

97TH ANNUAL REPORT



DHELAKHAT TEA COMPANY LIMITED

2015-2016

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Rakesh Macwan, *Non-Executive Independent Director*

Mr. Rajvinder Singh, *Non-Executive Independent Director*

Ms. Suparna Charkrabortti, *Non-Executive Independent Woman Director*

Mr. Raghav Lall, *Non-Executive Director*

Mr. Sitaram Sharma, *Non-Executive Director*

MANAGER

Mr. Saradindu Bhattacharya

CHIEF FINANCIAL OFFICER

Mr. Siddhesh Gupta

COMPANY SECRETARY

Ms. Sweta Shah

REGISTERED OFFICE

4, Dr. Rajendra Prasad Sarani

Kolkata – 700 001

Phone : (033) 2230 4351

Fax : (033) 2230 7555

E-mail: sweta.dhelakhat@gmail.com/rydak@vsnl.net

CIN

L15492WB1917PLC002894

BANKER

Indian Overseas Bank

STATUTORY AUDITORS

M/s. M. C. Das & Co.

Chartered Accountants

53, College Street, 1st Floor, Kolkata – 700 073

REGISTRAR AND SHARE TRANSFER AGENTS

Niche Technologies Pvt. Ltd.

D-511, 5th Floor, Bagree Market

71, BRB Basu Road, Kolkata – 700 001

Phone : (033) 2235 7270/7271

Fax : (033) 2215 6823

E-mail : nichetechpl@nichetechpl.com

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NOTICE

NOTICE is hereby given that the 97th Annual General Meeting (AGM) of the members of Dhelakhat Tea Company Limited will be held on **Thursday, 28th July, 2016 at 1.00 P.M. at Sitaram Saksaria Auditorium, Bhartiya Bhasa Parishad, 36A, Shakespeare Sarani, Kolkata-700 017** to transact the following business:

ORDINARY BUSINESS :

1. Adoption of Financial Statements

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2016 including the Audited Balance Sheet as at 31st March, 2016, the Statement of Profit & Loss for the year ended on that date and the Reports of the Board of Directors and the Auditor's report thereon.

2. Declaration of Dividend

To declare dividend on the Equity Shares of the Company.

3. Appointment of Director

To appoint a Director in place of Mr. Raghav Lall (DIN: 05121368), who retires by rotation and being eligible, offers himself for re-appointment.

4. Ratification of Appointment of Auditor

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

"RESOLVED THAT pursuant to the provisions of Section 139, 141 and 142 and other applicable provisions of the Companies Act, 2013 if any and the Rules made there under, the appointment of M/s. M. C. Das & Co., Chartered Accountants (Registration No 301110E), as the Statutory Auditors of the Company be and is hereby ratified to hold office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting and that the Board of Directors be and is hereby authorized to fix their remuneration as recommended by the Audit Committee."

SPECIAL BUSINESS :

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

"RESOLVED THAT pursuant to the provisions of Sections 196 and 203 read with Sections 178(3), 197 and 198 of the Companies Act, 2013 (Act) and Schedule V thereto and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) approval of the Members be and is hereby accorded to the appointment of Mr. Saradindu Bhattacharya as the Manager of the Company for a term of one year with effect from 1st August, 2015 upon the terms and conditions as set out in the Company's appointment letter dated 1st August, 2015 addressed to Mr. Saradindu Bhattacharya, with authority to the Nomination and Remuneration Committee of the Board to alter and vary the remuneration as it may deem fit and to fix the quantum, composition and periodicity of the remuneration payable to the Manager subject however that the annual remuneration does not exceeds the limits specified under Schedule V of the Act."

"RESOLVED FURTHER THAT, the remuneration payable to Mr. S. Bhattacharya is subject to the condition that the total remuneration including perquisites shall not exceed 5% of the net profits individually and 11% of the net profits collectively payable to all the Managerial Personnel as calculated in accordance with Section 197 and 198 read with Schedule V of the Companies Act, 2013 or any amendments thereto or any other provisions may be applicable."

"RESOLVED FURTHER THAT, where during his tenure, the Company has no profits or inadequate profits, Manager shall be paid the minimum remuneration as may be determined by the Nomination and Remuneration Committee which shall also have the authority to decide on the quantum, composition and periodicity of payment of such minimum remuneration subject however that such minimum remuneration shall not exceed the limit prescribed under Section II, Part II of Schedule V of the Companies Act, 2013."

NOTICE (Contd.)

“**RESOLVED FURTHER THAT**, in case the Manager draws remuneration as a managerial person from another Company, the total remuneration payable by both the Companies shall not exceed the higher maximum limit permissible for any one of the Companies.”

6. To consider and if thought fit, to pass with or without modification the following resolution as a **Special Resolution**:

“**RESOLVED THAT**, in supersession of all resolutions passed earlier by the Company the consent of the shareholders be and is hereby accorded to the Board of Directors of the Company under Section 180(1) (c) and all other applicable provisions if any, of the Companies Act, 2013 read with Article 82 of the Articles of Association of the Company, to borrow money for and on behalf of the Company from time to time as deemed by it to be requisite and proper for the business of the Company, but so that the moneys to be borrowed together with the moneys already borrowed by the Company shall not exceed 10 Crores (Rupees Ten Crores Only) in excess of the aggregate of its paid share capital and free reserves of the Company as per the latest annual audited financial statements, apart from temporary loans obtained from the Company's bankers in the ordinary course of business.”

“**RESOLVED FURTHER THAT**, for the purpose of giving effect to this Resolution, the Board of Directors be and is / are hereby authorised to finalise, settle and execute such documents / deeds / writings / papers / agreements as may be required and to do all acts, deeds, matters and things as may in their absolute discretion deem necessary, proper or desirable and to settle any question(s), difficulty(ies) or doubt(s) that may arise in regard to creating security(ies) as aforesaid or other considered to be in the best interest of the Company.”

7. To consider and if thought fit, to pass with or without modification the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 180 (1) (a) of the Companies Act, 2013 and other applicable provisions , if any, of the Companies Act, 1956 including any statutory modifications or re-enactments thereof the members of the Company hereby accord their consent to the Board of Directors, including any committee thereof for the time being exercising the powers conferred on them by this resolution, to create mortgage and/or charge on all or any of the moveable and/or immovable assets of the Company, both present and future and/or whole or any part of the company in favour of the lenders, agents, trustees for securing the borrowings of the Company availed/to be availed by way of loans (in foreign currency and/or in Indian currency) and securities (comprising of fully/partly convertible debentures and/ or secured premium notes and/or floating rates notes/ bonds or other debt instruments) issued/to be issued by the Company from time to time, in one or more tranches, upto an aggregate limit of Rs. 10 crore (Rupees Ten crore only), together with interest as agreed, additional interest in case of default, accumulated interest, liquidated damages and commitment charges, all other costs, charges and expenses and all other monies payable by the Company in terms of respective loan agreement(s) or any other document entered / to be entered into between the Company and the lenders/agents/investors and trustees in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors or any committees thereof and the lenders, agents or trustees.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to finalise the terms and conditions for creating the aforesaid mortgage and/or charge and to execute the documents and such other agreements and also to agree to any amendments thereto from time to time as it may think fit for the aforesaid purpose and to do all such acts, deeds, matters and things as may be necessary and expedient for giving effect to the above resolution.”

Registered Office:

4, Dr. Rajendra Prasad Sarani,
Kolkata - 700001
CIN : L15492WB1917PLC002894
Website : www.dhelakhat.com
E-mail : sweta.dhelakhat@gmail.com
Date : 26th May, 2016

By Order of the Board
Dhelakhat Tea Company Limited

Sweta Shah
Company Secretary

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NOTES

1. PROXIES

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE 'MEETING') IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

PURSUANT TO THE PROVISIONS OF SECTION 105 OF THE COMPANIES ACT, 2013 AND RULES FRAMED THEREUNDER A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 (FIFTY) AND HOLDING IN THE AGGREGATE NOT MORE THAN 10 (TEN) PER CENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. HOWEVER, A MEMBER HOLDING MORE THAN 10 (TEN) PER CENT 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 PROXY FOR ANY OTHER MEMBER.

The Instrument appointing the Proxy, in order to be valid and effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 (forty-eight) hours before the commencement of the meeting. Proxies submitted on behalf of companies, societies etc. must be supported by an appropriate resolution / authority, as applicable.

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.

2. Explanatory Statement

The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts concerning each item of special business to be transacted at the Meeting is annexed hereto and forms part of the Notice. The relevant details of Director seeking re-appointment under item No. 3 above to pursuant to Regulations 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 are annexed.

3. Communication

Electronic copy of the Notice of the Annual General Meeting (AGM) along with the Annual Report 2015-2016 of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the Members whose email IDs are registered with the Company's Registrar and Share Transfer Agents / Depository Participants for communication purposes unless any Member has requested for a hard copy of the same. For Members who have not registered their email IDs, physical copies of the Notice of the AGM of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent through permitted mode.

Members may also note that the Notice of the 97th Annual General Meeting and the Annual Report for 2016 will also be available on the Company's website at www.dhelakhat.com for their download. For any communication, the shareholders may also send requests to the Company's investor email id: sweta.dhelakhat@gmail.com

4. Registrar & Share Transfer Agents and Depository Participant

Niche Technologies Pvt. Ltd. is the Registrar and Share Transfer Agent (RTA) of the Company. All investor related communication may be addressed to the following address:

Niche Technologies Pvt. Ltd.
D-511 Bagree Market, 5th Floor
71, B.R.B. Basu Road, Kolkata – 700001
Phone No. : 033 22357270/71; Telefax: 033 22156823
Email: nichetechpl@nichetechpl.com

Members holding Shares in physical mode are requested to intimate changes in their address to Niche Technologies Pvt. Ltd. Members holding Shares in electronic mode are requested to send the intimation for

NOTICE (Contd.)

change of address to their respective Depository Participants. Any such changes effected by the Depository Participants will automatically reflect in the Company's subsequent records.

5. Nomination Facility

Members holding shares in physical form and desirous of making / changing Nomination in respect of their shareholdings in the Company, as permitted under Section 72 of the Companies Act, 2013 and Rules made thereunder, are requested to submit an application for this purpose to the Company's Registrar and Share Transfer Agents (RTA), Niche Technologies Pvt. Ltd., who will provide the form on request. In respect of shares held in electronic / demat form, the Members may please contact their respective depository participant.

6. Book Closure

Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from Friday, July 22, 2016 to Thursday, July 28, 2016 (both days inclusive) for the purpose of dividend.

7. Dividend

Subject to the provisions of Section 123 of the Companies Act, 2013, Dividend on Equity Shares for the year ended March 31, 2016 as recommended by the Board, if sanctioned at the Meeting, will be electronically credited / despatched within a period of 30 days from the date of declaration, to those members whose name appear on the Register of Members/Beneficiary Owners as on July 21, 2016.

Members who are holding Shares in electronic form may note that bank particulars registered with their respective Depository Participants will be used by the Company for electronic credit / despatch of dividend. The Company or its Registrar and Share Transfer Agents (RTA) cannot act on any request received directly from the Members holding Shares in electronic form for any change of bank particulars or bank mandates.

8. Unclaimed Dividend

Members wishing to claim dividends, which remain unclaimed, are requested to correspond with the Share Department of the Company, at the Company's registered office. Members are requested to note that dividends not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per Section 124 of the Companies Act, 2013 be transferred to the Investors' Education and Protection Fund.

Further, the details of dividend unclaimed by the Members for the past years which have not yet been transferred to the Central Government are readily available for view by the Members on the website of the Company at www.dhelakhat.com.

9. Go Green Initiative

The Company is sending Notices for General Meetings, Financial Statements, etc. through email to Members whose email IDs are registered with the Company. While going through the Register of Members, it is noticed that there are Members who have not registered their email IDs with the Company. In compliance with provisions of Rule 18 of the Companies (Management and Administration) Rules, 2014 and applicable provisions of the Companies Act, 2013, Members holding Shares in physical form are requested to register their email IDs with the Company's Registrar and Share Transfer Agents (RTA) i.e. Niche Technologies Pvt Ltd. and Members holding Shares in electronic / demat mode are requested to register their email IDs with their respective Depository Participants (DPs). Copies of the Annual Report will not be distributed at the Meeting. Members are requested to carry their copies of the Annual Report to the Meeting.

10. Dematerialisation of Shareholding

Members are requested to dematerialise their shareholding to avoid inconvenience. Members whose shares are in electronic mode are requested to inform change of address and updates of bank account(s) to their respective Depository Participants. Members are encouraged to use the National Electronic Clearing Services (NECS) for receiving dividends.

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11. Mandatory PAN Submission

The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding Shares in electronic form are, therefore, requested to submit the PAN details to their Depository Participants with whom they are maintaining their demat accounts. Members holding Shares in physical form can submit their PAN details to the Company's Registrar and Share Transfer Agents, Niche Technologies Private Limited.

12. Inspection by Members

All Statutory Registers and relevant documents referred to in the Notice and the Explanatory Statement shall be available for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays, Sundays and public holidays, between 9.00 a.m. and 5.00 p.m. upto the date of the Annual General Meeting. The Register of Directors and Key Managerial Personnel (KMPs) and their shareholding maintained under Section 170 of Companies Act, 2013 and the Register of Contracts or arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting.

13. Voting through electronic means (E-voting)

Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote by electronic means. As an alternative to vote physically at the AGM, the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

Similarly, Members opting to vote physically can do the same by remaining present at the meeting and should not exercise the option for e-voting. However, in case Members cast their vote exercising both the options, i.e. physically and e-voting, then votes casted through e-voting shall only be taken into consideration and treated valid whereas votes casted physically at the meeting shall be treated as invalid. The instructions for e-voting are as under. Members are requested to follow the instruction below to cast their vote through e-voting.

1. The instructions for shareholders voting electronically are as under:
 - i. The voting period begins on Monday, 25th July, 2016 (9:00 a.m. IST) and ends on Wednesday, 27th July, 2016 (inclusive of both days) (5:00 p.m. IST). During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21st July, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - ii. The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.
 - iii. Click on "Shareholders" tab.
 - iv. 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, excluding the special characters.
 - v. Next enter the Image Verification as displayed and Click on Login.
 - vi. If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

NOTICE (Contd.)

vii. If you are a first time user follow the steps given below:

For Member holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <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 field. 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 then enter RA00000001 in the PAN field.
DOB	<p>Enter the Date of Birth as recorded in your demat account with the depository or in the Company records for your folio in dd/mm/yyyy format.</p>
Bank Account Number (DBD)	<p>Enter the Bank Account Number as recorded in your demat account with the depository or in the Company records for your folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Bank Account Number in order to login. If both the details are not recorded with the depository or company then please enter the member-id / folio number in the Bank Account Number details field as mentioned in above instruction (iv).

- viii. After entering these details appropriately, click on "SUBMIT" tab.
- ix. 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 mandatory enter their login password in the new password field. Kindly note that this password is to be used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi. Click on the EVSN for the relevant Company name i.e., "**DHELAKHAT TEA COMPANY LIMITED**" on which you choose to vote.
- xii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option "YES/NO" as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii. Click on the "RESOLUTION FILE LINK" if you wish to view the entire Resolution details.
- xiv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvii. 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.

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xviii. Notes for Institutional Shareholders :

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp & signed of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a compliance user using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - 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.
- xix. 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 contact them at 1800 200 5533.
- xx. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
2. Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at sweta.dhelakhat@gmail.com and aklabhcs@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com on or before 27.07.2016 upto 5:00 pm without which the vote shall not be treated as valid.
3. The voting right of shareholders shall be in proportion to their shares of the paid-up equity capital of the Company and shall have one vote per equity share held by them as on the cut-off date of 21st July, 2016. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders. A person who is not a member as on cut off date should treat this notice for information purpose only.
4. The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members / beneficiary owners as at closing hours of business, on 10th June, 2016.
5. Investors who became members of the Company subsequent to the dispatch of the Notice / Email and holds the shares as on the cut-off date i.e. 21st July, 2016, are requested to send the written / email communication to the Company at sweta.dhelakhat@gmail.com by mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-voting.

14. Scrutinizer

The Company has appointed Mr. Atul Kumar Labh., Practicing Company Secretary (FCS No. 4848/C.P. No. 3238), as Scrutinizer for conducting the electronic voting process (both remote e-voting and voting at the AGM through Insta Poll) in a fair and transparent manner.

15. Declaration of Results

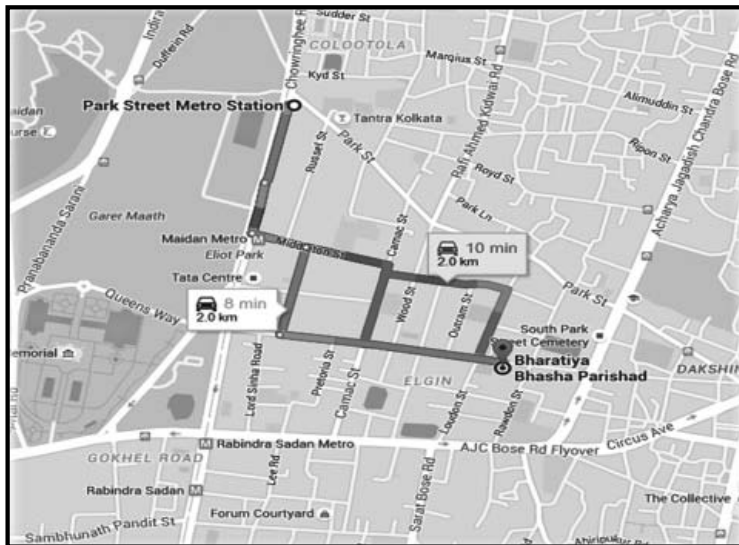
The results shall be declared on or after the AGM, but not later than two days from the conclusion of the

NOTICE (Contd.)

date of the AGM The results declared alongwith the Scrutinizer's Report shall be placed on the website of the Company www.dhelakhat.com and on the website of CDSL viz www.cdslindia.com within two days of the passing of the resolutions at the 97th Annual General Meeting on 28th July, 2016 and will be communicated to the Stock Exchange where the Company's Shares are listed, i.e. Calcutta Stock Exchange Ltd.

16. Route Map of the Venue of the Meeting

A route Map showing directions to reach to the venue of the 97th AGM of the Company is given at the end of this Notice as per the requirement of the Secretarial Standard-2 on "General Meeting". The prominent landmark near the venue is Rani Birla Girl's College.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****Item No. 5**

Section 203 of the Companies Act, 2013 (.the Act.) read with its relevant rules provides that every Listed Company shall have a Managing Director or Chief Executive Officer or Manager. Accordingly, Mr. Saradindu Bhattacharya, has been appointed as the Manager of the Company by the Board of Directors (the Board) at its Meeting held on 30th July, 2015 for a period of one year with effect from 1st August, 2015 on the recommendation of the Nomination and Remuneration Committee of the Company at a remuneration and upon the terms and conditions as set out in the Company's appointment letter, the material terms of which are as follows:-

Remuneration Details :

Salary and Other Allowances:	Rs. 66,000/- per month (Consolidated)
Allowances & Perquisites	All allowances and perquisites are as per company's policy.
Minimum Remuneration	In the event of loss or inadequacy of profit of the Company in terms of Section 197 of the Act during his term as Manager the aforesaid remuneration shall be paid to him subject to Section II of Part II of Schedule V to the Act.
Nature of Duties	He is entrusted with the power of management of the whole or substantially the whole of the affairs of the Company subject to the superintendence, control and direction of the Board.

NOTICE (Contd.)

Other details of Mr. S. Bhattacharya according to the Secretarial Standards are as follows:

Date of Birth	02.02.1947
Qualification	DIP in Mechanical Engineering
Date of appointment in the Board	1st August, 2015
Directorship in other public limited Companies	<ul style="list-style-type: none"> • Rydak Syndicate Ltd. • Bhulanbararee Coal Co. Ltd. • Diamond Products Printing and Processing Ltd. • Bararee Investments & Leasing Co. Ltd. • Sripadam Investments Ltd. • Jardine Pest Management Ltd.
Membership of Committees in other public limited companies	Three (3)
Shareholding in the Company	Nil
Relationship with any Director(s) of the Company	Nil

Mr. Saradindu Bhattacharya has rich and varied experience in the Industry and has been involved in the operations of the Company over a long time. It would be in the interest of the Company to continue the employment of Mr. Saradindu Bhattacharya as Manager.

The aforesaid appointment of Mr. Saradindu Bhattacharya and his above remuneration requires the approval of the Members of the Company in General Meeting pursuant to Part III of Schedule V to the Act. The above terms as to remuneration have been approved by the Board of Directors at its Meeting held on 30th July, 2015 and are in accordance with the Remuneration Policy formulated by the Nomination and Remuneration Committee of the Board of Directors of the Company in terms of Section 178(3) of the Act. The resolution set out in item No.4 of the convening Notice has to be considered accordingly and taking into account Mr. Saradindu Bhattacharya's qualification and past experience, the Board feels that it would be in the interest of the Company to appoint him and accordingly recommends its adoption.

No Director or Key Managerial Personnel of the Company or any of their relatives is concerned or interested, financially or otherwise, in respect of the said Resolutions.

Item No. 6 & 7

In the normal course of business, the Company is required, from time to time, to borrow funds by way of rupee/ foreign currency loans, issue of debentures, bonds or other instruments from Banks, Financial Institutions and/ or other persons/bodies corporate etc.

To secure such lendings the lenders usually call for adequate securities which are normally provided in the form of mortgage and charge on certain properties of the Company. In terms of Section 180(1)(a) of the Companies Act, 2013 (the Act) besides sale, to lease or otherwise for disposal of any undertaking or substantially the whole of any undertakings of a company, a consent of its Members by way of a Special Resolution is necessary.

The assets on which the security may be required to be created may come under the ambit of the definition of undertaking or substantially the whole of any undertaking as explained under Section 180(1)(a) of the Act, necessitating the Members consent by way of a Special Resolution.

In the normal course of business, the Company may also be required to borrow money from any financial institutions / banks/bodies corporate / any other lending agencies which borrowing may exceed the limits prescribed under

NOTICE (Contd.)

Section 180(1)(c) of the Act necessitating a consent of its Members by way of a Special Resolution.

The Resolutions set out in Item Nos. 6 and 7 of the convening Notice are to be considered accordingly and the Board recommends the same for the approval of the Members.

No Director or Key Managerial Personnel of the Company or any of their relatives is concerned or interested, financially or otherwise, in respect of the said Resolutions.

*** Details of Director seeking re-appointment at the Annual General Meeting:**

At the ensuing meeting of the Company, Mr. Raghav Lall (DIN: 00255159) Non-Executive Director, retires by rotation pursuant to the provisions of Section 152 of the Companies Act, 2013 ("Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014 and being eligible, seeks re-appointment. Pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the particulars of the aforesaid Director seeking re-appointment at the AGM are given below:

Name of the Director	Mr. Raghav Lall
DIN	05121368
Date of Birth	31.10.1954
Date of Appointment	30.05.2013
Qualification	Post Graduate from Faculty of management Studies, Delhi University
Expertise in specific functional areas	Over 35 years of experience in Tea Industry
Directorship held in other listed Companies	Nil
Membership/Chairmanship of Committees across Public Companies	Dhelakhat Tea Co. Ltd.- Audit Committee Dhelakhat Tea Co. Ltd.- Stakeholders Relationship Committee Dhelakhat Tea Co. Ltd.- Nomination & Remuneration Committee
No. of share held in the Company	Nil

Registered Office:

4, Dr. Rajendra Prasad Sarani,
Kolkata - 700001
CIN : L15492WB1917PLC002894
Website : www.dhelakhat.com
E-mail : sweta.dhelakhat@gmail.com
Date : 26th May, 2016

By Order of the Board
Dhelakhat Tea Company Limited

Sweta Shah
Company Secretary

DIRECTORS' REPORT

To The Members,

Your Directors are pleased to present the 97th Annual Report, together with the Audited Financial Statements and the Auditors' Report of the Company for the financial year ended 31st March, 2016.

STATE OF AFFAIRS OF THE COMPANY/ FINANCIAL RESULTS

The Company's financial performance for the year ended 31st march, 2016 is summarized below :

(Amount in ₹)		
FINANCIAL RESULT	Year Ended 31.03.2016	Year Ended 31.03.2015
Profit before tax	26,30,848	87,47,375
Less: Provision for tax	10,75,146	29,98,378
Profit after tax	15,55,702	57,48,997
To which is added :		
Surplus brought from the previous year	28,59,346	61,60,971
Profit available for appropriation	44,15,048	1,19,09,968
Transfer to General Reserve	30,14,916	67,35,870
Provision for proposed Dividend	1,96,385	2,94,578
Corporate Tax on Dividend	39,984	59,976
Adjustment of Retained Earning	-	19,60,198
Balance carried forward	11,63,763	28,59,346

TRANSFER TO RESERVE

The Company proposes to transfer Rs. 30,14,916 to the General Reserve.

DIVIDEND

Your Directors are pleased to recommend a dividend of Rs. 0.50/- per share aggregating to Rs. 1,96,385/- for the current financial year. The dividend, if approved, and declared in the forthcoming Annual General Meeting would result in a Dividend outflow of Rs. 1,96,385/- and Dividend Distribution Tax of Rs. 39,984/- aggregating to a total outflow of Rs. 2,36,369/-.

TRANSFER OF UNCLAIMED DIVIDEND

In terms of Section 205C of the Companies Act, 1956, no amount of unclaimed or unpaid dividend is due for transfer to Investor Education and Protection Fund established by the Central Government.

ECONOMIC SCENARION AND OUTLOOK

The economic scenario for the growing and manufacturing of teas looks bleak for the following reasons :

1. Tea is dependent on the vagaries of weather. Tea growing has been facing the brunt of climate changes in the form of extreme weather conditions. Either drought like conditions or high intensity rainfall has been playing havoc with the crop. Tea crop loss for a short duration of time every year due to extreme weather conditions has become a normal trend for the tea industry of late.
2. The increase in wages for workmen and the threat of imposing minimum wages on tea companies along with added social costs is a reason for concern, which if implemented, would have lasting effects on the tea industry. In the current scenario most companies would find it difficult to keep their heads above water.

DIRECTORS' REPORT *(Contd.)*

3. World crop is increasing day by day and tea prices are directly related to demand and supply. If the price realization of teas does not increase, it will not be possible to bear the additional costs which the industry has to pay.
4. Government policy not to issue rations from the FCI godowns has resulted in the cost of rations doubling up as they have to be purchased from the open market and supplied to the workers at substantially reduced costs.
5. Cost of inputs such as coal, fuel oil, gas, transportation etc. has been increasing over the years and the present trend suggests that there will be further increase in inputs which would put pressure on the bottom line.

REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

The Company carries on the business of growing and manufacturing of tea. The Company is having two estates which produced a saleable crop of 9.27 lakh kgs as compared to 8.54 lakh kgs in the same period last year.

The average price realization of the Company's tea was Rs. 177.79 as compared to Rs. 173.02 in the previous year.

The prospectus for the coming year till the time of writing this report showed a decrease in saleable crop due to excessive rain and low temperatures. However it will be the endeavor of the Company to increase its sale price realization to combat the labour and other cost.

The net sales in the year 2015-2016 was Rs. 1623.84 lakhs as compares to Rs. 1459.94 lakhs during the same period in the year 2014-2015. There was an increase of 11.23 % in sales realization, which was brought about mainly by an increased in production as well as increase in the price realization from the previous year.

CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of the business of the Company.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes or commitments that have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

BOARD OF DIRECTORS

In accordance with the Section 152 of the Companies Act, 2013, Mr. Raghav Lall (DIN: 05121368), will retire by rotation at the forthcoming Annual General Meeting and being eligible, offer himself for re-appointment. The Board recommends his re-appointment.

DECLARATTION BY INDEPENDENT DIRECTORS

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of Independence laid down in Section 149(6) of the said Act.

KEY MANAGERIAL PERSONNEL

The Board of Directors of the Company has appointed Mr. Saradindu Bhattacharya as Manager in terms of Section 203 of the Companies Act, 2013 for a period of one year with effect from August 01, 2015 subject to the approval of the Members of the Company at its ensuing Annual General Meeting.

The Company has also appointed Mr. Siddhesh Gupta as Chief Financial Officer ('CFO') and Ms. Sweta Shah as Company Secretary ('CS') with effect from August 01, 2015 in pursuance of the extant laws.

The remuneration and other details of the Key Managerial Personnel for the financial year 2015-16 are provided in the extract of the Annual Return which forms part of this Directors' Report.

DIRECTORS' REPORT (Contd.)**MEETINGS OF BOARD AND COMMITTEES**

During the year ended 31st March, 2016 4 (Four) Board meetings were held i.e. on 14.05.2015, 30.07.2015, 05.11.2015 and 28.01.2016. The intervening gap between the meetings was within the prescribed period under the Companies Act, 2013. Attendance of the Directors has been as follows:

Name of the Director	Whether attended the meetings held on			
	14.05.2015	30.07.2015	05.11.2015	28.01.2016
Mr. Rakesh Macwan	YES	YES	YES	YES
Mr. Sitaram Sharma	YES	YES	NO	YES
Mr. Raghav Lall	NO	NO	YES	YES
Mr. Rajvinder Singh	YES	YES	YES	NO
Ms. Suparna Chakrabortti	YES	YES	YES	YES

AUDIT COMMITTEE**i) Composition**

The Audit Committee of the Company consists of Mr. Rakesh Macwan as Chairman, Mr. Rajvinder Singh, Mr. Raghav Lall, Mr. Sitaram Sharma and Ms. Suparna Chakrabortti as its Members. Ms. Sweta Shah, Company Secretary acts as the Secretary of the Audit Committee.

ii) Attendance

Four Meetings of the Audit Committee were held during the financial year ended March 31, 2016 and the attendance of the members is as follows :

Name of the Director	Whether attended the meetings held on			
	14.05.2015	29.07.2015	04.11.2015	27.01.2016
Mr. Rakesh Macwan	YES	YES	YES	YES
Mr. Sitaram Sharma	YES	YES	NO	YES
Mr. Raghav Lall	NO	NO	YES	YES
Mr. Rajvinder Singh	YES	YES	YES	NO
Ms. Suparna Chakrabortti	–	–	–	YES

During the year there were no instances where the Board of Directors of the Company had not accepted the recommendations of the Audit Committee.

The Company has formulated a vigil mechanism / whistle blower policy which has been uploaded on the Company's website at www.dhelakhat.com. The Company has also provided direct access to the Chairman of the Audit Committee on reporting issues concerning the interests of the employees and the Company.

NOMINATION AND REMUNERATION COMMITTEE**i) Composition**

The Nomination and Remuneration ('NRC') Committee of the Company consists of Mr. Rakesh Macwan as Chairman, Mr. Rajvinder Singh, Mr. Raghav Lall and Mr. Sitaram Sharma as its Members. Ms. Sweta Shah, Company Secretary acts as the Secretary of the Committee.

In compliance with Section 178 (3) of the Act, the Board on recommendation of the Committee has adopted the following policies namely :

DIRECTORS' REPORT *(Contd.)*

- a. Policy on appointment and removal of directors which includes Board membership criteria, Board diversity policy and criteria for determining independence of Directors
- b. Policy on remuneration of Directors, Key Managerial Personnel and other employees.

The policies are annexed to this Directors' Report and marked as **Annexure - A** and is also available on the Company's website at www.dhelakhat.com.

ii) Attendance

One Meeting of the Nomination and Remuneration Committee was held during the financial year ended March 31, 2016 on 29.07.2015 and the attendance of the members is as follows :

Name of the Director	Whether attended the meetings
Mr. Rakesh Macwan	YES
Mr. Sitaram Sharma	YES
Mr. Raghav Lall	NO
Mr. Rajvinder Singh	YES
Ms. Suparna Chakrabortti	YES

STAKEHOLDERS RELATIONSHIP COMMITTEE

i) Composition

As required by the provisions of Section 178(5) of the Companies Act, 2013 the Company has in place the Stakeholders Relationship Committee comprising of 4 (Four) members, Mr. Rakesh Macwan (Chairman) and Mr. Rajvinder Singh, Mr. Raghav Lall and Mr. Sitaram Sharma as members.

ii) Attendance

Two Meeting of the Stakeholders Relationship Committee were held during the financial year ended March 31, 2016 on 29.07.2015 and 31.03.2016 and the attendance of the members is as follows:

Name of the Director	Whether attended the meetings held on	
	29.07.2015	31.03.2016
Mr. Rakesh Macwan	YES	YES
Mr. Sitaram Sharma	YES	YES
Mr. Raghav Lall	NO	YES
Mr. Rajvinder Singh	YES	YES

BOARD EVALUATION

The formal evaluation of the performance of the Independent Directors, Non-Independent Directors, Chairperson and the Board of Directors ('Board') as a whole and all Board Committees was carried out by the Board at the end of the financial year in accordance with the relevant provisions of Section 134 of the Act read with the Rules related thereto and Section 178 of the Act and Schedule IV to the Act and the same was found to be satisfactory.

Board, upon recommendation of the Nomination and Remuneration Committee and as per the criteria and manner provided for the annual evaluation has evaluated the performance of the Board as a whole and on the basis of the performance evaluation all the members of the Board are eligible to continue to act as Director of the Company.

Further, the Independent Directors at their meeting held on 24th February, 2016 had reviewed the performance of the Board and of the Non-Executive Directors.

DIRECTORS' REPORT *(Contd.)*

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors acknowledges the responsibilities for ensuring compliance with the provisions of section 134(3) read with section 134(5) of the Companies Act, 2013 in the preparation of the annual accounts for the year ended on 31.03.2016 and confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
- (ii) 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 of the Company for that period.
- (iii) the Directors 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.
- (iv) the Directors have prepared the annual accounts on a going concern basis.
- (v) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively, and
- (vi) There is a proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

AUDITORS

Statutory Auditor

Messrs. M. C. Das & Co., Chartered Accountants (FRN: 301110E), the Auditors of the Company have been appointed as Auditors of the Company in the Annual General Meeting of the Company held in the year 2014, to hold office until the conclusion of the Annual General Meeting of the Company to be held in the year 2019 and their aforesaid appointment is subject to necessary ratification by the Members of the Company at their ensuing Annual General Meeting. There are no qualifications, reservations or adverse remarks or disclaimer made by the Auditors in their Report.

Secretarial Auditor

M/s Anjan Kumar Roy & Co., Practicing Company Secretary have been appointed as Secretarial Auditor of the Company in accordance with the provisions of section 204 of the Companies Act, 2013. The Secretarial Auditor's Report is annexed as **Annexure-B** and forms a part of this Report of the Directors. There are no qualifications or observations or remarks made by the Secretarial Auditor in his Report.

Internal Auditor

The Board has appointed M/s Vidya & Co., Chartered Accountants as Internal Auditor of the Company pursuant to Section 138 of the Companies Act, 2013. Reports of the Internal Audit are reviewed by the Audit Committee/ Board from time to time.

INTERNAL FINANCIAL CONTROL

The Company has in place an adequate system of internal control procedures which is commensurate with the size and nature of business. Detailed procedural manuals are in place to ensure that all the assets are safeguarded, protected against loss and all transactions are authorized, recorded and reported correctly. The internal control systems of the Company are monitored and evaluated by internal auditors and their audit reports are periodically reviewed by the Audit Committee of the Board of Directors.

DIRECTORS' REPORT *(Contd.)*

RISK MANGEMENT

The Company has adopted the following measures concerning the development and implementation of a Risk Management Policy after identifying the following elements of risks which in the opinion of the Board may threaten the very existence of the Company itself.

- a) The production of tea crop is dependent on the vagaries of weather viz crop, temperature and humidity.
- b) Escalation in world crop affects the price of tea in India
- c) Lower export quantities reflect in the availability of tea in India thereby increasing supply over demand which reflects in the prices of tea.
- d) Tea Crop is also dependent on Pest activity on the estate. The new Protection Code being implemented by Tea Board has reduced the chemicals that can be applied for control of pests and in some cases there is no chemical approved for certain pests which are prevalent in India.
- e) The tea market in India would have to grow in order to get better price realization. At present India has one of the lowest per capita consumption of tea.
- f) To mitigate the above risks, the company has taken a policy of augmenting irrigation and digging of ponds near tea areas to combat lesser rainfall.
- g) The company is following a strict policy of making quality teas which results in higher price realizations for the tea manufacture.
- h) The company has taken on a programme to reduce costs while providing efficient machinery and conveyorisation in most of the Estates to bring down the costs. A concerted effort is being made to bring down costs of labour by better deployment, increased productivity and deployment of workers in productive work.

CORPORATE SOCIAL RESPONSIBILITY

The Company has not formed any Corporate Social Responsibility Committee because the provisions of Section 135 of the Companies Act, 2013 relating to formation of such a Committee and the formulation of a Corporate Social Responsibility Policy do not apply to the Company.

SUBSIDIARY / JOINT VENTURES / ASSOCIATES

The Company has no subsidiaries or associated companies therefore disclosures in this regard are not provided in this Report.

DEPOSITS

The Company has not accepted nor renewed any deposits from the public, and as such, there are no outstanding deposits in terms of the Companies (Acceptance of Deposits) Rules, 2014.

LOANS, GUARANTEES AND INVESTMENTS

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTY

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis and are reviewed by the Audit Committee of the Board.

The Policy on Related Party Transactions can be accessed at <http://dhelakhat.com/wp-content/uploads/2015/11/RPT-POLICY.pdf>.

DIRECTORS' REPORT *(Contd.)*

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

A statement giving details of conservation of energy, technology absorption and foreign exchange earnings and outgo in terms of Rule 8(3) of the Companies (Accounts) Rules, 2014 is attached as **Annexure-C** to this Report.

EXTRACT OF ANNUAL RETURN

The extracts of the Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules 2014, are annexed as **Annexure – D** and is attached to this Report.

PARTICULAR OF EMPLOYEES

There are no employees who are in receipt of remuneration in excess of the limit specified under section 134(3) (q) read with Rule 5 (2) and 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

MANAGERIAL REMUNERATION

The information required pursuant to Section 197(12) read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is attached here as **Annexure-E** and forms a part of the Directors' Report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There were no significant and material orders passed by regulators or courts or tribunals impacting the going concern status and Company's operations in future.

FRAUD REPORTING

There was no fraud reported by the Auditors of the Company to the Audit Committee or the Board of Directors during the year under review.

OCCUPATIONAL HEALTH AND SAFETY

Occupational Health and Safety remains the management's top priority. Workers are provided with adequate safety equipments while performing their jobs.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Directors state that during the year an Internal Complaint Committee has been formed to review the cases filed pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and further state that, there were no cases reported in respect to above mentioned Act.

ACKNOWLEDGEMENT

Your Directors place on record their sincere thanks to bankers, business associates, consultants and various Government Authorities for their continued support extended to your Company for carrying out its business activities during the year under review. Your Directors also acknowledge gratefully the shareholders for their support and confidence reposed on the Company.

For and on behalf of the Board

4, Dr. Rajendra Prasad Sarani
Kolkata-700 001
Dated: 26th May, 2016

Rakesh Macwan
Director
(DIN: 01328442)

Sitaram Sharma
Director
(DIN: 06609603)

ANNEXURE TO THE DIRECTORS' REPORT

POLICY ON APPOINTMENT AND REMOVAL OF DIRECTORS

ANNEXURE – A

1. INTRODUCTION

- 1.1 In terms of Section 178 of the Companies Act, 2013, rules made thereunder and the Listing Agreement, entered into by the Company with Stock Exchanges in India, as amended from time to time, the Committee has formulated this policy on appointment and removal of Directors. The Policy has been adopted by the Nomination and Remuneration Committee ("NRC") vide its resolution dated July 26, 2015 and approved by the Board of Directors vide its resolution dated November 05, 2015.
- 1.2 This policy shall act as a guideline for determining qualifications, positive attributes, independence of a Director and matters relating to the appointment and removal of Directors.

2. OBJECTIVE OF THE POLICY

- 2.1. To lay down criteria and terms and conditions with regards to the identification of persons who are qualified to become Directors (executive, non-executive and independent) including their qualifications, positive attributes and independence and who may be appointed as the Senior Management of the Company.

3. APPOINTMENT OF DIRECTORS

This Policy enumerates guidelines to be used by NRC in selecting/appointing/re-appointing and removal of a Director:

- 3.1. Assess skill-sets the Board needs given the strategies, challenges faced by the Company.
- 3.2. In selecting individuals for appointment/re-appointment/removal of directors, the NRC may refer to the following guidelines/policies:
 - 3.2.1. Board Membership Criteria (Refer Schedule A)
 - 3.2.2. Board Diversity Policy (Refer Schedule B)
 - 3.2.3. Criteria for determining independence of directors (in case of appointment of Independent Directors (Refer Schedule C)
- 3.3. NRC members (either jointly/individually, as delegated) shall meet the potential candidate and assess his/her suitability for the role.
- 3.4. NRC to recommend the appointment of shortlisted candidate to the Board for its consideration.
- 3.5. Emergency Succession: If position of a Director suddenly becomes vacant by reason of death or other unanticipated occurrence, the NRC shall convene a special meeting at the earliest opportunity to fill such vacancy.

4. POLICY IMPLEMENTATION

- 4.1. The Committee is responsible for recommending this Policy to the Board.
- 4.2. The Board is responsible for approving and overseeing implementation of this Policy (with the support of the Committee)

5. REVIEW OF THE POLICY

This Policy will be reviewed and reassessed by the Committee as and when required and appropriate recommendations shall be made to the Board to update this Policy based on changes that may be brought about due to any regulatory amendments or otherwise.

6. APPLICABILITY TO SUBSIDIARY / ASSOCIATE /JOINT VENTURE COMPANIES

This Policy may be adopted by the Company's subsidiaries/ Associates and Joint Ventures, if any, subject to suitable modifications and approval of the Board of Directors of the respective companies.

7. COMPLIANCE RESPONSIBILITY

Compliance of this policy shall be the responsibility of the Company Secretary of the Company who shall have the power to ask for any information or clarifications from the management in this regard.

ANNEXURE TO THE DIRECTORS' REPORT *(Contd.)*

Schedule – A BOARD MEMBERSHIP CRITERIA

The NRC works with the Board to determine the appropriate characteristics, skills and experience for the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and experience in business, government, education and public service. Characteristics expected of all Directors include independence, integrity, high personal and professional ethics, sound business judgement, ability to participate constructively in deliberations and willingness to exercise authority in a collective manner.

In evaluating the suitability of individual Board members, the Committee considers many factors, including general understanding of marketing, finance, operations management, public policy, international relations, legal, governance and other disciplines relevant to the success of the Company in today's business environment; understanding of the Company's business; experience in dealing with strategic issues and long-term perspectives; maintaining an independent familiarity with the external environment in which the company operates and especially in the Directors particular field of expertise; educational and professional background; personal accomplishment; and geographic, gender, age and ethnic diversity.

The Board evaluates each individual in the context of the Board as a whole, with the objective of having a group that can best perpetuate the success of the Company's business and represent stakeholders' interests through the exercise of sound judgement, using its diversity of experience.

In determining whether to recommend a Director for re-election, the Committee also considers the Director's past attendance at meetings, participation in meetings and contributions to the activities of the Board and the results of the most recent Board self-evaluation.

Board members are expected to rigorously prepare for, attend and participate in all Board and applicable committee meetings. Each member is expected to ensure that their other current and planned future commitments do not materially interfere with the responsibilities at the Company.

Schedule - B BOARD DIVERSITY POLICY

1. PURPOSE

The need for diversity in the Board has come into focus post the changes in the provisions of the Companies Act, 2013 ("Act") and the corporate governance requirements as prescribed by Securities and Exchange Board of India ("SEBI") under Listing Agreement.

The NRC has framed this policy to set out the approach to diversity on the Board of the Company ("Policy").

2. SCOPE

This Policy is applicable to the Board of the Company.

3. POLICY STATEMENT

The Company recognizes the importance of diversity in its success. It is essential that the Company has as diverse a Board as possible.

A diverse Board will bring in different set of expertise and perspectives. The combination of Board having different skill set, industry experience, varied cultural and geographical background and belonging to different race and gender will bring a variety of experience and viewpoints which will add to the strength of the Company.

While all appointments to the Board are made on merit, the diversity of Board in aggregate will be of immense strength to the Board in guiding the Company successfully through various geographies.

The Committee reviews and recommends appointments of new Directors to the Board. In reviewing and determining the Board composition, the Committee will consider the merit, skill, experience, race, gender and other diversity of the Board.

ANNEXURE TO THE DIRECTORS' REPORT *(Contd.)*

4. MONITORING AND REPORTING

The Committee will report annually, in the corporate governance section of the Annual Report of the Company, the process it employed in Board appointments, if required by the law. The report will include summary of this Policy including purpose and the progress made in achieving the same.

5. REVIEW OF THE POLICY

This Policy will be reviewed and reassessed by the Committee as and when required and appropriate recommendations shall be made to the Board to update this Policy based on changes that may be brought about due to any regulatory amendments or otherwise.

6. APPLICABILITY TO SUBSIDIARY/ASSOCIATE/JOINT VENTURE COMPANIES

This Policy may be adopted by the Company's subsidiaries/ Associates and Joint Ventures, if any, subject to suitable modifications and approval of the Board of Directors of the respective companies.

7. COMPLIANCE RESPONSIBILITY

Compliance of this policy shall be the responsibility of the Company Secretary of the Company who shall have the power to ask for any information or clarifications from the management in this regard.

REMUNERATION POLICY OF DIRECTORS, KMPs AND OTHER EMPLOYEES

The philosophy for remuneration of Directors, Key Managerial Personnel ("KMP") and all other employees of Dhelakhat Tea Company Limited (the Company) is based on the commitment of fostering a culture of leadership with trust. The remuneration policy is aligned to this philosophy.

This remuneration policy has been prepared pursuant to the provisions of Section 178(3) of the Companies Act, 2013 ("Act"). In case of any inconsistency between the provisions of law and this remuneration policy, the provisions of the law shall prevail and the company shall abide by the applicable law. While formulating this policy, the Nomination and Remuneration Committee ("NRC") has considered the factors laid down under Section 178(4) of the Act, which are as under:

- a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- c) remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

Key principles governing this remuneration policy are as follows:

1. Remuneration for independent directors and non-independent nonexecutive directors

- 1.1 Overall remuneration should be reflective of the size of the company, complexity of the sector/ industry/ company's operations and the company's capacity to pay the remuneration.
- 1.2 Independent Directors ("ID") and Non-Independent Non-Executive Directors ("NED") may be paid sitting fees (for attending the meetings of the Board and of Committees of which they may be members). Quantum of sitting fees and NED Commission may be subject to review on a periodic basis, as required.
- 1.3 Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the NRC and approved by the Board.
- 1.4 Overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate directors aligned to the requirements of the company (taking into consideration the challenges faced by the company and its future growth imperatives).
- 1.5 Overall remuneration practices should be consistent with recognized best practices.
- 1.6 The aggregate commission payable to all the NEDs and IDs will be recommended by the NRC to the Board, based on company's performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board.

ANNEXURE TO THE DIRECTORS' REPORT *(Contd.)*

- 1.7 The NRC will recommend to the Board, the quantum of commission for each Director based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and committee meetings, individual contributions at the meetings and contributions made by Directors other than in meetings.
 - 1.8 In addition to the sitting fees and commission, the Company may pay to any Director such fair and reasonable expenditure, as may have been incurred by the director while performing his/ her role as a director of the company. This could include reasonable expenditure incurred by the director for attending Board/ Board committee meetings, general meetings, court convened meetings, meetings with shareholders/ creditors/ management, site visits, induction and training (organized by the company for directors) and in obtaining professional advice from independent advisors in the furtherance of his/ her duties as a director.
- 2. Remuneration for Managing Director ("MD")/ Executive Directors ("EDs")/ KMP/ rest of the employees**
- 2.1 The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be
 - a) Market competitive (market for every role is defined as companies from which the company attracts talent or companies to which the company loses talent);
 - b) Driven by the role played by the individuals;
 - c) Reflective of size of the company, complexity of the sector/ industry/ company's operations and the company's capacity to pay;
 - d) Consistent with recognized best practices and;
 - e) Aligned to any regulatory requirements.
 - f) In terms of remuneration mix or composition,
 - g) The remuneration mix for the MD/ EDs is as per the contract approved by the shareholders. In case of any change, the same would require the approval of the shareholders.
 - h) Basic/ fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience.
 - i) In addition to the basic/ fixed salary, the company may provide employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings and tax optimization, where possible. The company may also provide all employees with a social security net (subject to limits) by covering medical expenses and hospitalization through reimbursements or insurance cover and accidental death and dismemberment through personal accident insurance.
 - j) The Company provides retirement benefits as applicable.
 - k) In addition to the basic/ fixed salary, benefits, perquisites and allowances as provided above, the company may provide MD/ EDs such remuneration by way of bonus/performance linked incentive and/or commission calculated with reference to the net profits of the company in a particular financial year, as may be determined by the Board, subject to the overall ceilings stipulated in Section 197 of the Act. The specific amount payable to the MD/ EDs would be based on performance as evaluated by the Board or the NRC and approved by the Board.
 - l) The Company may provide the rest of the employees a performance linked bonus and/or performance linked incentive. The performance linked bonus/performance linked incentive would be driven by the outcome of the performance appraisal process and the performance of the company.
 - m) The Company may provide the rest of the employees a performance linked bonus and/or performance linked incentive. The performance linked bonus/performance linked incentive would be driven by the outcome of the performance appraisal process and the performance of the company.

ANNEXURE TO THE DIRECTORS' REPORT (Contd.)

- n) Remuneration payable to Director for services rendered in other capacity
The remuneration payable to the Directors shall be inclusive of any remuneration payable for services rendered by such Director in any other capacity unless:
- The services rendered are of a professional nature; and
 - The NRC is of the opinion that the Director possesses requisite qualification for the practice of the profession.
- o) Premium on Insurance Policy
- Where any insurance is taken by the Company on behalf of the Company's NEDs, for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration.
 - KMP and any other employees for indemnifying them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the company, the premium paid on such insurance shall not be treated as part of the remuneration. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.
- p) Policy implementation
The NRC is responsible for recommending the remuneration policy to the Board. The Board is responsible for approving and overseeing implementation of the remuneration policy.
- q) Review of the Policy
This Policy will be reviewed and reassessed by the NRC as and when required and appropriate recommendations shall be made to the Board to update this Policy based on changes that may be brought about due to any regulatory amendments or otherwise.
- r) Applicability to subsidiaries, associates and joint venture companies
This policy may be adopted by the Company's subsidiaries, associates and joint venture companies, if any, subject to suitable modifications and approval of the board of directors of the respective companies.
- s) Compliance Responsibility
Compliance of this policy shall be the responsibility of the Company Secretary of the Company who shall have the power to ask for any information or clarification from the management in this regard.

For and on behalf of the Board

Place : Kolkata
Dated : 26th May, 2016

Rakesh Macwan
Director
(DIN: 01328442)

Sitaram Sharma
Director
(DIN: 06609603)

ANNEXURE TO THE DIRECTORS' REPORT (Contd.)

ANNEXURE - B

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31st March, 2016**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of
the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
M/s. Dhelakhat Tea Co. Ltd.
4, Dr. Rajendra Prasad Sarani,
Kolkata – 700 001

1. We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Dhelakhat Tea Co. Ltd. (hereinafter called 'the company') during the financial year ended 31st March, 2016. Secretarial Audit was conducted on test check basis, in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.
2. On the basis of aforesaid verification of the secretarial compliance and on the basis of secretarial audit of company's books, papers, minute books, forms and returns filed and other records maintained by the company, as shown to us during the said audit and also based on the information provided by the company, its officers, agents and authorized representatives during the conduct of the aforesaid secretarial audit, we hereby report that in our opinion and to the best of our understanding, the company has, during the audit period covering the financial year ended on 31st March, 2016, complied with the statutory provisions listed hereunder and also the company has adequate Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:
3. We further report that compliance with applicable laws is the responsibility of the company and our report constitutes an independent opinion. Our report is neither an assurance for future viability of the company nor a confirmation of efficient management by the company.
4. (I) We have examined the secretarial compliance on test check basis of the books, papers, minute books, forms and returns filed and other records maintained by M/s. Dhelakhat Tea Co. Ltd. for the financial year ended on 31st March, 2016 according to the provisions of the following laws and as shown to us during our audit, as also referred in above paragraphs of this report;
 - (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
 - (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz. :-
 - 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, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, to the extent as applicable.
- (II) We have also examined the secretarial compliance on test check basis of the books, papers, forms and returns filed and other records maintained by M/s. Dhelakhat Tea Co. Ltd. for the financial year ended on 31st March, 2016, according to the provisions of the following laws specifically applicable to the company and as shown to us during our audit, as also referred in above paragraphs of this report;

ANNEXURE TO THE DIRECTORS' REPORT *(Contd.)*

1. The Tea Act, 1953.
 2. The Tea Warehouse (Licensing) Order, 1989.
 3. The Tea Waste Control Order, 1959.
 4. The Tea (Distribution and Export) Control Order, 2005.
 5. Plant Protection Code (Formulated by the Tea Board of India).
 6. Food Safety and Standard Act, 2006.
 7. The Tea (Marketing) Control Order, 2003.
 8. The Tea Board Guidelines and Orders.
 9. Legal Metrology Act, 2009.
5. We have also examined compliance with the applicable clauses of the following:
- i. Secretarial Standards issued by The Institute of Company Secretaries of India under Section 118 of the Companies Act, 2013.
6. That on the basis of the audit as referred above, to the best of our knowledge, understanding and belief, we are of the view that during the period under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above in Paragraph 4(I), Paragraph 4(II) and Paragraph 5 of this report.
7. We have checked the compliance with the provisions of the Standard Listing Agreement entered by the Company with the following Stock Exchanges in India and also with the provisions of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable during the period under review and to the best of our knowledge, belief and understanding, we are of the view that the Company has complied with the secretarial functions and board processes to comply with the applicable provision thereof, during the aforesaid period under review.
- i. The Calcutta Stock Exchange Limited (CSE)
8. We further report that,
- a) The Board of Directors of the company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There has been no change in the composition of the Board of Directors of the Company during the period under review.
 - b) Adequate notices are given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance.
 - c) Majority decision is carried through and recorded as part of the minutes.
9. 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 laws, rules, regulations and guidelines, generally applicable to the company.
10. This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this Report.

For, **ANJAN KUMAR ROY & CO.**
Company Secretaries

ANJAN KUMAR ROY
Proprietor

Place : Kolkata
Date : 26/05/2016

FCS No. 5684
CP. No. 4557

ANNEXURE TO THE DIRECTORS' REPORT *(Contd.)*

Annexure A

(To the Secretarial Audit Report of M/s. Dhelakhat Tea Co. Ltd. for the financial year ended 31/03/2016)

To,
The Members,
M/s. Dhelakhat Tea Co. Ltd.
4, Dr. Rajendra Prasad Sarani,
Kolkata – 700 001

Our Secretarial Audit Report for the financial year ended 31/03/2016 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is limited to expressing an opinion on existence of adequate board process and compliance management system, commensurate to the size of the company, based on the secretarial records as shown to us during the said audit and also based on the information furnished to us by the officers and agents of the company during the said audit.
2. We have followed the audit practices and processes as were appropriate, to the best of our understanding, to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to check as to whether correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc. and we have relied on such representation, in forming our opinion.
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 compliance procedures on test basis. We would not be liable for any business decision or any consequences arising thereof, made on the basis of our report.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness or accuracy with which the management has conducted the affairs of the company.

For, **ANJAN KUMAR ROY & CO.**
Company Secretaries

ANJAN KUMAR ROY
Proprietor

FCS No. 5684
CP. No. 4557

Place : Kolkata
Date : 26/05/2016

ANNEXURE TO THE DIRECTORS' REPORT (Contd.)**ANNEXURE - C****CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information pertaining to conservation of energy, technology absorption, Foreign exchange earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Account) Rules, 2014 is furnished below:

Particulars	Year Ended 31st March 2016	Year Ended 31st March 2015
A. POWER & FUEL CONSUMPTION		
a) Purchased Units (in lacs)	7.41	5.64
Amount (Rs. in lacs)	65.75	51.99
Average Cost per Unit (Rs.)	8.73	9.22
b) Own Generation		
i) Through Diesel Generator (Units) (lacs)	0.83	1.05
ii) Unit per litre of Diesel oil	3.55	3.57
iii) Average Cost per Unit (Rs.)	23.64	15.97
c) Through Natural Gas Supply Quantity	5,84,961	4,96,763
Total Amount (in lacs)	70.92	53.61
Average rate/Unit (Rs.)	12.12	10.79

Particulars	Standards (if any)	Current Year	Previous Year
B. CONSUMPTION PER UNIT OF PRODUCTION			
Black Tea (Kgs)	-	9,66,932	8,80,544
Electricity (Unit/kg of tea)	-	6.48	5.90

A. CONSERVATION OF ENERGY

- The Company continues to give priority to conservation of energy as an ongoing process.
- To reduce the energy cost the Company has taken considerable energy saving measures through various in-house electrical modifications and the effect of the same has been felt.
- The Form of disclosure of Particulars (Form – A) is not applicable to this Company

B. TECHNOLOGY ABSORPTION**I. RESEARCH & DEVELOPMENT (R&D)**

a) Specific areas in which R & D: carried out by the Company	NIL
b) Benefits derived as a result of: above R & D	The company makes in-house efforts in order to keep pace with technological developments.
c) Future Plan of Action:	The Company is in the process of organizing and expanding Agency Division in line with the market requirements.
d) Expenditure on R & D:	The Company has not spent any specific amount on Research and Development during the year under review.
i) Capital:	NIL
ii) Recurring:	NIL
iii) Total:	NIL
iv) Total R & D expenditure as a percentage of total turnover	NIL

ANNEXURE TO THE DIRECTORS' REPORT (Contd.)

II. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION	
a) Efforts in brief made towards technology absorption, adaptation and innovation	Further to details set out in part 1 above, the Company is endeavoring to update through in-house effects technology in line with industry requirements for its agency division
b) Benefits derived as a result of the above efforts e.g. products improvement, cost reduction, production development, import substitution	
III. FOREIGN EXCHANGE EARNINGS AND OUTGO	(1) Earnings Rs. NIL
	(2) Outgo Rs. NIL

For and on behalf of the Board

Place : Kolkata
Dated : 26th May, 2016

Rakesh Macwan
Director
(DIN: 01328442)

Sitaram Sharma
Director
(DIN: 06609603)

ANNEXURE TO THE DIRECTORS' REPORT (Contd.)**ANNEXURE - D**

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2015
[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:

CIN	L15492WB1917PLC002894
Registration Date	31/07/1969
Name of the Company	DHELAKHAT TEA COMPANY LIMITED
Category/Sub-Category of the Company	PUBLIC COMPANY LIMITED BY SHARES
Address of the Registered office and contact details	4, DR. RAJENDRA PRASAD SARANI KOLKATA- 700 001
Whether listed company	YES
Name, Address and Contact details of Registrar and Transfer Agent, if any	NICHE TECHNOLOGIES PVT LTD. D-511, BAGREE MARKET, B. R. B. BASU ROAD, KOLKATA- 700 001 PH. NO. (033)2235-7270/7271/2234-3576

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:-

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Tea Manufacturing	01271	96.62 %

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
	NIL				

ANNEXURE TO THE DIRECTORS' REPORT (Contd.)**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****I. Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTER									
1) Indian									
a) Individual/ HUF	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
b) Central Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
c) State Govt(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
d) Bodies Corp	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
e) Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
f) Any Other	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
SUB-TOTAL(A)(1):-	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
2) Foreign									
a) NRIs Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
b) Other-Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
c) Bodies Corp.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
d) Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
e) Any Other....	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
Sub total(A)(2):-	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
B. PUBLIC SHAREHOLDING									
1. Institutions									
a) Mutual Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
b) Banks / FI	NIL	740	740	0.19	8512	740	9252	2.36	2.168
c) Central Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
d) State Govt(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
e) Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
f) Insurance Companies	NIL	47542	47542	12.10	NIL	39030	39030	9.94	-2.17
g) FIs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
h) Foreign Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
i) Others (specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
Sub-total(B)(1)	NIL	48282	48282	12.29	8512	39770	48282	12.30	

ANNEXURE TO THE DIRECTORS' REPORT (Contd.)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non Institutions									
a) Bodies Corp.									
(i) Indian	NIL	217161	217161	55.29	NIL	217241	217241	55.30	0.20
(ii) Overseas	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1400	97911	99311	25.29	1869	97362	99231	25.27	-0.021
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
c) Others (NRI)	NIL	28016	28016	7.13		28016	28016	7.13	
Sub-total(B)(2)	1400	343088	344488	87.71	1869	342619	344488	87.70	
Total Public Shareholding (B)=(B)(1)+ (B)(2)	1400	391370	392770	100	10381	382389	392770	100	
C. SHARES HELD BY CUSTODIAN FOR GDRS & ADRS	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
Grand Total (A+B+C)									

II. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year	Shareholding at the end of the year	% change in share holding during the year
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NIL

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

Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year				
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				NIL
At the End of the year				

ANNEXURE TO THE DIRECTORS' REPORT (Contd.)**IV. Shareholding of top ten shareholders (other than Directors, Promoters and holders of ADRs and GDRs)**

Sl. No.	For Each of the Top 10 shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Rydak Syndicate Limited	62924	16.021	62924	16.021
2.	Kant & Co. Ltd. Add: Purchased on 30.04.2015 Add: Purchased on 12.11.2015	59803 504 100	15.225 0.128 0.025	60407	15.378
3.	Sripadam Investments Ltd.	54248	13.812	54248	13.812
4.	National Insurance Co. Ltd.	39030	9.937	39030	9.937
5.	Vibha Leasing Pvt. Ltd.	17100	4.354	17100	4.354
6.	J. B. Ram	16234	4.133	16234	4.133
7.	Carrit Moran Co. Pvt. Ld.	14000	3.564	14000	3.564
8.	Life Insurance Corporation of India Ltd.	8512	2.167	8512	2.167
9.	Mamta Mehta	5880	1.497	5880	1.497
10.	Ramendra Lal Auddy	3964	1.009	3964	1.009

V. Shareholding of Directors and Key Managerial Personnel:

Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	NIL		NIL	
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	NIL		NIL	

ANNEXURE TO THE DIRECTORS' REPORT (Contd.)**V. INDEBTEDNESS**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2,26,10,219	72,25,000	Nil	2,98,35,219
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not	Nil	Nil	Nil	Nil
Total(i+ii+iii)	2,26,10,219	72,25,000	Nil	2,98,35,219
Change in Indebtedness during the financial year				
• Addition	18,82,730	Nil	Nil	18,82,730
• Reduction	36,80,877	Nil	Nil	36,80,877
Indebtedness at the beginning of the financial year				
i) Principal Amount	2,08,12,072	72,25,000	Nil	2,80,37,072
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not	Nil	Nil	Nil	Nil
Total(i+ii+iii)	2,08,12,072	72,25,000	Nil	2,80,37,072

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager**

Sl. No.	Particulars of Remuneration	Saradindu Bhattacharyya (Manager)
1.	Gross Salary	5,28,000
	a) Salary as per provisions contained in section17(1) of the Income-tax Act, 1961	
	b) Value of perquisites u/s 17(2)Income-tax Act, 1961	Nil
	c) Profits in lieu of salary under section17(3)Income-tax Act, 1961	15,000
2.	Stock Option	Nil
3.	Sweat Equity	Nil
4.	Commission - as% of profit - others, specify	Nil
5.	Others, please specify	Nil
	Total(A)	Nil
	Ceiling as per the Act	Since there is inadequate profit during the year the Managerial Remuneration has been paid as per Schedule V appended to the Companies Act, 2013.
	TOTAL	5,43,000

ANNEXURE TO THE DIRECTORS' REPORT (Contd.)**B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. R. Macwan	Mr. R. Singh	Ms. S. Chakrabortti	
1	Independent Directors				
	·Fee for attending Board / Committee meetings	27,000/-	21,000/-	18,000/-	66,000/-
	·Commission	N.A	N.A	N.A	N.A
	·Others, please specify				
	Total(1)				66,000/-
2		Mr. S. Sharma	Mr. R. Lall		
	Other Non-Executive Directors				
	·Fee for attending Board / Committee meetings	18,000/-	12,000/-		30,000/-
	·Commission	N.A	N.A		
	·Others, please specify				
	Total(2)				30,000/-
	Total(B)=(1+2)				96,000/-
	Total Managerial Remuneration				N.A
	Overall Ceiling as per the Act				N.A

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	Chief Financial Officer	Total
1.	Gross salary			
	a. Salary as per provisions contained in Section17(1) of the Income-tax Act, 1961	2,35,600	3,33,000	5,68,600
	b. Value of perquisites u/s 17(2) Income-tax Act,1961	Nil	Nil	Nil
	c. Profits in lieu of salary under section 17(3) Income-tax Act,1961	12,660	73,020	85,680
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission - as% of profit -others, specify...	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil
	TOTAL	2,48,260	4,06,020	6,54,280

ANNEXURE TO THE DIRECTORS' REPORT (Contd.)**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority[RD /NCLT/Court]	Appeal made. If any(give details)
A. COMPANY					
Penalty	NIL	NIL	N.A.	N.A.	N.A.
Punishment	NIL	NIL	N.A.	N.A.	N.A.
Compounding	NIL	NIL	N.A.	N.A.	N.A.
B. DIRECTORS					
Penalty	NIL	NIL	N.A.	N.A.	N.A.
Punishment	NIL	NIL	N.A.	N.A.	N.A.
Compounding	NIL	NIL	N.A.	N.A.	N.A.
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL				
Punishment					
Compounding					

For and on behalf of the Board

Place : Kolkata
Dated : 26th May, 2016

Rakesh Macwan
Director
(DIN: 01328442)

Sitaram Sharma
Director
(DIN: 06609603)

ANNEXURE TO THE DIRECTORS' REPORT (Contd.)**ANNEXURE - E****Information pertaining to remuneration of employees**

[Pursuant to section 197(12) read with Rule 5 of the Companies (Appointment and Remuneration) Rules 2014]

1. The ratio of remuneration of each Director / KMP to median remuneration of employees of the Company for the financial year 201516

All employees median remuneration for FY 2015-16	45,360
The percentage increase in the median remuneration of employees in the FY 2015-16	NIL
The number of permanent employees on the rolls of the Company as on 31 March 2016	1202

Name of Director/ KMP	Ratio of remuneration to median remuneration of all employees	% increase in remuneration in the FY2016
DIRECTORS		
#Mr. Rakesh Macwan	NIL	NIL
#Mr. Sitaram Sharma	NIL	NIL
#Mr. Raghav Lall	NIL	NIL
#Mr. Rajvinder Singh	NIL	NIL
#Ms. Suparna Chakrabortti	NIL	NIL
KEY MANAGERIAL PERSONNEL		
*Mr. S. Bhattacharyya	-	NIL
*Mr. S. Gupta	-	NIL
*Ms. Sweta Shah	-	NIL

****All the Directors were paid sitting fees for attending the meeting.***

****All Key Managerial Personnel were appointed w.e.f 1st August, 2015***

2. Relationship between average increase in remuneration and Company performance

Average increase in remuneration of all employees was 15.32 % which is based partly on the result of the Company and partly on the individual's employee performance

3. Comparison of the remuneration of the Key Managerial Personnel against performance of the Company

Remuneration paid to KMP's are as follows:

1. Mr. S. Bhattacharyya- Rs. 5,43,000
2. Mr. S. Gupta- Rs. 4,06,020
3. Ms. Sweta Shah- Rs. 2,48,260

The remuneration paid to KMP's are in line with the Company's performance and present market trend which are as follows:

Aggregate of remuneration paid to KMP	11,97,280
Total Revenue	1,68,050,584
Remuneration of KMP as a % of total revenue	0.71
Profit Before Tax (PBT)	26,30,848
Remuneration of KMP as a % of PBT	45.50

ANNEXURE TO THE DIRECTORS' REPORT (Contd.)

4. **Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and 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 in case of listed Companies.**

The Company's shares are listed on Calcutta Stock Exchange and there has been no trading in the shares of the Company.

The Company has not come out with any public offer since last decade.

5. **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**

Average percentage increase already made in the salaries of the employees other than the managerial personnel in the last financial year is 14.52%.

Average Salary increase of managerial employees is nil since Key Managerial Personnel have been appointed with effect from August 01, 2015.

There are no exceptional circumstances in increase in managerial remuneration.

6. **Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company**

KMPs	Remuneration in FY 2015-2016	Total Revenue	Remuneration as % of Revenue	Profit before Tax (PBT)	Remuneration as % of PBT
Mr. S. Bhattacharya (Manager)	5,43,000	1,68,050,584	0.323	26,30,848	20.63
Mr. S. Gupta (Chief Financial Officer)	4,06,020		0.241		15.43
Ms. S. Shah (Company Secretary)	2,48,260		0.147		9.43

7. **The key parameters for any variable component of remuneration availed by the directors;**

Not Applicable

8. **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;**

Not comparable in view of the fact that all the Directors receive remuneration only by way of sitting fees for attending meetings of the Board or Committees thereof.

9. **Affirmation that the remuneration is as per the remuneration policy of the Company.**

Remuneration paid during the Financial Year ended 31.03.2016 is as per the Remuneration Policy of the Company.

For and on behalf of the Board

Place : Kolkata
Dated : 26th May, 2016

Rakesh Macwan
Director
(DIN: 01328442)

Sitaram Sharma
Director
(DIN: 06609603)

INDEPENDENT AUDITOR'S REPORT

To the Members of
Dhelakhat Tea Company Limited

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Dhelakhat Tea Company Limited , which comprise the Balance Sheet as at March 31st, 2016, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance 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 (Accounts) Rules, 2014.

This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, 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.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material mis-statement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material mis-statement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31st, 2016,
- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date, and

INDEPENDENT AUDITOR'S REPORT

c) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by 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.

As required by section 143(3) of the Act, we further 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 appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31st March, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014 and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses
 - iii. There has not been an occasions in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund . The question of delay in transferring such sums does not arise.

For **M. C. DAS & CO.**
Chartered Accountants
FRN : 301110E

Jogiraj Das
Partner
Membership No. 066812

Place : Kolkata
Date : 26th May, 2016

"ANNEXURE - A" TO THE INDEPENDENT AUDITOR'S REPORT

The annexure referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of Our Report of even date to the members of Dhelakhat Tea Company Limited. on the accounts of the company for the year ended 31st March, 2016.

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

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
 - (b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals, no material discrepancies were noticed on such verification.
2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - (c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. The Company has not granted any loans, secured or unsecured, to/from companies, firms or other parties covered in the register maintained under section 189 of the act.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. The Company has not accepted any deposits from the public covered under section 73 to 76 of the Companies Act, 2013.
6. As informed to us, the Central government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Act.
7. (a) According to the information and explanations given to us and based on the records of the company examined by us, the Company is generally been regular in depositing the undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and other material statutory dues, as applicable, with the appropriate authorities in India.
 - (b) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes except for the following:

Nature of Statute	Nature of Dues	Amount (₹)	Period	With Whom dispute Pending
Income Tax, 1961	Central Tax	93,329	1999-2000	DCIT Appeal
B.F.S.T. Act, 1941	Sales Tax	5462	31.12.1982	W.B.Commercial Taxes Appeal
WB Sales Tax Act, 1994	Sales Tax	8684	31.03.1994	W.B.Commercial Taxes Appeal
WB Sales Tax Act, 1994	Sales Tax	25613	31.03.2008	W.B.Commercial Taxes Appeal

8. The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.

"ANNEXURE - A" TO THE INDEPENDENT AUDITOR'S REPORT

9. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank.
10. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
11. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
12. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
13. Based on the audit procedures performed and the information and explanations given to us and during the course of our examination of the books and records of the company, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

For **M.C.DAS & CO.**
Chartered Accountants
FRN : 301110E

Jogiraj Das
Partner
Membership No. 066812

Place : Kolkata
Date : 26th May, 2016

"ANNEXURE - B" TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of ("the Company") as of 31st March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and 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 included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

"ANNEXURE - B" TO THE INDEPENDENT AUDITOR'S REPORT

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, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2016, 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 **M.C.DAS & CO.**
Chartered Accountants
FRN : 301110E

Place : Kolkata
Date : 26th May, 2016

Jogiraj Das
Partner
Membership No. 066812

BALANCE SHEET AS AT 31ST MARCH, 2016

(Amount in ₹)

Particulars	Note No.	As at 31st March, 2016	As at 31st March, 2015
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	3,927,700	3,927,700
(b) Reserves and Surplus	3	46,754,242	45,434,908
(2) Non-Current Liabilities			
(a) Long-term borrowings	4	13,408,679	17,408,918
(b) Deferred tax liabilities (Net)	5	365,494	365,494
(c) Long term provisions	6	40,093,187	37,440,349
(3) Current Liabilities			
(a) Short-term borrowings	7	14,628,392	12,745,663
(b) Trade payables	8	24,917,569	19,069,136
(c) Other current liabilities	9	31,798,905	13,319,864
(d) Short-term provisions	10	7,315,014	7,420,087
Total		183,209,182	157,132,119
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets	11		
Tangible assets		65,803,785	62,463,295
(b) Non-current investments	12	436,205	436,205
(c) Long term loans and advances	13	48,203,822	37,650,907
(2) Current assets			
(a) Inventories	14	47,695,200	40,871,900
(b) Trade receivables	15	7,982,081	2,452,092
(c) Cash and cash equivalents	16	2,450,959	3,899,162
(d) Short-term loans and advances	17	10,637,130	9,358,558
Total		183,209,182	157,132,119
ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	1		

The Notes referred to above form an integral part of the Financial Statements

In terms of our attached Report of even date.

For and on behalf of

M. C. DAS & CO.
Chartered Accountants
FRN No. 301110E

Jogiraj Das
Partner
Membership No. 066812
Dated : 26th May, 2016

For and on behalf of the Board

Rakesh Macwan
Director
(DIN : 01328442)

Sitaram Sharma
Director
(DIN : 06609603)

Siddhesh Gupta
Chief Financial Officer

Sweta Shah
Company Secretary

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

(Amount in ₹)

Particulars	Note No.	Year Ended 31.03.2016	Year Ended 31.03.2015
INCOME			
Revenue from operations	18	162,384,382	145,994,366
Other Income	19	5,666,202	3,307,126
Total Revenue		168,050,584	149,301,492
EXPENSES			
Cost of materials consumed	20	13,857,424	11,531,370
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	21	(5,969,229)	(4,815,007)
Employee benefit expense	22	108,170,487	89,171,613
Financial costs	23	5,334,312	5,623,465
Depreciation and amortization expense	11	2,988,376	3,022,532
Other expenses	24	41,038,366	36,020,144
Total Expenses		165,419,736	140,554,117
Profit before Tax		2,630,848	8,747,375
Tax expense			
(1) Current tax		1,075,146	2,998,378
Profit after Tax		1,555,702	5,748,997
Earning per equity share:			
(1) Basic & Diluted (Nominal Value Per Share ₹ 100)		3.96	14.64

ACCOUNTING POLICIES AND NOTES ON ACCOUNTS**1**

The Notes referred to above form an integral part of the Financial Statements

In terms of our attached Report of even date.

For and on behalf of

M. C. DAS & CO.
Chartered Accountants
FRN No. 301110E

Jogiraj Das
Partner
Membership No. 066812
Dated : 26th May, 2016

For and on behalf of the Board

Rakesh Macwan
Director
(DIN : 01328442)

Sitaram Sharma
Director
(DIN : 06609603)

Siddhesh Gupta
Chief Financial Officer

Sweta Shah
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

(Amount in ₹)

Particulars	31.03.2016	31.03.2015
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) Before Taxation	2,630,848	8,747,375
Adjustments for:		
Depreciation	2,988,376	3,022,532
Interest Expenses	5,200,325	5,591,380
Operating Profit before Working Capital Changes	10,819,549	17,361,287
Adjustments for:		
Decrease/(Increase) in Receivables	(5,529,989)	(113,183)
Decrease/(Increase) in Inventories	(6,823,300)	(4,159,455)
Decrease/(Increase) in Advance & Others	(9,610,802)	8,182,798
Increase/(Decrease) in Payables	25,918,277	7,812,135
Cash generated from operations	14,773,735	29,083,583
Income Tax paid	(2,220,685)	(2,045,546)
Net Cash Flow from Operating Activities	12,553,049	27,038,037
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(6,328,865)	(10,313,279)
Net Cash used in Investing Activities	(6,328,865)	(10,313,279)
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long term Borrowings	(4,000,239)	(6,772,862)
Proceeds from Bank Borrowings	1,882,729	(477,486)
Repayment of Dividend & Tax thereon	(354,553)	(344,641)
Interest paid	(5,200,325)	(5,591,380)
Net Cash used in Financing Activities	(7,672,388)	(13,186,369)
Net increase in Cash & Cash Equivalents	(1,448,204)	3,538,389
* Cash and Cash equivalents as at the beginning of the year	3,899,162	360,773
* Cash and Cash equivalents as at the end of the year	2,450,958	3,899,162

* Represents Cash and Bank Balances as indicated in Note No. 16.

Notes to the Cash Flow statement :

- (a) The above Cash Flow statement has been prepared under the indirect method as set out in Accounting Standard-3 issued by the Institute of Chartered Accountants of India.
- b) Previous year's figures have been regrouped and rearranged wherever necessary.

This is the Cash Flow Statement referred to in our report on even date.

For and on behalf of

M. C. DAS & CO.
Chartered Accountants
FRN No. 301110E

Jogiraj Das
Partner
Membership No. 066812
Dated : 26th May, 2016

For and on behalf of the Board

Rakesh Macwan
Director
(DIN : 01328442)

Sitaram Sharma
Director
(DIN : 06609603)

Siddhesh Gupta
Chief Financial Officer

Sweta Shah
Company Secretary

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

(Amount in ₹)

Particulars	31st March 2016	31st March 2015
2 SHARE CAPITAL		
Authorized shares		
50,00,00 Equity Shares of ₹ 10 each	5,000,000	5,000,000
Issued, subscribed and fully paid-up shares		
1,76,43 Equity Shares of ₹ 10 each as fully paid up for consideration other than Cash	176,430	176,430
21,431 Equity Shares of ₹ 10 each	214,310	214,310
3,53,696 Equity Shares of ₹ 10 each	3,536,960	3,536,960
	3,927,700	3,927,700
Reconciliation of the shares outstanding at beginning and the end of the reporting period	No. of shares	No. of shares
Equity shares		
At the beginning of the period	392,770	392,770
Addition During the year	-	-
Outstanding at the end of the period	392,770	392,770

Terms / rights attached to equity shares

The company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The shareholders are entitled for dividend declared by the company which is proposed by the Board of directors and subject to approval by the shareholders in the Annual General Meeting.

For the year ended 31st March 2016, the amount of dividend proposed per share to equity shareholders is ₹ 0.50 (31st March 2015: ₹ 0.75).

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after the distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of shareholders holding more than 5% shares in the company

Particulars	31st March 2016		31st March 2015	
	No. of shares	% of holding	No. of shares	% of holding
Equity shares of ₹ 10 each fully paid-up				
1. Rydak Syndicate Ltd.	62,924	16.02	62,924	16.02
2. Kant & Co. Ltd.	60,407	15.38	59,803	15.22
3. Sripadam Investments Ltd.	54,248	13.81	54,248	13.81
4. National Insurance Co. Ltd.	39,030	9.94	39,030	9.94

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

(Amount in ₹)

Particulars	31st March 2016	31st March 2015
3 RESERVES & SURPLUS		
(a) Capital Reserve	25,648	25,648
(b) Others		
General Reserve		
Balance as per last financial statements	42,549,915	35,814,045
Add : Amount transferred from surplus balance in the statement of profit and loss	3,014,916	6,735,870
Closing Balance	45,590,479	42,575,563
(c) Surplus in the statement of profit and loss		
Balance as per last financial statements	2,859,346	6,160,971
Profit for the year	1,555,702	5,748,997
Less : Appropriations		
Proposed equity dividend [Amount per share ₹ 0.50 (31st March 2015 : ₹ 0.75)]	196,385	294,578
Tax on Proposed equity dividend	39,984	59,976
Transfer to General reserve	3,014,916	6,735,870
Depreciation adjusted through retained earnings	–	1,960,198
Net Surplus in the statement of profit and loss	1,163,763	2,859,346
Total Reserves and surplus	46,754,242	45,434,908

4 LONG TERM BORROWINGS		
Term loan (IOB)	1,866,661	3,019,017
Term Loan - Machinery(IOB)	3,600,000	4,800,000
HDFC Car Loan	717,018	2,045,539
Intercompany Deposit	7,225,000	7,225,000
Deferred Payment Liability	–	319,362
Total	13,408,679	17,408,918

5 DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Liability		
Timing difference in relation to depreciation	365,494	365,494
Others	–	–
Gross deferred tax liability	365,494	365,494
Deferred tax asset		
Expenses allowable against taxable income of future years	–	–
Provision for doubtful debts and advances	–	–
Others	–	–
Gross deferred tax assets	–	–
Net deferred tax liabilities	365,494	365,494

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

(Amount in ₹)

Particulars	31st March 2016	31st March 2015
6 LONG TERM PROVISIONS		
Provision for employee benefits		
Provision for gratuity	16,535,826	16,805,024
Provision for leave encashment	333,110	409,452
Other provisions		
Provision for taxation	23,168,383	20,170,005
Provision for taxation FBT	55,868	55,868
Total	40,093,187	37,440,349
7 SHORT TERM BORROWINGS		
Cash credit from banks (including demand loan) (secured)	14,628,392	12,745,663
Total	14,628,392	12,745,663
8 TRADE PAYABLES		
Trade payables (including acceptances) (Refer Note 5 for details of dues to micro and small enterprises)	24,917,569	19,069,136
Total	24,917,569	19,069,136
9 OTHER CURRENT LIABILITIES		
Unpaid dividend	199,060	142,209
Statutory dues payable	4,370,167	9,601,916
Others payable	27,229,678	3,575,739
Total	31,798,905	13,319,864
10 SHORT TERM PROVISIONS		
Provision for employee benefits		
Provision for gratuity	5,810,775	3,981,657
Provision for leave benefits	192,724	85,499
Other provisions		
Provision for taxation	1,075,146	2,998,378
Proposed equity dividend	196,385	294,578
Provision for tax on proposed equity dividend	39,984	59,976
Total	7,315,014	7,420,087

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

(Amount in ₹)

Particulars	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	As at 31st March, 2015	Additions/ Adjustments	Sales/ Adjustments	As at 31st March, 2016	Upto 31st March, 2015	For the year	Sales / Adjustments during the year	Upto 31st March, 2016	As at 31st March, 2016	As at 31st March, 2015
Estate & Development (Leasehold)	46,205,465	12,566,771	7,042,500	51,729,736	-	-	-	-	51,729,737	46,205,466
Buildings	11,622,177	664,594	-	12,286,771	7,937,841	336,178	-	8,274,019	4,012,752	3,684,336
Plant & Machinery	21,902,597	140,000	-	22,042,597	13,197,079	1,530,305	-	14,727,384	7,315,214	8,705,519
Furniture & Fixture	648,117	-	-	648,117	525,458	34,802	-	560,260	87,858	122,660
Motor Vehicles	9,775,903	-	-	9,775,903	6,070,572	1,063,411	-	7,133,983	2,641,919	3,705,330
Computers	49,500	-	-	49,500	9,516	23,679	-	33,195	16,305	39,984
Total - This Year	90,203,759	13,371,365	7,042,500	96,532,624	27,740,465	2,988,375	-	30,728,841	65,803,785	62,463,296
Total - Previous Year	79,890,480	10,313,279	-	90,203,759	22,757,736	4,982,730	-	27,740,465	62,463,296	-

Note : Adjustment of ₹ 70,42,500/- in Estate and Development is on account of Compensation received from Oil India Ltd against acquisition of Plantation Area.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

(Amount in ₹)

Particulars	No. of Shares/ Debentures	31st March 2016	31st March 2015
12 NON CURRENT INVESTMENTS Other than Trade (valued at cost unless otherwise specified) :			
(a) Investments in Equity Instruments (fully paid up) :			
(i) Quoted			
Jardine Henderson Limited 10606 Equity Shares of ₹ 100/- each fully paid	10,606	431,205	431,205
Total		431,205	431,205
(ii) Unquoted			
ABC Tea Workers' Welfare Services [formerly Assam Bengal Cereals (Ltd.)] 500 Equity Shares of ₹ 10/- each fully Paid	500	5,000	5,000
Total	500	5,000	5,000
Aggregate amount of Quoted Investments		431,205	431,205
Aggregate Market value of Quoted investments		495,300	495,300
Aggregate amount of Unquoted Investments		5,000	5,000
Provision for diminution in value of investments		-	-
Total Non-Current Investment (Net)		436,205	436,205
13 LONG TERM LOANS & ADVANCES (Unsecured, considered good except stated otherwise)			
Security Deposits		1,083,624	1,083,624
Advance income-tax		22,052,747	19,832,061
Advances recoverable in cash or kind		25,067,451	16,735,222
Less: Provision for doubtful advances		-	-
Total		48,203,822	37,650,907
14 INVENTORIES (valued at lower of cost and net realizable value)			
Stores, Spares & Foodstuff		5,391,949	4,537,879
Stock of Tea		42,303,251	36,334,021
Total		47,695,200	40,871,900
15 TRADE RECEIVABLES (unsecured, considered good except stated otherwise)			
Outstanding for a period exceeding six months from the date they are due for payment		-	-
Other receivables		7,982,081	2,452,092
Total		7,982,081	2,452,092

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

(Amount in ₹)

Particulars	31st March 2016	31st March 2015
16 CASH AND BANK BALANCES		
Cash and cash equivalents :		
Cash on hand	18,478	6,750
Balance with banks :		
On current account	2,394,311	3,795,824
On unpaid dividend account	38,170	96,588
Total	2,450,959	3,899,162
17 SHORT TERM LOANS AND ADVANCES (unsecured, considered good except stated otherwise)		
Advances recoverable in cash or kind	10,092,408	8,813,836
Balances with excise and other government authorities	544,722	544,722
Less : Provision for doubtful advances	-	-
Total	10,637,130	9,358,558
18 REVENUE FROM OPERATIONS		
Sale of goods:		
Manufactured Goods (Sale of Tea)	162,384,382	145,994,366
Total	162,384,382	145,994,366
19 OTHER INCOME		
Sale of tea Waste	105,798	526,500
Dividend Received	79,545	79,545
Sundry Receipt	834,302	278,972
Tea Board Replanting and orthodox Subsidy	4,646,557	2,422,109
Total	5,666,202	3,307,126
20 COST OF MATERIALS CONSUMED		
Materials:		
Inventory at the beginning of the year	4,537,879	5,193,433
Add: Purchases	14,711,493	10,875,816
Less: Inventory at the end of the year	5,391,949	4,537,879
Total	13,857,424	11,531,370

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

(Amount in ₹)

Particulars	31st March 2016	31st March 2015
21 CHANGES IN INVENTORIES OF FINISHED GOODS		
Opening Stock of Tea	36,334,021	31,519,014
Closing Stock of Tea	42,303,251	36,334,021
(Increase)/Decrease	(5,969,229)	(4,815,007)
22 EMPLOYEE BENEFIT EXPENSES		
Salaries, Wages, Bonus & Gratuity	93,119,873	76,473,955
Contribution to Provident and other funds	7,887,161	6,199,868
Workmen and Staff Welfare	7,163,453	6,497,790
Total	108,170,487	89,171,613
23 FINANCE COSTS		
Interest on Fixed loans	2,592,506	2,768,655
Interest others	2,607,819	2,822,725
Bank Charges	133,988	32,085
Total	5,334,312	5,623,465
24 OTHER EXPENSES		
Power and Fuel	17,789,921	15,586,107
Repairs to Buildings	3,956,367	2,874,435
Repairs to Machinery	3,237,001	2,592,996
Insurance	208,828	246,383
Rates & Taxes	894,950	575,760
Cess/Excise Duty	473,735	438,829
Cess on Green Leaf	1,667,612	1,762,871
Brokerage and Commission on Tea	1,214,419	1,620,813
Freight and Transit Charges	2,513,546	2,678,321
Cultivation Expenses	2,067,410	1,466,632
Sitting Fees	96,000	66,000
Auditors' Remuneration:-		
Statutory Audit fees	120,000	112,360
Tax Audit fees	30,000	33,708
Other Services	36,000	33,500
Out of pocket expenses	9,330	-
Miscellaneous Expenses	6,723,246	5,931,429
Total	41,038,366	36,020,144

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

1

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF FINANCIAL STATEMENTS 31ST MARCH, 2016

SIGNIFICANT ACCOUNTING POLICIES

1) FIXED ASSETS

Fixed Assets are carried at cost of acquisition together with resultant write up due to revaluation, as there may be. The cost of extension planting on cultivable land including cost of development is capitalized. The cost of replanting tea bushes is charged to Revenue. Impairment of Fixed Assets is accounted for as and when Asset value is impaired.

2) CAPITAL WORK-IN PROGRESS

These are stated at cost.

3) DEPRECIATION

Depreciation is calculated at rates specified in Schedule-II to the Companies Act, 2013 on reducing balance method. Tea Estates and Development (On perpetual leasehold land) continues to be unamortized.

4) INVESTMENTS

Long Terms investments are stated at cost. Provision is considered in respect of diminution in value, other than temporary.

5) INVENTORIES

Finished Goods are stated at cost or net realizable value whichever is lower. Cost is determined on weighted average method for stores, spares and foodstuffs. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to it's location and includes where applicable appropriate overheads.

6) EMPLOYEES' BENEFITS

a) Short term employee's benefits such as salaries, wages, incentives etc. are recognized as an expense at actual amount in the Statement of Profit & Loss Statement in the year in which the related services are rendered.

b) POST EMPLOYMENT BENEFITS :

i) Defined Contribution plans :

Defined contribution Plans are Provident Fund Scheme, Deposit Link Insurance Scheme, Government Administered Pension Fund scheme etc. The Company's Contribution to defined contribution Plans are recognized in the Profit & Loss Statement in the year to which they relate. For Provident Fund, Pension etc. the Company makes specified monthly contribution to a Government Administered Fund/to a Trust Administered by the Company.

ii) Defined Benefit Plans :

The Company has a defined benefit plan for Post-retirement benefit in the form of Gratuity. Liability for gratuity is provided on the basis of actuarial valuation. The detailed actuarial valuation of the present value of defined benefit obligations is made during the year, carried out by an independent actuary.

iii) Leave Encashment :

Liability for Leave encashment is provided on the basis of actuarial valuation made during the year, carried out by an independent actuary & charged to the Profit & Loss Account of the year of valuation.

7) RECOGNITION OF INCOME AND EXPENDITURE

Items of income and expenditure are generally recognized on accrual and prudent basis.

8) BORROWING COST

Borrowing cost which is directly attributable to the construction or acquisition of particular assets is considered as a part of the cost of those assets. Other borrowing costs are recognized as expenses in the year in which they are incurred.

9) TAXATION

Corporate Tax in respect of taxable income for the current period is considered at the applicable rates. Deferred tax is recognized in respect of the timing differences during the one period and is capable of reversal in one or more subsequent periods.

NOTES TO THE ACCOUNTS :

1. **Contingent liability is not provided for and includes :** (Amount in ₹)

Particulars	31st March 2016	31st March 2015
Income Tax demand disputed and under appeal	93,329	93,329
Sales Tax demand disputed and under appeal	14,146	14,146

2. There is no separate reportable segment as per Accounting Standard on segment reporting (As-17) as the Company's primary business is growing and manufacturing of tea.

3. Name of the Related Parties in accordance to Accounting Standard-18

i) Associated Company :	Nil
ii) Key Managerial Personnel :	
Mr. Saradindu Bhattacharya	Manager
Mr. Siddhesh Gupta	Chief Financial Officer
Ms. Sweta Shah	Company Secretary

The Remuneration of the above Key Managerial Personnel has been disclosed in Point No 6 of Annexure D of the Director's Report.

4. Deferred Tax Assets (Net) have not been recognized in the accounts due to lack of virtual certainty of realizing these assets against future taxable income, as required by AS-22 of Companies (Accounting Standard) Rules, 2006.
5. There were no dues to the Micro, Small and Medium Enterprises outstanding as on 31st March, 2016. This information as required, has been determined to the extent such parties have been identified on the basis of information available to the Company.
6. **Retirement Benefits :**
- (i) The Company has adopted the Revised Accounting Standard - 15 on Employees Benefit as per Companies (Accounting Standard) Rules, 2006.
- (ii) **The Company operates defined contribution schemes like Provident Fund.** For the scheme contributions are made by the Company based on the current salaries & wages to recognized funds maintained by the Company for certain employee and for other contributions are made to state plans. The Company also operates a defined benefit schemes like gratuity & leave encashment. Annual actuarial valuations are carried out by an independent Actuary in compliance with Accounting Standard-15 (Revised) on Employee Benefits.
- (iii) Liability for above defined benefit plan is provided on the basis of actuarial valuation, as at the Balance sheet date, carried out by an independent actuary.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**Employee Benefits**

- a) The Employee Benefits, as determined on detailed Actuarial Valuation and accordingly considered in these accounts are detailed here-in-below :

(Amount in ₹)

b) Components of Employer's Expenses	Gratuity Funded		Leave Encashment Unfunded	
	2015-16	2014-15	2015-16	2014-15
1. Current Service Cost	11,91,403	10,04,195	38,659	40,364
2. Interest Cost	16,92,875	16,08,935	38,854	39,139
3. Expected Return on plan Assets	(62,288)	(51,516)	-	-
4. Past Service Cost	-	-	-	-
5. Actuarial Losses / (Gains)	21,82,794	21,88,729	1,96,873	1,03,573
6. Total Expenses Recognized in the Statement of Profit & Loss	50,04,784	47,50,343	2,74,386	1,83,076
The Gratuity Expenses have been recognized in Salaries, Wages, Bonus & Gratuity (Note 22)				
c) Actual Contribution and Benefits Payments	34,43,896	11,96,777	2,43,503	1,23,000
d) Net Asset / (Liability) recognized in Balance Sheet as at 31st March, 2016.				
1. Present Value of Defined Benefit Obligation	2,31,65,509	2,15,65,284	5,25,834	4,94,951
2. Fair Value on Plan Assets	8,18,908	7,78,603	-	-
3. Fund Status [Surplus / (Deficit)]	(2,23,46,601)	(2,07,86,681)	(525,834)	(4,94,951)
4. Unrecognized Past Service Cost	-	-	-	-
5. Net Asset / (Liability) recognized in Balance Sheet	(2,23,46,601)	(2,07,86,681)	(5,25,834)	(4,94,951)
e) Change in Defined Benefit Obligations (DBO) during the year ended 31st March, 2016.				
1. Present Value of DBO at the Beginning of Period	2,15,65,284	1,78,77,059	4,94,951	4,34,875
2. Current Service Cost	11,91,403	10,04,195	38,659	40,364
3. Interest Cost	16,92,875	16,08,935	38,854	39,139
4. Plan Amendments	-	-	-	-
5. Actuarial (Gains) / Losses	21,59,843	22,71,872	1,96,873	1,03,573
6. Benefits Paid	(34,43,896)	(11,96,777)	(2,43,503)	(1,23,000)
7. Present Value of DBO at the End of Period	2,31,65,509	2,15,65,284	5,25,834	4,94,951

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

(Amount in ₹)

f) Change in Fair Value of Assets during the year ended 31st March, 2016.	Gratuity Funded		Leave Encashment Unfunded	
	2015-16	2014-15	2015-16	2014-15
1. Plan Assets at the beginning of period	7,78,603	6,43,944	-	-
2. Expected Return on Planned Assets	62,288	51,516	-	-
3. Actual Return on Plan Assets	-	-	-	-
4. Actuarial Gains / (Losses)	(22,951)	83,143	-	-
5. Actual Company Contribution	34,44,864	11,96,777	2,43,503	1,23,000
6. Benefits Paid	(34,43,896)	(11,96,777)	(2,43,503)	(1,23,000)
7. Plan Assets	8,18,908	7,78,603	-	-

g) Actuarial Assumptions				
1. Discount Rate per Annum Compound	7.77%	7.85%	7.77%	7.85%
2. Rate of increase in Salaries	4.25%	5.00%	4.25%	5.00%
3. Expected Rate of Return on Plan Assets	8.00%	8.00%	-	-
4. Mortality Table	IALM 06-08 Ultimate	IALM 06-08 Ultimate	IALM 06-08 Ultimate	IALM 06-08 Ultimate

Notes :

- The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors on long term basis.
- In terms of Accounting Standard 20 on earning per share, the calculation of earnings per share is as follows:

Particulars	2015-16	2014-15
Net profit after Tax as per Statement of Profit & Loss	15, 55,702	57, 48,997
Weighted number of shares	3, 92,770	3, 92,770
Nominal value of share	₹ 10	₹ 10
Basic & Diluted earnings per share	3.96	14.64

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**Notes attached to and forming Part of Statement of Profit & Loss as at 31st March, 2016**

8. Quantitative Information

Tea Manufactured -	Kgs.	Amount in ₹
a) Licensed Capacity	Not Applicable	–
b) Installed Capacity	13,00,000	–
(as certified by a Director)	(13,00,000)	–
c) Production (Saleable Tea)	9,27,967	–
	(8,54,167)	–
d) Sale	9,13,573	16,23,84,382
	(8,43,800)	(14,59,94,366)
e) Opening Stock	2,48,678	3,63,34,021
f) Closing Stock	2,63,072	4,23,03,251
	(2,48,678)	(3,63,34,021)

g) Green Leaf harvested and consumed

(The Company consumes the green leaf harvested from its own estates and as the production of green leaf is an integrated process having various stages such as Nursery, Planting, Cultivation etc; their values at the intermediate stage could not be ascertained and also the value of green leaf was not required to be disclosed in the Annual Accounts as per Notification No. S.O.954 (E) dated 25.9.2001 of Department of Company Affairs, Ministry of Finance and Government of India).

9. Value of Imported, Indigenous Stores, Spare Parts Consumed :

Particulars	2015-16	2014-15
Indigenous	1,38,57,424 (100%)	1,15,31,370 (100%)

10. Previous Year's Figures have been rearranged and regrouped wherever necessary.

11. None of the Assets of the Company have been impaired during the years, as such the requirement of Accounting Standard-28 of Companies (Accounting Standard) Rules, 2006, is not applicable.

In terms of our attached Report of even date.

For and on behalf of

M. C. DAS & CO.
Chartered Accountants
FRN No. 301110E

Jogiraj Das
Partner
Membership No. 066812
Dated : 26th May, 2016

For and on behalf of the Board

Rakesh Macwan
Director
(DIN : 01328442)

Sitaram Sharma
Director
(DIN : 06609603)

Siddhesh Gupta
Chief Financial Officer

Sweta Shah
Company Secretary

DHELAKHAT TEA COMPANY LIMITED

CIN : L15492WB1917PLC002894

4, Dr. Rajendra Prasad Sarani

Kolkata - 700 001