

# **Longview Tea Company Limited**

**Annual Report**  
**for the year ended 31st March, 2021**

## LONGVIEW TEA COMPANY LIMITED

CIN No. : L15491WB1879PLC000377

### **BOARD OF DIRECTORS**

Shri Pradip Kumar Daga  
Shri Yashwant Kumar Daga  
Shri Manoj Kumar Agrawal  
Smt. Santosh Devi Mall

### **CHIEF EXECUTIVE OFFICER**

Shri Joydeep Pattanayak

### **CHIEF FINANCIAL OFFICER**

Shri Vikas Joshi

### **COMPANY SECRETARY**

Miss Nikita Puria

### **AUDITORS**

M/s. V. Singhi & Associates  
*Chartered Accountants*

### **REGISTERED OFFICE**

16, Hare Street  
Kolkata - 700 001  
Phone : 033-2248-2391/2/3  
Fax : 033-2248 9382  
Website : [www.longviewtea.org](http://www.longviewtea.org)  
E-mail : [info@longviewtea.org](mailto:info@longviewtea.org)

### **REGISTRAR & SHARE**

#### **TRANSFER AGENT**

Maheshwari Datamatics Pvt. Ltd.  
23, R. N. Mukherjee Road, Kolkata - 700 001  
Phone : 033-2243-5029/5809, 033-2248-2248  
Fax : 033-2248-4787  
E-mail : [mdpl@cal.vsnl.net.in](mailto:mdpl@cal.vsnl.net.in)  
[mdpldc@yahoo.com](mailto:mdpldc@yahoo.com)

## BOARD'S REPORT

Dear Members,

We have pleasure in presenting the Annual Report together with the Financial Statements of the Company for the year ended 31st March, 2021.

### Financial Results

The financial performance of the Company is summarized herein below:

(Amount in Rs.'000)

Particulars	31st March, 2021	31st March, 2020
Profit before Finance Cost, Depreciation and Amortization & Tax	(18767.36)	4,192.15
Less: Finance Cost	15.99	0.11
Depreciation and amortization	57.36	-
Profit/ (Loss) before Tax	(18840.71)	4,192.04
Less: Tax Expense		
Current Tax	-	1,069.20
Deferred tax	3701.68	17.84
Profit/(Loss) for the year	(15139.03)	3,105.00
Other Comprehensive Income	(31.89)	(1,110.50)
Total Comprehensive Income for the year	(15170.92)	1,994.50

### Review of Operations

Revenues with other income for financial year ended 31st March, 2021 stood at Rs. 2,13,49,220/- and there was loss before depreciation and amortization, finance cost, and tax, amounting to Rs. 1,88,40,710/- and loss for the year after tax was Rs. 1,51,39,030/-.

### Dividend & Reserves

In view of loss during the year, no dividend is recommended for the Financial Year under reference and the Company has not transferred any amount to the General Reserve during the financial year ended 31st March, 2021.

### COVID-19 and its Impact

Your Directors have been periodically reviewing the impact of COVID-19 on the Company. During the 1st quarter of the year, your Company had to temporarily close its office as per the directives of the Central & State Governments, keeping in mind the paramount need of safety of the employees. The Board will continue to closely monitor the situation as it evolves and do its best to take all necessary measures, in the interests of all stakeholders of the Company.

### Subsidiaries/Associate Companies

The Company does not have any Subsidiary or Associate Company.

### Directors & KMP

The Board consists of non-executive directors including independent directors who have wide and varied experience in different disciplines of corporate functioning.

In terms of Articles of Association of the Company read with section 150, 152 of the Companies Act, 2013, Shri Pradip Kumar Daga (DIN:00040692), is retiring by rotation at the ensuing Annual General Meeting and being eligible offered himself for re-appointment. The Board recommends his re-appointment to the members of the Company in the ensuing Annual General Meeting.

### Declaration from Independent Directors

All Independent directors have submitted their declaration under section 149(7) of the Companies Act, 2013 that

they meet the criteria of Independence as provided under section 149(6) of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

#### **Nomination & Remuneration Policy**

The Company pursuant to the provisions of Section 178 of the Companies Act, 2013 and in terms of Regulation 19(4) of the SEBI Listing Regulations has formulated a policy on Nomination and Remuneration for its Directors, Key Managerial Personnel and senior management and the said policy was amended from time to time. The detail of the said policy is annexed herewith and marked as **Annexure I** forming part of this report. The said policy is also available at the website of the Company at <http://longviewtea.org/investor/Nomination%20&%20Remuneration%20Policy.pdf>

#### **Directors' Responsibility Statement**

In accordance with the provisions of section 134(5) with respect to Directors' Responsibility Statement, the Board hereby confirms and submits 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 directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors have prepared the annual accounts on a going concern basis; and
- (e) the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively,
- (f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **Number of Board Meetings**

During the year four Board meetings were held on 30.06.2020, 14.08.2020, 11.11.2020 and 06.02.2021 in respect of which proper notices were given and the proceedings were duly recorded in the minutes book maintained for the purpose. The intervening gap between any two consecutive meetings did not exceed the gap of 120 days as prescribed by the Companies Act, 2013 and SEBI ( Listing Obligations and Disclosure Requirements), Regulations 2015, except for the first meeting of the financial year held on 30.06.2020, where the gap was more than 120 days as the Company had availed the relaxations given by Securities and Exchange Board of India vide Circular SEBI/HO/CFD/CMD1/CIR/P/2020/3 dated 19.03.2020 and Ministry of Corporate Affairs vide Circular no. 11/2020 dated 24.03.2020 for holding meetings beyond 120 days. The details of attendance of the directors at the Board Meetings during the year 2020-2021 is given hereunder:

<b>Name</b>	<b>Number of meetings attended</b>
Pradip Kumar Daga	Nil
Yashwant Kumar Daga	4
Manoj Kumar Agrawal	4
Santosh Devi Mall	4

Pursuant to the Schedule IV of the Companies Act, 2013 and Regulation 25 of the Listing Regulations, a separate meeting of the Independent Directors was held on 6th February 2021 without the attendance of non-independent Directors and members of the management to review the performance of Non-Independent Directors and the

Board as whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its' Committees which is necessary to effectively and reasonably perform and discharge their dues.

### **Board Evaluation**

Pursuant to the Provisions of the Companies Act, 2013 the Board of Directors have carried out the performance evaluation for the Board, Committees of the Board, individual Directors of the Company for the Financial Year ended 31st March, 2021.

The Board of Directors expressed their satisfaction with the evaluation process. Performance Evaluation of Independent Directors were done by the entire Board excluding the Independent Director being evaluated.

### **Internal Financial Control and their adequacy**

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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 disclosures. The internal auditor monitors and evaluates the efficacy and adequacy of internal control systems in the Company.

### **Corporate Governance & Management Discussion & Analysis**

The Company is having Paid-up equity share capital not exceeding Rs. 10 crore and Networth not exceeding Rs. 25 crore and hence as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Corporate Governance requirements as specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Listing Regulations are not applicable to the Company. Thus, a report on Corporate Governance does not form part of this report.

Pursuant to SEBI Listing Regulations, report on Management Discussion and Analysis has been enclosed as part of Board's Report.

### **Auditors' and their Report**

M/s. V Singhi & Associates, Statutory Auditors, were appointed as Statutory Auditor of the Company at the Annual General Meeting of the Company held on 21st August, 2017 to hold office until the conclusion of the Annual General Meeting to be held in the year 2022.

The Auditors Report does not contain any reservations, qualifications, or adverse remarks and are self-explanatory.

### **Secretarial Auditor**

Pursuant to the provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, the Company had appointed Drolia & Co. Company Secretaries for conducting the Secretarial Audit of the Company for the financial year 2020-21. The Secretarial Audit Report, pursuant to Section 204(1) of the Companies Act, 2013, for the financial year ended 31 March 2021 is given in **Annexure II** attached hereto and forms part of this report.

The Secretarial Audit report for the financial year ended 31/03/2021 does not contain any reservation, qualification or adverse remarks and forms part of the Board's Report.

### **Cost Audit**

The maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is not required by the Company.

**Audit Committee**

The Audit Committee of the Company was constituted by Board. The Committee comprises of Shri Manoj Kumar Agrawal as Chairman, Smt. Santosh Devi Mall and Shri Pradip Kumar Daga as Members. The Company Secretary is the Secretary of the Committee. During the year, there are no instances where the Board had not accepted the recommendations of the Audit Committee.

**Vigil Mechanism /Whistle Blower Policy**

The Company has formulated a Vigil Mechanism / Whistle Blower Policy for the directors and employees to report genuine concerns about instance of any irregularity, unethical or improper practices and/ or misconduct by means of Protected Disclosure to the Vigilance and Ethics Officer or the Chairman of the Audit Committee. The details of the vigil mechanism are also available on the Company's website at <http://longviewtea.org/investor/Vigil%20Mechanism.pdf>

**Risk Management**

The Board has approved and implemented Risk Management Policy of the Company including identification and element of risks. Your Directors periodically reviews and identifies the element of risk, if any, which may threaten the existence of the Company. During the year no risk existed which may threaten the existence of the Company.

**Corporate Social Responsibility**

The Company is not falling in any of the criteria provided under the provisions of Section 135 of the Companies Act, 2013, for forming the Corporate Social Responsibility Committee, therefore, such committee has not been formed by the company and the requirement of clause (o) of sub-section (3) of Section 134 of the said act are not applicable to the Company

**Deposits**

The Company has not accepted any deposit from the Public and as such there are no outstanding deposits in terms of the Chapter V of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

**Loans, Guarantees & Investments**

The particulars of loans, guarantees and investments have been disclosed in the notes to the financial statements of the Company.

**Related Parties Transactions**

All related party transactions entered during the financial year were in ordinary course of business and on arm's length basis. There have been no transactions with the related parties during the financial year which were in conflict with the interests of the Company. There have been no materially significant related party transactions between the Company and the Directors, the management or relative except for those disclosed in the financial statements. Therefore, Form AOC-2 is not applicable. Suitable disclosures as required by the Accounting Standard (Ind AS - 24) has been made in the notes to the Financial Statements.

**Change in the Nature of Business**

No change has been made in nature of business carried out by the Company during the financial year 2020-21.

**Material Changes Affecting Financial Position of the Company**

No material Changes or commitments, affecting the financial position of the Company have occurred between the end of the financial year of the Company, to which the financial statements relate i.e. 31st March, 2021 and date of Board's Report.

### Significant and Material Orders Passed By the Regulators or Courts

There are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

### Conservation of Energy, Research and Development, Technology Absorptions and Foreign Exchange Earnings and Outgo

The Company is in the trading business and has no manufacturing unit. The information pertaining to conservation of energy, technology absorption, as required under the Companies Act, 2013, read with the Companies (Accounts) Rules 2014 is not applicable to the Company. During the year there was no Foreign exchange earnings and Outgo

### Particulars of Remuneration of Managerial Personnel and Employees and Related Disclosure

The information required under section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below.

- a. Ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year: None of the Director is being paid remuneration except the sitting fees.
- b. Percentage increase in the remuneration of Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year 2020-2021:

Sl. No.	Name	Designation	% increase in remuneration in the FY 2020-21
1.	Shri Joydeep Pattanayak*	Chief Executive Officer	N.A.
2.	Nikita Puria	Company Secretary	-
3.	Shri Vikas Joshi	Chief Financial Officer	-

\* Not comparable as his remuneration for 2019-20 is only for part of the year

- c. Percentage increase in the median remuneration of employees in the financial year : Nil
- d. Number of permanent employees on the rolls of the Company: 3
- e. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: Nil because there are no other employees in the Company other than the key managerial personnel.
- f. The Company affirms that remuneration is as per the Remuneration policy of the Company.

The details as required pursuant to provisions of sub-rule (2) and (3) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any amendment and re-enactment thereof) is given below.

Further none of the employee was drawing in excess of the limits laid down in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 which needs to be disclosed in the directors report.

**Names of the Top Ten Employees in terms of remuneration drawn**

Name	Designation, Nature of Employment	Remuneration Received (Amount in Rs.'000)	Qualification, Experience (yrs)	Date of commencement of employment	Age (yrs)	Last Employer designation	% of Equity Shares held	Relative of any director of the Company
Shri Vikas Joshi	Chief Financial Officer ( CFO), Permanent	540.01	B. Com,21	May, 2018	50	Mars Plywood Industries Pvt. Ltd.	Nil	Nil
Nikita Puria	Company Secretary & Compliance Officer, Permanent	520.40	CS, B. Com,7	May, 2018	30	Self-Employed	Nil	Nil
Shri Joydeep Pattanayak	Chief Executive Officer (CEO), Permanent	400.00	CMA, B.Com,6	November,2019	35	Contransys Pvt Ltd	Nil	Nil

**Internal Complaint Committee**

The Company is committed to provide a safe and conducive work environment to its employees. Due to having less than 10 workers, Internal Complaint Committee has not been constituted under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Also the Company has not received any complaint under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, during the year.

**Extract of the Annual Return**

Pursuant to section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, the Annual Return as on March 31, 2021 is available on the Company's website at [http://www.longviewtea.org/investor/Annual\\_Return\\_2021.pdf](http://www.longviewtea.org/investor/Annual_Return_2021.pdf)

**Compliance with Secretarial Standards**

The Company has complied with applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

**Acknowledgement**

Your Directors would like to express their sincere appreciation for the assistance and cooperation received from the Members and employees during the year under review.

For and on behalf of the Board of Directors

Place: Kolkata  
Dated: 25/06/2021

**Yashwant Kumar Daga**  
**Director**  
(DIN : 00040632)

**Manoj Kumar Agrawal**  
**Director**  
(DIN : 00067194)



## MANAGEMENT DISCUSSION & ANALYSIS REPORT

### Industry Structure & Development

The impact of COVID-19 pandemic on lives of people from every walk of life continued during the year and affected all business and economic activities globally. The Company has assessed internal and external information up to the date of approval of the financial statements while reviewing the recoverability of assets, financial resources and ability to pay its liabilities. Based on such assessment the Company expects to fully recover the carrying amount of the assets and comfortably discharge its liabilities. Hence, the Company does not envisage any material impact on financial statements

### Opportunities, Threats and Outlook

There is optimism around the recovery of Indian economic growth and this outlook is supported by additional fiscal support, accommodative RBI mandatory policy and strong rebound of private consumption. However, there are risks to growth in the form of second and third waves and its impact on economic outlook.

### Risk and Concerns

Trading business faces risks. Risk is defined as the likelihood of an event and its consequences. Risk management is the practice of using processes, methods and tools for managing these risks. The Company believes that risk management is not a one-off exercise. Continuous monitoring and reviewing are crucial for the success of the risk management approach which ensures that risks have been correctly identified and assessed and the right controls put in place. It is also a way to learn from experience and make improvements. The Company conceives various elements and analyse the Risk involved and take effective steps to reduce the risk against the business of the Company.

### Internal Control System and Adequacy

The Company implemented internal control systems to ensure that all assets are safeguarded and protected against losses and all transactions are reported correctly. The Company's internal control system and procedure is commensurate with the size and nature of business.

### Financial Performance

- a) This has been covered in the Director's Report under the section on financial results and operations.
- b) Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios along with detailed explanations therefor -

Ratios	F.Y. 2020-21	F.Y. 2019-20	Change (%)
Debtors' Turnover Ratio	13.79	5.00	175.80%
Interest Coverage Ratio	-1173.69	38110.45	-103.08%
Current Ratio	493.85	90.00	448.75%
Operating profit margin (%)	-1.63	1.00	-262.82%
Net Profit Margin (%)	-1.31	0.74	-276.79%

- Debtors' Turnover Ratio for the year ended 31st March, 2021 has improved due to increase in revenue from operations of the Company.
  - Interest Coverage Ratio has decreased as the Company has reported negative EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization) for the year ended 31st March, 2021 as against positive EBITDA during 31st March, 2020.
  - Current Ratio for the year ended 31st March, 2021 has improved due to reduction in Current Liabilities and increase in Current Assets.
  - The reduction in Operating profit margin and Net profit margin during current year as compared to previous year is due to loss reported during the current year.
- c) Return on Net Worth during the year is -12.00% as compared to 2.20% in the previous year. The change is mainly due to loss reported during the current year.

### Human Resource Development

Employer-employee relations remained cordial during the year under review. As on 31st March, 2021 There were 3 permanent employees on the rolls of the Company.

### Cautionary Statement

Statements made in this Management Discussion and Analysis Report describing the Company's objectives, estimates, expectations or predictions may be forward looking statements, within the meaning of the applicable laws and regulations and have been made in good faith. Many unforeseen factors may come into play and affect the actual results, which could be different from what the Directors envisage in terms of future performance and outlook.

**EXTRACT FROM NOMINATION AND REMUNERATION POLICY****Objective and Purpose of the Policy:**

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the industry to which the Company belongs.
- To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel.
- To provide them reward, linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

**Applicability:**

The Policy is applicable to Directors (Executive and Non- Executive), Key Managerial Personnel (KMP) and Senior Management Personnel

**Matters To Be Dealt With, Perused And Recommended To The Board By The Nomination and Remuneration Committee:**

The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- Carry out the evaluation of performance of Directors, KMP and Senior Management Personnel and recommend to the Board, their appointment and removal.
- Recommend to the Board, a policy relating to remuneration for the directors, KMP and other employees and recommend to the Board, amendments to such policy as and when required.
- Recommend to the Board, all remuneration, in whatever form, payable to senior management.

**Guiding Principles For Appointment And Removal**

- Remuneration policy and arrangements for Managing Director, Executive Director, Whole time Director, KMPs and Senior Management Personnel, shall be determined by the Committee on the basis of Company's financial position, pay and employment conditions prevailing in peer companies or elsewhere in competitive market to ensure that the remuneration and the other terms of employment shall be competitive to ensure that the Company can attract, retain and motivate competent executives.

- Remuneration packages may be composed of fixed and incentive pay depending on short and long term performance objectives appropriate to the working of the Company.

- The Committee considers that a successful remuneration policy must ensure that a significant part of the remuneration package is linked to the achievement of corporate performance targets and a strong alignment of interest with stakeholders.