.10	12039.25	11829.45
Jun-19	33.35	35.45	39675.25	39361.92	35.95	31.00	11871.70	11775.50
Jul-19	26.00	26.00	37576.37	37128.26	28.00	24.15	11145.30	10999.40
Aug-19	28.55	28.55	37397.97	36829.81	29.10	27.80	11042.60	10874.80
Sep-19	28.00	28.70	38873.12	38401.09	29.50	28.40	11508.25	11390.80
Oct-19	27.50	27.50	40392.22	40054.89	29.45	26.15	11945.00	11855.10
Nov-19	30.75	32.25	41143.22	40664.18	31.50	30.85	12147.40	12017.40
Dec-19	28.80	28.80	41607.49	41184.73	29.50	27.85	12247.10	12151.80
Jan-20	26.75	29.20	41154.49	40671.01	27.50	26.40	12103.55	11945.85
Feb-20	23.25	23.40	39087.47	38219.97	24.95	23.00	11384.80	11175.05
Mar-20	19.15	20.10	29770.88	28667.36	20.15	19.65	8678.30	8358.00

Performance of Share Price in comparison to BSE Sensex:**Performance of Share Price in comparison to Nifty Next 50:****Shareholding Pattern as on March 31, 2020 is as follows:**

Sr.	Shareholders	No. of Demat Shares	No. of Physical Share	Total	% of Shares
1	Promoters	4552965	-	4552965	25.86
2	Directors*	180	-	180	0.00
3	Clearing Members	41331	-	41331	0.23
4	Financial Institutions / Bank	145	9015	9160	0.05
5	Mutual Funds	190	850	1040	0.01
6	Foreign Portfolio Investors	3917	-	3917	0.02
7	Bodies Corporate	7303829	21354	7325183	41.60
8	Non-Resident	54982	18150	73132	0.42
9	General Public	3709349	1337523	5046872	28.66
10	HUF	253705	-	253705	1.44
11	NBFCs	301317	-	301317	1.71
	Total	16221910	1386892	17608802	100.00

***Negligible**

complete the transaction by updating the account. There is no need for a separate communication to the company to register the transfer.

Registrar and Share Transfer Agent

Share Transfer and all other Investor's /Shareholder's related activities are attended and processed by our Registrar and Transfer Agent. For lodgment of transfer deeds and any other documents with M/s. Link Intime India Pvt. Ltd., C-101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai 400 083. Tel. No.(022) 49186000 Fax: (022) 49186060. Email: rnt.helpdesk@linkintime.co.in. However, shareholders holding shares in the electronic mode should address all correspondence to their respective Depository Participants.

Share transfer system

As per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialized form with the depositories. With the proposed change coming into effect from April 1, 2019, Equity Shares of the Company are eligible for transfer only in Dematerialized form.



Distribution of Shareholding as on March 31, 2020 is as follows:

No of Shares	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholding
001 – 500	25774	94.95	2507445	14.24
501 – 1000	721	2.66	552123	3.14
1001 – 2000	310	1.14	458258	2.60
2001 – 3000	106	0.39	268609	1.53
3001 – 4000	42	0.15	148355	0.84
4001 – 5000	24	0.09	110337	0.63
5001 – 10000	72	0.27	541403	3.07
10001 – Above	96	0.35	13022272	73.95
Total	27145	100.00	17608802	100.00

Dematerialization of Shares and Liquidity:

The process of conversion of Shares from physical form to electronic form known as dematerialization. For dematerialization of shares, the shareholders have to open a Demat account with Depository Participant (DP). The shareholder is required to fill in a Demat Request Form (DRF) and submit the same along with Share Certificate(s) to the DP. The DP will allocate a Demat request number and shall forward the request, both physically and electronically, through NSDL/CDSL to the R & T A. On receipt of the Demat request electronically and after verification, the shares are dematerialized and an electronic credit of shares is given in the account of the shareholder. As on March 31, 2020, 16,251,534 shares i.e. 92.29% of the shares of the Company are in dematerialized form.

Share transactions are simpler and faster in electronic form. After a confirmation of a sale/purchase transaction from the broker, shareholder should approach the depository participants with a request to debit or credit the account for the transaction. The depository participants will immediately arrange to complete the transaction by updating the account. There is no need for a separate communication to the company to register the transfer.

GDR's/ADR's /Warrants/Options:

The Company has not issued any GDR's/ADR's and there was no warrant or any convertible instruments outstanding.

Dividend :

Due to carry forward losses no dividend has been declared. The last dividend was declared in the year 1994-1995. The entire unpaid /unclaimed dividend up the year 1993-94 has been transferred to General Revenue Account of the Central Government. In accordance with the Scheme approved by BIFR the unpaid/unclaimed dividend for the year 1994-95 was to be paid by 31st March, 2011 and the unpaid/unclaimed dividend, if any, will be transferred to Investor Education & Protection Fund in due course.

Registered Office and Plant Location of the Company:

The Company's Registered Office and manufacturing plant is located At Darjipura, Post – Amaliyara, Vadodara, Gujarat-390022, India

Correspondence address:

Shareholder's correspondence should be addressed to the Company's RTA at the address mentioned above. The Shareholders having securities in the dematerialized form should give instruction relating to change of address, nomination and/or power of attorney executed by the shareholders directly to their respective Depository Participants. Alternatively shareholders may contact to the Company Secretary at the registered office of the Company or email at share@goldentobacco.in

X. DISCLOSURES:

a) Related Party Transactions:

There have been no materiality related party transactions, monetary transactions or relationship between the Company and its directors, the management, subsidiaries, or relatives which have potential conflicts with the interest of the Company. Members may refer to disclosures/transaction made in the financial statements and Form AOC-2 in compliance of Regulation 23 of Listing Regulations read with Section 188 of the Act and Accounting Standard 18. All the related party transactions have been done at arm's length price and in the ordinary course of business.

In accordance with the requirements of the Listing Regulations, the Company has formulated policy on related party transactions which the same has been put up on the website of the Company on www.goldentobacco.com

b) Non Compliance:

Consequent to the resignation of Mr. Bharat Merchant, Independent Director of the Company w.e.f. 10th June 2019 the Composition of Nomination and Remuneration Committee was not in line with Regulation 19 of LODR. However, with the appointment of Mr. Rajnikant Patel as an independent director and his induction in the reconstituted Nomination & Remuneration Committee, w.e.f. January 09, 2020, Composition was once again in compliance with Regulation 19 of LODR.

In the light of above, the Company had received following notices of non-compliance pursuant to Regulation 19(1)/(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from the stock exchanges seeking the penalties specified below:

Quarter	Delay by No. of Days	BSE	NSE	Status of payment
For the quarter ended on 30th September, 2019.	21	49,560	49,560	Paid
For the quarter ended on 31st December, 2019.	92	2,17,120	2,17,120	Paid
For the quarter ended on 31st March, 2020.	8	18,880	18,880	Application to waive the penalty has been made.

c) Vigil Mechanism:

The Company has established vigil mechanism to provide for the safeguards against victimization of Directors and employees who follow such mechanism and to report concerns about unethical behavior, actual or suspected fraud, or violation of the Company's code of conduct and ethics. The Board has approved whistle blower policy / establishment of vigil mechanism pursuant to provisions of Act and regulation 22 of the Listing Regulations, as may be applicable and affirms that no person has been denied access to the Chairman of the audit committee and also to the Chairman of the Board of the Company. The policy adopted has been put up on the website of the Company on www.goldentobacco.in

d) Compliance with Corporate Governance:

The Company is in full compliance with the mandatory requirements as contained in the Listing Regulations.

The Company has complied with the Corporate Governance requirements specified in regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Listing Regulations except the as specified in point no. b) above.

e) Material Subsidiary:

To determine 'material subsidiary', the Company has adopted a 'Policy on Determination of 'Material' Subsidiary and the same is available on the website of the Company on www.goldentobacco.in.

f) Disclosure of commodity price risk and commodity hedging activity:

The Company is not dealing in commodities and hence, disclosure relating to commodity price risk and commodity hedging activities is not required.

g) Disclosure on utilization of funds raised through Preferential Allotment or Qualified Institutional Placement:

During the financial year 2019-20, the Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A). Accordingly, disclosures in the regard are not required.

h) Credit Rating:

The Company does not have any long term debt instruments or any fixed deposit program or any scheme or proposal involving mobilization of funds, in India or abroad. Hence, no credit rating is obtained in relation to the same.

i) Non-debarment/Non-disqualification of Directors:

None of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies as Directors of Companies by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such Statutory authority during the year under report. The certificate from M/s Devesh Pathak & Associates, Practicing Company Secretaries, verifying and confirming the same, has already been obtained and is annexed to this report.

j) During the year under report, there is no incident / occasion where the Board had not accepted any recommendation of any committee of the Board, which is mandatorily required.



- k) The details of total fees for all services paid by the Company to the statutory auditors and all entities in the network firm/ network entity of which the Statutory Auditor is a part, are stated below:

Firm Name	Nature of Service	Rs. in Lakhs
Bagaria & Co. LLP	Statutory Audit	16.26
Lodha & Co.	Audit Services provided to subsidiaries	1.10
Vastaraj & Co.	Audit Services provided to subsidiary	0.15

- l) The Company has in place a Prevention of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

No. of complaints received during the year.	No. of complaints redressed during the year.	Any complaint remaining unattended at the year end.	Remarks
0	0	0	There was no complaint received during the year.

DISCRETIONARY REQUIREMENTS AS PER REGULATION 27(1) OF SEBI LISTING REGULATIONS (PART E OF SCHEDULE II):

- (A) The Board: The Company does not have a regular chairperson and accordingly, there is no requirement to maintain a separate office for the non-executive chairperson.
- (B) Audit Qualification: There has been no audit qualification / modified opinion in the audit report by the auditor for the financial year 2019-20.
- (C) Reporting of Internal Auditor: The internal auditors of the Company submits report to the Audit Committee regularly.

CODE OF CONDUCT

The Company has in place a Code of Conduct framed specifically in compliance with the provisions of Regulation 17 of the Listing Regulations. The matters covered in this Code are of utmost importance to the Company, its shareholders, clients and business partners. The purpose of this Code is to articulate highest standards of honesty, integrity, ethical and lawabiding behavior. It also aims to encourage the observance of these standards to protect and promote the interest of shareholders, employees, customers, suppliers and creditors. It sets out the responsibility, accountability and report and investigates any reported violations of the Code or unethical or unlawful behavior.

The Code of Conduct applicable to Board members and key employees of the Company has been posted on the Company's website. For the year under review, all Board members and senior management personnel of the Company have confirmed their adherence to the provisions of the said Code. A certificate from the Managing Director & CEO /Executive Director to this effect is attached to this Report.

CODE FOR PREVENTION OF INSIDER TRADING PRACTICES:

Pursuant to SEBI (Prohibition of insider Trading) Regulations, 2015 which came into effect from May 15, 2015, the Company has formulated and adopted a revised Code for Insider Trading Policy i.e Golden Tobacco Limited - Code for Prevention of Insider Trading -2015 to regulate, monitor and report trading by the insider under the Listing Regulations, of the Board of Directors of the Company. This policy also includes practices and procedure for fair disclosure of unpublished price sensitive information for initial and on continual basis disclosure. Shri Harish G. Punwani, Company Secretary has been designated as the Compliance Officer for this Code.

The Company has automated the declarations and disclosure to identify designated persons. The Board reviews the policy from time to time as and when necessary.

CEO / CFO CERTIFICATE(S)

The Managing Director and the Chief Financial Officer / Executive Director have submitted to the Board of Directors annual certification relating to financial reporting and internal controls, as required by Regulation 17(8) of the Listing Regulations, for the financial year ended March 31, 2020 and the same is annexed to this report.

CERTIFICATE ON CORPORATE GOVERNANCE:

Pursuant to Regulation 34(3) and Part E of Schedule V of the Listing Regulations a certificate from M/s Devesh Pathak & Associates the Secretarial Auditors of the Company regarding the compliance of the Conditions of the Corporate Governance is provided and the same is annexed to this report..

for Golden Tobacco Limited

**PAWAN KUMAR MALSARIA
WHOLETIME DIRECTOR & CFO**

**Vadodara
November 12, 2020**

CEO & CFO CERTIFICATE

(Under regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015)

To,
The Board of Directors,
Golden Tobacco Ltd.

We to the best of our knowledge and belief, certify that:

1. We have reviewed the balance sheet, statement of profit and loss, and cash flow statement of the Company and all the notes on accounts for the year ended March 31, 2020.
2. These statements do not contain any materially untrue statement or omit any material fact or contain Statement that might be misleading;
3. These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations, if any.
4. There are no transaction entered into by the Company during the year that are fraudulent, illegal or violative of the Company's Code of conduct and ethics, except as disclosed.
5. We are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company and we have :
 - (i) Designed such disclosure controls and procedure or caused such disclosure control and procedure to be designed under our supervision to ensure that the material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared.
 - (ii) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements.
 - (iii) Evaluated the effectiveness of the Company's disclosure, controls and procedures.
 - (iv) Disclosed in this report, changes, if any, in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal year that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.
6. We have disclosed, based on our most recent evaluation of the Company's internal control over financial reporting, wherever applicable, to the Company's auditors and the audit committee of the Company's Board (and persons of the equivalent functions):
 - a. Any deficiencies in the design or operation of internal controls, that could adversely affect the Company's ability to record, process, summarize and report financial data, and have confirmed that there have been no material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies.
 - b. Any significant changes in internal controls during the year covered by this report.
 - c. All significant changes in accounting policies during the year, if any, and there have been disclosed in the notes to the financial statements.
 - d. Any instances of significant fraud of which we are aware, that involve the Management or other employees who have a significant role in the Company's internal control system.
7. We affirm that we have not denied any personnel access to the Audit committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to whistleblowers from unfair termination and other unfair or prejudicial employment practices.
8. We further declare that all Board members and senior management personnel have affirmed compliance with the Code of Conduct and Ethics for the year covered by this report.

Vadodara
November 12, 2020

FOR GOLDEN TOBACCO LIMITED
Pawan Kumar Malsaria
Whole Time Director & CFO



INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
GOLDEN TOBACCO LIMITED

We have examined the compliance of conditions of Corporate Governance of GOLDEN TOBACCO LIMITED ("the Company") for the year ended March 31, 2020, as stipulated in Regulation 15 and other relevant regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations')

The compliance of conditions of Corporate Governance is responsibility of the Management. Our examination was limited to review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 15 and other relevant regulations of the Listing Regulations above, during the year ended March 31, 2020 as applicable, except that consequent to the resignation of Mr. Bharat Merchant, Independent Director of the Company w.e.f. 10th June 2019 the Composition of Nomination and Remuneration Committee was not in line with Regulation 19 of the Listing Regulation. However, with the appointment of Mr. Rajnikant Patel as an independent director and his induction in the reconstituted Nomination & Remuneration Committee, w.e.f. January 09, 2020, Composition was once again in compliance with Regulation 19 of LODR.

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

Place : Vadodara
Date : 9th November, 2020

**For M/s. Devesh Pathak & Associates
Practising Company Secretaries
Sd/-**

**CS Devesh A. Pathak
Sole Proprietor
Membership No.: FCS 4559
CoP No. : 2306
UDIN: F004559B001194132**

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
 Golden Tobacco Limited
 Darjipura, Post – Amaliya,
 Vadodara - 390022

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Golden Tobacco Limited having CIN: L16000GJ1955PLC067605 and having registered office at Darjipura, Post – Amaliya, Vadodara - 390022 (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 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 ended on 31 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.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	JASKARAN SINGH KHURANA	00005035	23/05/2013
2.	KOKILA PANCHAL	07144653	31/03/2015
3.	VINOD SHANTILAL BHATIA	08235705	23/09/2018
4.	RAJNIKANT KHODABHAI PATEL	08661189	09/01/2020

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate 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.

Place : Vadodara
Date : 9th November, 2020

For M/s. Devesh Pathak & Associates
Practising Company Secretaries
Sd/-

CS Devesh A. Pathak
Sole Proprietor
Membership No.: FCS 4559
CoP No. : 2306
UDIN: F004559B001194121



INDEPENDENT AUDITOR'S REPORT

To
The Members of
GOLDEN TOBACCO LIMITED

Opinion

Report on the Audit of Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Golden Tobacco Limited** ("the Company"), which comprises of Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow for the year than ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of Matter :

We draw your attention to note no 32(F) of the standalone financial statements with regards to Management's assessment of, inter-alia, realisability of Inventories of ₹ 1139.01 lakhs, Financial investments of ₹ 182.98 lakhs and recoverability of Trade receivables measured at amortised cost of ₹ 192.30 lakhs due to COVID 19 pandemic outbreak. The management apart from considering the internal and external information upto the date of approval of this standalone statements, the management has also performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the management expects to recover the carrying amount of these assets.

The impact of the global health pandemic may be different from that estimated as at the date of approval of these standalone financial statements. Considering the continuing uncertainties, the management will continue to closely monitor any material changes to future economic conditions.

Our Opinion is not modified in respect of this matter

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	How our audit addressed the key audit matter
Advances given for Development Rights (as described in note no. 6.2 and 37(c) of the standalone financial statements)	
Advances given aggregating to ₹ 16001.73 Lakhs towards development rights in respect of the land situated on which construction activity is yet to start mainly on the land situated at Chhatarpur, New Delhi. Our audit focused on this area because the assessment of recoverable/realisable value of	We assessed and tested the design and the operating effectiveness of the key controls that management has established to support the review and approval of the model design, key model inputs and valuation. We relied on the appropriateness of the valuations as verified

<p>the aforesaid asset requires management to make a number of key judgements and estimates with respect to the future performance and profitability of the realty project which involves judgements and estimates on future growth rates, discount rates, etc. Accordingly, Impairment assessment of the Company's realty project has been considered as a key audit matter</p>	<p>by the expert and relied upon by the auditors being a technical matter.</p>
<p>Legal disputes pertaining to various Company's properties and other disputed claims (as described in note no. 37 of the standalone financial statements and clause 1(c) of Annexure A of the Independent Auditors Report)</p>	
<p>The Company is involved in certain legal proceedings from the various Government and other authorities. Management judgement is involved in assessing the accounting for claims, and in particular in considering the probability of a claim being successful and we have accordingly designated this as a focus area of the audit. The risk related to the claims is mainly associated with the completeness of the disclosure, and the completeness of the provisions in the financial statements.</p>	<p>In response to the risk of completeness of the disclosures and the completeness of the provisions in the financial statements, we obtained external confirmations directly from Company's legal advisors. We discussed the cases with management, and reviewed correspondence and other documents exchanged between Company and the other parties involved in the disputes. We read the minutes of the board meetings, and inspected the company's legal expenses, in order to ensure all cases have been identified. We tested provisions recorded in the accounting records, and reviewed the disclosures for completeness based on our procedures detailed above.</p>
<p>Inventory – existence and valuation</p>	
<p>As at March 31, 2020, the Company held inventories of Rs. 2398.12 Lakhs. [Also, refer Note no.9 of the standalone financial statements]. Inventories existence and valuation was an audit focus area because of nationwide lockdown imposed by the Government of India in view of pandemic coronavirus (COVID 19). As explained by the Management, due to COVID 19 related restriction on account of nationwide lockdown, physical verification of inventories, aggregating to Rs 2398.12 lakhs as on the Balance sheet date and subsequently also till the date of this report, couldn't be carried out. We have accordingly designated this as a focus area of the audit.</p>	<p>We have performed following alternative audit procedures over inventory existence and valuations.</p> <ul style="list-style-type: none"> (a) Ensuring the effectiveness of the design, implementation and maintenance of controls over changes in inventory to determine whether the physical and valuation considered appropriately (b) Performing substantive analytical procedures to test the correctness of inventory existence and valuation (c) Testing of accuracy of inventory reconciliations with the general ledgers at period end, including test of reconciling items. <p>The procedures performed gave us a sufficient evidence to conclude about the inventory existence and valuation.</p>

Information Other than the Standalone Financial Statements and Auditor's report thereon

The Company's Board of Directors is responsible for the preparation of other information. The Other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to the Board report, Corporate Governance report and Shareholder's information, but does not include the standalone financial statement and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we required to report that fact. We have nothing to report in this regard.



Responsibilities of Management and those charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Account) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. Pursuant to the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and records.
 - (c) The Balance sheet, the Statement of Profit & Loss, 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 standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Account) Rules, 2014.
 - (e) On the basis of the written representation received from the directors as on March 31, 2020 taken on records by the Board of Directors, none of the directors are disqualified as on March 31, 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".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, necessary approval of shareholders is being obtained by the Company as required under Section 197(16) of the Act with regard to the managerial remuneration being paid.
 - (h) With respect to the matters to be included in the Auditor's report in accordance with the Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. [Refer Note No.35 of the standalone financial statements]
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts, including unpaid dividend declared in the year 1994-95 of Rs. 71.15 Lakhs (based on the expert opinion obtained in this regard) which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2020.

For Bagaria and Co. LLP
Chartered Accountants
Firm Regn No: 113447W/W-100019
Vinay Somani
Partner
Membership No: 143503
UDIN :20143503AAAAGO1442

Place : Mumbai
Date : June 30, 2020



“Annexure A”

(Referred to in paragraph 1 under “Report on Other Legal and Regulatory Requirements” section of our report of even date)

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

1. a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- b) During the year, the Company has carried out physical verification of its Property, Plant and Equipment. The verification was in accordance with a phased programme which, in our opinion, is considered reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification *except certain Plant and Equipment having original cost of ₹ 1,765.70 Lakhs in 1994-95 and no carrying amount as at March 31, 2020 lying with third party which could neither be physically verified nor confirmed in view of dispute with the said party.*
- c) Based on the verification and examination of records, title deeds of the immovable properties are in the name of the Company. However, there are certain disputes on the Company’s immovable properties which have been summarised below:

Location of the Property	Nature	Carrying Value as at March 31, 2020 ₹ in Lakhs	Remarks	Reference to Note no. in the accompanying financial statements
Vile Parle- Mumbai	Stock in Trade – Immovable Property	12.43	Title deeds is lying in Escrow account/ Attachment by the excise department and restraining order by Gujarat High Court/ Hon’ble Bombay High Court	37(a) (i) & (ii)
Vadodara	Property, Plant and Equipment- Land and Building	426.99	Dispute with Gujarat Government regarding unutilised land	2(f)
Guntur	Stock in Trade – Immovable Property	0.04	Substantial part of the land claimed by WAQF Board	37(d)
Flat at Mumbai	Property, Plant and Equipment- Land and Building	29.04	In the wrongful possession of the family member of an ex- employee for a long time. The Company is pursuing litigation so that the flat can be vacated at the earliest.	2(d)

2. The inventories of the Company have been physically verified by the management at reasonable intervals during the year. No material discrepancies were noticed on such physical verification. Due to COVID 19 related nationwide lockdown, the Management was not able to perform year end and subsequent physical verification of inventory.
3. During the year, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Act. Therefore, Para 3 (iii) of the Order is not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act with respect to the loans given and investments made and security provided.
5. According to the information and explanations given to us and based on the expert opinion obtained, no deposits within the meaning of directives issued by RBI (Reserve Bank of India) and Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder have been accepted by the Company.

6. According to the information and explanations given to us, the maintenance of cost records has not been prescribed by the Central Government under Section 148(1) of the Act for any of the products manufactured by the Company. Therefore, Para 3 (vi) of the Order is not applicable to the Company.
7. a) The Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, service tax, goods and service tax, GST, duty of customs, duty of excise, value added tax, cess and any other material statutory dues applicable to the Company with the appropriate authorities except the followings :

Nature of Dues	Amount Involved- Rs in lakhs	Delays in Days
Provident Fund	38.10	1-64
Tax Deducted at Source on Salary	18.81	9-72
Tax Deducted at Source other than Salary	26.06	9-72
Goods and Service Tax	3208.51	3-111
Excise Duty	99.43	14-75
Employees' State Insurance	2.48	1-35

No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for more than six months from the date they became payable except Entry Tax of various states including interest thereon aggregating to ₹ 6,059.12 Lakhs, Excise Duty and Interest thereon aggregating to ₹ 1,278.54 Lakhs, Interest on GST ₹ 298.93 Lakhs, Provident Fund ₹ 4.69 lakhs, Interest on excise ₹ 0.37 Lakhs and Surcharge on VAT ₹ 2.74 Lakhs.

- b) According to the records of the Company, there are no dues of income tax or sales tax or service tax or duty of customs or duty of excise, goods and service tax or value added tax which have not been deposited on account of any dispute, except the following:

Name of the Statute	Nature of Dues	Period to which it relates	Disputed amount (Gross) ₹ in Lakhs	Amount Deposited ₹ in Lakhs	Forum where Dispute is pending
The Kerala Value Added Tax Act, 2003	Value Added Tax	2008-09 to 2011-12	91.33	7.98	Commissioner Sales Tax-Appeal Assessing Officer
The Jammu and Kashmir Value Added Tax Act 2005		2009-10	3.82	3.82	
The Uttar Pradesh Value Added Tax Act, 2008		2007-08	35.82	35.82	
Income Tax Act 1961	Penalty and Interest	1996-97	142.44	-	Assessing Officer
The Central Excise Act, 1944	Excise Duty and Service Tax	1979, 1997 and 1998	308.33	308.40	Supreme Court of India
		2000, 2003 and 2004	15,135.10	-	Various High Courts
		1983, 1994, 1995, 1999, 2002, 2003, 2007 and 2011	220.55	33.41	Customs, Excise, Service Tax Appellate Tribunal
		1979 to 2011	709.58	26.10	Commissioner of Central Excise-Appeal



8. During the year, the Company has settled all dues payable to consortium banks under One Time Settlement. The Company has not taken any loan from financial institution, government or debenture holders during the year or in the recent past.
9. During the year, the Company has not raised any money by way of initial public offer or further public offer and term loan. Therefore, Para 3 (ix) of the Order is not applicable to the Company
10. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing standards in India and according to the information and explanations given to us, we have neither come across any instance of fraud by officers or employees of the Company, noticed or reported during the year, nor have we been informed of such case by the management.
11. In our opinion and to the best of our information and according to the explanations given to us, necessary approval of shareholders is being obtained by the Company as mandated by the provisions of Section 197 of the Act read with Schedule V of the Act in respect of the managerial remuneration being paid during the year.
12. In our opinion, the Company is not Nidhi Company. Therefore, Para 3 (xii) of the Order is not applicable to the Company.
13. All transactions with the related parties are in compliance with Section 177 and 188 of Act and the details have been disclosed in the Financial Statements (Refer note no. 38) as required by the applicable accounting standards.
14. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures or in the recent past.
15. The Company has not entered into any non-cash transactions with directors or persons connected with him under Section 192 of the Act. Therefore, Para 3 (xv) of the Order is not applicable to the Company.
16. The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934. Therefore, Para 3 (xvi) of the Order is not applicable to the Company.

For Bagaria and Co. LLP
Chartered Accountants
Firm Regn No: 113447W/W-100019

Vinay Somani
Partner

Membership No: 143503
UDIN :20143503AAAAGO1442

Place : Mumbai
Date : June 30, 2020

‘Annexure B’

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

We have audited the internal financial controls over financial reporting of **Golden Tobacco Limited** (“the Company”) as of March 31, 2020 in conjunction with our audit of 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 Act.

Auditors’ Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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;
- (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 and
- (4) also provide us reasonable assurance by the internal auditors through their internal audit reports given to the Company from time to time.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has broadly, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the 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 Bagaria and Co. LLP
Chartered Accountants
Firm Regn No: 113447W/W-100019

Place : Mumbai
Date : June 30, 2020

Vinay Somani
Partner
Membership No: 143503
UDIN :20143503AAAAGO1442



BALANCE SHEET AS AT 31st MARCH 2020

Particulars	Notes	(₹ in Lakhs)	
		As at 31st March 2020	As at 31st March 2019
ASSETS			
(1) NON - CURRENT ASSETS			
(a) Property, Plant and Equipment	2	745.26	1,448.49
(b) Intangible Assets	3	26.33	-
(c) Intangible Assets under development	4	-	31.60
(d) Financial assets			
(i) Investments in subsidiaries	5	236.80	247.69
(ii) Other Investments	5	182.98	1,078.78
(iii) Other financial assets	6	16,984.54	16,985.49
(e) Income Tax Assets	7	272.88	173.57
(f) Other non-current assets	8	1,702.06	1,506.11
TOTAL NON - CURRENT ASSETS		<u>20,150.85</u>	<u>21,471.73</u>
(2) CURRENT ASSETS			
(a) Inventories	9	2,398.12	2,657.57
(b) Financial assets			
(i) Trade receivables	10	300.00	778.10
(ii) Cash & Cash equivalents	11	86.41	28.91
(iii) Other bank balances	12	214.80	169.22
(iv) Other financial assets	13	20.35	10.64
(c) Other current assets	14	116.67	92.96
TOTAL CURRENT ASSETS		<u>3,136.35</u>	<u>3,737.40</u>
TOTAL ASSETS		<u>23,287.20</u>	<u>25,209.13</u>
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	15	1,758.80	1,758.80
Other Equity		(17,314.45)	(16,718.02)
TOTAL EQUITY		<u>(15,555.65)</u>	<u>(14,959.22)</u>
LIABILITIES			
(1) NON - CURRENT LIABILITIES			
(2) CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Short Term Borrowings	16	200.00	
(ii) Trade Payables	17		
- Total Outstanding Dues of Micro and small enterprises		20.16	67.64
- Total Outstanding Dues of Creditors other than Micro and small enterprises		537.49	2,919.21
(iii) Other financial Liabilities	18	2,227.68	7,015.14
(b) Other Current liabilities	19	35,610.09	29,821.53
(c) Provisions	20	247.43	344.83
TOTAL CURRENT LIABILITIES		<u>38,842.85</u>	<u>40,168.35</u>
TOTAL EQUITY AND LIABILITIES		<u>23,287.20</u>	<u>25,209.13</u>

Significant Accounting Policies

The accompanying notes are an integral part of the standalone financial statements

1

2 to 46

As per our report of even date

For BAGARIA and CO. LLP

Chartered Accountants
FRN - 113447W/W-100019

Vinay Somani

Partner
Membership No. 143503
Mumbai, June 30, 2020

Signatures to Notes 1 to 46
For and on behalf of the Board

Jaskaran S. Khurana
Managing Director
DIN : 00005035
New Delhi, June 30, 2020

Harish Punwani
Company Secretary
Membership No. A-50950
Vadodara, June 30, 2020

Kokila Panchal
Director
DIN : 07144653
Mumbai, June 30, 2020

Pawan Kumar Malsaria
Chief Financial Officer
Vadodara, June 30, 2020

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	Notes	(₹ in Lakhs)	
		For the year ended March 31, 2020	For the year ended March 31, 2019
Income			
Revenue from operations	21	2,342.55	7,607.98
Other income	22	188.06	197.44
Total Income		2,530.61	7,805.42
EXPENSES			
Cost of materials consumed	23	1,025.80	1,456.24
Purchases of Stock in Trade- Tobacco		135.83	-
Manufacturing and Operating Expenses	24	91.31	122.84
Changes in inventories of finished goods, work-in-progress and traded goods	25	547.95	31.68
Employee benefits expense	26	715.13	803.28
Finance costs	27	1,082.14	1,593.00
Depreciation and amortisation expense	2	101.18	62.35
Other expenses	28	1,213.85	1,724.75
Total Expenses		4,913.19	5,794.14
Net Profit/(Loss) for the year Before Exceptional items and Tax		(2,382.58)	2,011.28
Exceptional items -net	29	2,153.69	781.64
Net Profit/(Loss) for the year Before Tax		(228.89)	2,792.92
Tax Expense	30		
Current Tax- MAT		-	63.95
Tax Expense for earlier years		(63.95)	-
Net Profit/(Loss) for the year after tax		(164.94)	2,728.97
OTHER COMPREHENSIVE INCOME (OCI)			
Items that will be reclassified subsequently to Profit or loss			
Gain/(loss) on Re-measurement of investment in equity (FVTOCI)		(434.02)	(42.11)
Gain/(loss) on Remeasurement of net defined benefit plans		5.38	3.21
TOTAL OTHER COMPREHENSIVE INCOME		(428.64)	(38.90)
TOTAL COMPREHENSIVE INCOME		(593.58)	2,690.07
EARNINGS PER SHARE			
	34		
Basic & Diluted Earning Per Share Before Exceptional items		(13.18)	11.07
Basic & Diluted Earning Per Share After Exceptional items (Face value of ₹ 10 each)		(0.94)	15.52
Significant Accounting Policies	1		
The accompanying notes are an integral part of the standalone financial statements	2 to 46		

Signatures to Notes 1 to 46
For and on behalf of the Board

As per our report of even date
For **BAGARIA and CO. LLP**
Chartered Accountants
FRN - 113447W/W-100019

Vinay Somani
Partner
Membership No. 143503
Mumbai, June 30, 2020

Jaskaran S. Khurana
Managing Director
DIN : 00005035
New Delhi, June 30, 2020

Harish Punwani
Company Secretary
Membership No. A-50950
Vadodara, June 30, 2020

Kokila Panchal
Director
DIN : 07144653
Mumbai, June 30, 2020

Pawan Kumar Malsaria
Chief Financial Officer
Vadodara, June 30, 2020



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2020

(₹ in Lakhs)

EQUITY SHARE CAPITAL :	Balance as at 31 st March, 2018	Changes in equity share capital during the year	Balance as at 31 st March, 2019	Changes in equity share capital during the year	Balance as at 31 st March, 2020
Equity share Capital	1,758.80	-	1,758.80	-	1,758.80

OTHER EQUITY :

₹ in Lakhs

Particulars	Reserve and Surplus			Other Comprehensive Income		Total
	Securities Premium - on issue of equity shares	Surplus arising on revaluation of PPE prior to April 1, 2016	Retained earnings	Remeasure- ment of net defined benefit plans	Re-measure- ment of investment in equity	
Balance as at 31st March, 2018	5,336.21	1,049.73	(26,501.42)	119.60	588.99	(19,406.89)
Add : Profit for the year	-	-	2,728.97	-	-	2,728.97
Less : Withdrawn on sale of land	-	(1.20)	-	-	-	(1.20)
Add : Other Comprehensive Income for the year	-	-	-	3.21	(42.11)	(38.90)
Balance as at 31st March, 2019	5,336.21	1,048.53	(23,772.45)	122.81	546.88	(16,718.02)
Balance as at 31st March, 2019	5,336.21	1,048.53	(23,772.45)	122.81	546.88	(16,718.02)
Add : Loss for the year	-	-	(164.94)	-	-	(164.94)
Less : Withdrawn on sale of land	-	(2.85)	-	-	-	(2.85)
Less: Profit in respect of sale of equity investments	-	-	177.67	-	(177.67)	-
Less: Transferred on disposal of Land and Buildings	-	(302.29)	302.29	-	-	-
Add : Other Comprehensive Income for the year	-	-	-	5.38	(434.02)	(428.64)
Balance as at 31st March, 2020	5,336.21	743.39	(23,457.43)	128.19	(64.81)	(17,314.45)

Significant Accounting Policies 1
The accompanying notes are an integral part of the standalone financial statements 2 to 46

As per our report of even date
For **BAGARIA and CO. LLP**
Chartered Accountants
FRN - 113447W/W-100019

Vinay Somani
Partner
Membership No. 143503
Mumbai, June 30, 2020

Signatures to Notes 1 to 46
For and on behalf of the Board

Jaskaran S. Khurana
Managing Director
DIN : 00005035
New Delhi, June 30, 2020

Harish Punwani
Company Secretary
Membership No. A-50950
Vadodara, June 30, 2020

Kokila Panchal
Director
DIN : 07144653
Mumbai, June 30, 2020

Pawan Kumar Malsaria
Chief Financial Officer
Vadodara, June 30, 2020

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
A Cash flow from Operating Activities:		
Net Profit/(loss) as per statement of profit & loss before tax after exceptional item	(228.89)	2,792.92
Add: Adjustments for :		
Depreciation & amortisation expenses	101.18	62.35
Write back of liability under One time settlement	(2,943.63)	-
Interest Expenses	1,082.14	1,425.15
Bad Debts written off	48.21	1,121.06
Provision for doubtful debts provided for/(written back)	70.59	(1,121.06)
Provision for diminution in value of Investments in a subsidiary	10.89	-
Interest received	(12.90)	(18.11)
Dividend received	(22.44)	(21.56)
Interest no longer payable written back	-	(7,079.08)
Sale of real estate	-	(4,100.00)
Liabilities no longer payable written back	(25.57)	-
Profit on sale of Property, Plant and Equipment	(85.91)	(79.96)
Operating Profit/(Loss) before Working Capital changes	(2,006.33)	(7,018.29)
Adjustments for changes in Working Capital :		
Trade Receivables	359.30	184.08
Financial assets -current and non current	(54.81)	725.82
Other assets - current and non current	(219.66)	1,674.52
Inventories	862.35	348.80
Trade Payable	(2,403.63)	(134.88)
Other financial liabilities	(121.45)	706.34
Other current liabilities	5,788.56	5,888.85
Provisions	(92.02)	(38.47)
Cash generated from Operations	2,112.31	2,336.78
Income Taxes Refund/(Paid)-net	(35.38)	(85.99)
Net cash from/(used in) Operating Activities - A	2,076.93	2,250.79
B Cash flow from Investing Activities:		
Purchase of Property, Plant and Equipment	-	(1.04)
Capital Advance & Intangible assets under development	-	(11.60)
Sale of Property Plant and Equipment	87.50	80.00
Proceeds from Sale of Investments	461.78	-
Interest received (other than Investment)	13.37	17.51
Dividend received	22.44	21.56
Net Cash from/(used in) Investing Activities - B	585.09	106.43
C Cash flow from Financing Activities:		
Proceeds from Short term Borrowings	200.00	-
Repayment of borrowings- net	(1,275.71)	(2,336.50)
Interest paid	(1,528.81)	(158.87)
Net cash from/(used in) Financing Activities - C	(2,604.52)	(2,495.37)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	57.50	(138.15)
Opening Cash and Cash Equivalents	28.91	167.06
Closing Cash and Cash Equivalents	86.41	28.91

As per our report of even date
For BAGARIA and CO. LLP
 Chartered Accountants
 FRN - 113447W/W-100019

Vinay Somani
 Partner
 Membership No. 143503
 Mumbai, June 30, 2020

Signatures to Notes 1 to 46
For and on behalf of the Board

Jaskaran S. Khurana
 Managing Director
 DIN : 00005035
 New Delhi, June 30, 2020
Harish Punwani
 Company Secretary
 Membership No. A-50950
 Vadodara, June 30, 2020

Kokila Panchal
 Director
 DIN : 07144653
 Mumbai, June 30, 2020
Pawan Kumar Malsaria
 Chief Financial Officer
 Vadodara, June 30, 2020



NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Company Overview :

Golden Tobacco Limited ("the Company") is public limited company incorporated and domiciled in India and has registered office at Darjipura, Post - Amaliya Vadodara. It is incorporated under the Companies Act, 1956 Corporate Identification Number is (CIN) L16000GJ1955PLC067605 and its shares are listed on the Bombay Stock Exchange Limited and National Stock Exchange in India. The Company is engaged in the business of manufacturing of Tobacco Products and Real Estate.

SIGNIFICANT ACCOUNTING POLICIES

1.1 BASIS OF ACCOUNTING

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified under the Companies (Indian Accounting standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendments Rules 2016 prescribed under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014.

The financial statements are prepared and presented on accrual basis and under the historical cost convention, except for the following material items that have been measured at fair value as required by the relevant Ind AS:

Certain financial assets and liabilities are measured at Fair value (refer accounting policy on financial instruments - Refer note 1.9 below

Defined Benefit and other Long term Employee Benefits - Refer note 1.10 below

1.2 USE OF ESTIMATES AND JUDGEMENTS

The preparation of the financial statements requires that the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates.

The estimates and judgements used in the preparation of the financial statements are continuously evaluated and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

All the assets and liabilities have been classified as current or non-current as per the company's normal operating cycle of twelve months and other criteria set out in Schedule III to the Companies Act, 2013.

1.3 PROPERTY, PLANT AND EQUIPMENT & INTANGIBLE ASSETS

Property, Plant and Equipment

Certain Land & Buildings and Plant & Equipment were revalued from time to time and are stated at updated book values less depreciation, where applicable. All other items are measured at cost less accumulated depreciation and impairment losses, if any. Costs include freight, import duties, non-refundable purchase taxes and other expenses directly attributable to the acquisition of the asset.

Depreciation/amortisation:

Depreciation on Fixed Assets is provided on written down value method over the useful lives of assets as prescribed under Part C of Schedule II of the Companies Act, 2013 (hereinafter referred to as the 'Act').

Gains/Losses on disposals/de-recognition of property, plant and equipment are determined by comparing proceeds with carrying amount and these are recognized in statement of profit & Loss.

1.4 IMPAIRMENT OF NON FINANCIAL ASSETS

The Company assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets are impaired. If any such indication exists, the Company estimates the amount of impairment loss. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets is considered as a cash generating

unit. If any such indication exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in profit or loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

1.5 REVENUE RECOGNITION

REVENUE FROM CONTRACTS WITH CUSTOMERS

The Company recognizes revenue, whenever control over distinct goods or services is transferred to the customer; i.e. when the customer is able to direct the use of the transferred goods or services and obtains substantially all of the remaining benefits, provided a contract with enforceable rights and obligations exists and amongst others collectability of consideration is probable taking into account customer's creditworthiness.

Revenue is the transaction price the Company expects to be entitled to. In determining the transaction price, the Company considers effects of variable consideration, the existence of significant financing contracts, noncash consideration and consideration payable to the customer, if any. The Company considers whether there are other promises in the contract that are separate performance obligations to which the transaction price needs to be allocated (e.g. warranties etc.).

Variable Consideration

If the consideration in a contract includes a variable amount, the company estimates the amount of consideration to which it will be entitled to in exchange for transferring goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant reversal of revenue will not occur once associated uncertainties are resolved. Some contracts with the customers provide them with a right to return and volume rebates. The right to return and volume rebates gives rise to variable consideration.

The amount of variable consideration is calculated by either using the expected value or the most likely amount depending on which is expected to better predict the amount of variable consideration. Consideration is also adjusted for the time value of money if the period between the transfer of goods or services and the receipt of payment exceeds twelve months and there is a significant financing benefit either to the customer or the Company. If a contract contains more than one distinct good or service, the transaction price is allocated to each performance obligation based on relative stand-alone selling prices. If stand-alone selling prices are not observable, the Company reasonably estimates those.

Revenue is recognized for each performance obligation either at a point in time or over time.

Sale of goods:

Revenue from the sale of goods is recognised when the control of the goods passes to the buyer either at the time of dispatch or delivery or when the risk of loss transfers. Export sales are recognized based on the shipped on board date as per bill of lading, which is when substantial risks and rewards of ownership are passed to the customers.

Revenue from sale of goods is net of taxes and recovery of charges collected from customers like transport, packing etc. Provision is made for returns when appropriate. Revenue is measured at the fair value of consideration received or receivable and is net of price discounts, allowance for volume rebates and similar items.

Claims / Refunds not ascertainable with reasonable certainty are accounted for, on final settlement and are recognized as revenue on certainty of receipt on prudent basis.

Rendering of services:

Revenue from sale of services are recognized when the services are rendered.

Other Income

Dividend income on investments is recognised when the right to receive dividend is established.



Interest income is recognized on a time proportionate basis taking into account the amounts invested and the rate of interest. For all financial instruments measured at amortised cost, interest income is recorded using the Effective interest rate method to the net carrying amount of the financial assets.

1.6 Contract balances:

Trade Receivables:

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e. only a passage of time is required to before payment of the consideration is due).

Contract liabilities:

A contract liability is the obligation to transfer goods or services to a customer for which the company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the company transfer goods and services to the customer, a contract liability is recognised when the payment is made or the payment is due, whichever is earlier. Contract liabilities are recognised as revenue when the company performs under the contract

1.7 INVENTORIES

- a) (i) Stock in Trade-Immovable Properties is valued at lower of estimated market value at the time of conversion as per the expert opinion received in the matter and estimated net realisable value.
- (ii) Other Inventories are valued at lower of cost and estimated net realisable value. Obsolete, defective and unserviceable stocks are provided for.
- b) Cost of Inventories is computed on moving weighted average /FIFO basis.
- c) Cost of finished goods, work-in-progress and other materials includes conversion and other costs incurred in bringing the inventories to their present location and condition.
- d) Advertisement and Sales promotion materials/items are charged to revenue as and when purchased.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale.

Adequate allowance is made for obsolete and slow moving items.

1.8 FINANCIAL INSTRUMENTS

Financial assets - Initial recognition

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the Statement of Profit and Loss.

Subsequent measurement

Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

- (a) the entity's business model for managing the financial assets and
- (b) the contractual cash flow characteristics of the financial asset.

(a) Measured at amortised cost:

A financial asset is measured at amortised cost, if it is held under the hold to collect business model i.e. held with an objective of holding the assets to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest on the principal outstanding. Amortised cost is calculated using the effective interest rate ("EIR") method by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, gain or loss, if any, is recognised to Statement of Profit and Loss.

(b) Measured at fair value through other comprehensive income (FVTOCI):

A financial asset is measured at FVOCI, if it is held under the hold to collect and sell business model i.e. held with an objective to collect contractual cash flows and selling such financial asset and the contractual cash flows are solely payments of principal and interest on the principal outstanding. It is subsequently measured at fair value with fair value movements recognised in the OCI, except for interest income which recognised using EIR method. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in the OCI is reclassified from the equity to Statement of Profit and Loss.

(c) Measured at fair value through profit or loss (FVTPL):

Investment in financial asset other than equity instrument, not measured at either amortised cost or FVOCI is measured at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised in the Statement of Profit and Loss.

Equity Instruments:

All investments in equity instruments classified under financial assets are subsequently measured at fair value. Equity instruments which are held for trading are measured at FVTPL.

For all other equity instruments, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument shall be recognised in Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in the OCI. Amounts recognised in Other Comprehensive Income (OCI) are not subsequently transferred to Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised in Statement of Profit and Loss.

Impairment

The Company recognises a loss allowance for Expected Credit Losses (ECL) on financial assets that are measured at amortised cost and at FVOCI. The credit loss is difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. This is assessed on an individual or collective basis after considering all reasonable and supportable including that which is forward-looking.

The Company's trade receivables or contract revenue receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall, being simplified approach for recognition of impairment loss allowance.

Under simplified approach, the Company does not track changes in credit risk. Rather it recognizes impairment loss allowance based on the lifetime ECL at each reporting date right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables.

The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For financial assets other than trade receivables, the Company recognises 12-month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves such that there is no longer significant increase in credit risks since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12 months ECL.

The impairment losses and reversals are recognised in Statement of Profit and Loss. For equity instruments and financial assets measured at FVTPL, there is no requirement for impairment testing.

De-recognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers rights to receive cash flows from an asset, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor



transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Financial Liabilities

Initial Recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value net of transaction costs for all financial liabilities not carried at fair value through profit or loss.

The Company's financial liabilities includes trade and other payables, loans and borrowings including bank overdrafts and derivative instruments.

Subsequent measurement

Financial liabilities measured at amortised cost are subsequently measured at using EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Loans & Borrowings:

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using EIR method. Gains and losses are recognized in profit & loss when the liabilities are derecognized as well as through EIR amortization process.

Financial Guarantee Contracts

Financial guarantee contracts issued by the Company are those contracts that requires a payment to be made or to reimburse the holder for a loss it incurs because the specified debtors fails to make payment when due in accordance with the term of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

Subsequently the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative adjustments.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

1.9 FAIR VALUE MEASUREMENT:

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

1.10 EMPLOYEE BENEFITS

The Company has provides following post-employment plans such as:

- (a) Defined benefit plans such a gratuity and
- (b) Defined contribution plans such as Provident fund & Superannuation fund

a) **Defined-benefit plan:**

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

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- (a) Service costs comprising current service costs, past-service costs, gains and losses on curtailment and non-routine settlements; and
- (b) Net interest expense or income

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

Re-measurement comprising of actuarial gains and losses arising from

- (a) Re-measurement of Actuarial(gains)/losses
- (b) Return on plan assets, excluding amount recognized in effect of asset ceiling



- (c) Re-measurement arising because of change in effect of asset ceiling are recognised in the period in which they occur directly in Other comprehensive income. Re-measurement are not reclassified to profit or loss in subsequent periods.

Ind AS 19 requires the exercise of judgment in relation to various assumptions including future pay rises, inflation and discount rates and employee and pensioner demographics. The Company determines the assumptions in conjunction with its actuaries, and believes these assumptions to be in line with best practice, but the application of different assumptions could have a significant effect on the amounts reflected in the income statement, other comprehensive income and balance sheet. There may be also interdependency between some of the assumptions.

b) Defined-contribution plan:

Under defined contribution plans, provident fund, the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Defined Contribution plan comprise of contributions to the employees' provident fund with the government, superannuation fund and certain state plans like Employees' State Insurance and Employees' Pension Scheme. The Company's payments to the defined contribution plans are recognised as expenses during the period in which the employees perform the services that the payment covers.

c) Other employee benefits:

- (a) Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the obligation as at the Balance sheet date determined based on an actuarial valuation.
- (b) Undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the period when the employee renders the related services.
- d) Expenses incurred towards voluntary retirement scheme are charged to the statement of profit and loss as and when incurred.
- e) Other benefits comprising of discretionary long service awards are recognized as and when determined.

1.11 LEASES

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term

1.12 FOREIGN CURRENCY TRANSACTIONS

a) Initial Recognition

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss of the year.

b) Measurement of Foreign Currency Items at the Balance Sheet Date

Foreign currency monetary items of the Company are restated at the closing exchange rates. Non monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these transactions are charged to the Statement of Profit and Loss.

1.13 TAXES ON INCOME

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

Current tax is based on taxable profit for the year. Taxable profit is different from accounting profit due to temporary differences between accounting and tax treatments, and due to items that are never taxable or tax deductible. Tax provisions are included in current liabilities. Interest and penalties on tax liabilities are provided for in the tax charge. The Company offsets, the current tax assets and liabilities (on a year on year basis) where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis or to realise the assets and liabilities on net basis.

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements. Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred tax assets are not recognised where it is more likely than not that the assets will not be realised in the future.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Minimum Alternative Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

1.14 RESEARCH AND DEVELOPMENT EXPENDITURE

Research costs are expensed as incurred. Product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, further economic benefits are probable, the Company has an intention and ability to complete and use or sell the product and the costs can be measured reliably.

1.15 PROVISIONS AND CONTINGENCIES

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

1.16 CASH AND CASH EQUIVALENTS

Cash and Cash equivalents include cash and Cheque in hand, bank balances, demand deposits with banks and other short-term highly liquid investments that are readily convertible to known amounts of cash & which are subject to an insignificant risk of changes in value where original maturity is three months or less.



1.17 CASH FLOW STATEMENT

Cash flows are reported using the indirect method where by the profit before tax is adjusted for the effect of the transactions of a non-cash nature, any deferrals or accruals of past and future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

1.18 BORROWING COST

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as a part of Cost of that assets, during the period till all the activities necessary to prepare the Qualifying assets for its intended use or sale are complete during the period of time that is required to complete and prepare the assets for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are recognized as an expense in the period in which they are incurred.

1.19 EARNINGS PER SHARE

Basic EPS is arrived at based on net profit/(loss) after tax available to equity shareholders to the weighted average number of equity shares outstanding during the year.

The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless impact is anti-dilutive.

1.20 SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker (CODM).The Company has identified its Managing Director as CODM which assesses the operational performance and position of the Company and makes strategic decisions.

Recent Accounting pronouncements

There is no such notification which would have been applicable from April 01, 2020

2 Property, Plant and Equipment (PPE)

₹ in Lakhs

	Freehold Land and Buildings	Plant and Equipment	Computers	Vehicles	Office Equipment	Total
Gross carrying amount						
Balance as at 31st March 2018	1,481.23	183.63	4.82	2.05	0.50	1,672.23
Additions	-	-	1.04	-	-	1.04
Deductions	1.24	-	-	-	-	1.24
Adjustment	-	-	-	-	-	-
Balance as at 31st March 2019	1,479.99	183.63	5.86	2.05	0.50	1,672.03
Accumulated Depreciation						
Balance as at 31st March 2018	84.32	71.54	3.75	1.08	0.50	161.19
Additions	36.44	24.70	0.91	0.30	-	62.35
Deductions/ Adjustments	-	-	-	-	-	-
Balance as at 31st March 2019	120.76	96.24	4.66	1.38	0.50	223.54
Net carrying amount as at 31st March 2019	1,359.23	87.39	1.20	0.67	-	1,448.49
Gross carrying amount						
Balance as at 31st March 2019	1,479.99	183.63	5.86	2.05	0.50	1,672.03
Additions	-	-	-	-	-	-
Deductions	632.70	-	-	-	-	632.70
Adjustment	-	-	-	-	-	-
Balance as at 31st March 2020	847.29	183.63	5.86	2.05	0.50	1,039.33
Accumulated Depreciation						
Balance as at 31st March 2019	120.76	96.24	4.66	1.38	0.50	223.54
Additions	66.60	27.80	0.84	0.67	-	95.91
Deductions/ Adjustments	25.38	-	-	-	-	25.38
Balance as at 31st March 2020	161.98	124.04	5.50	2.05	0.50	294.07
Net carrying amount as at 31st March 2019	1,359.23	87.39	1.20	0.67	-	1,448.49
Net carrying amount as at 31st March 2020	685.31	59.59	0.36	-	-	745.26

NOTES:

- Gross value of Land and Buildings includes a sum of ₹ 25.30 Lakhs (as at March 31, 2019 ₹ 25.30 Lakhs) being the cost of Land/Premises on ownership basis acquired in terms of agreement to purchase.
- Gross value of Land and Buildings includes a sum of ₹ 0.003 Lakhs (as at March 31, 2019 ₹ 0.003 Lakhs) being the cost of shares in Co-operative Societies.
- Bifurcation of the Book value of Land and Building is not possible in view of the non-availability of separate value of certain Land and Building.
- Land and Building includes a Flat of having Net carrying value of ₹ 29.04 Lakhs (as at March 31, 2019 ₹ 30.53 Lakhs) is in the possession of a legal heir of an Ex-Employee.
- Plant and Equipment includes having original cost of ₹ 1,765.70 Lakhs in 1994-95 and no carrying amount as at March 31, 2020 lying with third party which could neither be physically verified nor confirmed in view of dispute with the said party.
- Land and Buildings include a freehold land of ₹ 426.99 Lakhs (as at March 31, 2019 ₹ 426.99 Lakhs) at Vadodara, in respect of which the Secretary of Revenue of Gujarat had upheld the Order of the local collector to handover the unutilised land admeasuring 1,00,000 sq m out of total area 1,98,000 sq m. to the Gujarat Government. The Company has challenged the said Order before the Hon'ble Gujarat High Court and received an Order to maintain the status quo.
- Refer Note 40 regarding assets provided as security



NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

3 Intangible Assets (₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Computer Software		
Gross carrying amount		
Balance as at 31st March 2018	-	-
Additions	-	-
Deductions	-	-
Adjustment	-	-
Balance as at 31st March 2019	-	-
Accumulated Depreciation		
Balance as at 31st March 2018	-	-
Additions	-	-
Deductions/ Adjustments	-	-
Balance as at 31st March 2019	-	-
Net carrying amount as at 31st March 2019	-	-
Gross carrying amount	-	-
Balance as at 31st March 2019	-	-
Additions	31.60	31.60
Deductions	-	-
Adjustment	-	-
Balance as at 31st March 2020	31.60	31.60
Accumulated Depreciation		
Balance as at 31st March 2019	-	-
Additions	5.27	5.27
Deductions/ Adjustments	-	-
Balance as at 31st March 2020	5.27	5.27
Net carrying amount as at 31st March 2019	-	-
Net carrying amount as at 31st March 2020	26.33	26.33

4 Intangible Assets under development (₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Computer Software	-	31.60
	-	31.60

5 NON CURRENT INVESTMENTS

	Numbers		₹ in Lakhs	
	As at 31st March 2020	As at 31st March 2019	As at 31st March 2020	As at 31st March 2019
EQUITY SHARES FULLY PAID UP In Subsidiaries (Unquoted-at cost)				
Golden Realty & Infrastructure Limited (Refer Note No. 6.2)	50000	50000	5.00	5.00
Golden Investment (Sikkim) Private Limited#	5998	5998	0.60	0.60
Western Express Industries Limited (Refer Note No. 6.1)	7500000	7500000	231.20	231.20
Raigadh Papers Limited (at FVTOCI)	10000	10000	0.00	0.00
GTC Inc., B.V.	40	40	10.89	10.89
Less : Provision for diminution in value of Investments			(10.89)	-
			236.80	247.69
Other Investments (FVTOCI)				
Quoted				
GHCL Limited\$	169748	416578	150.65	1,029.16
ITC Limited	11520	11520	19.81	34.18
Godfrey Phillips India Limited	1140	1140	10.74	13.22
VST Industries Limited	64	64	1.78	2.22
			182.98	1,078.78
Unquoted				
In Other Body Corporates				
General Exports & Credit Limited	158400	158400	0.00	0.00
Bharat Explosive Limited	1050000	1050000	0.00	0.00
World Growth Fund Limited *	10000	10000	0.00	0.00
WGF Financial Services Limited	200000	200000	0.00	0.00
Filter and Filteraids Limited#	1800	1800	0.00	0.00
J K Cigarettes Limited#	20000	20000	0.00	0.00
			0.00	0.00
Total			419.78	1,326.47
Aggregate value of Quoted investments (cost)			247.79	495.93
Aggregate carrying value of Unquoted investments (cost)			247.69	247.69
Provision for diminution in value of unquoted Investments in subsidiary			10.89	-

#shares lying with the Income Tax Department

*share certificate are yet to be received

\$Pursuant to the agreement with a lender, during the year, the Company has taken short term credit facility of ₹ 450 lakhs against pledge of 400000 equity shares of GHCL (FVTOCI). The Company could not pay the dues on time as per the terms of the agreement and hence lender invoked the pledge. The Company has considered the 246830 shares pledged shares as sale(to the extent of liability outstanding) based on the quoted price on date of expiry of the said agreement and recognized profit of ₹ 177.67 lakhs under other equity. Balance 153170 equity shares is in the process of transfer in the name of the Company.

Refer note 32(F) -regarding Covid-19 risks



6 NON CURRENT-OTHER FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
(Unsecured, Considered good unless otherwise stated)		
Advance to Subsidiaries (refer note no. 6.1 and 6.2 below)	16,939.26	16,939.26
Security Deposits	45.28	46.23
Advances considered Doubtful	67.31	64.76
Less: Provision for doubtful advances	67.31	64.76
Total	16,984.54	16,985.49

6.1 The Company has given an advance of ₹ 937.53 Lakhs (as at March 31, 2019 ₹ 937.53 Lakhs) to and made an investment of ₹ 231.20 Lakhs (as at March 31, 2019 ₹ 231.20 Lakhs) in Western Express Industries Limited (WEIL), a wholly owned subsidiary Company, which has accumulated losses far in excess of its paid up capital and reserves & surplus. As explained, the management is hopeful of recovering / realising the same in due course of time in view of expected revival of activities / developments in the said subsidiary.

Further, as a nominee of the Company, WEIL had acquired 100% ownership of Raigadh Papers Limited (RPL) for a consideration of ₹ 120 Lakhs in the year 2007. RPL is having extensive land at Raigadh, whose value, based on an independent valuer's opinion exceeds the aggregate amount of advance given/investment made. The acquisition of ownership of RPL has strengthened the asset base of WEIL significantly and has provided adequate financial coverage to the aforesaid advance and investment by the Company in WEIL. In view of what is stated above, no provisioning has been considered necessary.

6.2 Refer Note no. 37(c) regarding advances to a subsidiary of ₹ 16001.73 Lakhs (as at March 31, 2019 ₹ 16001.73 Lakhs) towards realty activity.

7 INCOME TAX ASSETS

(₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Payment of Tax (Net of Provision of Rs.Nil Lakhs; as at March 31, 2019 ₹ 63.95 Lakhs)	272.88	173.57
Total	272.88	173.57

8 OTHER NON CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Balances with Excise/Sales tax authorities	1,319.42	1,187.47
Advances recoverable in cash or in kind or for value to be received	357.64	293.64
Capital Advance	25.00	25.00
Total	1,702.06	1,506.11

9 INVENTORIES*

(₹ in Lakhs)

(Cost or Net realisable value whichever is lower)

Particulars	As at 31st March 2020	As at 31st March 2019
Raw Materials	420.88	651.54
Packing Materials	268.31	346.66
Work-in-progress	83.76	240.99
Finished Goods - (includes goods in transit ₹ 2.64 Lakhs; Previous year ₹ Nil)	91.90	94.63
Stores, Spare parts and consumables	288.90	293.28
Stock in Trade (Immovable Properties) - (Refer Note 9.2)	1,244.37	1,030.47
Total	2,398.12	2,657.57

Refer note 40 regarding assets provided as security and 32(F) -regarding Covid-19 risks

9.1 Write-downs of inventories amounted to Rs 313.89 lakhs as at 31st March, 2020 (as at 31st March, 2019 - Rs 135.56 lakhs) These write-downs were recognised as an expense and included in 'changes in inventories of finished goods, Raw Material and Packing Materials, Stores and Spares consumed and work-in-progress in the Statement of Profit and Loss.

9.2 Stock in Trade (Immovable Properties) comprises of following : (₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Vile Parle, Mumbai (at cost) (Refer note 37(a))	12.43	12.43
Flats, Mumbai (carrying value)	29.00	85.00
Kanchikacherla, Near Vijaywada (carrying value)	-	333.00
Ganapavaram, Dist.Guntur (carrying value)	600.00	600.00
GT Road, Guntur (at cost) (Refer note 37(d))	0.04	0.04
Palghar (at Cost) (Refer note 37(e))	602.90	-
Total	1244.37	1030.47

10 TRADE RECEIVABLES (₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Unsecured, considered good	300.00	720.73
Unsecured, considered doubtful	68.04	-
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - Credit impaired	-	57.37
	368.04	778.10
Less: Provision for doubtful trade receivables	68.04	-
Total	300.00	778.10

Refer note 40 regarding assets provided as security and 32(F) -regarding Covid-19 risks

11 CASH AND CASH EQUIVALENTS (₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Balance with banks in current accounts	72.79	19.41
Cash on hand	13.62	9.50
Total	86.41	28.91

12 OTHER BANK BALANCES (₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Fixed Deposit with Banks (Earmarked)*	172.50	161.73
Dividend Accounts\$	36.80	-
Balances in Escrow accounts for One Time Settlement (OTS) with the banks	5.50	7.49
Total	214.80	169.22

*pledged with Government authorities for VAT/Entry Tax and attachment by the Economic Offence wing and Refer note 40 regarding assets provided as security

\$Disclosed after Bank Reconciliation which was pending in earlier years


13 CURRENT - OTHER FINANCIAL ASSETS
(₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Interest accrued but not due on fixed deposits*	8.88	9.40
Interest accrued but not due on others	1.29	1.24
Rent Receivable	10.18	-
Total	20.35	10.64

*pledged with Government authorities for VAT/Entry Tax and attachment by the Economic Offence wing and Refer note 40 regarding assets provided as security

14 OTHER CURRENT ASSETS
(₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Export Incentive receivable	0.01	0.24
Employee Advance	4.15	40.85
Advances to suppliers and Others	108.14	46.91
Prepaid Expenses	4.37	4.96
Total	116.67	92.96

15 EQUITY SHARE CAPITAL
(₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
AUTHORISED		
25000000 Equity Shares of ₹ 10 each	2,500.00	2,500.00
1000000 Preference Shares of ₹ 100 each	1,000.00	1,000.00
	3,500.00	3,500.00
ISSUED		
17608802 Nos. Equity Shares of ₹ 10 each	1,760.88	1,760.88
SUBSCRIBED AND PAID UP		
17598016 Nos. Equity Shares of Rs. 10 each	1,759.80	1,759.80
Less : Allotment/Call money unpaid - other than Directors	1.00	1.00
TOTAL SHARE CAPITAL	1,758.80	1,758.80

The reconciliation of the number of equity shares outstanding

	As at 31st March 2020		As at 31st March 2019	
	Numbers	₹ in Lakhs	Numbers	₹ in Lakhs
Equity Shares at the beginning of the year	17,608,802	1,760.88	17,608,802	1,760.88
Equity Shares at the end of the year	17,608,802	1,760.88	17,608,802	1,760.88

Terms/rights attached to Equity shares :

The Company has only one class of issued Equity Shares having a par value of Rs.10 per share. Each Shareholder is eligible for one vote per share held.

The Dividend proposed by the Board of Directors if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend. In the event of liquidation, the equity shareholders are eligible to receive the residual assets of the Company after distribution of all preferential amounts in proportion to their shareholding.

The details of Shareholders holding more than 5% shares:

Name of the Shareholders	As at 31st March 2020		As at 31st March 2019	
	No. of Equity Shares	% of Holding	No. of Equity Shares	% of Holding
J. P. Financial Services Pvt Ltd	44,10,751	25.05	44,10,751	25.05
WGF Financial Services Ltd	959,232	5.45	959,232	5.45

In the Period of five years immediately preceding March, 2020:

The Company has not allotted any equity shares as fully paid up without payment being received in cash or as Bonus Shares or Bought back any equity shares.

16 SHORT TERM BORROWINGS (₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Unsecured		
Inter Corporate Deposits (Interest rate 12% per annum repayable on demand)	200.00	-
TOTAL	200.00	-

17 TRADE PAYABLES (₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Dues of Micro and small enterprises*	20.16	67.64
Others	537.49	2,919.21
TOTAL	557.65	2,986.85

***Dues to Micro, Small and Medium Enterprises**

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

Particulars	As at 31st March 2020	As at 31st March 2019
Principal Amount due to suppliers under MSMED Act, 2006, Beyond appointed Day	9.89	58.75
Interest accrued and due to suppliers under MSMED Act, on the above amount	10.27	8.89
Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
Interest paid to suppliers under MSMED Act (Other than section 16)	-	-
Interest paid to suppliers under MSMED Act (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act, for the payment already made	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	-	-

Note : The information has been given in respect of such vendors to the extent they could be identified as " Micro and Small enterprises" on the basis of information available with Company.


18 OTHER FINANCIAL LIABILITIES
(₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Interest accrued and due on borrowings : Bank	-	3,396.87
Interest accrued and due on borrowings : Others	6.57	-
Overdue borrowings : Bank	-	1,275.71
Security deposits	223.19	706.70
Due to a subsidiary company	31.04	31.04
Unpaid Dividends	71.15	71.15
Book Overdraft in Current Account with a Bank	-	33.31
Due to Employees	452.78	601.39
Payable towards liability settled (Refer Note 29(b))	615.00	-
Other Payables	827.95	898.97
TOTAL	2,227.68	7,015.14

19 OTHER CURRENT LIABILITIES
(₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Statutory dues payable	6,563.91	7,529.80
Undisputed Excise dues payable including Interest	1,313.98	1,304.18
Unearned Income- Rent received in advance	23.09	44.00
Advances from customers	529.76	328.55
Advance Received Towards Property Development- Vile Parle, Mumbai (Refer Note 37(a-i))	13,200.00	13,200.00
Advance Received Towards Project Development- Vile Parle, Mumbai (Refer Note 37(a-i))	4,075.00	4,075.00
Advance Received Towards Project Development- Guntur (Refer Note 37(d))	9,085.35	3,340.00
Advance for sale of Land at Ganpavaram Guntur	338.00	-
Advance for sale of Land at Palghar (Refer Note 37(e))	480.00	-
Advance for sale of Flat at Mumbai	1.00	-
Total	35,610.09	29,821.53

20 PROVISIONS
(₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Provision for employee benefits:		
Compensated Absences	85.32	124.26
Gratuity (Refer note 33)	162.11	220.57
Total	247.43	344.83

21 REVENUE FROM OPERATIONS**(₹ in Lakhs)**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Sale of Manufactured goods -Cigarette	4,902.11	8,688.66
Less : Excise Duty	182.58	-
Less : Goods and Service Tax	3,502.19	6,509.16
Sale of Traded Goods- Tobacco and other materials	188.83	-
Sale of real estate	477.50	5,050.00
	1,883.67	7,229.50
Sale of Services :		
Tobacco Processing	27.92	59.67
Royalty Received	27.36	-
Rental Income	400.69	312.38
Other Operating Income :		
Sale of Scrap	2.33	5.22
Export Incentives	0.58	1.21
Total	2,342.55	7,607.98

22 OTHER INCOME**(₹ in Lakhs)**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest Income on fixed deposit and others	12.90	18.11
Sundry Balance written back	25.57	-
Dividend income from Investment (FVTOCI)	22.44	21.56
Rental Income	38.65	74.07
Profit on sale of Property, Plant and Equipment	85.91	79.96
Miscellaneous Income	2.59	3.74
Total	188.06	197.44

23 COST OF MATERIALS CONSUMED**(₹ in Lakhs)**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Raw materials consumed	698.60	973.28
Packing materials consumed	327.20	482.96
Total	1,025.80	1,456.24

24 MANUFACTURING AND OPERATING EXPENSES**(₹ in Lakhs)**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Consumption of stores, spare parts and consumables	14.17	32.38
Repairs to Plant and Equipment	12.58	7.87
Power and fuel	64.56	82.59
Total	91.31	122.84



25 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS (₹ in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Opening Stock:		
Finished Goods	94.63	105.17
Work in Progress	239.98	260.72
Stock in Trade (immovable Property)	1,030.47	1,030.87
Add : PPE converted into stock in trade during the year (refer note no 37(e))	602.90	-
Total	1,967.98	1,396.76
Closing Stock		
Finished Goods	91.90	94.63
Work in Progress	83.76	239.98
Stock in Trade (immovable Property)	1,244.37	1,030.47
Total	1,420.03	1,365.08
Total	547.95	31.68

26 EMPLOYEE BENEFITS EXPENSE (₹ in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries and wages	573.02	660.62
Contributions to provident and other funds	54.81	54.37
Staff welfare expenses	87.30	88.29
Total	715.13	803.28

27 FINANCE COSTS (₹ in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest Expenses	297.90	818.84
Interest on Statutory dues	641.76	589.39
Interest paid to others	142.48	16.92
Impact of Fair valuation of financial liabilities	-	167.85
Total	1,082.14	1,593.00

28 OTHER EXPENSES**(₹ in Lakhs)**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Rent	62.21	70.01
Repairs & Maintenance - building	43.09	67.29
Repair-others	17.23	17.63
Insurance	10.36	9.84
Rates and Taxes	45.10	23.13
Travelling & Conveyance Expenses	119.85	149.93
Legal & Professional charges	363.66	618.52
Directors sitting Fees	3.50	4.50
Loss on Variation in Foreign Exchange Rates (Net)	7.28	3.86
Selling and Distribution Expenses	73.07	106.91
Provision for Doubtful Debts/Advances	70.59	-
Bad Debts written off	48.21	1,121.06
Less : Provision withdrawn	-	(1,121.06)
Commission expenses	22.72	15.55
Communication expenses	8.60	11.44
Auditors' Remuneration (Refer Note 44)	16.26	13.61
Bank Charges	3.08	6.33
Printing and stationery	14.57	16.85
Sundry balances no longer recoverable written off-net	-	43.92
Miscellaneous Expenses	284.47	545.43
Total	1,213.85	1,724.75

29 EXCEPTIONAL ITEMS (NET)**(₹ in Lakhs)**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Expense :		
(a) Entry Tax paid no longer recoverable written off and provision made thereof for the balance amount including Interest thereon	-	(6,297.44)
(b) Liability provided for the principal including Interest thereon payable to M/s Sikkim Tobacco Limited (STL) pursuant to Hon'ble Bombay High Court on agreed terms pertaining to the case relating to the year 2007. STL in turn should return the Company's very old Machineries, the realisable value whereof, is presently not ascertainable	779.05	-
(c) Provision for diminution in value of Investments in a subsidiary	10.89	-
Income :		
(d) Write back of liability on account of full and final payment made towards One Time Settlement reached with Consortium Bank Lenders (Refer Note 40 (c))	2,943.63	-
(e) Liabilities no longer payable to a lender written back on settlement	-	7,079.08
Total	2,153.69	781.64



30 INCOME TAXES

(₹ in Lakhs)

Tax expense recognised in the statement of Profit and Loss:	2019-20	2018-19
Current Tax		
Current Tax for taxable income for the current year	-	63.95
Current tax- for earlier years/(written back)	(63.95)	-
Total Tax Expense	(63.95)	63.95

Reconciliation of the income tax expenses to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarized below :	2019-20	2018-19
Enacted income tax rate in India applicable to the Company	26.00%	26.00%
Profit/(Loss) before tax after exceptional items	(228.89)	2,792.92
Tax expenses/(credit) on Profit/(Loss) at effective tax rate	(59.51)	726.16
Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income :		
Income exempted from income taxes- Dividend received	(5.83)	(5.63)
Permanent disallowances	4.19	2.81
Business Loss not available for utilisation	-	477.13
PPE converted into stock in trade	156.75	-
Other differences	78.37	58.4
Total Income Tax Expense/(Credit)	173.96	1,258.86

The movement in deferred tax assets and liabilities during the year ended March 31, 2019 and March 31, 2020:

₹ in Lakhs

Particulars	As at 31st March, 2018	(Credit)/charge for the year	As at 31st March, 2019	(Credit)/charge for the year	As at 31st March, 2020
Deferred tax assets					
Expenses allowable on payment basis and others	2,159.61	774.91	2,934.52	(809.05)	2,125.47
Provision for Doubtful debts	304.58	(287.74)	16.84	21.18	38.02
Unabsorbed business losses & depreciation	4,309.11	(1,736.00)	2,573.11	816.42	3,389.53
Unabsorbed Long term Capital loss	406.50	(6.96)	399.54	-	399.54
	7,179.80	(1,255.79)	5,924.01	28.56	5,952.56
Deferred Tax Liability					
Differences in written down value of Property, Plant and Equipment	255.10	3.07	258.17	(145.41)	112.76
Net Deferred Tax Assets	6,924.70	(1,258.86)	5,665.84	173.96	5,839.80
Less : Deferred Tax Asset not recognised as a matter of prudence	6,924.70	(1,258.86)	5,665.84	173.96	5,839.80
Total	-	-	-	-	-

31 FINANCIAL INSTRUMENTS

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 : Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 : Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The carrying amounts and fair values of financial instruments by category are as follows:

a. Financial assets

₹ in Lakhs

	Note	Instruments carried at fair value		Instruments carried at amortized cost	Total carrying amount	Total fair value
		At Cost	FVTOCI	Carrying amount		
As at 31st March, 2019						
Investment in subsidiaries	5	247.69	-	-	247.69	247.69
Other investments	5	-	1,078.78	-	1,078.78	1,078.78
Level 1						
Trade receivables	10	-	-	778.10	778.10	778.10
Cash & cash equivalents	11	-	-	28.91	28.91	28.91
Other bank balances	12	-	-	169.22	169.22	169.22
Other financial assets	6 & 13	-	-	16,996.13	16,996.13	16,996.13
Total		247.69	1,078.78	17,972.36	19,298.84	19,298.84
As at 31st March, 2020						
Investment in subsidiaries	5	236.80	-	-	236.80	236.80
Other investments	5	-	182.98	-	182.98	182.98
Level 1						
Trade receivables	10	-	-	300.00	300.00	300.00
Cash & cash equivalents	11	-	-	86.41	86.41	86.41
Other bank balances	12	-	-	214.80	214.80	214.80
Other financial assets	6 & 13	-	-	17,004.89	17,004.89	17,004.89
Total		236.80	182.98	17,606.10	18,025.88	18,025.88

b. Financial liabilities

₹ in Lakhs

	Note	Instruments carried at fair value		Instruments carried at amortized cost	Total carrying amount	Fair value
		FVTPL	Total carrying amount and fair value	Carrying amount		
As at 31st March, 2019						
Borrowings	16	-	-	-	-	-
Trade payables	17	-	-	2,986.85	2,986.85	2,986.85
Other financial liabilities	18	-	-	7,015.14	7,015.14	7,015.14
Total		-	-	10,001.99	10,001.99	10,001.99
As at 31st March, 2020						
Borrowings	16	-	-	200.00	200.00	200.00
Trade payables	17	-	-	557.65	557.65	557.65
Other financial liabilities	18	-	-	2,227.68	2,227.68	2,227.68
Total		-	-	2,985.33	2,985.33	2,985.33



32 RISK MANAGEMENT

Financial risk management objectives and policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's activity expose it to market risk, liquidity risk, commodity risk and credit risk. The Company's financial risk management policy is set by the Managing Director and governed by overall direction of Board of Directors of the Company.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

S. No.	Risk	Exposure arising from	Measurement	Management
A	Credit risk	Cash and cash equivalents and trade receivables.	Ageing analysis Credit ratings	Credit limits and letters of credit and Performance guarantees, taking security Deposits.
B	Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities and monetization of the remaining unsold land in near future.
C	Market risk – interest rate	Short Term borrowings at variable rates	Sensitivity analysis	Repayment through receivables
D	Market risk – foreign exchange	Future commercial transactions recognised financial assets and liabilities not denominated in INR.	Cash flow forecasting Sensitivity analysis	The Company monitors the exchange rates and accordingly placed the orders,
E	Commodity risk	Purchase of Raw Material and packing materials	Production plans and lead time	Procurement and inventory strategy

A. CREDIT RISK

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assess financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business
- ii) Actual or expected significant changes in the operating results of the counterparty
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations
- iv) Significant increase in credit risk on other financial instruments of the same counterparty

The company categorises financial assets based on the assumptions, inputs and factors specific to the class of financial assets into High-quality assets, negligible credit risk; Quality assets, low credit risk; Standard assets, moderate credit risk; Substandard assets, relatively high credit risk; Low quality assets, very high credit risk; Doubtful assets, credit-impaired.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for write off when a debtor fails

to make contractual payments greater than one year past due. Where loans or receivables have been written off, the Company continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.

a. Expected credit loss for trade receivables under simplified approach (gross) (₹ in Lakhs)

	As at 31st March 2020	As at 31st March 2019
Due from the date of invoice		
0-6 months	285.20	649.77
more than 6 months	82.85	128.33
Total	368.04	778.10

b. Reconciliation of loss allowance provision - Trade receivables (₹ in Lakhs)

	As at 31st March 2020	As at 31st March 2019
Opening provision	-	576.11
Additional provision made/(withdrawn)- net	68.04	(576.11)
Closing provisions	68.04	-

LIQUIDITY RISK

- B.** Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows. The Company also expects monetization of the remaining unsold land in near future which shall further strengthen the cash flow of the Company.

Financing arrangements

(₹ in Lakhs)

The Company had access to following undrawn Borrowing facilities at end of reporting period:

	As at 31st March 2020	As at 31st March 2019
Variable Borrowing -Cash Credit expires within 1 year	Nil	Nil

Contractual maturity patterns of borrowings

(₹ in Lakhs)

	As at 31st March'20		
	0-1 years	1-5 years	Total
Short term borrowings	200.00	-	200.00
Total	200.00	-	200.00
	As at 31st March'19		
	0-1 years	1-5 years	Total
Short term borrowings	1,275.71	-	1,275.71
Total	1,275.71	-	1,275.71

Maturity patterns of Financial Liabilities other than borrowings

(₹ in Lakhs)

	As at 31st March 2020 0-12 Months	As at 31st March 2019 0-12 Months
Trade Payable	557.65	2,986.85
Other Financial liabilities	2,227.68	7,015.14
Total	2,785.33	10,001.99



C. MARKET RISK- INTEREST RATE RISK

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Exposure to interest rate risk (₹ in Lakhs)

	As at 31 st March 2020	As at 31 st March 2019
Borrowings bearing fixed rate of interest	200.00	-
Borrowings bearing variable rate of interest	-	1,275.71

Interest rate sensitivity

A change of 50 bps in interest rates would have following Impact on profit before tax (₹ in Lakhs)

	2019-20	2018-19
50 bp increase- decrease in profits	-	11.21
50 bp decrease- Increase in profits	-	11.21

D. MARKET RISK- FOREIGN CURRENCY RISK.

The Company is exposed to foreign exchange risk mainly through its export sales.

Foreign Currency Exposure

Name of the Instrument	2019-20		2018-19	
	In USD	₹ In Lakhs	In USD	₹ In Lakhs
Open Foreign Exchange Exposures - Receivable	-	-	6,099	3.97
Open Foreign Exchange Exposures - Payable	-	-	3,91,364	254.18

Foreign Currency Risk Sensitivity

A change of 1% in Foreign currency would have following Impact on profit for the year:

₹ In Lakhs

Particulars	2019-20		2018-19	
	1% Increase	1% decrease	1% Increase	1% decrease
USD	-	-	-	-
Increase / (decrease) in profit or loss	-	-	-	-

Derivative financial instruments

The Company has not entered into any derivative financial instruments during the current year and previous year.

E. COMMODITY RISK

Principal Raw Material for Company's products is variety of Tobacco (a product prepared from the leaves of the tobacco plant by curing them) which are procured from the Tobacco Board on auction basis once in year and partly is from local traders. The Company sources its most of the raw material requirement from Andhra Pradesh where the agriculture of tobacco leaf is cultivated. The prices of the tobacco may fluctuate depending upon the monsoon in the season. The Company effectively manages deals with availability of material as well as price volatility through:

1. Widening its sourcing base
2. Appropriate contracts and commitments
3. Well planned procurement & inventory strategy

F IMPACT OF COVID-19

In March 2020, the WHO declared the COVID-19 outbreak as a pandemic which continues to spread across the country. On 25th March, 2020, the Government of India has declared this pandemic a health emergency, ordered temporarily close of all non-essential businesses, imposed restrictions on movement of goods/material, travel, etc. As the nature of business performed by the Company majorly fell under non-essential category, these restrictions had substantially reduced its operations between 60 to 65 days. The Company has since, as per guideline of Central Government and State Government, partially commenced operations including dispatch of goods to its customers from its manufacturing facility and scaling up the same gradually. In assessing, inter-alia, the recoverability of trade receivables measured at amortised cost of Rs.192.30 lakhs, Financial Investments (Quoted) of Rs.182.98 lakhs and realisation of inventories of Rs.1139.01 lakhs, apart from considering the internal and external information up to the date of approval of these standalone financial statements, the Company has also performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these standalone financial statements. Considering the continuing uncertainties, the Company will continue to closely monitor any material changes to future economic conditions

CAPITAL RISK MANAGEMENT

Presently, the Company has settled with the lenders as refer in note no 40(c) by monetising land situated at Guntur. Further the Company will generate funds by monetization of the remaining unsold real estate in near future. Due to stressed financial position, the Company has already breached the financial covenants.

33 DISCLOSURE PURSUANT TO IND AS - 19 “EMPLOYEE BENEFITS”**i) Gratuity:**

In accordance with the applicable laws, the Company provides for gratuity, a defined benefit retirement plan (“The Gratuity Plan”) covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date.

The disclosure in respect of the defined Gratuity Plan are given below:

₹ in Lakhs

A. Balance Sheet

	Defined benefit plans	
	As at 31st March 2020	As at 31st March 2019
Present value of plan liabilities	162.11	220.57
Fair value of plan assets	-	-
Asset/(Liability) recognised	162.11	220.57



B. Movements in plan assets and plan liabilities	Present value of obligations	Fair Value of Plan assets
As at 1st April 2019	220.57	-
Current service cost	8.24	-
Past service cost	-	-
Interest Cost/(Income)	28.06	-
Return on plan assets excluding amounts included in net finance income/cost	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	4.74	-
Actuarial (gain)/loss arising from experience adjustments	(10.12)	-
Employer contributions	-	-
Benefit payments	(89.37)	-
As at 31st March 2020	162.11	-
As at 1st April 2018	265.03	-
Current service cost	8.72	-
Past service cost	-	-
Interest Cost/(Income)	26.74	-
Return on plan assets excluding amounts included in net finance income/cost	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	1.74	-
Actuarial (gain)/loss arising from experience adjustments	(4.94)	-
Employer contributions	-	-
Benefit payments	(76.72)	-
As at 31st March 2019	220.57	-

The liabilities are split between different categories of plan participants as follows:

- active members - 124 (2018-19: 163)

C. Statement of Profit and Loss	2019-20	2018-19
Employee Benefit Expenses:		
Current service cost	8.24	8.72
Interest cost/(income)	28.06	26.74
Total amount recognised in Statement of profit & loss	36.30	35.46
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding amounts included in net finance income/(cost)	-	-
Experience gains/(losses)	5.38	3.21
Total amount recognised in Other Comprehensive Income	5.38	3.21

D. Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date. The significant actuarial assumptions were as follows:

	As at 31st March, 2020	As at 31st March, 2019
Financial Assumptions		
Discount rate	6.84%	7.47%
Expected Rate of Return on plan assets	N.A.	N.A.
Salary Escalation Rate	5.00%	5.00%
Attrition Rate	2.00%	2.00%

Demographic Assumptions

Mortality in Service : Indian Assured Lives Mortality (2006-08)

E. Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

Impact on defined benefit obligation	As at 31 st March, 2020		
	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	+ / (-) 1%	(7.34)	8.42
Salary Escalation Rate	+ / (-) 1%	8.49	(7.53)
Attrition Rate	+ / (-) 1%	1.13	(1.26)

Impact on defined benefit obligation	As at 31 st March, 2019		
	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	+ / (-) 1%	(6.92)	7.83
Salary Escalation Rate	+ / (-) 1%	7.95	(7.13)
Attrition Rate	+ / (-) 1%	1.34	(1.49)

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

F. The defined benefit obligations shall mature as follows:

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Within 1 year	298.95	239.87
1-2 year	12.05	40.02
2-3 year	18.20	26.65
3-4 year	3.67	16.47
4-5 year	8.91	5.19
5-10 year	40.66	42.76
10 years and above	112.90	99.84

ii) Compensated Absences:

The Company permits encashment of compensated absence accumulated by their employees on retirement, separation and during the course of service. The liability in respect of the Company, for outstanding balance of leave at the balance sheet date is determined and provided on the basis of actuarial valuation as at the balance sheet date performed by an independent actuary. The Company doesn't maintain any plan assets to fund its obligation towards compensated absences.

34	EARNINGS PER SHARE (EPS)	2019-20	2018-19
	Net Profit/(Loss) as per Statement of profit and loss before exceptional items after tax (₹ in Lakhs)	(2,318.63)	1,947.33
	Exceptional items (₹ in Lakhs)	2,153.69	781.64
	Net Profit/(Loss) as per Statement of profit and loss after exceptional items and tax (₹ in Lakhs)	(164.94)	2,728.97
	Weighted average number of equity Shares	17588021	17588021
	Face value of equity Share in ₹	10.00	10.00
	Basic & Diluted Earning Per Share Before Exceptional items (₹)	(13.18)	11.07
	Basic & Diluted Earning Per Share after Exceptional items (₹)	(0.94)	15.52



₹ in Lakhs

35	Pending Litigations/contingent liabilities not provided for in respect of :	2019-20	2018-19
(a)	Disputed Excise matters : Disputed Excise claims/demands excluding interest liability, if any, against and/or relating to the Company and counter claims by the Company are pending or otherwise being contested before the various Excise Authorities /Courts against which the Company has paid Rs. 367.91 Lakhs (as at March 31, 2019 Rs. 256.01 Lakhs) (included in Loans & Advances) under protest. In the opinion of the management, appropriate provisions have been made in the books of account in respect of Excise claims/ demands that may become payable based on the legal advice /present status of various matters. Further, various show cause notices/show cause-cum-demand notices/attachment notice have been received including remanded back from Excise Authorities by the Company and/or in relation to the Company. Since these notices are in the nature of explanations required, the Company does not consider them to constitute any liability. All these notices have appropriately been replied/attended to	16,373.56	710.20
(b)	Disputed Income Tax matters : Income Tax in respect of earlier years under dispute for which appeals/rectification petitions have been / are being preferred by the Company before the various appellate authorities and / or pending final assessments including interest and penalties against which the Company has paid ₹ Nil (as at March 31, 2019 ₹ Nil)	142.44	-
(c)	Other disputed amounts for which the Company is contingently liable : Demands of employees/ex-employees Sales Tax Land Revenue Tax E.S.I.C. Service Tax -Services/material suppliers/advance forfeited and other business related disputed matters	368.55 130.97 3.78 18.86 - 8,274.50	368.55 151.65 3.78 18.86 3.86 8,189.47
(d)	The Company has received notices from certain States in USA with regard to claims against cigarettes sold in those States. However, as per an expert legal opinion obtained, the Company is not liable for claims, whatsoever-amount unascertainable		
(e)	Guarantees and counter guarantees given by the Company to Banks/Financial Institutions / Others in respect of loans / guarantees to / for other companies plus interest, if any .	1,048.23	1,048.23

The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial statements

36 COMMITMENTS

- Capital commitment of Rs. 100 Lakhs (as at March 31, 2019 Rs.100 Lakhs) net of advance of Rs.25 Lakhs (as at March 31, 2019 Rs. 25 Lakhs)
- The Company has taken various residential / commercial premises under cancelable Operating Leases. The Lease Agreements are usually renewable by mutual consent on mutually agreeable terms
- The rental expense in respect of Operating Leases is charged as rent under Note 28

37 The Company as a part of development activities of Realty Division :-**a) Vile Parle-Mumbai**

- (i) The Company had entered into Memorandum of Understanding (MOU) in December, 2009 with M/s Sheth Developers Pvt. Ltd. and Suraksha Realty Ltd. (Developers) and had received advances in earlier years aggregating to Rs. 13,200 Lakhs (as at March 31, 2019 Rs. 13,200 Lakhs) to jointly develop its Vile Parle property. However, on Intervention Application filed by Sheth Developers Pvt Ltd and Suraksha Realty Ltd (the interveners), in the SLP filed by the Income Tax Department before the Hon'ble Supreme Court, the Hon'ble Court vide its order dated 12.05.2016 held that MOU entered into by the Company with them was in violation of the Sanctioned BIFR Scheme 2002. Therefore, such MOU with the aforesaid interveners entered into by the Company loses its legal force and no right would accrue to these interveners on the basis of said MOU. Thus the Hon'ble Court dismissed their plea. Consequently the title deeds of the property lying in Escrow Account with the Solicitor will be released in due course. The said developers have also filed an appeal u/s 9 and 11 of the Arbitration and Conciliation Act before the Hon'ble Bombay High Court which is pending. The Hon'ble High Court Gujarat at Ahmedabad vide its order dated 05-05-2015 restrained the Company from transferring its Vile Parle property pursuant to a petition filed by a group of minority shareholders pending with NCLT. The Company had received advances of ₹ 4075 Lakhs (₹ 4075 Lakhs as at March 31, 2019) from a strategic investor for development of the said property. The strategic investor, however, has filed a recovery suit along-with interest before Hon'ble Bombay High Court against which the Company has filed counter claim for the higher amount, which is pending. Hon'ble Bombay High Court vide order dated 14.10.2019 granted the ad interim relief to restrain the Company from transferring its Vile Parle property.
- (ii) The Vile Parle land was attached by the Excise Department vide its order dated April 13, 2011 for non payment of last installment as per BIFR sanction scheme 2002. The Company had challenged such action before the Hon'ble BIFR. The Hon'ble BIFR vide its order dated February 5, 2014 ordered to lift such attachment but till date the department had not withdrawn the same. (The Department appeal before the AAIFR has become in fructuous as the Appellate Authority was abolished by operation of law)

b) Hyderabad

Revenue from Operations for the year ended March 31, 2019 includes ₹ 5050 lakhs being sales consideration in respect of Company's Hyderabad Property (sold under the SARFESI Act, 2002 by a secured lender) towards full and final settlement of the dues of the lender. Consequently, balance dues of ₹ 7079.08 lakhs payable to the lender no longer payable had been written back and disclosed as exceptional item (Refer note 29)

c) Chattarpur-New Delhi

The Company had given advances aggregating to ₹ 16001.73 Lakhs (as at March 31, 2019 ₹ 16,001.73 Lakhs) to Golden Realty and Infrastructure Limited (a wholly owned subsidiary of the Company) which in turn has utilized the same to acquire certain development rights in a plot of land situated in Chattarpur - New Delhi for Joint Development pursuant to Development Agreement in this regard. The said Subsidiary expects to commence construction activities on the aforesaid land in due course after receiving necessary approvals applied for and therefore, in the opinion of the management, the aforesaid advances are fully realizable in due course of time.

d) Guntur- Andhra Pradesh

In March 2018, land situated at Guntur, Andhra-Pradesh hitherto held as Property, Plant and Equipment was converted into "Stock in Trade" at the book value of ₹ 0.04 Lakhs. Further, the Company has received an advance of ₹ 9085.35 Lakhs (as at March 31, 2019 ₹ 3340 Lakhs) towards Project Development. In respect of the said land, the Company has received a Show Cause Notice dated 28.06.2017 from WAQF Board, Vijayawada, Andhra Pradesh, claiming 11.57 acres Company's land situated at Guntur having book value of ₹ 0.03 Lakhs. The Company has challenged the same before the Division bench of Hon'ble Hyderabad High Court which is pending. Based on the legal advice and favorable orders in similar cases, the Company is expecting positive outcome.

e) Palghar- Maharashtra

In March 2020, Land and Building situated at Palghar, Maharashtra hitherto held as Property, Plant and Equipment has been converted into "Stock-in-Trade" at the book value of ₹ 602.90 Lakhs. Further, the Company has received advances aggregating to ₹ 480 lakhs from two parties in respect of the land as on March 31, 2020.



38 DISCLOSURE ON RELATED PARTY TRANSACTIONS

Names of related parties and description of relationship:

Parties where controls exists :Subsidiaries

Western Express Industries Limited
Golden Investment (Sikkim) Private Limited
Golden Realty & Infrastructure Limited
GTC Inc B.V, Netherland-being wound up
Raigarh Papers Limited –Step Down Subsidiary

Key Managerial Personnel and their relatives:

Shri. Jaskaran S Khurana	Managing Director (from 28th September 2019 and Executive Director upto 27th September 2019)
Shri. A. K. Joshi	Managing Director (upto 27th September 2019)
Shri Bharat B Merchant	Non Executive Director (upto 10th June 2019)
Shri Vinod Bhatia	Non Executive Director
Smt. Kokila Panchal	Non Executive Director
Shri Rajanikant Patel	Non Executive Director (from 9 January 2020)
Shri Manoj Kumar Srivastava	Company Secretary (upto 5th October, 2018)
Shri Jaymeen Patel	Company Secretary (Upto 16th January, 2020)
Shri Harish Punwani	Company Secretary (from 24th February,2020)
Shri Pawan Kumar Malsaria	Chief Financial Officer

Relatives :

Shri Amit Joshi
Shri Ashwin Joshi
Smt. Ivleen Khurana
Smt. Ritu Srivastava (upto 5th October, 2018),
Smt. Savita Malsaria
Mohan Bhai T. Patel (Upto 16th January 2020)

During the year, the following transactions were carried out with the above related parties in the ordinary course of business and outstanding balances as on March 31, 2020

₹ in Lakhs

Nature of Transactions	For the year ended March 31, 2020	For the year ended March 31, 2019
Golden Realty & Infrastructure Limited :		
Advances received back	-	300.00
Assignment of Payable	-	91.37
Western Express Industries Limited :		
Assignment of Payable	-	91.37
GTC Inc B.V, Netherland		
Provision for Investments	10.89	-
Managerial Remuneration :		
Shri. A. K. Joshi (net of excess remuneration recovered of Rs. 21.50 lakhs; Previous Year Rs. Nil)	18.57	81.50
Shri. Jaskaran S Khurana*	68.13	55.85
Remuneration :		
Shri. Manoj Kumar Srivastava	-	4.56
Shri Jaymeen Patel	4.24	1.74
Shri. Harish Punwani	0.39	-
Shri. Pawan Kumar Malsaria	9.00	9.96

Nature of Transactions	For the year ended March 31, 2020	For the year ended March 31, 2019
Car Hire Charges		
Shri. Ashwin Joshi	-	3.60
Smt. Namarta Joshi	1.77	-
Smt. Ivleen Khurana	3.60	3.60
Smt. Ritu Srivastava	-	0.50
Smt. Savita Malsaria	0.96	0.96
Mr. Mohan Bhai T Patel	-	0.16
Directors sitting fees :		
Shri Bharat B Merchant	0.40	1.90
Shri Vinod Bhatia	1.40	0.80
Shri Rajnikant Patel	0.10	-
Smt. Kokila Panchal	1.60	1.80

*Subject to the shareholders approval

₹ in Lakhs

Party Name	Nature of Balances	As at March 31, 2020	As at March 31, 2019
Golden Realty & Infrastructure Limited	Receivable	16,001.73	16,001.73
	Investments	5.00	5.00
Western Express Industries Limited	Receivable	937.53	937.53
	Investments	231.20	231.20
Golden Investment (Sikkim) P Ltd	Payable	31.04	31.04
	Investments	0.60	0.60
GTC Inc. B.V	Receivable	39.42	39.42
	Investments	10.89	10.89
	Provision for doubtful receivable and Investments	50.31	39.42
Shri. A. K. Joshi	Remuneration Payable	35.21	25.02
Shri. Jaskaran S Khurana		5.40	13.96
Shri Jaymeen Patel	Salary Payable	-	1.26
Shri. Harish Punwani		0.34	-
Shri. Pawan Kumar Malsaria		0.55	2.49
Shri. Ashwin Joshi		-	0.83
Smt. Ivleen Khurana	Hire Charges Payable	0.29	0.88
Smt. Savita Malsaria		0.08	0.24
Mr. Mohan Bhai T Patel		-	0.12

Notes:

- Related party relationship is as identified by the management and relied upon by the auditors.
- No amounts in respect of related parties have been written off/ written back during the year and no provision has been made for doubtful debts/ receivable except as disclosed above



39 In terms of Ind As 108 “Operating Segments”, segment information has been provided in the notes to Consolidated Financial Statements.

40 Assets provided as security

The carrying amounts of assets provided as security for borrowings and others are as under:

₹ in Lakhs

	As at 31 March, 2020	As at 31 March, 2019
Current Assets		
Financial Assets		
Trade receivables	300.00	778.10
Fixed Deposit with Banks	172.50	161.73
Interest accrued but not due on fixed deposits	8.88	9.40
Non Financial Assets		
Inventories Stock in Trade- immovable properties	0.04	0.04
Inventories- others	1,153.75	1,627.10
Total Current assets provided as security	1,635.17	2,576.37
Non Current Assets		
Plant and Equipment	59.95	87.39
Land and Buildings	685.31	960.33
Total non-current assets provided as security	745.26	1,047.72
Total assets provided as security	2,380.43	3,624.09

Note:

Working Capital Facilities are secured by way of :

- Guarantees given by the Company’s Bankers are secured/to be secured by hypothecation of Inventories, Trade Receivables, fixed deposits with banks and certain plant and equipment, equitable mortgage of certain immovable properties at Vadodara subject to prior charge in favour of Trustees for the debenture holders and /or pledge of fixed deposit receipts.
- In respect of 12% Secured Redeemable Non-Convertible Debentures privately placed with IFCI Limited Company had in the earlier years repaid the entire amount of debentures. However, till date the Company has not received the “No Due Certificate” from IFCI in view of their unsustainable claim, therefore, the Company could not file the form for satisfaction of charge which was created on Company’s property situated at village Dhanot in the State of Gujarat and a first charge by way of hypothecation of the Company’s movable properties subject to prior charge on specified movables in favour of the Company’s Bankers for Working Capital facilities and was further secured by equitable mortgage of the Company’s immovable properties at Baroda, Gujarat ranking pari passu with the Bankers who have given working capital term loan.
- During the year, the Company has settled the entire dues payable to the consortium Bankers under the One Time Settlement (OTS) entered into with them. The Company has informed to the Canara Bank (lead bank) to withdraw of proceedings under section 13(4) of the SARFAESI Act filed challenging the provisional attachment made by the consortium bankers in respect of its Guntur property (where 1st charge provided) and its Vadodara property (where 2nd charge provided). Withdrawal of the charges is in the process of execution.

Besides the above, the Company has also settled the entire dues payable to Allahabad Bank in respect of its Term Loan facility under One Time Settlement (OTS) entered into with them, where the Company had given Palghar property as 1st Charge, charge in respect of the property has been vacated. Consequent to the aforesaid OTS, balance dues of ₹ 2943.63 lakhs no longer payable has been written back and disclosed as exceptional item (Refer note 29).

41 The Company’s net worth had been entirely eroded. The Company has prepared these financial statements on a going concern basis as the management is hopeful to turn around the Company’s business performance especially in the Realty Business segment considering valuable land held.

42 Income Tax proceedings in respect of earlier years decided in the Company's favour by the Appellate Authorities against which the Department is in further appeals. Hence it is not required to be disclosed as contingent liabilities in terms of para 28 of Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets.

43 **Net debt reconciliation :**

₹ in Lakhs

Particulars	Cash and cash equivalents	Non current borrowings (including current maturities)	Current borrowings	Interest Payable	Total
Net debt as at 31st March, 2018	(167.06)	5,232.16	2,428.33	9,480.99	16,974.42
Cash flows- Proceeds/(Repayment)	138.15	(5,232.16)	(1,204.33)	-	(6,298.34)
Non cash items	-	-	51.71	(7,350.40)	(7,298.69)
Finance cost	-	-	-	1,425.15	1,425.15
Interest paid	-	-	-	(158.87)	(158.87)
Net debt as at 31st March, 2019	(28.91)	-	1,275.71	3,396.87	4,643.67
Cash flows- Proceeds/(Repayment)	(57.50)	-	(1,075.71)	-	(1,133.21)
Non cash items	-	-	-	(2,943.63)	(2,943.63)
Finance cost	-	-	-	1,082.14	1,082.14
Interest paid	-	-	-	(1,528.81)	(1,528.81)
Net debt as at 31st March, 2020	(86.41)	-	200.00	6.57	120.16

₹ in Lakhs

44 PAYMENT TO AUDITORS (excluding Taxes)	2019-20	2018-19
Audit fees	10.25	9.75
Limited review fees	4.50	3.00
Certification fees	0.25	0.50
Reimbursement of expenses	1.26	0.36
TOTAL	16.26	13.61

45 In the opinion of the management, assets other than Property, Plant and Equipment and non-current investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated. The Accounts of certain Trade Receivables, Trade Payables, Non-operative Banks / Lenders and Loans & Advances are however, subject to formal confirmations / reconciliations and consequent adjustments, if any. The management does not expect any material difference affecting the current year's financial statements.

46 Previous years' figures have been regrouped/reclassified whenever necessary to conform to current years' classification.

Signatures to Notes 1 to 46
For and on behalf of the Board

Jaskaran S. Khurana
Managing Director
DIN : 00005035
New Delhi, June 30, 2020

Kokila Panchal
Director
DIN : 07144653
Mumbai, June 30, 2020

Harish Punwani
Company Secretary
Membership No. A-50950
Vadodara, June 30, 2020

Pawan Kumar Malsaria
Chief Financial Officer
Vadodara, June 30, 2020



INDEPENDENT AUDITOR'S REPORT

**To
The Members of
GOLDEN TOBACCO LIMITED**

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Golden Tobacco Limited** ("the Holding Company") and its subsidiaries (collectively referred to as 'the Group') which comprises of Consolidated Balance Sheet as at March 31, 2020, the Consolidated Statement of Profit and Loss, Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow for the year than ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of Matter :

We draw your attention to note no 44 of the consolidated financial statements with regards to Management's assessment of, inter-alia, realisability of Inventories of Rs.1139.01, Financial Investments of Rs 213.53 lakhs and recoverability of Trade receivables measured at amortised cost of Rs.192.30 lakhs due to COVID 19 pandemic outbreak. The management apart from considering the internal and external information upto the date of approval of this consolidated financial statements, the management has also performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the management expects to recover the carrying amount of these assets.

The impact of the global health pandemic may be different from that estimated as at the date of approval of these consolidated financial statements. Considering the continuing uncertainties, the management will continue to closely monitor any material changes to future economic conditions.

Our Opinion is not modified in respect of this matter

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	How our audit addressed the key audit matter
Advances given for Development Rights (as described in note no. 36 (c) of the consolidated financial statements)	
<p>Advances given aggregating to ₹ 11,154.96 Lakhs towards development rights in respect of the land situated on which construction activity is yet to start on the land situated at Chhatarpur, New Delhi. Our audit focused on this area because the assessment of recoverable/realisable value of the aforesaid asset requires management to make a number of key judgements and estimates with respect to the future performance and profitability of the realty project which involves judgements and estimates on future growth rates, discount rates, etc. Accordingly, Impairment assessment of the Group's realty project has been considered as a key audit matter</p>	<p>We assessed and tested the design and the operating effectiveness of the key controls that management has established to support the review and approval of the model design, key model inputs and valuation.</p> <p>We relied on the appropriateness of the valuations as verified by the expert and relied upon by the auditors being a technical matter.</p>
Legal disputes pertaining to various Group's properties and other disputed claims (as described in note no. 34 of the consolidated financial statements and clause 1(c) of Annexure A of the Standalone Independent Auditors Report)	
<p>The Group is involved in certain legal proceedings from the various Government and other authorities. Management judgement is involved in assessing the accounting for claims, and in particular in considering the probability of a claim being successful and we have accordingly designated this as a focus area of the audit. The risk related to the claims is mainly associated with the completeness of the disclosure, and the completeness of the provisions in the Consolidated financial statements.</p>	<p>In response to the risk of completeness of the disclosures and the completeness of the provisions in the Consolidated financial statements, we obtained external confirmations directly from Group's legal advisors. We discussed the cases with management, and reviewed correspondence and other documents exchanged between Group and the other parties meetings, and inspected the Group's legal expenses, in order to ensure all cases have been identified.</p> <p>We tested provisions recorded in the accounting records, and reviewed the disclosures for completeness based on our procedures detailed above</p>
Inventory – existence and valuation	
<p>As at March 31, 2020, the Group held inventories of Rs. 2398.12 Lakhs. [Also, refer Note no. 9 of the consolidated financial statements]</p> <p>Inventories existence and valuation was an audit focus area because of nationwide lockdown imposed by the Government of India in view of pandemic coronavirus (COVID 19).</p> <p>As explained by the Management, due to COVID 19 related restriction on account of nationwide lockdown, physical verification of inventories, aggregating to Rs 2398.12 lakhs as on the Balance sheet date and subsequently also till the date of this report, couldn't be carried out.</p> <p>We have accordingly designated this as a focus area of the audit.</p>	<p>We have performed following alternative audit procedures over inventory existence and valuations.</p> <p>(a) Ensuring the effectiveness of the design, implementation and maintenance of controls over changes in inventory to determine whether the physical and valuation considered appropriately.</p> <p>(b) Performing substantive analytical procedures to test the correctness of inventory existence and valuation</p> <p>(c) Testing of accuracy of inventory reconciliations with the general ledgers at period end, including test of reconciling items</p> <p>The procedures performed gave us a sufficient evidence to conclude about the inventory existence and valuation.</p>

Information Other than the Consolidated Financial Statements and Auditor's report thereon

The Holding Company's Board of Directors is responsible for the preparation of other information. The Other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to the Board report, Business responsibility Report, Corporate Governance report and Shareholder's information, but does not include the consolidated financial statement and our auditor's report thereon.

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



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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance (including consolidated other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Account) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group are also responsible for overseeing the reporting process of the Group.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

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

Other Matter

We did not audit the financial statements of five subsidiaries, whose financial statements reflect total assets of Rs. 11514.80 lakhs as at March 31, 2020 and total revenues of Rs. 0.78 and net loss of Rs. 21.47 lakhs for the year ended March 31, 2020, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books and records.
 - (c) The Consolidated Balance sheet, the Consolidated Statement of Profit & Loss, Consolidated other comprehensive income, Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Account) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and its subsidiaries incorporated in India, none of the



directors of the Group companies is disqualified as on March 31, 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 Group and the operating effectiveness of such controls, refer to our separate Report in Annexure “A”.
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of Sec 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, necessary approval of shareholders is being obtained by the Group as required under Section 197(16) of the Act with regard to the managerial remuneration being paid.

- (h) With respect to the matters to be included in the Auditor’s report in accordance with the Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements. [Refer Note No.34 of the consolidated financial statements]
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts, including unpaid dividend declared in the year 1994-95 of Rs. 71.15 Lakhs (based on the expert opinion obtained in this regard) which were required to be transferred to the Investor Education and Protection Fund by the Group during the year ended March 31, 2020.

For Bagaria & Co. LLP
Chartered Accountants
Firm Regn No: 113447W/W-100019

Vinay Somani
Partner

Membership No: 143503
UDIN :20143503AAAAGN5099

Place : Mumbai
Date : June 30, 2020

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF GOLDEN TOBACCO LIMITED

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

In conjunction with our audit of the Consolidated Financial Statements of the Group for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of Golden Tobacco Limited (“the Holding Company”) and its subsidiaries (collectively referred to as ‘the Group’).

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (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 Group’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 Act.

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting includes 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 consolidated financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Group'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 Consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A Group'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 Group; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the Consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Group are being made only in accordance with authorizations of management and directors of the Group; (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Group's assets that could have a material effect on the financial statements and (4) also provide us reasonable assurance by the internal auditors through their internal audit reports given to the Group from time to time

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group has broadly, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Bagaria & Co. LLP
Chartered Accountants
Firm Regn No: 113447W/W-100019

Place : Mumbai
Date : June 30, 2020

Vinay Somani
Partner
Membership No: 143503
UDIN: 20143503AAAAGN5099



CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2020

Particulars	Notes	(₹ in Lakhs)	
		As at 31st March 2020	As at 31st March 2019
ASSETS			
(1) NON - CURRENT ASSETS			
(a) Property, Plant and Equipment	2	812.08	1,515.31
(b) Intangible Assets	3	26.33	-
(c) Intangible Assets under development	4	-	31.60
(d) Financial assets			
(i) Investments	5	225.53	1,138.18
(ii) Other financial assets	6	99.72	100.67
(e) Income Tax Assets	7	272.88	175.12
(f) Other non-current assets	8	12,857.02	12,661.07
TOTAL NON - CURRENT ASSETS		14,293.56	15,621.95
(2) CURRENT ASSETS			
(a) Inventories	9	2,398.12	2,657.57
(b) Financial assets			
(i) Trade receivables	10	300.00	778.10
(ii) Cash & Cash equivalents	11	91.64	35.23
(iii) Other bank balances	12	214.80	169.22
(iv) Other financial assets	13	20.35	10.64
(c) Other current assets	14	116.67	92.96
TOTAL CURRENT ASSETS		3,141.58	3,743.72
TOTAL ASSETS		17,435.14	19,365.67
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	15	1,758.80	1,758.80
Other Equity		(23,161.41)	(22,554.42)
Attributable to the owners of the Parent		(21,402.61)	(20,795.62)
Non - controlling Interests		0.01	0.01
TOTAL EQUITY		(21,402.60)	(20,795.61)
LIABILITIES			
(1) NON - CURRENT LIABILITIES			
(2) CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Short Term Borrowings	16	200.00	-
(ii) Trade Payables	17		
- Total Outstanding Dues of Micro and small enterprises		20.16	67.64
- Total Outstanding Dues of Creditors other than Micro and small enterprises		537.60	2,919.21
(iii) Other financial Liabilities	18	2,222.05	7,007.66
(b) Other Current liabilities	19	35,610.50	29,821.94
(c) Provisions	20	247.43	344.83
TOTAL CURRENT LIABILITIES		38,837.74	40,161.28
TOTAL EQUITY AND LIABILITIES		17,435.14	19,365.67

Significant Accounting Policies

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date
For **BAGARIA and CO. LLP**
Chartered Accountants
FRN - 113447W/W-100019

Vinay Somani
Partner
Membership No. 143503

Mumbai, June 30, 2020

2 to 45

Signatures to Notes 1 to 45
For and on behalf of the Board

Jaskaran S. Khurana
Managing Director
DIN : 00005035
New Delhi, June 30, 2020

Harish Punwani
Company Secretary
Membership No. A-50950
Vadodara, June 30, 2020

Kokila Panchal
Director
DIN : 07144653
Mumbai, June 30, 2020

Pawan Kumar Malsaria
Chief Financial Officer
Vadodara, June 30, 2020

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2020

Particulars	Notes	(₹ in Lakhs)	
		For the year ended March 31, 2020	For the year ended March 31, 2019
INCOME			
Revenue from operations	21	2,342.55	7,607.99
Other income	22	188.84	198.12
Total Income		2,531.39	7,806.11
EXPENSES			
Cost of materials consumed	23	1,025.80	1,456.24
Purchases of Stock in Trade- Tobacco		135.83	-
Manufacturing and Operating Expenses	24	91.31	122.84
Changes in inventories of finished goods, work-in-progress and traded goods	25	547.95	31.69
Employee benefits expenses	26	715.13	803.28
Finance costs	27	1,082.14	1,593.00
Depreciation and amortisation expenses	2	101.18	62.35
Other expenses	28	1,217.69	1,728.02
Total Expenses		4,917.03	5,797.42
Net Profit/(Loss) for the year Before Exceptional items and Tax		(2,385.64)	2,008.69
Exceptional items -net	29	2,164.58	781.64
Net Profit/(Loss) for the year Before Tax		(221.06)	2,790.33
Tax Expense			
Current Tax- MAT	30	-	63.95
Tax Expense for earlier years		(62.40)	-
Profit/(Loss) for the year		(158.66)	2,726.38
OTHER COMPREHENSIVE INCOME (OCI)			
Items that will be reclassified subsequently to Profit or loss			
Gain/(loss) on Re-measurement of investment in equity		(450.86)	(33.55)
Gain/(loss) on Remeasurement of net defined benefit plans		5.38	3.21
TOTAL OTHER COMPREHENSIVE INCOME		(445.48)	(30.34)
TOTAL COMPREHENSIVE INCOME		(604.14)	2,696.04
Loss for the year attributable to :			
Owners of the parent		(158.66)	2,726.38
Non-controlling interests		(0.00)	(0.00)
Total comprehensive income/(Loss) attributable to :			
Owners of the parent		(604.14)	2,696.04
Non-controlling interests		(0.00)	(0.00)
EARNINGS PER SHARE			
Basic & Diluted Earning Per Share Before Exceptional items	33	(13.21)	11.06
Basic & Diluted Earning Per Share After Exceptional items (Face value of ₹ 10 each)		(0.90)	15.50
Significant Accounting Policies	1		
The accompanying notes are an integral part of the consolidated financial statements	2 to 45		

As per our report of even date
For BAGARIA and CO. LLP
 Chartered Accountants
 FRN - 113447W/W-100019

Vinay Somani
 Partner
 Membership No. 143503
 Mumbai, June 30, 2020

Signatures to Notes 1 to 45
For and on behalf of the Board

Jaskaran S. Khurana
 Managing Director
 DIN : 00005035
 New Delhi, June 30, 2020

Harish Punwani
 Company Secretary
 Membership No. A-50950
 Vadodara, June 30, 2020

Kokila Panchal
 Director
 DIN : 07144653
 Mumbai, June 30, 2020

Pawan Kumar Malsaria
 Chief Financial Officer
 Vadodara, June 30, 2020



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH' 2020

₹ in Lakhs

EQUITY SHARE CAPITAL :	Balance as at 31 st March, 2018	Changes in equity share capital during the year	Balance as at 31 st March, 2019	Changes in equity share capital during the year	Balance as at 31 st March, 2020
Equity share Capital	1,758.80	-	1,758.80	-	1,758.80

OTHER EQUITY :

₹ in Lakhs

Particulars	Reserve and Surplus					Other Comprehensive Income			Total
	Securities Premium Reserve on issue of equity shares	Surplus arising on revaluation of PPE prior to April 1, 2016	Capital Reserve arising on Consoli- dation	General Reserve	Retained earnings	Foreign Currency Translation Reserve	Remea- surement of net defined benefit plans	Re-measu- rement of investment in equity	
Balance as at 31st March, 2018	5,336.21	1,067.14	709.34	40.22	(33,101.39)	(11.43)	119.60	589.07	(25,251.24)
Add : Profit for the year	-	-	-	-	2,726.38	-	-	-	2,726.38
Less : Withdrawn on sale of land	-	(1.20)	-	-	-	-	-	-	(1.20)
Add/Less: Additions during the year	-	-	-	-	-	1.98	-	-	1.98
Add : Other Comprehensive Income for the year	-	-	-	-	-	-	3.21	(33.55)	(30.34)
Balance as at 31st March, 2019	5,336.21	1,065.94	709.34	40.22	(30,375.01)	(9.46)	122.81	555.52	(22,554.42)
Balance as at 31st March, 2019	5,336.21	1,065.94	709.34	40.22	(30,375.01)	(9.46)	122.81	555.52	(22,554.42)
Add : Loss for the year	-	-	-	-	(158.66)	-	-	-	(158.66)
Less : Withdrawn on sale of land	-	(2.85)	-	-	-	-	-	-	(2.85)
Less: Profit in respect of sale of equity investments	-	-	-	-	177.67	-	-	(177.67)	-
Less: Transferred on disposal of Land and Buildings	-	(302.29)	-	-	302.29	-	-	-	-
Add : Other Comprehensive Income for the year	-	-	-	-	-	-	5.38	(450.86)	(445.48)
Balance as at 31st March, 2020	5,336.21	760.80	709.34	40.22	(30,053.71)	(9.45)	128.19	(73.01)	(23,161.41)

Significant Accounting Policies

1

The accompanying notes are an integral part of the consolidated financial statements

2 to 45

Signatures to Notes 1 to 45
For and on behalf of the Board

As per our report of even date
For **BAGARIA and CO. LLP**
Chartered Accountants
FRN - 113447W/W-100019

Jaskaran S. Khurana
Managing Director
DIN : 00005035
New Delhi, June 30, 2020

Kokila Panchal
Director
DIN : 07144653
Mumbai, June 30, 2020

Vinay Somani
Partner
Membership No. 143503
Mumbai, June 30, 2020

Harish Punwani
Company Secretary
Membership No. A-50950
Vadodara, June 30, 2020

Pawan Kumar Malsaria
Chief Financial Officer
Vadodara, June 30, 2020

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
A Cash flow from Operating Activities:		
Net Profit/(loss) as per statement of profit & loss before tax after exceptional items	(221.06)	2,790.33
Add: Adjustments for :		
Depreciation & amortisation expenses	101.18	62.35
Write back of liability under One time settlement	(2,943.63)	-
Interest Expenses	1,082.14	1,425.15
Bad Debts written off	48.21	1,121.06
Provision for doubtful debts provided for/(written back)	70.59	(1,121.06)
Interest received	(12.90)	(18.11)
Dividend received	(23.22)	(22.24)
Liabilities no longer payable written back	-	(7,079.08)
Sale of real estate	-	(4,100.00)
Liabilities no longer payable written back	(25.57)	-
Profit on sale of Property, Plant and Equipment	(85.91)	(79.96)
Foreign Exchange (Gain)/Loss	-	2.63
Operating Profit/(Loss) before Working Capital changes	<u>(2,010.17)</u>	<u>(7,018.93)</u>
Adjustments for changes in Working Capital :		
Trade Receivables	359.30	184.43
Financial assets -current and non current	(54.81)	430.22
Other assets - current and non current	(219.66)	2,180.96
Inventories	862.35	348.80
Trade Payable	(2,403.52)	(134.88)
Other financial liabilities	(119.60)	699.48
Other current liabilities	5,788.56	5,888.85
Provisions	(92.02)	(38.47)
Cash generated from Operations	<u>2,110.43</u>	<u>2,540.46</u>
Income Taxes Refund/(Paid)-net	(35.38)	(86.01)
Net cash from/(used in) Operating Activities - A	<u>2,075.05</u>	<u>2,454.45</u>
B Cash flow from Investing Activities:		
Purchase of Property, Plant and Equipment	-	(1.04)
Capital Advance & Intangible assets under development	-	(11.60)
Sale of Property Plant and Equipment	87.50	80.00
Proceeds from sale of Investments	461.79	-
Interest received (other than Investment)	13.37	17.51
Dividend received	23.22	22.24
Net Cash from/(used in) Investing Activities - B	<u>585.88</u>	<u>107.11</u>
C Cash flow from Financing Activities:		
Proceeds from Short term Borrowings	200.00	-
Repayment of borrowings- net	(1,275.71)	(2,536.50)
Interest paid	(1,528.81)	(158.87)
Net cash from/(used in) Financing Activities - C	<u>(2,604.52)</u>	<u>(2,695.37)</u>
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	56.41	(133.80)
Opening Cash and Cash Equivalents	<u>35.23</u>	<u>169.03</u>
Closing Cash and Cash Equivalents	<u><u>91.64</u></u>	<u><u>35.23</u></u>

As per our report of even date
For BAGARIA and CO. LLP
 Chartered Accountants
 FRN - 113447W/W-100019

Vinay Somani
 Partner
 Membership No. 143503
 Mumbai, June 30, 2020

Signatures to Notes 1 to 45
For and on behalf of the Board

Jaskaran S. Khurana
 Managing Director
 DIN : 00005035
 New Delhi, June 30, 2020

Harish Punwani
 Company Secretary
 Membership No. A-50950
 Vadodara, June 30, 2020

Kokila Panchal
 Director
 DIN : 07144653
 Mumbai, June 30, 2020

Pawan Kumar Malsaria
 Chief Financial Officer
 Vadodara, June 30, 2020



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Group Overview :

Golden Tobacco Limited ("the Group") is public limited Group incorporated and domiciled in India and has registered office at Darjipura, Post - Amaliya Vadodara. It is incorporated under the Companies Act, 1956 Corporate Identification Number is (CIN) L16000GJ1955PLC067605 and its shares are listed on the Bombay Stock Exchange Limited and National Stock Exchange in India. The Group is engaged in the business of manufacturing of Cigarettes and Real Estate.

The Consolidated Financial Statements relate to Golden Tobacco Limited, (The Holding Group) and its subsidiaries. The name, country of incorporation and proportion of ownership interest are as under :

Name of the Subsidiary Companies	Country of Incorporation	Proportion of ownership interest
Golden Investment (Sikkim) Pvt. Limited	India	99.97%
GTC INC.B.V*	Netherland	100%
Golden Realty & Infrastructure Limited	India	100%
Western Express Industries Limited	India	100%
Raigadh Papers Limited	India	100%

*being wound-up

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 BASIS OF ACCOUNTING

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified under the Companies (Indian Accounting standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendments Rules 2016 prescribed under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014.

The financial statements are prepared and presented on accrual basis and under the historical cost convention, except for the following material items that have been measured at fair value as required by the relevant Ind AS:

- ◆ Certain financial assets and liabilities are measured at Fair value (refer accounting policy on financial instruments - Refer note 1.9 below)
- ◆ Defined Benefit and other Long term Employee Benefits - Refer note 1.10 below

1.2 USE OF ESTIMATES AND JUDGEMENTS

The preparation of the financial statements requires that the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates.

The estimates and judgements used in the preparation of the financial statements are continuously evaluated and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Group believes to be reasonable under the existing circumstances. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

All the assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle of twelve months and other criteria set out in Schedule III to the Companies Act, 2013.

1.3 BASIS OF PREPARATION OF CONSOLIDATION FINANCIAL STATEMENTS

The consolidated financial statements comprise the financial statements of the Holding Company and its subsidiaries as at 31 March 2020. The Holding Company prepares and report its consolidated financial statements in INR.

Subsidiaries:

Subsidiaries are all entities over which the group has control. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

The group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of controls. Consolidation of a subsidiary begins when the group obtains control over the subsidiary and ceases when the group loses control of the subsidiary.

Consolidation procedure:

Subsidiary:

- a) Combine, on line by line basis like items of assets, liabilities, equity, income, expenses and cash flows of the Holding Company with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- b) Offset (eliminate) the carrying amount of the Holding Company's investment in each subsidiary and the Holding Company's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Holding Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Holding Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Holding Company, i.e., year ended on 31 March. When the end of the reporting period of the Holding Company is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the Holding Company to enable the Holding Company to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Goodwill

Goodwill arising on an acquisition of a business is initially recognized at cost at the date of acquisition. After initial recognition, goodwill is measured at cost less accumulated impairment losses, if any.

1.4 PROPERTY, PLANT AND EQUIPMENT & INTANGIBLE ASSETS**Property, Plant and Equipment**

Certain Land & Buildings and Plant & Equipment were revalued from time to time and are stated at updated book values less depreciation, where applicable. All other items are measured at cost less accumulated depreciation and impairment losses,



if any. Costs include freight, import duties, non-refundable purchase taxes and other expenses directly attributable to the acquisition of the asset.

Depreciation/amortisation:

Depreciation on Fixed Assets is provided on written down value method over the useful lives of assets as prescribed under Part C of Schedule II of the Companies Act, 2013 (hereinafter referred to as the 'Act').

Gains/Losses on disposals/de-recognition of property, plant and equipment are determined by comparing proceeds with carrying amount and these are recognized in statement of profit & Loss.

1.5 IMPAIRMENT OF NON FINANCIAL ASSETS

The Group assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets are impaired. If any such indication exists, the Group estimates the amount of impairment loss. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in profit or loss and reflected in an allowance account. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

1.6 REVENUE FROM CONTRACTS WITH CUSTOMERS

The Group recognizes revenue, whenever control over distinct goods or services is transferred to the customer; i.e. when the customer is able to direct the use of the transferred goods or services and obtains substantially all of the remaining benefits, provided a contract with enforceable rights and obligations exists and amongst others collectability of consideration is probable taking into account customer's creditworthiness.

Revenue is the transaction price the Group expects to be entitled to. In determining the transaction price, the Group considers effects of variable consideration, the existence of significant financing contracts, noncash consideration and consideration payable to the customer, if any. The Group considers whether there are other promises in the contract that are separate performance obligations to which the transaction price needs to be allocated (e.g. warranties etc.).

Variable Consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled to in exchange for transferring goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant reversal of revenue will not occur once associated uncertainties are resolved. Some contracts with the customers provide them with a right to return and volume rebates. The right to return and volume rebates gives rise to variable consideration.

The amount of variable consideration is calculated by either using the expected value or the most likely amount depending on which is expected to better predict the amount of variable consideration. Consideration is also adjusted for the time value of money if the period between the transfer of goods or services and the receipt of payment exceeds twelve months and there is a significant financing benefit either to the customer or the Group. If a contract contains more than one distinct good or service, the transaction price is allocated to each performance obligation based on relative stand-alone selling prices. If stand-alone selling prices are not observable, the Group reasonably estimates those.

Revenue is recognized for each performance obligation either at a point in time or over time.

Sale of goods:

Revenue from the sale of goods is recognised when the control of the goods passes to the buyer either at the time of dispatch or delivery or when the risk of loss transfers. Export sales are recognized based on the shipped on board date as per bill of lading, which is when substantial risks and rewards of ownership are passed to the customers.

Revenue from sale of goods is net of taxes and recovery of charges collected from customers like transport, packing etc. Provision is made for returns when appropriate. Revenue is measured at the fair value of consideration received or receivable and is net of price discounts, allowance for volume rebates and similar items.

Claims / Refunds not ascertainable with reasonable certainty are accounted for, on final settlement and are recognized as revenue on certainty of receipt on prudent basis.

Rendering of services:

Revenue from sale of services are recognized when the services are rendered.

Other Income

Dividend income on investments is recognised when the right to receive dividend is established.

Interest income is recognized on a time proportionate basis taking into account the amounts invested and the rate of interest. For all financial instruments measured at amortised cost, interest income is recorded using the Effective interest rate method to the net carrying amount of the financial assets.

1.7 INVENTORIES

- a) (i) Stock in Trade-Immovable Properties is valued at lower of estimated market value at the time of conversion as per the expert opinion received in the matter and estimated net realisable value.
- (ii) Other Inventories are valued at lower of cost and estimated net realisable value. Obsolete, defective and unserviceable stocks are provided for.
- b) Cost of Inventories is computed on moving weighted average /FIFO basis.
- c) Cost of finished goods, work-in-progress and other materials includes conversion and other costs incurred in bringing the inventories to their present location and condition.
- d) Advertisement and Sales promotion materials/items are charged to revenue as and when purchased.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale.

Adequate allowance is made for obsolete and slow moving items.

1.8 FINANCIAL INSTRUMENTS

Financial assets - Initial recognition

Financial assets are recognised when the Group becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the Statement of Profit and Loss.

Subsequent measurement

Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

- (a) the entity's business model for managing the financial assets and
- (b) the contractual cash flow characteristics of the financial asset.

(a) Measured at amortised cost:

A financial asset is measured at amortised cost, if it is held under the hold to collect business model i.e. held with an objective of holding the assets to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest on the principal outstanding. Amortised cost is calculated using the effective interest rate ("EIR") method by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, gain or loss, if any, is recognised to Statement of Profit and Loss.



(b) Measured at fair value through other comprehensive income (FVTOCI):

A financial asset is measured at FVOCI, if it is held under the hold to collect and sell business model i.e. held with an objective to collect contractual cash flows and selling such financial asset and the contractual cash flows are solely payments of principal and interest on the principal outstanding. It is subsequently measured at fair value with fair value movements recognised in the OCI, except for interest income which recognised using EIR method. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in the OCI is reclassified from the equity to Statement of Profit and Loss.

(c) Measured at fair value through profit or loss (FVTPL):

Investment in financial asset other than equity instrument, not measured at either amortised cost or FVOCI is measured at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised in the Statement of Profit and Loss.

Equity Instruments:

All investments in equity instruments classified under financial assets are subsequently measured at fair value. Equity instruments which are held for trading are measured at FVTPL.

For all other equity instruments, the Group may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument shall be recognised in Statement of Profit and Loss unless the Group has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in the OCI. Amounts recognised in Other Comprehensive Income (OCI) are not subsequently transferred to Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised in Statement of Profit and Loss.

Impairment

The Group recognises a loss allowance for Expected Credit Losses (ECL) on financial assets that are measured at amortised cost and at FVOCI. The credit loss is difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. This is assessed on an individual or collective basis after considering all reasonable and supportable including that which is forward-looking.

The Group's trade receivables or contract revenue receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall, being simplified approach for recognition of impairment loss allowance.

Under simplified approach, the Group does not track changes in credit risk. Rather it recognizes impairment loss allowance based on the lifetime ECL at each reporting date right from its initial recognition. The Group uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables.

The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For financial assets other than trade receivables, the Group recognises 12-month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves such that there is no longer significant increase in credit risks since initial recognition, then the Group reverts to recognizing impairment loss allowance based on 12 months ECL.

The impairment losses and reversals are recognised in Statement of Profit and Loss. For equity instruments and financial assets measured at FVTPL, there is no requirement for impairment testing.

De-recognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers rights to receive cash flows from an asset, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement.

In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Financial Liabilities

Initial Recognition and measurement

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value net of transaction costs for all financial liabilities not carried at fair value through profit or loss.

The Group's financial liabilities includes trade and other payables, loans and borrowings including bank overdrafts and derivative instruments.

Subsequent measurement

Financial liabilities measured at amortised cost are subsequently measured at using EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Loans & Borrowings:

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using EIR method. Gains and losses are recognized in profit & loss when the liabilities are derecognized as well as through EIR amortization process.

Financial Guarantee Contracts

Financial guarantee contracts issued by the Group are those contracts that requires a payment to be made or to reimburse the holder for a loss it incurs because the specified debtors fails to make payment when due in accordance with the term of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

Subsequently the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative adjustments.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Derivative financial instruments & hedge accounting

The Group uses derivative financial instruments, such as forward foreign exchange contracts, interest rate swaps, cross currency interest risk swap to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value, with changes in fair value recognised in Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The Group designates their derivatives as hedges of foreign currency risk associated with the cash flows of highly probable forecast transactions and variable interest rate risks associated with the borrowings.

The Group documents at the inception of hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset cash flow of hedged items. The Group documents its risk management objective and strategy for undertaking various hedge transaction at the inception of each hedge relationship.

Cash flows hedge that qualify for the hedge accounting



Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit & loss, except for the effective portion of cash flow hedge which is recognized in other comprehensive income and presented as separate component of equity which is later reclassified to statement of profit & loss when the hedge item affects profit & loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

1.9 FAIR VALUE MEASUREMENT:

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ◆ In the principal market for the asset or liability, or
- ◆ In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- ◆ Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ◆ Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- ◆ Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

1.10 EMPLOYEE BENEFITS

The Group has provides following post-employment plans such as:

- (a) Defined benefit plans such a gratuity and
- (b) Defined contribution plans such as Provident fund & Superannuation fund

a) Defined-benefit plan:

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

The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- (a) Service costs comprising current service costs, past-service costs, gains and losses on curtailment and non-routine settlements; and
- (b) Net interest expense or income

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

Re-measurement comprising of actuarial gains and losses arising from

- (a) Re-measurement of Actuarial(gains)/losses
- (b) Return on plan assets, excluding amount recognized in effect of asset ceiling
- (c) Re-measurement arising because of change in effect of asset ceiling are recognised in the period in which they occur directly in Other comprehensive income. Re-measurement are not reclassified to profit or loss in subsequent periods.

Ind AS 19 requires the exercise of judgment in relation to various assumptions including future pay rises, inflation and discount rates and employee and pensioner demographics. The Group determines the assumptions in conjunction with its actuaries, and believes these assumptions to be in line with best practice, but the application of different assumptions could have a significant effect on the amounts reflected in the income statement, other comprehensive income and balance sheet. There may be also interdependency between some of the assumptions.

b) Defined-contribution plan:

Under defined contribution plans, provident fund, the Group pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Defined Contribution plan comprise of contributions to the employees' provident fund with the government, superannuation fund and certain state plans like Employees' State Insurance and Employees' Pension Scheme. The Group's payments to the defined contribution plans are recognised as expenses during the period in which the employees perform the services that the payment covers.

c) Other employee benefits:

- (a) Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the obligation as at the Balance sheet date determined based on an actuarial valuation.
- (b) Undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the period when the employee renders the related services.
- d) Expenses incurred towards voluntary retirement scheme are charged to the statement of profit and loss as and when incurred.
- e) Other benefits comprising of discretionary long service awards are recognized as and when determined.

1.11 LEASES

The Group, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Group has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease,



if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. For short-term and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the lease term

1.12 FOREIGN CURRENCY TRANSACTIONS

a) Initial Recognition

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss of the year.

b) Measurement of Foreign Currency Items at the Balance Sheet Date

Foreign currency monetary items of the Group are restated at the closing exchange rates. Non monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these transactions are charged to the Statement of Profit and Loss.

c) Foreign currency translation

Assets and liabilities of the entities with functional currency other than the presentation currency have been translated to the presentation currency using exchange rates prevailing on the balance sheet date. The statement of profit and loss has been translated using monthly average exchange rates prevailing during the year. Translation adjustment have been reported as foreign currency translation reserve in the statement of changes in equity.

1.13 TAXES ON INCOME

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

Current tax is based on taxable profit for the year. Taxable profit is different from accounting profit due to temporary differences between accounting and tax treatments, and due to items that are never taxable or tax deductible. Tax provisions are included in current liabilities. Interest and penalties on tax liabilities are provided for in the tax charge. The Group offsets, the current tax assets and liabilities (on a year on year basis) where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis or to realise the assets and liabilities on net basis.

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements. Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred tax assets are not recognised where it is more likely than not that the assets will not be realised in the future.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Minimum Alternative Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income-tax during the specified period. The Group reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Group will pay normal income-tax during the specified period.

1.14 RESEARCH AND DEVELOPMENT EXPENDITURE

Research costs are expensed as incurred. Product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, further economic benefits are probable, the Group has an intention and ability to complete and use or sell the product and the costs can be measured reliably.

1.15 PROVISIONS AND CONTINGENCIES

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

1.16 CASH AND CASH EQUIVALENTS

Cash and Cash equivalents include cash and Cheque in hand, bank balances, demand deposits with banks and other short-term highly liquid investments that are readily convertible to known amounts of cash & which are subject to an insignificant risk of changes in value where original maturity is three months or less.

1.17 CASH FLOW STATEMENT

Cash flows are reported using the indirect method where by the profit before tax is adjusted for the effect of the transactions of a non-cash nature, any deferrals or accruals of past and future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

1.18 BORROWING COST

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as a part of Cost of that assets, during the period till all the activities necessary to prepare the Qualifying assets for its intended use or sale are complete during the period of time that is required to complete and prepare the assets for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are recognized as an expense in the period in which they are incurred.

1.19 EARNINGS PER SHARE

Basic EPS is arrived at based on net profit after tax available to equity shareholders to the weighted average number of equity shares outstanding during the year.

The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless impact is anti-dilutive.

1.20 SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker (CODM). The Group has identified its Managing Director as CODM which assesses the operational performance and position of the Group and makes strategic decisions.

Recent Accounting pronouncements

There is no such notification which would have been applicable from April 01, 2020



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

2 Property, Plant and Equipment

₹ in Lakhs

	Freehold Land and Buildings	Plant and Equipment	Computers	Vehicles	Office Equipment	Total
Gross carrying amount						
Balance as at 31 st March 2018	1,548.03	183.63	4.82	2.05	0.50	1,739.03
Additions	-	-	1.04	-	-	1.04
Deductions/ Adjustment	1.24	-	-	-	-	1.24
Balance as at 31st March 2019	1,546.79	183.63	5.86	2.05	0.50	1,738.85
Accumulated Depreciation						
Balance as at 31 st March 2018	84.30	71.54	3.75	1.08	0.50	161.17
Additions	36.44	24.70	0.91	0.30	-	62.35
Deductions/ Adjustment	-	-	-	-	-	-
Balance as at 31st March 2019	120.74	96.24	4.66	1.38	0.50	223.52
Net carrying amount as at 31st March 2019	1,426.05	87.39	1.20	0.67	-	1,515.31
Gross carrying amount						
Balance as at 31 st March 2019	1,546.79	183.63	5.86	2.05	0.50	1,738.83
Additions	-	-	-	-	-	-
Deductions/ Adjustment	632.70	-	-	-	-	632.70
Balance as at 31st March 2020	914.09	183.63	5.86	2.05	0.50	1,106.13
Accumulated Depreciation						
Balance as at 31 st March 2019	120.74	96.24	4.66	1.38	0.50	223.52
Additions	66.60	27.80	0.84	0.67	-	95.91
Deductions/ Adjustment	25.38	-	-	-	-	25.38
Balance as at 31st March 2020	161.96	124.04	5.50	2.05	0.50	294.05
Net carrying amount as at 31st March 2019	1,426.05	87.39	1.20	0.67	-	1,515.31
Net carrying amount as at 31st March 2020	752.13	59.59	0.36	-	-	812.08

NOTES:

- Gross value of Land and Building includes a sum of ₹ 25.30 Lakhs (as at March 31, 2019 ₹ 25.30 Lakhs) being the cost of Land/Premises on ownership basis acquired in terms of agreement to purchase.
- Gross value of Land and Buildings includes a sum of ₹ 0.003 Lakhs (as at March 31, 2019 ₹ 0.003 Lakhs) being the cost of shares in Co-operative Societies.
- Bifurcation of the Book value of Land and Building is not possible in view of the non-availability of separate value of certain Land and Building.
- Land and Building includes a Flat of having Net carrying value of ₹ 29.04 Lakhs (as at March 31, 2019 ₹ 30.53 Lakhs) is in the possession of a legal heir of an Ex-Employee.
- Plant and Equipment includes having original cost of ₹ 1,765.70 Lakhs in 1994-95 and no carrying amount as at March 31, 2020 lying with third party which could neither be physically verified nor confirmed in view of dispute with the said party.
- Land and Buildings include a freehold land of ₹ 426.99 Lakhs (as at March 31, 2019 ₹ 426.99 Lakhs) at Vadodara, in respect of which the Secretary of Revenue of Gujarat had upheld the Order of the local collector to handover the unutilised land admeasuring 1,00,000 sq m out of total area 1,98,000 sq m. to the Gujarat Government. The Group has challenged the said Order before the Hon'ble Gujarat High Court and received an Order to maintain the status quo.
- Refer Note 38 regarding assets provided as security

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

3 Intangible Assets	(₹ in Lakhs)	
	Computer Software	Total
Gross carrying amount		
Balance as at 31st March 2018	-	-
Additions	-	-
Deductions	-	-
Adjustment	-	-
Balance as at 31st March 2019	-	-
Accumulated Depreciation		
Balance as at 31st March 2018	-	-
Additions	-	-
Deductions/ Adjustments	-	-
Balance as at 31st March 2019	-	-
Net carrying amount as at 31st March 2019	-	-
Gross carrying amount		
Balance as at 31st March 2019	-	-
Additions	31.60	31.60
Deductions	-	-
Adjustment	-	-
Balance as at 31st March 2020	31.60	31.60
Accumulated Depreciation		
Balance as at 31st March 2019	-	-
Additions	5.27	5.27
Deductions/ Adjustments	-	-
Balance as at 31st March 2020	5.27	5.27
Net carrying amount as at 31st March 2019	-	-
Net carrying amount as at 31st March 2020	26.33	26.33

4 Intangible Assets under development	(₹ in Lakhs)	
	As at 31 st March 2020	As at 31 st March 2019
Computer Software	-	31.60
	-	31.60



5 NON CURRENT INVESTMENTS

	Numbers		₹ in Lakhs	
	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019
EQUITY SHARES FULLY PAID UP QUOTED (FVTOCI)				
GHCL Limited \$	169748	416578	150.65	1,029.16
ITC Limited	23040	23040	39.62	68.36
Godfrey Phillips India Limited	2280	2280	21.48	26.44
VST Industries Limited	64	64	1.78	2.22
Unquoted			213.53	1,126.18
In Other Body Corporates				
Dalmia Finance Limited'	120000	120000	12.00	12.00
General Exports & Credit Limited	158400	158400	0.00	0.00
Bharat Explosive Limited	1050000	1050000	0.00	0.00
World Growth Fund Limited *	10000	10000	0.00	0.00
WGF Financial Services Limited	200000	200000	0.00	0.00
Filter and Filteraids Limited#	1800	1800	0.00	0.00
J K Cigarettes Limited#	20000	20000	0.00	0.00
Premier Paper Mills Limited	40000	40000	0.00	0.00
Tendong Services Private Limited	311	311	0.00	0.00
			12.00	12.00
Total			225.53	1,138.18
Aggregate value of Quoted investments (cost)			247.81	495.94
Aggregate carrying value of Unquoted investments (cost)			12.00	12.00

shares lying with the Income Tax Department

* share certificate are yet to be received

\$Pursuant to the agreement with a lender, during the year, the Group has taken short term credit facility of ₹ 450 lakhs against pledge of 400000 equity shares of GHCL (FVTOCI). The Group could not pay the dues on time as per the terms of the agreement and hence lender invoked the pledge. The Group has considered the 246830 shares pledged shares as sale (to the extent of liability outstanding) based on the quoted price on date of expiry of the said agreement and recognized profit of ₹ 177.67 lakhs under other equity. Balance 153170 equity shares is in the process of transfer in the name of the Group.

Refer note 44 -regarding Covid-19 risks

6 NON CURRENT -OTHER FINANCIAL ASSETS

(₹ in Lakhs)

	As at 31 st March 2020	As at 31 st March 2019
(Unsecured, Considered good unless otherwise stated)		
Security Deposits	45.28	46.23
Advances Recoverable	54.44	54.44
Advances considered Doubtful	29.55	27.00
Less: Provision for doubtful advances	29.55	27.00
	-	-
Total	99.72	100.67

7 INCOME TAX ASSETS (₹ in Lakhs)

	As at 31st March 2020	As at 31st March 2019
Payment of Tax (Net of Provision of ₹ Nil Lakhs ; as at March 31, 2019 ₹ 63.95 Lakhs)	272.88	175.12
Total	272.88	175.12

8 OTHER NON CURRENT ASSETS (₹ in Lakhs)

	As at 31st March 2020	As at 31st March 2019
Balances with Excise/Sales tax authorities	1,319.42	1,187.47
Advances recoverable in cash or in kind or for value to be received	357.64	293.64
Capital Advance	25.00	25.00
Advance given towards acquisition of Development rights (Refer Note 36(c))	11,154.96	11,154.96
Total	12,857.02	12,661.07

9 INVENTORIES (₹ in Lakhs)

(Cost or Net realisable value whichever is lower)

	As at 31st March 2020	As at 31st March 2019
Raw Materials	420.88	651.54
Packing Materials	268.31	346.66
Work-in-progress	83.76	240.99
Finished Goods-(includes goods in transit ₹ 2.64 Lakhs; Previous year Rs. Nil)	91.90	94.63
Stores, Spare parts and consumables	288.90	293.28
Stock in Trade (Immovable Properties) - (Refer Note 9.2)	1,244.37	1,030.47
Total	2,398.12	2,657.57

Refer note 38 regarding assets provided as security and refer note 44 in respect of COVID-19 risks.

- 9.1** Write-downs of inventories amounted to ₹ 313.89 lakhs as at 31st March, 2020 (as at 31st March, 2019 - ₹ 135.56 lakhs) These write-downs were recognised as an expense and included in 'changes in inventories of finished goods, Raw Material and Packing Materials, Stores and Spares consumed and work-in-progress in the Statement of Profit and Loss.

₹ in Lakhs

- 9.2** Stock in Trade (Immovable Properties) comprises of following :

	As at 31st March 2020	As at 31st March 2019
Vile Parle, Mumbai (at cost) (Refer note 36(a))	12.43	12.43
Flats, Mumbai (carrying value)	29.00	85.00
Kanchikacherla, Near Vijaywada (carrying value)	0.00	333.00
Ganapavaram, Dist.Guntur (carrying value)	600.00	600.00
GT Road, Guntur (at cost) (Refer note 36(d))	0.04	0.04
Palghar (at Cost) (Refer note 36(e))	602.90	-
Total	1,244.37	1,030.47


10 TRADE RECEIVABLES
(₹ in Lakhs)

	As at 31st March 2020	As at 31st March 2019
Unsecured, considered good	300.00	720.73
Unsecured, considered doubtful	68.04	-
Trade receivables which have significant increase in credit risk	-	-
Trade receivables Credit impaired	-	57.37
	368.04	778.10
Less: Provision for doubtful trade receivables	68.04	-
Total	300.00	778.10

Refer note 38 regarding assets provided as security

11 CASH AND CASH EQUIVALENTS
(₹ in Lakhs)

	As at 31st March 2020	As at 31st March 2019
Balance with banks in current accounts	75.37	22.83
Cash on hand	16.27	12.40
Total	91.64	35.23

12 OTHER BANK BALANCES
(₹ in Lakhs)

	As at 31st March 2020	As at 31st March 2019
Fixed Deposit with Banks (Earmarked)*	172.50	161.73
Dividend Accounts\$	36.80	-
Balances in Escrow accounts for One Time Settlement (OTS) with the banks	5.50	7.49
Total	214.80	169.22

*pledged with Government authorities for VAT/Entry Tax and attachment by the Economic Offence wing and also refer note 38 regarding assets provided as security

\$Disclosed after bank reconciliation which was pending in earlier years

13 CURRENT - OTHER FINANCIAL ASSETS
(₹ in Lakhs)

	As at 31st March 2020	As at 31st March 2019
Interest accrued but not due on fixed deposits*	8.88	9.40
Interest accrued but not due on others	1.29	1.24
Rent Receivable	10.18	-
Total	20.35	10.64

*pledged with Government authorities for VAT/Entry Tax and attachment by the Economic Offence wing and also refer note 38 regarding assets provided as security

14 OTHER CURRENT ASSETS (₹ in Lakhs)

	As at 31st March 2020	As at 31st March 2019
Export Incentive receivable	0.01	0.24
Employee Advances	4.15	40.85
Advances to suppliers and Others	108.14	46.91
Prepaid Expenses	4.37	4.96
Total	116.67	92.96

15 EQUITY SHARE CAPITAL (₹ in Lakhs)

	As at 31st March 2020	As at 31st March 2019
AUTHORISED		
25000000 Equity Shares of ₹ 10 each	2,500.00	2,500.00
1000000 Preference Shares of ₹ 100 each	1,000.00	1,000.00
	3,500.00	3,500.00
ISSUED		
17608802 Nos. Equity Shares of ₹ 10 each	1,760.88	1,760.88
SUBSCRIBED AND PAID UP		
17598016 Nos. Equity Shares of Rs. 10 each	1,759.80	1,759.80
Less : Allotment/Call money unpaid - other than Directors	1.00	1.00
TOTAL SHARE CAPITAL	1,758.80	1,758.80

The reconciliation of the number of equity shares outstanding	As at 31st March 2020		As at 31st March 2019	
	Numbers	₹ in Lakhs	Numbers	₹ in Lakhs
Equity Shares at the beginning of the year	17,608,802	1,760.88	17,608,802	1,760.88
Equity Shares at the end of the year	17,608,802	1,760.88	17,608,802	1,760.88

Terms/rights attached to Equity shares :

The Group has only one class of issued Equity Shares having a par value of Rs.10 per share. Each Shareholder is eligible for one vote per share held.

The Dividend proposed by the Board of Directors if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend. In the event of liquidation, the equity shareholders are eligible to receive the residual assets of the Group after distribution of all preferential amounts, in proportion to their shareholding.

The details of Shareholders holding more than 5% shares:

Name of the Shareholders	As at 31st March 2020		As at 31st March 2019	
	No. of Equity Shares	% of Holding	No. of Equity Shares	% of Holding
J. P. Financial Services Pvt Ltd	44,10,751	25.05	44,10,751	25.05
WGF Financial Services Ltd	959,232	5.45	959,232	5.45

In the Period of five years immediately preceding March, 2020 :

The Group has not allotted any equity shares as fully paid up without payment being received in cash or as Bonus Shares or Bought back any equity shares.


16 SHORT TERM BORROWINGS
(₹ in Lakhs)

	As at 31st March 2020	As at 31st March 2019
Unsecured		
Inter Corporate Deposits (Interest rate 12% per annum repayable on demand)	200.00	-
TOTAL	200.00	-

17 TRADE PAYABLES
(₹ in Lakhs)

	As at 31st March 2020	As at 31st March 2019
Dues of Micro and small enterprises*	20.16	67.64
Others	537.60	2,919.21
TOTAL	557.76	2,986.85

***Dues to Micro, Small and Medium Enterprises**

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

Particulars	As at 31st March 2020	As at 31st March 2019
Principal Amount due to suppliers under MSMED Act,2006, Beyond appointed Day	9.89	58.75
Interest accrued and due to suppliers under MSMED Act, on the above amount	10.27	8.89
Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
Interest paid to suppliers under MSMED Act (Other than section 16)	-	-
Interest paid to suppliers under MSMED Act (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act, for the payment already made	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	-	-

Note : The information has been given in respect of such vendors to the extent they could be identified as " Micro and Small enterprises" on the basis of information available with the Group.

18 OTHER FINANCIALS LIABILITIES (₹ in Lakhs)

	As at 31st March 2020	As at 31st March 2019
Interest accrued and due on borrowings : Banks	-	3,396.87
Interest accrued and due on borrowings : Others	6.57	-
Overdue borrowings : Bank	-	1,275.71
Security deposits	223.19	706.70
Unpaid Dividends	71.15	71.15
Book Overdraft in Current Account with a Bank	-	33.31
Due to Employees	452.78	601.39
Payable towards liability settled (Refer note 29(b))	615.00	-
Other Payables	853.36	922.53
Total	2,222.05	7,007.66

19 OTHER CURRENT LIABILITIES (₹ in Lakhs)

	As at 31st March 2020	As at 31st March 2019
Statutory dues payable	6,564.32	7,530.21
Undisputed Excise dues payable including Interest	1,313.98	1,304.18
Unearned Income- Rent received in advance	23.09	44.00
Advances from customers	529.76	328.55
Advance Received Towards Property Development- Vile Parle, Mumbai (Refer Note 36(a-i))	13,200.00	13,200.00
Advance Received Towards Project Development- Vile Parle, Mumbai (Refer Note 36(a-i))	4,075.00	4,075.00
Advance Received Towards Project Development- Guntur (Refer Note 36(d))	9,085.35	3,340.00
Advance for sale of Land at Ganpavaram Guntur	338.00	-
Advance for sale of Land at Palghar (Refer Note 36 (e))	480.00	-
Advance for sale of Flat at Mumbai	1.00	-
Total	35,610.50	29,821.94

20 PROVISIONS (₹ in Lakhs)

	As at 31st March 2020	As at 31st March 2019
Provision for employee benefits:		
Compensated Absences	85.32	124.26
Gratuity*	162.11	220.57
Total	247.43	344.83

*Refer note 33 of the standalone financial statements


21 REVENUE FROM OPERATIONS
(₹ in Lakhs)

	For the year ended March 31, 2020	For the year ended March 31, 2019
Sale of Manufactured goods - Cigarette	4,902.11	8,688.66
Less : Excise Duty	182.58	-
Less : Goods and Service Tax	3,502.19	6,509.16
Sale of Traded Goods-Tobacco and other materials	188.83	-
Sale of real estate - Land and Commercial Projects	477.50	5,050.00
	1,883.67	7,229.50
Sale of Services :		
Tobacco Processing	27.92	59.67
Royalty Received	27.36	-
Rental Income	400.69	312.38
Other Operating Income :		
Sale of Scrap	2.33	5.22
Export Incentives	0.58	1.21
Total	2,342.55	7,607.98

22 OTHER INCOME
(₹ in Lakhs)

	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest Income on fixed deposit and others	12.90	18.11
Sundry Balances written back	25.57	-
Dividend income from Investment (FVTOCI)	23.22	22.24
Rental Income	38.65	74.07
Profit on sale of Property, Plant and Equipment	85.91	79.96
Miscellaneous Income	2.59	3.74
Total	188.84	198.12

23 COST OF MATERIALS CONSUMED
(₹ in Lakhs)

	For the year ended March 31, 2020	For the year ended March 31, 2019
Raw materials consumed	698.60	973.28
Packing materials consumed	327.20	482.96
Total	1,025.80	1,456.24

24 MANUFACTURING AND OPERATING EXPENSES
(₹ in Lakhs)

	For the year ended March 31, 2020	For the year ended March 31, 2019
Consumption of stores, spare parts and consumables	14.17	32.38
Repairs to Plant and Equipment	12.58	7.87
Power and fuel	64.56	82.59
Total	91.31	122.84

25 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS (₹ in Lakhs)

	For the year ended March 31, 2020	For the year ended March 31, 2019
Opening Stock:		
Finished Goods	94.63	105.17
Work in Progress	239.98	260.72
Stock in Trade (immovable Property)	1,030.47	1,030.87
Add : PPE converted into stock in trade during the year (refer note no 36(e))	602.90	-
Total	1,967.98	1,396.77
Closing Stock		
Finished Goods	91.90	94.63
Work in Progress	83.76	239.98
Stock in Trade (immovable Property)	1,244.37	1,030.47
Total	1,420.03	1,365.08
Total	547.95	31.69

26 EMPLOYEE BENEFITS EXPENSE (₹ in Lakhs)

	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries and wages	573.02	660.62
Contributions to provident and other funds	54.81	54.37
Staff welfare expenses	87.30	88.29
Total	715.13	803.28

27 FINANCE COSTS (₹ in Lakhs)

	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest Expenses	297.90	818.84
Interest on Statutory dues	641.76	589.39
Interest paid to others	142.48	16.92
Impact of Fair valuation of financial liabilities	-	167.85
Total	1,082.14	1,593.00


28 OTHER EXPENSES
(₹ in Lakhs)

	For the year ended March 31, 2020	For the year ended March 31, 2019
Rent	62.21	70.01
Repairs & Maintenance - building	43.09	67.29
Repair-others	17.23	17.63
Insurance	10.36	9.84
Rates and Taxes	46.67	23.93
Travelling & Conveyance Expenses	120.06	149.93
Legal & Professional charges	365.61	619.89
Directors sitting Fees	3.50	4.50
Loss on Variation in Foreign Exchange Rates (Net)	7.28	3.86
Selling and Distribution Expenses	73.07	106.91
Provision for Doubtful Debts/Advances	70.59	-
Bad Debts written off	48.21	1,121.06
Less : Provision withdrawn	-	(1,121.06)
Commission expenses	22.72	15.55
Communication expenses	8.60	11.44
Auditors' Remuneration (Refer Note 42)	16.26	13.61
Bank Charges	3.13	6.38
Printing and stationery	14.57	16.85
Sundry balances no longer recoverable written off-net	-	44.77
Miscellaneous Expenses	284.53	545.63
Total	1,217.69	1,728.02

29 EXCEPTIONAL ITEMS (NET)
(₹ in Lakhs)

	For the year ended March 31, 2020	For the year ended March 31, 2019
Expense :		
(a) Entry Tax paid no longer recoverable written off and provision made thereof for the balance amount including Interest thereon	-	(6,297.44)
(b) Liability provided for the principal including Interest thereon payable to M/s Sikkim Tobacco Limited (STL) pursuant to Hon'ble Bombay High Court on agreed terms pertaining to the case relating to the year 2007. STL in turn should return the Group's very old Machineries, the realisable value whereof, is presently not ascertainable	779.05	-
Income :		
(c) Write back of liability on account of full and final payment made towards One Time Settlement reached with Consortium Bank Lenders (Refer note 38(c))	2,943.63	-
(d) Liabilities no longer payable to a lender written back on settlement (Refer note 36(b))	-	7,079.08
Total	2,164.58	781.64

30 INCOME TAXES

(₹ in Lakhs)

Tax expense recognised in the statement of Profit and Loss:	2019-20	2018-19
Current Tax		
Current Tax for taxable income for the current year	-	63.95
Current tax- for earlier years/(written back)	(63.95)	-
Total Tax Expense	(63.95)	63.95

Reconciliation of the income tax expenses to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarized below :	2019-20	2018-19
Effective income tax rate applicable to the Group	26.00%	26.00%
Profit/(Loss) before tax after exceptional items	(221.06)	2,790.33
Tax expenses/(credit) on Profit/(Loss) at effective tax rate	(57.48)	725.49
Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income :		
Income exempted from income taxes- Dividend received	(5.83)	(5.63)
Permanent disallowances	4.19	2.81
Business Loss not available for utilisation	-	477.13
PPE converted into stock in trade	156.75	-
Other differences	78.37	58.40
Total income tax expense/(credit) not recognised	176.00	1,258.18

The movement in deferred tax assets and liabilities during the year ended March 31, 2019 and March 31, 2020:

₹ in Lakhs

Particulars	As at 31st March, 2018	Movement during the year	As at 31st March, 2019	Movement during the year	As at 31st March, 2020
Deferred tax assets					
Expenses allowable on payment basis and others	2,177.80	756.72	2,934.52	(809.05)	2,125.47
Provision for Doubtful debts	304.58	(287.74)	16.84	21.18	38.02
Unabsorbed business losses and depreciation	5,542.69	(1,717.13)	3,825.56	818.46	4,644.49
Unabsorbed Long term Capital loss	406.50	(6.96)	399.54	-	399.54
	8,431.57	(1,255.11)	7,176.46	30.60	7,207.52
Deferred Tax Liability					
Differences in written down value of Property, Plant and Equipment	255.10	3.07	258.17	(145.41)	112.76
Net Deferred Tax Assets	8,176.47	(1,258.18)	6,918.29	176.00	7,094.76
Less : Deferred Tax Asset not recognised as a matter of prudence	8,176.47	(1,258.18)	6,918.29	176.00	7,094.76
Total	-	-	-	-	-


31 Segment Reporting :

₹ in Lakhs

Particulars	As at 31st March 2020	As at 31st March 2019
Segment Revenue :		
a) Tobacco Products	1,629.98	2,421.48
(b) Realty	878.19	5,362.38
(c) Others/Unallocable	23.22	22.24
Total Income	2,531.39	7,806.10
Segment Results Profit/(Loss) before tax, finance cost and Exceptional items from segment :		
(a) Tobacco Products	(1,719.13)	(1,530.82)
(b) Realty	395.38	5,112.22
(c) Others/Unallocable	20.25	20.28
Total	(1,303.50)	3,601.69
Less : Finance Costs	1,082.14	1,593.00
Add: Exceptional Items-net	2,164.58	781.64
Less: Tax Expense	(62.40)	63.95
Total Profit/(Loss) after taxation	(158.66)	2,726.38
Less: Other Comprehensive Income	(445.48)	(30.34)
Total Comprehensive Income	(604.14)	2,696.04
Segment Assets :		
(a) Tobacco Products	4,869.23	5,912.93
(b) Realty Division	12,399.57	12,185.67
(c) Others/Unallocable	166.34	1,267.07
Total Assets	17,435.14	19,365.67
Segment Liabilities :		
(a) Tobacco Products	11,523.59	19,522.43
(b) Realty Division	27,294.51	20,616.41
(c) Others/Unallocable	19.64	22.44
Total Liabilities	38,837.74	40,161.28
Capital Expenditure :		
(a) Tobacco Products	31.60	1.04
(b) Realty Division	-	-
(c) Others/Unallocable	-	-
Total Capital Expenditure	31.60	1.04
Depreciation/Amortisation :		
(a) Tobacco Products	101.18	62.35
(b) Realty Division	-	-
(c) Others/Unallocable	-	-
Total Depreciation/Amortization	101.18	62.35

Business segments :

Based on the "management approach" as defined in Ind-AS 108 - Operating Segments, the Managing Director evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along with these business segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments.

32 FINANCIAL INSTRUMENTS

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 : Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 : Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The carrying amounts and fair values of financial instruments by category are as follows:

a. Financial assets

₹ in Lakhs

	Note	Instruments carried at fair value		Instruments carried at amortized cost	Total carrying amount	Total fair value
		At Cost	FVTOCI	Carrying amount		
As at 31st March, 2019						
Level 1						
Investments	5	-	1,138.18	-	1,138.18	1,138.18
Trade receivables	10	-	-	778.10	778.10	778.10
Cash & cash equivalents	11	-	-	35.23	35.23	35.23
Other bank balances	12	-	-	169.22	169.22	169.22
Other financial assets	6 & 13	-	-	111.31	111.31	111.31
Total		-	1,138.18	1,093.86	2,232.04	2,232.04
As at 31st March, 2020						
Level 1						
Investments	5	-	225.53	-	225.53	225.53
Trade receivables	10	-	-	300.00	300.00	300.00
Cash & cash equivalents	11	-	-	91.64	91.64	91.64
Other bank balances	12	-	-	214.80	214.80	214.80
Other financial assets	6 & 13	-	-	120.07	120.07	120.07
Total		-	225.53	726.51	952.04	952.04

b. Financial liabilities

	Note	Instruments carried at fair value		Instruments carried at amortized Cost	Total carrying amount	Fair value
		FVTPL	Total Carrying amount and fair value	Carrying amount		
As at 31st March, 2019						
Borrowings	16	-	-	-	-	-
Trade payables	17	-	-	2,986.85	2,986.85	2,986.85
Other financial liabilities	18	-	-	7,007.66	7,007.66	7,007.66
Total		-	-	9,994.51	9,994.51	9,994.51
As at 31st March, 2020						
Borrowings	16	-	-	200.00	200.00	200.00
Trade payables	17	-	-	557.76	557.76	557.76
Other financial liabilities	18	-	-	2,222.05	2,222.05	2,222.05
Total		-	-	2,979.81	2,979.81	2,979.81



33	EARNINGS PER SHARE (EPS)	2019-20	2018-19
	Net Profit/(Loss) as per Statement of profit and loss before exceptional items after tax (Rs in Lakhs)	(2,323.24)	1,944.74
	Exceptional items - net (₹ in Lakhs)	2,164.58	781.64
	Net Profit/(Loss) as per Statement of profit and loss after exceptional items and tax (₹ in Lakhs)	(158.66)	2,726.38
	Weighted average number of equity Shares	17588021	17588021
	Face value of equity Share in ₹	10.00	10.00
	Basic & Diluted Earning Per Share Before Exceptional items (₹)	(13.21)	11.06
	Basic & Diluted Earning Per Share after Exceptional items (₹)	(0.90)	15.50

₹ in Lakhs

34	Pending Litigations/contingent liabilities not provided for in respect of :	2019-20	2018-19
	(a) Disputed Excise matters : Disputed Excise claims/demands excluding interest liability, if any, against and/or relating to the Group and counter claims by the Group are pending or otherwise being contested before the various Excise Authorities /Courts against which the Group has paid ₹ 367.91 Lakhs (as at March 31, 2019 ₹ 256.01 Lakhs) (included in Loans & Advances) under protest. In the opinion of the management, appropriate provisions have been made in the books of account in respect of Excise claims/ demands that may become payable based on the legal advice /present status of various matters. Further, various show cause notices/show cause-cum-demand notices/attachment notice have been received including remanded back from Excise Authorities by the Group and/or in relation to the Group. Since these notices are in the nature of explanations required, the Group does not consider them to constitute any liability. All these notices have appropriately been replied/attended to	16,373.56	710.20
	(b) Disputed Income Tax matters : Income Tax in respect of earlier years under dispute for which appeals/ rectification petitions have been / are being preferred by the Group before the various appellate authorities and / or pending final assessments including interest and penalties against which the Group has paid ₹ Nil (as at March 31, 2019 ₹ Nil).	165.44	23.00
	(c) Other disputed amounts for which the Group is contingently liable : Demands of employees/ex-employees Sales Tax Land Revenue Tax E.S.I.C. Service Tax -Services/material suppliers/advance forfeited and other business related disputed matters	368.55 130.97 3.78 18.86 - 8,274.50	368.55 152.16 3.78 18.86 3.86 8,189.47
	(d) The Group has received notices from certain States in USA with regard to claims against cigarettes sold in those States. However, as per an expert legal opinion obtained, the Group is not liable for claims, whatsoever-amount unascertainable	-	-
	(e) Guarantees and counter guarantees given by the Group to Banks/Financial Institutions / Others in respect of loans / guarantees to / for other companies plus interest, if any . The Group has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Group does not expect the outcome of these proceedings to have a material impact on its financial statements	1,048.23	1,048.23

35 COMMITMENTS

- a) Capital commitment of ₹ 100 Lakhs (as at March 31, 2019 ₹ 100 Lakhs) net of advance of ₹ 25 Lakhs (as at March 31, 2019 ₹ 25 Lakhs)
- b) The Group has taken various residential / commercial premises under cancelable Operating Leases. The Lease Agreements are usually renewable by mutual consent on mutually agreeable terms
- c) The rental expense in respect of Operating Leases is charged as rent under Note 28

36 The Group as a part of development activities of Realty Division :-**a) Vile Parle-Mumbai**

- (i) The Group had entered into Memorandum of Understanding (MOU) in December, 2009 with M/s Sheth Developers Pvt. Ltd. and Suraksha Realty Ltd. (Developers) and had received advances in earlier years aggregating to ₹ 13,200 Lakhs (as at March 31, 2019 ₹ 13,200 Lakhs) to jointly develop its Vile Parle property. However, on Intervention Application filed by Sheth Developers Pvt Ltd and Suraksha Realty Ltd (the interveners), in the SLP filed by the Income Tax Department before the Hon'ble Supreme Court, the Hon'ble Court vide its order dated 12.05.2016 held that MOU entered into by the Group with them was in violation of the Sanctioned BIFR Scheme 2002. Therefore, such MOU with the aforesaid interveners entered into by the Group loses its legal force and no right would accrue to these interveners on the basis of said MOU. Thus the Hon'ble Court dismissed their plea. Consequently the title deeds of the property lying in Escrow Account with the Solicitor will be released in due course. The said developers have also filed an appeal u/s 9 and 11 of the Arbitration and Conciliation Act before the Hon'ble Bombay High Court which is pending. The Hon'ble High Court Gujarat at Ahmedabad vide its order dated 05-05-2015 restrained the Group from transferring its Vile Parle property pursuant to a petition filed by a group of minority shareholders pending with NCLT. The Group had received advances of ₹ 4,075 Lakhs from a strategic investor for development of the said property. The strategic investor, however, has filed a recovery suit along-with interest before Hon'ble Bombay High Court against which the Group has filed counter claim for the higher amount which is pending. Hon'ble Bombay High Court vide order dated 14.10.2019 granted the ad interim relief to restrain the Group from transferring its Vile Parle property.
- (ii) The Vile Parle land was attached by the Excise Department vide its order dated April 13, 2011 for non payment of last installment as per BIFR sanction scheme 2002. The Group had challenged such action before the Hon'ble BIFR. The Hon'ble BIFR vide its order dated February 5, 2014 ordered to lift such attachment but till date the department had not withdrawn the same. (The Department appeal before the AAIFR has become in fructuous as the Appellate Authority was abolished by operation of law)

b) Hyderabad

Revenue from Operations for the year ended March 31, 2019 includes ₹ 5050 lakhs being sales consideration in respect of Group's Hyderabad Property (sold under the SARFESI Act, 2002 by a secured lender) towards full and final settlement of the dues of the lender. Consequently, balance dues of ₹ 7079.08 lakhs payable to the lender no longer payable had been written back and disclosed as exceptional item (Refer note 29)

c) Chattarpur-New Delhi

The Group has given advances aggregating to ₹ 11,154.96 Lakhs (as at March 31, 2019 ₹ 11,154.96 Lakhs) to acquire certain development rights in a plot of land situated in Chattarpur - New Delhi for Joint Development pursuant to the Development Agreement in this regard ; net of (i) advance refunded aggregating to ₹ 16,009.93 Lakhs (as at March 31, 2019 ₹ 16,009.93 Lakhs) and (ii) by settlement by the landowners with a lender of the Group ₹ 4005.49 lakhs (Previous Year ₹ 4005.49 lakhs) in view of addendum to Development agreement in respect of the plot. Management expects to commence construction activities on the aforesaid land in due course after receiving necessary approvals and therefore, in the opinion of the management, the aforesaid advances are fully realisable

d) Guntur- Andhra Pradesh

In March 2018, land situated at Guntur, Andhra-Pradesh hitherto held as Property, Plant and Equipment was converted into "Stock in Trade" at the book value of Rs. 0.04 Lakhs. Further, the Group has received an advance of ₹ 9085.35 Lakhs (as at March 31, 2019 ₹ 3340 Lakhs) towards Project Development. In respect of the said land, the Group has received a Show Cause Notice dated 28.06.2017 from WAQF Board, Vijayawada, Andhra Pradesh, claiming 11.57 acres Company's land situated at Guntur having book value of ₹ 0.03 Lakhs. The Group has challenged the same before the Division bench of Hon'ble Hyderabad High Court which is pending. Based on the legal advice and favorable orders in similar cases, the Group is expecting positive outcome.

e) Palghar- Maharashtra

In March 2020, land situated at Palghar, Maharashtra hitherto held as Property, Plant and Equipment was converted into "Stock-in-Trade" at the book value of ₹ 602.90 Lakhs. Further, the Group has received advances aggregating to ₹ 480 lakhs from two parties in respect of the land as on March 31, 2020.



37 DISCLOSURE ON RELATED PARTY TRANSACTIONS

Names of related parties and description of relationship:

Key Managerial Personnel and their relatives:

Shri. Jaskaran S Khurana	Managing Director (from 28 th September 2019 and Executive Director upto 27 th September 2019)
Shri. A. K. Joshi	Managing Director (upto 27 th September 2019)
Shri Bharat B Merchant	Non Executive Director (upto 10 th June 2019)
Shri Vinod Bhatia	Non Executive Director
Smt. Kokila Panchal	Non Executive Director
Shri Rajanikant Patel	Non Executive Director (from 9 January 2020)
Shri Manoj Kumar Srivastava	Company Secretary (upto 5 th October, 2018)
Shri Jaymeen Patel	Company Secretary (Upto 16 th January, 2020)
Shri Harish Punwani	Company Secretary (from 24 th February, 2020)
Shri Pawan Kumar Malsaria	Chief Financial Officer

Relatives :

Shri Amit Joshi
Shri Ashwin Joshi
Smt. Ivleen Khurana
Smt. Ritu Srivastava (upto 5 th October, 2018),
Smt. Savita Malsaria
Mohan Bhai T. Patel (Upto 16 th January 2020)

During the year, the following transactions were carried out with the above related parties in the ordinary course of business and outstanding balances as on March 31, 2020

₹ in Lakhs

Nature of Transactions	For the year ended March 31, 2020	For the year ended March 31, 2019
Managerial Remuneration:		
Shri. A. K. Joshi (net of excess remuneration recovered of ₹ 21.50 lakhs; Previous Year ₹ Nil)	18.57	81.50
Shri. Jaskaran S Khurana*	68.13	55.85
Remuneration :		
Shri. Manoj Kumar Srivastava	-	4.56
Shri Jaymeen Patel	4.24	1.74
Shri. Harish Punwani	0.39	-
Shri. Pawan Kumar Malsaria	9.00	9.96
Car Hire Charges		
Shri. Ashwin Joshi	-	3.60
Smt. Namarta Joshi	1.77	-
Smt. Ivleen Khurana	3.60	3.60
Smt. Ritu Srivastava	-	0.50
Smt. Savita Malsaria	0.96	0.96
Shri Mohan Bhai T Patel	-	0.16
Directors sitting fees :		
Shri Bharat B Merchant	0.40	1.90
Shri Vinod Bhatia	1.40	0.80
Shri Rajnikant Patel	0.10	-
Smt. Kokila Panchal	1.60	1.80

*Subject to the shareholders approval

₹ in Lakhs

Party Name	Nature of Balances	As at March 31, 2020	As at March 31, 2019
Shri. A. K. Joshi	Remuneration Payable	35.21	25.02
Shri. Jaskaran S Khurana	Remuneration Payable	5.40	13.96
Shri Jaymeen Patel	Salary Payable	-	1.26
Shri. Harish Punwani	Salary Payable	0.34	-
Shri. Pawan Kumar Malsaria	Salary Payable	0.55	2.49
Shri. Ashwin Joshi	Hire Charges Payable	-	0.83
Smt. Ivleen Khurana	Hire Charges Payable	0.29	0.88
Smt. Savita Malsaria	Hire Charges Payable	0.08	0.24
Shri Mohan Bhai T Patel	Hire Charges Payable	-	0.12

Notes:

- Related party relationship is as identified by the management and relied upon by the auditors.
- No amounts in respect of related parties have been written off/ written back during the year and no provision has been made for doubtful debts/ receivable except as disclosed above

38 Assets provided as security

The carrying amounts of assets provided as security for borrowings and others are as under:

₹ in Lakhs

	As at 31 March, 2020	As at 31 March, 2019
Current Assets		
Financial Assets		
Trade receivables	300.00	778.10
Fixed Deposit with Banks	172.50	161.73
Interest accrued but not due on fixed deposits	8.88	9.40
Non Financial Assets		
Inventories Stock in Trade- immovable properties	0.04	0.04
Inventories- others	1,153.75	1,627.10
Total Current assets provided as security	1,635.17	2,576.37
Non Current Assets		
Plant and Equipment	59.95	87.39
Land and Buidlings	685.31	960.33
Total non-current assets provided as security	745.26	1,047.72
Total assets provided as security	2,380.43	3,624.09

Note:

Working Capital Facilities are secured by way of :

- Guarantees given by the Group's Bankers are secured/to be secured by hypothecation of Inventories, Trade Receivables, fixed deposits with banks and certain plant and equipment, equitable mortgage of certain immovable properties at Vadodara subject to prior charge in favour of Trustees for the debenture holders and /or pledge of fixed deposit receipts.
- In respect of 12% Secured Redeemable Non-Convertible Debentures privately placed with IFCL Limited Group had in the earlier years repaid the entire amount of debentures. However ,till date the Group has not received the "No Due Certificate" from IFCL in view of their unsustainable claim, therefore, the Group could not file the form for satisfaction of charge which was created on Group's property situated at village Dhanot in the State of Gujarat and a first charge by



way of hypothecation of the Group's movable properties subject to prior charge on specified movables in favour of the Group's Bankers for Working Capital facilities and was further secured by equitable mortgage of the Group's immovable properties at Baroda, Gujarat ranking pari passu with the Bankers who have given working capital term loan.

- (c) During the year, the Group has settled the entire dues payable to the consortium bankers under the One Time Settlement (OTS) entered into with them. The Group has informed to the Canara Bank (lead bank) to withdraw the proceedings under section 13(4) of the SARFAESI Act filed challenging the provisional attachment made by the consortium bankers in respect of its Guntur property (where 1st charge provided) and its Vadodara property (where 2nd charge provided). Withdrawal of the charges is in the process of execution.

Besides the above, the Group has also settled the entire dues payable to Allahabad Bank in respect of its Term Loan facility under One Time Settlement (OTS) entered into with them, where the Group had given Palghar property as 1st Charge, charge in respect of the property has been vacated. Consequent to the aforesaid OTS, balance dues of ₹ 2943.63 lakhs no longer payable has been written back and disclosed as exceptional item (Refer note 29).

- 39 The Group's net worth had been entirely eroded. The Group has prepared these financial statements on a going concern basis as the management is hopeful to turn around the Group's business performance especially in the Realty Business segment considering valuable land held.
- 40 Income Tax proceedings in respect of earlier years decided in the Group's favour by the Appellate Authorities against which the Department is in further appeals. Hence it is not required to be disclosed as contingent liabilities in terms of para 28 of Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets.

41 **Net debt reconciliation :**

₹ in Lakhs

Particulars	Cash and cash equivalents	Non current borrowings (including current maturities)	Current borrowings	Interest Payable	Total
Net debt as at 31st March, 2018	(169.03)	5,232.16	2,428.33	9,480.99	16,972.45
Cash flows- Proceeds/(Repayment)	133.80	(5,232.16)	(1,204.33)	-	(6,302.69)
Non cash items	-	-	51.71	(7,350.40)	(7,298.69)
Finance cost	-	-	-	1,425.15	1,425.15
Interest paid	-	-	-	(158.87)	(158.87)
Net debt as at 31st March, 2019	(35.23)	-	1,275.71	3,396.87	4,637.35
Cash flows- Proceeds/(Repayment)	(56.41)	-	(1,075.71)	-	(1,132.12)
Non cash items	-	-	-	(2,943.63)	(2,943.63)
Finance cost	-	-	-	1,082.14	1,082.14
Interest paid	-	-	-	(1,528.81)	(1,528.81)
Net debt as at 31st March, 2020	(91.64)	-	200.00	6.57	114.93

₹ in Lakhs

PAYMENT TO AUDITORS OF HOLDING COMPANY (excluding taxes)	2019-20	2018-19
Audit fees	10.25	9.75
Limited review fees	4.50	3.00
Certification fees	0.25	0.50
Reimbursement of expenses	1.26	0.36
TOTAL PAYMENT TO AUDITORS	16.26	13.61

43 In the opinion of the management, assets other than Property, Plant and Equipment and non-current investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated. The Accounts of certain Trade Receivables, Trade Payables, Non-operative Banks / Lenders and Loans & Advances are however, subject to formal confirmations / reconciliations and consequent adjustments, if any. The management does not expect any material difference affecting the current year's financial statements.

44 **IMPACT OF COVID-19**

In March 2020, the WHO declared the COVID-19 outbreak as a pandemic which continues to spread across the country. On 25th March, 2020, the Government of India has declared this pandemic a health emergency, ordered temporarily close of all non-essential businesses, imposed restrictions on movement of goods/material, travel, etc. As the nature of business performed by the Group majorly fell under non-essential category, these restrictions had substantially reduced its operations between 60 to 65 days. The Group has since, as per guideline of Central Government and State Government, partially commenced operations including dispatch of goods to its customers from its manufacturing facility and scaling up the same gradually. In assessing, inter-alia, the recoverability of trade receivables measured at amortised cost of ₹ 192.30 lakhs, Financial Investments (Quoted) of ₹ 213.53 lakhs and realisation of inventories of ₹ 1139.01 lakhs, apart from considering the internal and external information up to the date of approval of these consolidated financial statements, the Group has also performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these consolidated financial statements. Considering the continuing uncertainties, the Group will continue to closely monitor any material changes to future economic conditions

For Financial risk management & Capital Management objectives and policies of the Group -Refer Note 32 of the standalone financial statements

45 Previous years' figures have been regrouped/reclassified whenever necessary to conform to current years' classification.

Signatures to Notes 1 to 45
For and on behalf of the Board

Jaskaran S. Khurana
Managing Director
DIN : 00005035
New Delhi, June 30, 2020

Kokila Panchal
Director
DIN : 07144653
Mumbai, June 30, 2020

Harish Punwani
Company Secretary
Membership No. A-50950
Vadodara, June 30, 2020

Pawan Kumar Malsaria
Chief Financial Officer
Vadodara, June 30, 2020



ADDITIONAL INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
(As prescribed under Schedule III of the Companies Act.2013)

(AMOUNT IN ₹)

Name of the entity in the	Net Assets i.e. total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
Parent				
GOLDEN TOBACCO LIMITED	74.17	(1,58,73,82,297)	96.45	(5,82,67,280)
Subsidiaries - Indian				
WESTERN EXPRESS INDUSTRIES LTD.	3.25	(6,95,47,330)	3.11	(18,80,193)
RAIGADH PAPERS LTD.*	(0.14)	30,05,777	0.29	(1,77,549)
GOLDEN INVESTMENT (SIKKIM) P. LTD.	(0.14)	29,62,821	-	-
GOLDEN REALTY & INFRASTRUCTURE LTD.	22.68	(48,53,84,129)	0.15	(88,978)
Subsidiaries - Foreign				
GTC INC B.V.	0.18	(39,15,018)	-	-
Minority Interest	-	-	-	-
Joint Ventures				
		None		
TOTAL	100.00	(2,14,02,60,176)	100.00	(6,04,14,000)

* Subsidiary of Western Express Industries Ltd.

For and on behalf of the Board of Directors

Jaskaran S. Khurana
Managing Director
DIN : 00005035
New Delhi, June 30, 2020

Kokila Panchal
Director
DIN : 07144653
Mumbai, June 30, 2020

Pawan Kumar Malsaria
Chief Financial Officer
Vadodara, June 30, 2020

Harish Punwani
Company Secretary
Membership No. A-50950
Vadodara, June 30, 2020

GOLDEN TOBACCO LIMITED

Regd. Office: At. Darjipura, Post- Amaliyara, Vadodara – 390 022, Gujarat.
Phone -+91 265 2540597, 2540281, Fax: 0265 2541700, Toll Free No : 1800 223 951
E-mail: share@goldentobacco.in, Website : www.goldentobacco.in
CIN:L16000GJ1955PLC067605

**FORM MGT-11
PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)]

Name of the member (s): _____
Registered Address: _____

Email Id: _____
Folio No./ DPID-Client ID: _____

I/We, being the member (s) of Shares of the above named Company, hereby appoint:

- 1. Name:.....
Address:.....
.....
Email Id: Signature: or failing him
- 2. Name:.....
Address:.....
.....
Email Id: Signature: or failing him
- 3. Name:.....
Address:.....
.....
Email Id: Signature:

and whose signature (s) are appended below as my/our Proxy to attend and vote (on a poll) for me/us on my/our behalf at the 64th Annual General Meeting of the Company to be held on Wednesday, 30th December, 2020 at 11:00 A.M. at Darjipura, Post Amaliyara, Vadodara - 390 022 Gujarat, India and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions
Ordinary Business:
1. **To receive, consider and adopt:**
a. the Audited Financial Statements of the Company for the year ended March 31, 2020 together with the Reports of the Board of Directors' and the Auditors' thereon.
b. the Audited Consolidated Financial Statements of the Company for the Financial year ended March 31, 2020 together with Reports of the Auditors' thereon.
Special Business:
2. To approve reappointment of Shri Jaskaran S Khurana (DIN:00005035) as Managing Director of the Company:
3. To approve terms and conditions of remuneration of Shri Jaskaran S Khurana (DIN:00005035):
4. To appoint Mr. Pawan Kumar Malsaria (DIN: 01710944) as a Whole-Time Director of the Company
5. To appoint Mr. Raj Kamal Gupta (DIN: 00685296) as a Whole-Time Director of the Company.
6. To appoint Mr. Jignesh Engineer (DIN: 08872827) as a Non-Executive Director of the Company.
7. To appoint Mr. Rajnikant Khodabhai Patel (DIN: 08661189) as a Non-Executive Independent Director of the Company.
8. To re-appoint Ms. Kokila Panchal (Din: 07144653) as an Independent Director of the Company

Signed this on _____ day of _____, 2020

Signature of Shareholder:



Note: This Proxy form in order to be effective should be duly completed and deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.



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GOLDEN TOBACCO LIMITED

CIN: L16000GL1955PLC067605

Registered Office : At. Darjipura, Post-Amaliyara, Vadodara – 390 022. (Gujarat).**ATTENDANCE SLIP**

Sr. No :

Registered Folio No. / DP ID / Client ID	
Name and Address of the Member (s)	
No. of Share(s)	
Name of Proxy (In Block Letters)	
Signature of the Member(s)/ Proxy	

1. I/ We hereby record my/our presence at the 64th Annual General Meeting of the Company on Wednesday, December 30, 2020, at 11:00 a.m. at Darjipura, Post Amaliyara, Vadodara - 390 022 Gujarat.

Note : Members / Proxies are requested to bring the attendance slip with them.

Route Map to the AGM Venue



Regd. Office : At Darjipura, Post-Amaliyara
Vadodara, Gujarat-390022(India)
Email : share@goldentobacco.in
Website : www.goldentobacco.in
CIN : L16000GJ1955PLC067605
Toll Free No. : 1800223951