

Tea Research Association

Financial Statements for the
year ended 31 March 2021

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TEA RESEARCH ASSOCIATION

Opinion

We have audited the accompanying financial statements of Tea Research Association (the "Association"), which comprise the Balance Sheet as at 31 March, 2021 and the Income and Expenditure Account for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the matters discussed in the Basis for Qualified Opinion section below, the aforesaid financial statements give a true and fair view in conformity with the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) and other accounting principles generally accepted in India, of the state of affairs of the Association as at 31 March, 2021, and its surplus for the year ended on that date.

Basis for Qualified Opinion

1. As referred to in Note no. 1 of Schedule XIX pending registration of deed of conveyance consequent to acquisition of entire activities of Tocklai Division of Cinnamara Tea Estate taken over by the Association from Assam Tea Corporation Limited, no adjustments have been made in the books of the Association as regards fixed assets taken over, depreciation thereon and for transfers / damages of properties. Adjustments have also not been made for purchase consideration payable to Assam Tea Corporation Limited and consequently titles have not been transferred in respect of immovable properties taken over by the Association. The effect on the net assets position and the surplus for the year had the above adjustments been carried out is not ascertainable. The report was similarly modified by us in last year.

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

Material uncertainty related to Going Concern

We draw attention to Note 4 of Schedule XIX to the financial statements, which explains that as of 31 March, 2021, the Association has an accumulated deficit of Rs 45,03,66,081/- and as on that date, its current liabilities exceeded its current assets by Rs. 7,81,53,246/-. These events or conditions, along with other matters as set forth in the said note, indicate that a material uncertainty exists that may cast significant doubt on the Association's ability to continue as a going concern, and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business within twelve months from the Balance Sheet date. The Association's Management has prepared these financial statements on going concern basis for the reasons stated in the said note.

Our opinion is not modified in respect of this matter.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the aforesaid Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the entity'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 entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity's financial reporting process.

Auditors' Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the 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.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 302009E)



A. Bhattacharya
Partner
(Membership No. 054110)

Kolkata, 10 December, 2021

UDIN 21054110AAAAHI2243

ROIN: ARB-2021-33857

BALANCE SHEET AS AT 31ST MARCH 2021

	Schedule	As at 31st March 2021	(Rupees) As at 31st March 2020
SOURCES OF FUND			
(1) (a) General Fund	I	(45,03,66,081)	(45,65,43,029)
(b) Special Contribution Fund	II	5,61,03,624	5,61,83,767
(c) Capital Reserve	III	21,000	21,000
(d) TRA Centenary Fund	IIIA	11,35,49,989	12,02,54,463
(2) Project Grants from Tea Board and others	IV	4,07,30,763	10,22,28,939
		(23,99,60,705)	(17,78,54,860)

APPLICATION OF FUND

(1) Fixed Assets	V	7,09,58,147	8,03,43,591
(2) Current Assets, Loans and Advances			
(a) Inventories	VI	10,65,518	20,79,824
(b) Receivables	VII	8,12,88,557	11,69,50,142
(c) Cash and Bank Balances	VIII	10,74,15,804	20,87,36,055
(d) Advances	IX	84,94,064	2,93,92,234
(e) Deposits	X	10,76,229	10,85,229
		19,93,40,172	35,82,43,484
(3) Non Current Liabilities			
(a) Borrowings	XI	8,02,090	12,02,872
(b) Sundry Creditors	XII	1,28,35,619	2,66,11,888
(c) Provisions	XIII	21,91,27,897	22,63,98,919
		23,27,65,606	25,42,13,679
(4) Current Liabilities			
(a) Borrowings	XI	4,00,782	3,65,166
(b) Sundry Creditors	XII	24,13,68,372	33,34,27,906
(c) Provisions	XIII	3,57,24,264	2,84,35,184
		27,74,93,418	36,22,28,256
Net Current Liabilities		(7,81,53,246)	(39,84,772)
		(23,99,60,705)	(17,78,54,860)

Significant Accounting Policies

XVIII


Notes on Accounts

XIX

The Schedules referred to above form an integral part of the Balance Sheet

In terms of our report attached

For Deloitte Haskins & Sells
 Chartered Accountants


 A. Bhattacharya
 Partner

 Place: Kolkata
 Dated: 10 December 2021
For Tea Research Association

 Joydeep Phukan
 Secretary


 P.K. Bezboruah
 Chairman


**INCOME AND EXPENDITURE ACCOUNT FOR THE
YEAR ENDED 31ST MARCH, 2021**

		(Rupees)	
	Schedule	For the year ended 31st March 2021	For the year ended 31st March 2020
INCOME			
Grant in aid from Tea Board		11,10,60,797	11,55,97,957
Subscription	XIV	19,14,59,261	18,80,82,082
Other Income	XV	<u>3,42,91,663</u>	<u>3,93,56,691</u>
		<u>33,68,11,721</u>	<u>34,30,36,730</u>
EXPENDITURE			
Expenses	XVI	30,04,95,512	31,66,23,245
Excess of Expenditure over Income On Experimental Estates	XVII	2,64,63,974	1,97,98,524
Depreciation		36,75,287	42,47,466
		<u>33,06,34,773</u>	<u>34,06,69,235</u>
Surplus carried to Balance Sheet		<u>61,76,948</u>	<u>23,67,495</u>
Significant Accounting Policies	XVIII		
Notes on Accounts	XIX		

The Schedules referred to above form an integral part of the Income and Expenditure Account.

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

A. Bhattacharya
Partner

Place: Kolkata
Dated: 10 December 2021



For Tea Research Association


Joydeep Phukan
Secretary


P.K. Bezboruah
Chairman



**SCHEDULES FORMING PART OF THE
BALANCE SHEET**

(Rupees)

As at 31st March 2021 **As at 31st March 2020**

**SCHEDULE-I
General Fund**

Balance as per last Account	(45,65,43,029)	(45,89,10,524)
Add:- Surplus/ (Deficit) for the year	61,76,948	23,67,495
	<u>(45,03,66,081)</u>	<u>(45,65,43,029)</u>

**SCHEDULE-II
Special Contribution Fund**

Balance as per last Account	5,61,83,767	5,62,73,329
Less:- Depreciation on Assets acquired for research	5,127	6,211
Depreciation on Assets acquired for Tocklai complex	75,016	83,351
	80,143	89,562
	<u>5,61,03,624</u>	<u>5,61,83,767</u>

Refer Schedule-V for capital expenditure out of Special Contribution Fund.

**SCHEDULE-III
Capital Reserve**

Assessed value of land acquired by gift	<u>21,000</u>	<u>21,000</u>
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**SCHEDULE-IIIA
TRA CENTENARY FUND (Note 1)**

Fund as per last Account	<u>12,02,54,463</u>	<u>12,79,62,569</u>
Less:- Depreciation on assets acquired	67,04,474	77,08,106
	<u>11,35,49,989</u>	<u>12,02,54,463</u>

Refer Schedule -V for capital expenditure out of special centenary grant sanctioned by Ministry of Commerce and Industry, Government of India.



**SCHEDULES FORMING PART OF THE
BALANCE SHEET**

(Rupees)

SCHEDULE- IV**As at 31st March
2021****As at 31st March
2020****Project Grants from Tea Board and others**

Balance as per last Account	10,22,28,939	8,17,49,529
Received during the year *	1,28,26,567	12,44,90,358
Add: Interest on Savings Bank Account earned / (refunded)*	(7,63,527)	3,48,530
	11,42,91,979	20,65,88,417
Less: Accumulated Expenditure on Assets Acquired *	5,90,82,681	9,05,53,686
Accumulated Expenditure on Projects *	1,44,78,535	1,38,05,792
	7,35,61,216	10,43,59,478
	4,07,30,763	10,22,28,939

* Refer Schedule IVA for Project wise details.

**Refer Schedule XIX



SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE- IVA

SUMMARY OF EXTERNALLY FUNDED PROJECTS AS ON 31.03.2021

(Rupees)

Project Title	Grant received till 31st March 2020 (including Interest)	Grant Received / (refunded) during the Year 20-21	Interest Earned / (refunded) during the Year 20-21	Accumulated Recurring Expenses	Accumulated Non-Recurring Expenses	Excess of expenditure over grant transferred to Income & Expenditure	Closing Balance as on 31st March, 2021
RUNNING PROJECTS							
TEA BOARD PROJECTS							
TEA MUSEUM (TTTRI)	515,873		670	7,317	546,884	-	(37,658)
*TEA BOARD - 12TH: PLAN DEVELOPMENT OF NEW CLONES (NBRDDC)	1,824,512		821	1,756,061	463,511	-	(394,239)
*TEA BOARD - 12TH: PLAN DEVELOPMENT OF NEW CLONES (TTTRI)	7,634,039	1,548,080	2,665	6,632,888	465,337	-	2,086,559
*TEA BOARD - 12TH: PLAN APPROACHES ON ENHANCING QUALITY (TTTRI)	3,849,885	878,640	34	3,055,129	451,475	-	1,221,954
*TEA BOARD - 12TH: PLAN DEVELOPMENT OF MACHINES (TTTRI)	9,127,363	1,757,280	819	4,710,596	1,386,539	-	4,788,327
NTRF PROJECTS							
NTRF TEA GENOME SEQUENCING PROJECT (TTTRI)	3,730,604	440,179	20,354	3,488,348	670,840	-	31,949
NTRF-STUDIES ON PROSPECTIVE OF MICROBIAL BIOCIDES (TTTRI)	7,654,435		42,325	1,709,750	5,332,419	-	654,591
NTRF-DRAUGHT STREES MANAGEMENT IN TEA - TTTRI	530,288	490,262	958	951,445	72,666	-	(2,603)
NTRF-PYRROLIZIDINE ALKALOIDS IN TEA - TTTRI	2,045,931	1,405,633	16,803	2,274,647	-	-	1,193,720
NTRF- DEVELOPMENT OF BIORATIONAL AND NON CHEM BASED IPM (TTTRI)	1,427,542	906,166	16,540	1,482,489	193,761	-	673,998
NTRF- DEVELOPMENT OF POLYCLONAL AND RECOMBINANT MONOCLONAL (TTTRI)	2,163,690	1,771,801	5,674	2,249,293	-	-	1,691,872
HEAVY METAL IN TEA - KOLKATA		4,100,000		178,139	3,383,470	-	538,391
DBT PROJECTS:							
DBT UNDERSTANDING THE MECHANISM (TTTRI)	2,559,601	-	(24,705)	955,852	1,533,315	-	45,729
DST PROJECTS:							
DST - GREEN TEA (NBRDDC)	2,110,981		6,808	1,697,956	416,987	-	2,846
OTHER PROJECTS:							
TEA DUS CENTRE (TTTRI)	1,402,425	652,598	8,602	1,565,243	-	-	498,382
RIL- EFFECT OF RALLIES GEO GREEN ON GROWTH (TTTRI)	1,696,885		6,614	1,297,252	-	-	406,247
EFFECT OF POLY 4 (NBRDDC)	3,191,938		36,773	1,848,210	-	-	1,380,502
AGRINOS- YIELD INCREASE IN DARJEELING TEA - NBRDDC	747,780	702,000	9,884	587,979	709,614	-	159,801
DAE DEVELOPMENT OF IMPROVED PLANTING MATERIALS IN TEA - TTTRI	1,445,298		13,760	1,407,243	931,262	-	40,325
DHR-EVALUATION OF ANTI FLAVIVIRUS ACTIVITY - TTTRI	1,827,650		(600,074)	879,736	149,533,415	-	30,412
GOVT. OF ASSAM- TRAINING AND RESEARCH CENTRE FOR STG - TTTRI	170,792,167	(3,658,732)	8,783	413,418	-	-	16,999,946
SILK BOARD- STD.OF PROCESSING AND PROD. OF BEVERAGES (TTTRI)	1,066,125	701,800	-	407,050	-	-	661,490
ACARDIAN (NBRDDC)	701,800		(29,600)	904,505	48,300	-	996,550
TWINNING PROJECT (UA)	3,539,711	984,000			-	-	2,557,306
IPI- Polysulphate (Poly halite) TTTRI		300,000		139,700	-	-	984,000
NPV Project (New) - NBRDDC					-	-	160,300
TOTAL RUNNING PROJECTS (A) :-	231,586,523	12,979,707	(455,492)	40,600,246	166,139,796	-	37,370,696
TOTAL CLOSED PROJECTS (B) :-	77,690,024	(153,140)	(308,035)	53,460,674	21,313,987	905,879	3,360,067
Grand Total (A+B) :-	309,276,547	12,826,567	(763,527)	94,060,920	187,453,783	-	40,730,763
Previous Year Total :-	184,437,658	124,490,358	348,530	78,676,506	128,371,101	-	102,228,939

* In view of extension of project tenure transfer has been made from closed project to running project.



SCHEDULE FORMING PART OF THE BALANCE SHEET									
Tea Research Association									
SCHEDULE V Fixed Assets									
(Figures in Rupees)									
PARTICULARS	COST			DEPRECIATION			NET BLOCK		
	Balance as on 01.04.20	Addition during the year	Disposal during the year	Balance as on 31.03.21	For the year	Disposal during the year	Balance as on 31.03.21	Balance as on 31.03.20	
Land (Note 1)	6,18,897	-	-	6,18,897	-	-	6,18,897	6,18,897	
Building (Free Hold) (Note 2)	15,93,63,581	76,420	-	15,94,40,001	52,23,559	-	4,70,12,015	5,21,59,154	
Equipment and Machinery	7,72,38,322	6,64,502	-	7,79,02,824	31,32,002	-	1,25,28,004	1,49,95,504	
Electric, Water and Telephone	3,78,26,676	1,90,151	-	3,80,16,827	10,96,069	-	43,84,276	52,90,194	
Furniture and Fittings	1,49,14,905	1,43,387	-	1,50,58,292	4,76,371	-	42,87,344	46,20,328	
Vehicle (Note 3)	1,59,92,514	-	-	1,59,92,514	5,31,903	-	21,27,611	26,59,514	
Total (A)	30,59,54,895	10,74,460	-	30,70,29,355	1,04,59,904	-	7,09,58,147	8,03,43,591	
Previous Year	29,79,67,165	81,54,179	1,66,449	30,59,54,895	1,20,45,134	57,241	8,03,43,591	8,43,43,754	

Note

1. Land includes 16.44 acres acquired by the Association by way of gift. The value of such land is assessed by the Association at Rs. 21,000/-.

2. (A) Freehold Building include property of Rs. 2,047,302/- (Previous year Rs.2,047,302/-) on leasehold land.

2. (B) Also refer to notes 1 and 2 of Schedule XIX

3. Vehicles include taken on loan;

(a) Gross Book value Rs.2,390,826/- (Previous year Rs.2,390,826/-) (Outstanding loan amount Rs.12,02,872/- previous year Rs.1,568,038/-)

(b) Net Block value Rs.12,24,103/- (Previous Year Rs.15,30,128/-)

4. Gross Book value includes value of fixed assets acquired out of Special Contribution Fund

31.03.2021 31.03.2020

	(Rs)	(Rs)
Building (Free Hold)	1,03,64,469	1,03,64,469
Equipment and Machinery	43,78,483	43,78,483
Furniture and Fittings	90,431	90,431
Vehicle	34,352	34,352
Total	1,48,67,735	1,48,67,735

5. Gross Book value includes value of fixed assets acquired out of Centenary Fund

31.03.2021 31.03.2020

	(Rs)	(Rs)
Building (Free Hold)	10,30,00,921	10,30,00,921
Electric, Water and Telephone	1,57,83,993	1,57,83,993
Furniture and Fittings	62,98,064	62,98,064
Equipment and Machinery	2,34,26,683	2,34,26,683
Total	14,85,09,661	14,85,09,661

6. Depreciation Details

31.03.2021 31.03.2020

	(Rs)	(Rs)
Depreciation	1,04,59,904	1,20,45,134

Less: Transferred to Funds

Special Contribution Fund (Schedule II)

- For Research

- For Tocklai

TRA Centenary (Schedule IIIA)

Depreciation as per income & Expenditure

Account

	36,75,287	42,47,466
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**SCHEDULES FORMING PART OF THE
BALANCE SHEET**

		(Rupees)	
	As at 31st March 2021		As at 31st March 2020
SCHEDULE-VI			
Inventories			
(at lower of cost and net realisable value)			
Publication	9,39,419		19,84,890
Foodstuff	17,995		37,788
Diesel	1,08,104		57,146
	<u>10,65,518</u>		<u>20,79,824</u>
SCHEDULE-VII			
Receivables			
(Unsecured)			
Considered good	8,12,88,557	11,69,50,142	
Considered doubtful	<u>7,69,00,815</u>	<u>5,02,79,836</u>	
	15,81,89,372	16,72,29,978	
Less:- Provision for doubtful receivables	<u>7,69,00,815</u>	<u>5,02,79,836</u>	<u>11,69,50,142</u>
	<u>8,12,88,557</u>		<u>11,69,50,142</u>
SCHEDULE-VIII			
Cash and Bank Balances			
Cash in Hand	2,89,409		2,18,646
Cash at Bank			
- on Current Account (Notes 1 and 2)	6,09,77,596		20,34,18,406
- on Savings Account	4,59,48,799		50,99,003
- on Fixed Deposit Account	<u>2,00,000</u>		-
	<u>10,74,15,804</u>		<u>20,87,36,055</u>

Note 1: Includes Rs 74,566 /-(Previous year Rs. 74,566 /-) which can be utilised only after obtaining approval from Tea Board

Note 2: Includes Rs 31,209,796/- (Previous year Rs. 87,720,755/-) In respect of running projects and Rs 3,88,558/- (Previous year Rs 7,84,474/-) In respect of projects closed.



**SCHEDULES FORMING PART OF THE
BALANCE SHEET**(Rupees)
**As at 31st March
2021****As at 31st March
2020****SCHEDULE-I-IX****Advances**

Considered Good

Advances recoverable in cash or in kind or for value to be received
Tax Deducted at source

64,86,035	2,75,34,171
20,08,029	18,58,063
84,94,064	2,93,92,234

SCHEDULE-X**Deposits**

Deposits (Considered good)

10,76,229	10,85,229
10,76,229	10,85,229

SCHEDULE-XI**Borrowings**

Loan from Yes Bank

Current	Non Current	Current	Non Current
4,00,782	8,02,090	3,65,166	12,02,872
4,00,782	8,02,090	3,65,166	12,02,872

- (a) Car loan secured by hypothecation of vehicles
(b) Repayable in 33 monthly equal installments of Rs 41,323/-

SCHEDULE-XII**Sundry Creditors**Employee related liabilities*
Liability for retired employees
Statutory Liabilities
Others

Current	Non Current	Current	Non Current
6,40,27,565	-	6,67,15,395	-
6,34,70,884	-	11,20,11,836	-
2,87,19,747	-	6,53,08,820	-
8,51,50,176	1,28,35,619	8,93,91,855	2,66,11,888
24,13,68,372	1,28,35,619	33,34,27,906	2,66,11,888

* Includes

- (a) 6th Pay commission arrear liability of Rs. 6,076,073/- (Previous year Rs.6,076,073/-)
(b) 7th Pay commission arrear liability of Rs. 18,611,636/- (Previous year 21,067,236/-)

SCHEDULE-XIII**Provisions**Provision for Gratuity*
Provision for Leave Encashment*

Current	Non Current	Current	Non Current
2,36,45,722	14,17,42,973	2,00,05,245	14,40,86,242
1,20,78,542	7,73,84,924	84,29,939	8,23,12,677
3,57,24,264	21,91,27,897	2,84,35,184	22,63,98,919

* Includes provision for gratuity for garden workers at the two experimental estates amounting to Rs.21,830,697/- (Previous year Rs. 17,343,594/-).

Includes provision for leave encashment for garden workers at the two experimental estates amounting to Rs. 809,877/- (Previous year Rs. 717,179/-).



**SCHEDULES FORMING PART OF THE
INCOME AND EXPENDITURE ACCOUNT**

(Rupees)

**SCHEDULE-XIV
Subscription**

	For the year ended 31st March 2021	For the year ended 31st March 2020
Ordinary Membership	18,89,94,261	18,49,33,182
Associate Membership	24,65,000	31,48,900
	<u>19,14,59,261</u>	<u>18,80,82,082</u>

**SCHEDULE-XV
Other Income**

Sale of Green leaf from Experimental Plots (Other than Tocklai)	32,93,124	25,79,153
Sale of Plants	11,500	6,000
Sale of Clones	1,31,624	1,78,493
Sale of Seeds	1,20,500	78,500
Sale of Publication	1,73,273	2,06,107
Sale of Trichoderma	56,80,520	14,12,325
Advisory Service fees	2,64,508	81,300
Testing Fees	1,36,92,981	2,11,12,975
Training Fees	29,63,790	49,98,805
House Rent	11,18,762	5,57,656
Sundry Receipts	40,47,904	56,72,316
Guest House Receipt (Net)	-	2,97,476
Royalty	5,24,250	6,49,850
Sundry credit balance written back	9,65,310	10,76,296
Recovery from doubtful subscription	1,31,884	-
Interest on other deposit	6,950	4,341
Interest on Fixed Deposits(Gross)	96,559	-
Interest on Savings Account(Gross)	10,68,224	4,45,098
	<u>3,42,91,663</u>	<u>3,93,56,691</u>



**SCHEDULES FORMING PART OF THE
INCOME AND EXPENDITURE ACCOUNT**

(Rupees)

	For the year ended 31st March 2021	For the year ended 31st March 2020
SCHEDULE-XVI		
Expenses		
Salary, wages and bonus	20,62,75,159	21,35,72,544
Contribution to Provident and other funds	1,46,83,320	1,34,36,794
Gratuity	1,04,70,142	1,64,35,028
Leave Encashment	43,53,805	1,00,69,609
Welfare and training expenses	8,56,049	9,20,621
Medical expenses	55,88,824	75,95,581
Consumption of stores & chemicals	26,99,590	29,46,304
Power and fuel	73,20,425	96,44,403
Repairs and renewals	44,00,202	29,66,951
General maintenance	21,20,998	24,69,114
Printing & Stationery	7,29,789	5,94,161
Publication	-	4,60,997
Postage & Communication Expenses	6,37,887	9,55,678
Travelling and Conveyance	13,07,817	37,70,397
Professional Charges	12,92,514	12,08,421
Audit fees and Expenses	7,08,000	5,90,000
Insurance	7,62,939	3,65,697
ASC Seminar etc	41,243	-
Patent fees and Expenses	77,000	32,000
Annual General Meeting Expenses	-	4,33,682
Council & Other meeting Expenses	32,058	4,83,869
Rent, Rates and Taxes	9,97,383	9,90,645
Books and Periodicals	61,553	1,53,161
Interest on Car loan	1,18,594	1,63,158
Provision for Doubtful Debts	2,67,52,862	1,81,07,037
Interest on PF Loan	15,05,092	24,94,750
Bad debts written off	4,81,010	5,750
Assets/Inventory written off	9,63,305	83,108
Rebate on timely collection of subscription	35,78,463	31,57,365
Excess expenditure over grants transferred from closed projects	9,05,879	-
Miscellaneous Expenses	7,73,610	25,16,420
	<u>30,04,95,512</u>	<u>31,66,23,245</u>



**SCHEDULES FORMING PART OF THE
INCOME AND EXPENDITURE ACCOUNT**

(Rupees)

	For the year ended 31st March 2021	For the year ended 31st March 2020
SCHEDULE-XVII		
Expenses on Experimental Estates		
Salary, Wages and Bonus	2,55,15,116	2,44,95,247
Contribution to Provident and other funds	23,64,503	24,42,341
Gratuity	88,85,604	23,48,800
Leave Encashment	92,698	32,201
Welfare and training expenses	29,21,410	25,23,956
Medical Expenses	52,831	86,564
Consumption of stores and Chemicals	2,54,224	1,35,085
Power and Fuel	71,287	60,052
Repairs and Renewals	54,828	15,077
General Maintenance	7,258	3,033
Printing, Stationery and Publication	5,237	19,215
Postage, Telegram, Telex and Telephone	-	1,040
Travelling and Conveyance	100	2,720
Insurance	10,545	3,350
Rent, Rates and Taxes	1,37,876	-
Books & Journals	2,960	2,364
Miscellaneous	6,04,051	10,669
	<u>4,09,80,528</u>	<u>3,21,81,714</u>
Income from Experimental Estates		
Sale of green leaf (At Tocklai)	1,37,71,856	1,16,21,705
Sale of Clones	18,500	6,02,275
Sale of Seeds	90,000	1,52,750
Sale of Plants	-	3,225
Sale of made Tea	6,36,198	-
Miscellaneous Receipts	-	3,235
	<u>1,45,16,554</u>	<u>1,23,83,190</u>
Excess of Expenditure over Income on experimental estates.	<u>2,64,63,974</u>	<u>1,97,98,524</u>



SCHEDULE - XVIII

SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31st MARCH 2021

1. **Basis of Accounting**

The financial statements have been prepared in accordance with the historical cost convention.

2. **Fixed Assets**

Fixed assets are carried at cost less depreciation. Cost includes inward freight, duties and taxes and expenses incidental to acquisition and installation of fixed assets.

Project Assets

The assets as referred in Schedule-IV acquired out of grants from other agencies, the ownership of which do not vest with the Association are not capitalized.

3. **Depreciation**

Depreciation on own fixed assets is provided on written down value method at the rates mentioned below. Full year's depreciation is provided on additions to fixed assets during the year. No depreciation is provided on fixed assets sold during the year. No depreciation is provided on freehold land.

Freehold Building	: 10%
Equipment and Machinery	: 20%
Electric, Water and Telephone	: 20%
Furniture and Fittings	: 10%
Vehicles	: 20%

4. **Inventories**

Inventories are valued at the lower of cost and net realizable value, where costs are ascertained on FIFO basis.

Slow moving, obsolete and damaged stocks are identified at the time of physical verification of stocks and if necessary, provision is made for such stocks.

5. **Government Grants**

Grants in the nature of contribution received towards specific purposes, and no repayment of which is ordinarily expected, are treated as specific reserves. Grants that relate to capital expenditure are recognised as income in the respective Fund Account, over the period and the proportion of depreciation on related assets is charged from grants. Other grants (grant-in-aid) are credited to Income and Expenditure Account on the basis of certainty.

6. **Subscription**

Subscription income is credited to Income and Expenditure Account on accrual basis.

7. **Sales**

Sales are recognized on passing of property in goods, i.e. delivery as per terms of sale.

Service income is recognized as revenue after the service is rendered and invoiced to the customers.

8. **Interest Income**

Income from interest is accounted for on accrual basis.

9. **Retirement benefits**

(a) **Defined Contribution Plan**

The Association contributes to Provident Funds which are administered by duly constituted and approved independent Trust / Fund managed by Regional Provident Fund Commissioner and such contributions are accounted for in Income and Expenditure Account every year.

(b) **Defined Benefit Plans**

Gratuity liability including liability for garden workers at the two experimental estates of the Association which are unfunded are actuarially determined at the year end and provided for in the accounts.

(c) **Other Employee Benefits**

Accrued liability towards leave encashment benefits payable to employees are actuarially determined at the end of the year and provided for in the accounts.



10. Provisions & Contingent Liabilities

The Association recognises a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Contingent liabilities are disclosed when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or present obligation such that the likelihood of outflow of resources is remote, no provision or disclosure is made.



SCHEDULE - XIX

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31st MARCH 2021

1. In terms of the agreement entered into on 3rd May 1976 with Assam Tea Corporation Limited, the entire activities of Tocklai Division of Cinnamara Tea Estate including all its assets and liabilities have been taken over by the Association with retrospective effect from 1st January 1976. Adjustments have not been made in the books of the Association as regards fixed assets taken over, depreciation thereon and for transfer/damage of properties as registration of deed of conveyance is pending. Adjustments have also not been made for purchase consideration payable to Assam Tea Corporation Limited and consequently titles have not yet been transferred in respect of immovable properties taken over by the Association.
2. Sundry Creditors (other liabilities) include the sum of Rs. 7,33,400 (Rs. 6,67,000 received during the year 1979-80 and Rs. 66,400 in 1995-96) from Assam Agricultural University as consideration for sale of certain property at Borbhetta, Jorhat, Assam and a sum of Rs. 85,881 received in the year 1981-82 from Catholic Church as consideration for the sale of a bungalow at Jorhat, in respect of which the deed of conveyance has not been executed.
3. Included in Sundry Creditors – Statutory Liabilities (Schedule XII), a loan taken from TRA Officers Provident Fund earlier. The balance as on 31st March 2021 stands at Rs 1,32,94,595/- (31st March 2020 Rs 2,88,50,000/-).
4. As on 31st March, 2021 the Association has an accumulated deficit of Rs 45,03,66,081/- (31st March 2020: Rs 45,65,43,029/-) and as on that date, its current liabilities exceeded its current assets by Rs 7,81,53,246/-. (31st March 2020: Rs 39,84,772/-). The Tea Board of India (Tea Board) extended the funding modalities to the Association for the medium-term framework till 2025 but the fund disbursement from Tea Board has been delayed causing severe fund crunch situation to the Association. As on 31st March 2021, an amount of Rs 1,66,63,045/- is yet to be received from the Tea Board. Due to such delay in receipt of Grants-in-aid, Provident Fund dues in respect of certain employees of the Association were not deposited with the appropriate authority and as on 31st March 2021 an amount of Rs 60,26,392/- (31st March 2020: Rs 2,60,25,413/-) was outstanding in this respect, out of which Rs 6,46,051/- have subsequently been deposited in till November 2021. In addition, employee related liabilities of Rs 10,90,69,985/- (31st March 2020 Rs 16,04,13,670/-) [including dues of retired employees of Rs 6,34,70,884/- (31st March 2020 Rs 11,20,11,836/-)] have not been paid by the Association as on 31st March 2021. These events or conditions, indicate that a material uncertainty exists that may cast significant doubt on the Association's ability to continue as a going concern, and therefore it may be unable to realize its assets and discharge its liabilities including potential liabilities in the normal course of business.

However, the following initiatives are expected have a position impact on the cash flows of the Association:

- (a) the Ministry of Commerce, Government of India (MOC), (as communicated to Tea Board) has considered sufficient amount for funding in their budget estimates for Research & Development in North East India, for the medium term framework 2021-22 to 2025-26. The said medium term framework for the next five years have been approved by the Expenditure Finance Committee of the Finance Ministry in July 2021.
- (b) the Association had in 2019 identified seven revenue generation verticals, including certification and overseas collaboration, training & skill development, and educational courses on tea. to enable the Association to be self-sufficient in the next few years have started yielding positive results.
- (c) a six-month course designed by the Association has received accreditation of Assam Science Technology University, which has given a major boost to the revenue generation of TRA as there is a major traction for the course.
- (d) the Ministry of Food Processing, Government of India have sanctioned a project of Rs 3.39 crores establishment of food testing laboratory at Tocklai which will further enhance the revenue generation capabilities of the Association, and
- (e) subsequently on 2nd December 2021, the Association has applied to Assam State Government for grant of an annual assistance of Rs 10 crores for sustainable funding to meet the deficit.



Based on the above actions/measures, the Association expects adequate and timely funding from the government supplemented by additional income generation from other sources in the coming years which will generate positive cash flow and improve net asset position of the Association. In view of this, the financial statements have been prepared on the basis that the Association is a going concern.

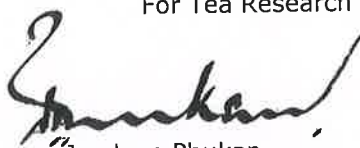
5. Necessary disclosures required under The Micro, Small & Medium Enterprises Development Act, 2006, can only be considered once relevant information to identify the supplier who are covered under the said Act are received from such parties. No such information has been received till date.
6. The Association, being an approved scientific research association within the meaning of Section-35(1)(ii) of the Income-tax Act, 1961 enjoys exemption granted under Section 10(21) of the Act from payment of any Income Tax.
7. Principal actuarial assumptions as per actuarial valuation as on 31st March, 2021 in respect of Defined Employee Benefit Schemes -

Description	Gratuity		Leave Encashment	
	2020-21	2019-20	2020-21	2019-20
Financial assumptions:				
Discounting rate (per annum)	6.20%	6.40%	6.20%	6.40%
Future salary increase	5%	5%	5%	5%
Demographic assumption:				
Mortality rates	100% of IALM 2012-14	100% of IALM 2012-14	100% of IALM 2012-14	100% of IALM 2012-14

The estimates of future salary increases, considered in actuarial valuations, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

8. Certain information relating to Accounting Standards issued by The Institute of Chartered Accountants of India are not disclosed by the Association pursuant to exemptions/ relaxations announced by the said Institute.
9. Consequent to the nationwide lock down announced by Government of India due to COVID-19, the Association had been adversely impacted, by way of temporarily closure of its offices at all locations till 15th May 2020. Subsequently, the Association has resumed its operations, in strict compliance with the Government regulations, as applicable. On the basis of assessment done by the Association and based on the internal/ external sources of information and application of reasonable estimates, the Association has concluded that it does not foresee any significant incremental risk to the recoverability of its receivables or, in meeting its financial obligations over the foreseeable future and hence no material adjustments are required in the Financial Statements. Since the situation is continuously evolving, the impact assessed in future may be different from the estimates made as at the date of approval of these financial results. The Association will continue to closely monitor any material changes to future economic conditions due to uncertainties linked to COVID -19, which may impact the above assessment.
10. Figures for the previous year have been rearranged/ regrouped wherever necessary.

For Tea Research Association


Joydeep Phukan
Secretary


P K Bezboruah
Chairman

