



ANNUAL REPORT  
2021 - 2022



*Spéciale*

Rich and  
Creamy Coffee



**61<sup>ST</sup> ANNUAL GENERAL MEETING**Tuesday, 30<sup>th</sup> August, 2022

at 12.05 P.M.

through Video Conferencing (VC)/

Other Audio-Visual Means (OAVM)

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### Company Information

#### Board of Directors

**Mr. Challa Rajendra Prasad (Chairman)**  
(Executive Director)

**Ms. Challa Shantha Prasad**  
(Non-Executive Director)

**Mr. Vipin K. Singal**  
(Independent Non-Executive Director)

**Mr. Kata Chandrahas, IRS (Retd.)**  
(Independent Non-Executive Director)

**Mr. G.V. Krishna Rau, IAS (Retd.)**  
(Independent Non-Executive Director)

**Mr. K.V. Chowdary, IRS (Retd.)**  
(Independent Non-Executive Director)

**Mr. Kode Durga Prasad, IPS (Retd.)**  
(Independent Non-Executive Director)

**Mr. K. K. Sarma**  
(Non-Executive Director)

**Ms. Kulsoom Noor Saifullah**  
(Independent Non-Executive Director)

**Dr. Lanka Krishnanand**  
(Non-Executive Director)

**Mr. B. Mohan Krishna**  
(Executive Director)

**Mr. Challa Srishant, Managing Director**  
(Executive Director)

#### Chief Executive Officer

Mr. Praveen Jaipurkar

#### Chief Financial Officer

Mr.V. Lakshmi Narayana

#### Company Secretary & Compliance Officer

Ms. Sridevi Dasari

#### Registered Office

Duggirala, Guntur Dist. - 522 330  
Andhra Pradesh, India.  
Ph : +91 8644-277294, Fax : +91 8644-277295  
E.mail : info@continental.coffee  
www.cclproducts.com

**CIN : L15110AP1961PLC000874**

#### Statutory Auditors

M/s.Ramanatham & Rao  
Chartered Accountants  
Ft.no.302, Kala Mansion  
Sarojini Devi Road  
Secunderabad – 500 003, T.S., India.

#### Internal Auditors

M/s. Ramesh & Co.  
Chartered Accountants  
H.No: 6-3-661/B/1  
Sangeeth Nagar, Somajiguda  
Hyderabad – 500 082, T.S., India.

#### Secretarial Auditors

M/s. P. S. Rao & Associates  
Company Secretaries  
Flat No.10, 4<sup>th</sup> Floor, D. No.6-3-347/22/2  
Ishwarya Nilayam, Opp. Sai Baba Temple,  
Dwarakapuri Colony, Punjagutta,  
Hyderabad – 500 082, Telangana, India

#### Cost Auditors

M/s. MPR & Associates  
Cost Accountants  
H. No.6-3-349/15/17 Flat No. 301,  
Sri Sai Brundavan Apts.,  
Beside. Sai Baba Temple,  
Dwarakapuri Colony, Punjagutta,  
Hyderabad – 500 082, Telangana, India

#### Bankers

State Bank of India  
ICICI Bank Ltd  
Citi Bank N.A  
HDFC Bank Ltd

#### Registrars & Share Transfer Agent (Physical & Demat)

M/s. Venture Capital &  
Corporate Investments Pvt. Ltd.  
12-10-167, Bharatnagar Colony  
Hyderabad – 500 018, T.S., India  
Phone : +91 40 2381 8475 / 76  
Fax : +91 40 2386 8024  
E.mail : investor.relations@vccipl.com

Board Committees	
Audit Committee	Stakeholders Relationship Committee
Mr. Kata Chandrahas - Chairman Mr. Vipin K. Singal Mr. K. K. Sarma Mr. G.V. Krishna Rau Ms. Kulsoom Noor Saifullah Dr. Lanka Krishnanand Mr. Kode Durga Prasad Mr. K.V. Chowdary	Mr. Kata Chandrahas -Chairman Mr. Vipin K. Singal Mr. K. K. Sarma Mr. G.V. Krishna Rau Ms. Kulsoom Noor Saifullah Dr. Lanka Krishnanand Mr. Kode Durga Prasad
Nomination and Remuneration Committee	Corporate Social Responsibility Committee
Mr. G.V. Krishna Rau - Chairman Mr. Vipin K. Singal Mr. Kata Chandrahas Mr. K. K. Sarma Ms. Kulsoom Noor Saifullah Dr. Lanka Krishnanand Mr. Kode Durga Prasad	Mr. Vipin K Singal- Chairman Mr. Kata Chandrahas Mr. K. K. Sarma Mr. B. Mohan Krishna Mr. G.V. Krishna Rau Ms. Kulsoom Noor Saifullah Mr. Challa Srishant Ms. Challa Shantha Prasad Dr. Lanka Krishnanand Mr. Kode Durga Prasad
Risk Management Committee	
Mr. Challa Srishant- Chairman Mr. Vipin K. Singal Mr. Kata Chandrahas Mr. K. K. Sarma Mr. B. Mohan Krishna Mr. G.V. Krishna Rau Ms. Kulsoom Noor Saifullah	Ms. Challa Shantha Prasad Dr. Lanka Krishnanand Mr. Kode Durga Prasad Mr. Praveen Jaipurkar Ms. Sridevi Dasari Mr. V. Lakshmi Narayana
Management Committee	
Mr. Challa Srishant- Chairman Mr. Kata Chandrahas	Mr. Kode Durga Prasad Mr. B. Mohan Krishna

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**NOTICE**

Notice is hereby given that the 61<sup>st</sup> Annual General Meeting of the Members of CCL Products (India) Limited will be held on Tuesday, 30<sup>th</sup> August, 2022, at 12:05 P.M. through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) to transact the following items of business:

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**Ordinary Business:**

1. To receive, consider and adopt:

- (a) the audited Standalone Financial Statement of the Company for the financial year 2021-22 together with the Report of the Board of Directors and Auditors thereon; and
- (b) the audited Consolidated Financial Statement of the Company for the financial year 2021-22 together with the Report of the Auditors thereon.

2. (a) To confirm the interim dividend of ₹ 3.00/- per Equity Share of ₹ 2.00/- each to the shareholders, declared by the Board of Directors in their meeting held on 19<sup>th</sup> January, 2022 for the financial year 2021-22.

- (b) To declare final dividend of ₹ 2.00/- per Equity Share of ₹ 2.00/- each to the shareholders for the financial year 2021-22.

3. To appoint a director in place of Mr. B. Mohan Krishna (DIN: 03053172), who retires by rotation and being eligible, offers himself for re-appointment to the office of Director.

4. To appoint a director in place of Dr. Lanka Krishnanand (DIN: 07576368), who retires by rotation and being eligible, offers himself for re-appointment to the office of Director.

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of sections 139, 141 and 142 of the Companies Act, 2013, M/s. Ramanatham & Rao, Chartered Accountants, (Registration No. 206421), be and are hereby appointed as the Statutory Auditors of the Company to hold the office from the conclusion of this meeting till the conclusion of the 66<sup>th</sup> Annual General Meeting on such remuneration as may be agreed upon by the Board of Directors and the Auditors, in addition to reimbursement of all out of pocket expenses in connection with the audit of the accounts of the Company for every financial year ending 31<sup>st</sup> March.”

**Special Business:**

6. Re-appointment of Mr. Challa Rajendra Prasad as an Executive Chairman

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule V to the Companies Act, 2013, reappointment of Mr. Challa Rajendra Prasad (DIN 00702292) as an Executive Chairman of the Company with effect from 01<sup>st</sup> April, 2022 to hold his office as such upto 31<sup>st</sup> March, 2026, at a monthly remuneration of ₹ 35,00,000/- along with other perquisites as per the Rules of the Company and as per the terms and conditions set out in the employment agreement be and is hereby approved.”

**“RESOLVED FURTHER THAT** in the event of absence or inadequacy of profits of the Company in any financial year during the tenure of Mr. Challa Rajendra Prasad as Executive Chairman, the above mentioned remuneration would be paid as minimum remuneration subject to the provisions of Schedule V to the Companies Act, 2013 or any statutory enactment thereof.”

7. Ratification of Remuneration to Cost Auditors (Financial year 2021-22)

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s. M P R & Associates, Cost Accountants, (Registration No. 000413), Hyderabad, appointed as Cost Auditors by the Board of Directors of the Company, in order to fill the casual vacancy caused on account of demise of Mr. N.V.S. Kapardhi (proprietor of M/s. Kapardhi & Associates, Cost Accountants) to conduct the audit of the cost records maintained by the Company for the financial year ending 31<sup>st</sup> March, 2022, amounting to ₹ 2,00,000/- (Rupees Two Lakhs only) excluding taxes as may be applicable, in addition to reimbursement of all out of pocket expenses, be and is hereby ratified.”

8. Ratification of Remuneration to Cost Auditors (Financial year 2022-23)

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s. M P R & Associates, Cost Accountants, (Registration No. 000413), Hyderabad, appointed as Cost Auditors by the Board of Directors of the Company to conduct the audit of the cost records maintained by the Company for the financial year ending 31<sup>st</sup> March, 2023, amounting to ₹ 2,00,000/- (Rupees Two Lakhs only) excluding taxes as may be applicable, in addition to reimbursement of all out of pocket expenses, be and is hereby ratified.”

9. Approval of CCL Employee Stock Option Scheme - 2022 (the CCL Scheme 2022/ the Scheme) and Grant of options under the Scheme

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 read with rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and in accordance with the relevant provisions of the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (SEBI (SBEBASE) Regulations), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”) as amended from time to time, and in accordance with such other circulars, rules, regulations and guidelines issued or that may be issued by SEBI and/or other appropriate authorities, from time to time, and further subject to such other approvals, permissions and sanctions as may be necessary, the members of the Company do hereby approve **“CCL Employee Stock Option Scheme - 2022”** (hereinafter referred to as **“the CCL Scheme 2022/ the Scheme”**), and accord their consent to the Board of Directors of the Company (hereinafter referred to as the **“Board”**), which term shall be deemed to include the Nomination and Remuneration Committee, also known as the Compensation Committee pursuant to Regulation 5 of **SEBI (SBEBASE) Regulations, 2021** to exercise its powers, including the powers conferred under this resolution (hereinafter referred to as **“Compensation Committee”**) to introduce, notify and implement the said Scheme and further to create, issue, offer, grant, allot and/or

transfer from time to time, upto a maximum of 4,00,000 (Four Lakhs Only) options that may be granted pursuant to the Scheme, in one or more tranches which shall be convertible into equal number of Equity Shares of ₹ 2/- (Rupees Two) each, unless otherwise determined by the Committee, to the present and / or future permanent employees of the Company, whether working in India or outside India, and/or such other persons as may be decided by the Board and / or permitted under applicable rules, regulations, guidelines and laws (hereinafter referred to as “Eligible Employees”) under **the Scheme** through “**CCL Employees Trust**” (hereinafter referred to as “**Trust**”) being established by the Company in accordance with the applicable laws, on such terms and in such manner including the price of options as the Board/ Compensation Committee may decide in accordance with the provisions of the law as may be prevailing at the relevant time.”

**“RESOLVED FURTHER THAT** pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 read with rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the approval of members be and is hereby accorded to the Board / Compensation Committee to create, issue and allot **4,00,000 (Four Lakhs Only)** equity shares of ₹ 2/- each at a price of ₹ 2/- per share to **CCL Employees Trust**, a trust established by the Company for implementation and/or administration of the **CCL Scheme 2022**.

**“RESOLVED FURTHER THAT** subject to the terms and salient features of the Scheme mentioned in the explanatory statement to this resolution, which are hereby approved by the members, the consent of the members of the Company be and is hereby accorded to the Board (including the Compensation Committee or such other person(s) as may be authorised), to administer, superintendent and implement the **CCL Scheme 2022** in due compliance and in conformity with applicable laws in this regard.”

**“RESOLVED FURTHER THAT** the equity shares to be transferred on exercise of options shall be allocated to the Employees through “**CCL Employees Trust**” (hereinafter referred to as “**Trust**”), which is being established by the Company for implementation and/or administration of **the CCL Scheme 2022** and in accordance with the provisions of applicable laws.”

**“RESOLVED FURTHER THAT** the Equity Shares to be allotted and issued by the Company in the manner aforesaid shall rank pari-passu in all respects with the then existing Equity Shares of the Company, except that the CCL Employees Trust/ its Trustees shall not be entitled to exercise any voting rights on such number of equity shares held by it in its name.”

**“RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issues, bonus issues, sub division or consolidation of shares, changes in capital structure, merger and sale of division/ undertaking or any other re-organisation, if any, fair and reasonable adjustments under the Scheme, as it deems fit, with respect to the number of options, exercise price and other necessary amendments to the Scheme shall be made for this purpose.”

**“RESOLVED FURTHER THAT** the Company shall conform to the accounting policies prescribed under Regulation 15 of the SEBI (SBEBASE) Regulations and any other applicable laws and regulations to the extent relevant and applicable in connection with the implementation of the **CCL Scheme 2022**.”

**“RESOLVED FURTHER THAT** the Board (which term shall be deemed to include the Nomination and Remuneration Committee also known as the Compensation Committee) be and is hereby authorized to make, sign, execute, submit, acknowledge, endorse applications, deeds, documents, papers, grant letters, intimations and such other documents as may be required and/or in its absolute discretion as it may deem necessary for notification, administration, superintendence and implementation of the Scheme and to take such steps and do all such acts, deeds things and matters in this regard including but not limited to appointment of Solicitors, Registrars and other Advisors, Consultants or Representatives, Intermediaries, filing of necessary forms and applications, intimations and disclosures with concerned authorities, Institutions for their requisite approvals as may be required under applicable laws from time to time without being required to seek any further consent or approval of the members of the Company.”



**“RESOLVED FURTHER THAT** subject to compliance with applicable laws, the Board / Compensation Committee be and is hereby authorized to modify, change, vary, alter, amend, suspend or terminate **the CCL Scheme 2022** in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits And Sweat Equity) Regulations, 2021 (SBEBASE Regulations) as amended from time to time or any new regulations as may be applicable to the Company in this regard and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the members of the Company and to execute all such deeds, documents and writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of **the CCL Scheme 2022** and to do things which may be incidental and/or ancillary thereof including to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary for such purpose.”

**“RESOLVED FURTHER THAT** the Board / Compensation Committee be and is hereby authorised to delegate all or any of its powers conferred in the aforesaid resolutions for administration, implementation and superintendence of **the CCL Scheme 2022** to the Trust being established in this regard and shall also be authorised to nominate and appoint one or more officers of the Company for carrying out any or all of the activities that the Board / Compensation Committee is authorised to do for the purpose of giving effect to these resolutions.”

**“RESOLVED FURTHER THAT** all actions taken by the Board in connection with the above and all incidental and ancillary things done are hereby specifically approved and ratified.”

10. Approval for Grant of options pursuant to CCL Employee Stock Option Scheme - 2022 (the CCL Scheme 2022/ the Scheme) to the employees of the subsidiary companies

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 read with rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and in accordance with the relevant provisions of the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (SEBI (SBEBASE) Regulations), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”) as amended from time to time, and in accordance with such other circulars, rules, regulations and guidelines issued or that may be issued by SEBI and/or other appropriate authorities, from time to time, and further subject to such other approvals, permissions and sanctions as may be necessary, the members of the Company do hereby approve grant of options to the employees of the subsidiary company(ies) of the Company under **“CCL Employee Stock Option Scheme - 2022”** (hereinafter referred to as the **“the CCL Scheme 2022/ the Scheme”**) and accord their consent to the Board of Directors of the Company (hereinafter referred to as **“ the Board”**, which term shall be deemed to include the Nomination and Remuneration Committee also known as the Compensation Committee to exercise its powers, including the powers conferred under this resolution to introduce, notify and implement the said Scheme through **“CCL Employees Trust”** (hereinafter referred to as **“Trust”**) being established by the Company in accordance with the applicable laws, on such terms and in such manner including the price of options as the Board/Compensation Committee may decide in accordance with the provisions of the law as may be prevailing at the relevant time.”

**“RESOLVED FURTHER THAT** the Board / Compensation Committee be and is hereby authorised to delegate all or any of its powers conferred in the aforesaid resolutions for administration, implementation and superintendence of **the CCL Scheme 2022** to the Trust established in this regard and shall also be authorised to nominate and appoint one or more officers of the Company for carrying out any or all of the activities that the Board / Compensation Committee is authorised to do for the purpose of giving effect to these resolutions.”

**“RESOLVED FURTHER THAT** all actions taken by the Board in connection with the above and all incidental and ancillary things done are hereby specifically approved and ratified.”

11. Approval of the implementation of “CCL Employee Stock Option Scheme - 2022” through Trust

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 62(1)(b), 67 and all other applicable provisions, if any, of the Companies Act, 2013 (the “Act”), read with Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), relevant provisions of the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (SEBI (SBEBASE) Regulations), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”) as amended from time to time, and in accordance with and subject to such other circulars, rules, regulations and guidelines issued or that may be issued by SEBI and/or other appropriate authorities, from time to time, and subject to such other approvals, permissions and sanctions as may be necessary, consent of the members of the Company be and is hereby accorded to the **“Board”**, which term shall be deemed to include the Nomination and Remuneration Committee of Directors also known as the Compensation Committee pursuant to Regulation 5 of SEBI (SBEBASE) Regulations and to exercise its powers, including the powers conferred under this resolution (hereinafter referred as “Compensation Committee”) to implement the “CCL Employee Stock Option Scheme - 2022” (hereinafter referred to as **“the CCL Scheme 2022 / The Scheme”**) through **“CCL Employees Trust”** (hereinafter referred to as **“Trust”**), being established by the Company in accordance with the applicable laws for implementation and/or administration of the CCL Scheme 2022 or for any other purpose(s) as contemplated herein and in due compliance with the Scheme and the provisions of the applicable laws and regulations.”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to the above Resolution, the Board / Compensation Committee be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary or expedient and to settle any questions, difficulty or doubts that may arise in this regard without being required to secure any further consent or approval of the Members of the Company.”

12. Approval for grant of loan (money) to **CCL Employees Trust** by the Company for implementation of CCL Employee Stock Option Scheme - 2022

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution.

**“RESOLVED THAT** pursuant to the provisions of Sections 62(1)(b), 67 and all other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’), read with rules framed there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), in accordance with the relevant provisions of the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (SEBI (SBEBASE) Regulations), Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”) as amended from time to time, and in accordance with and subject to such other circulars, rules, regulations and guidelines issued or that may be issued by SEBI and/or other appropriate authorities, from time to time, and subject to such other approvals, permissions and sanctions as may be necessary, approval of the members of the Company be and is hereby accorded to the **“Board”**, which term shall be deemed to include the Nomination and Remuneration Committee of Directors also known as the Compensation Committee pursuant to Regulation 5 of SEBI (SBEBASE) Regulations and to exercise its powers, including the powers conferred by this resolution (hereinafter referred as **“the Compensation Committee”**) to grant an interest free loan to **CCL Employees Trust** (hereinafter referred to as **“Trust”**) being established by the Company, for implementation of **“CCL Scheme 2022 /The Scheme”** in one or more tranches, not exceeding