

**101ST ANNUAL REPORT
DHELAKHAT TEA COMPANY LIMITED**



*-----Happiness is A
Cup of Tea-----*

2019-2020

CORPORATE INFORMATION

BOARD OF DIRECTORS

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

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

Ms. S. Charkrabortti, *Non-Executive Independent Director*

Mr. Raghav Lall, *Non-Executive Director*

Mr. Kausik Gupta, *Non-Executive Director*

KEY MANAGERIAL PERSONNEL

Mr. R. K. Majumdar, *Manager*

Ms. Sweta Shah, *Company Secretary*

REGISTERED OFFICE

4, Dr. Rajendra Prasad Sarani

Kolkata – 700 001

Phone : (033) 2230 4351

Fax : (033) 2230 7555

E-mail: dhelakhat.cs@gmail.com

Website: www.dhelakhat.com

CIN

L15492WB1917PLC002894

BANKER

Indian Overseas Bank

STATUTORY AUDITORS

M/s. Acharyya Swapan & Co.

Chartered Accountants

53, College Street, 1st Floor,

Kolkata – 700 073

REGISTRAR AND SHARE TRANSFER AGENTS

Niche Technologies Pvt. Ltd.

3A, Auckland Place

7th Floor, Room No. : 7A & 7B, Kolkata - 700 017

Phone : (033) 2280-6616/17/18

Fax : (033) 2280 6619

E-mail : nichetechpl@nichetechpl.com

Website : www.nichetechpl.com

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Notice of the 101st Annual General Meeting

To,
The Members of
Dhelakhat Tea Co. Limited

Notice is hereby given that the 101st Annual General Meeting ('AGM') of Dhelakhat Tea Company Limited will be held on **Thursday, September 24, 2020 at 1.00 p.m. through Video Conferencing/Other Audio Visual Means ("VC/OAVM") Facility** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2020 and the reports of the Board of Directors and the Auditors' thereon.
2. To appoint a Director in place of Mr. Raghav Lall (DIN: 05121368), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

- 3. Re-appointment of Mr. Rakesh Macwan (DIN: 01328442) as an Independent Director of the Company for a term of five years**

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

"RESOLVED THAT pursuant to the provisions of Section 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Mr. Rakesh Macwan (DIN: 01328442) be and is hereby re-appointed as an Independent Director of the Company for a second term of five years commencing from 30th October, 2019 and is not liable to retire by rotation."

- 4. Re-appointment of Ms. Suparna Chakrabortti (DIN: 07090308) as an Independent Director of the Company for a term of five years**

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

"RESOLVED THAT pursuant to the provisions of Section 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Ms. Suparna Chakrabortti (DIN: 07090308), be and is hereby re-appointed as an Independent Director of the Company for a second term of five years commencing from 1st April, 2020 and is not liable to retire by rotation."

- 5. Re-appointment of Mr. Ram Krishna Majumdar as Manager of the Company**

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013, rules, circulars, orders and notifications issued thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, the approval of the Members of the Company be and is hereby accorded for re-appointment of Mr. Ram Krishna Majumdar as Manager of the Company for another term of 2 consecutive years effective from 3rd February, 2020 on the terms and conditions of re-appointment and remuneration as contained in the appointment letter, material terms of which are set out in the explanatory statement attached to this notice and the Board of Directors be and is hereby authorized to alter and vary such terms and conditions of re-appointment and remuneration so as to not exceed the limits specified in Schedule V to the Companies Act, 2013, as may be agreed to by the Board of Directors and Mr. Majumdar."

Registered Office:

4, Dr. Rajendra Prasad Sarani,
Kolkata – 700001
CIN: L15492WB1917PLC002894
Phone: (033) 2230-4351
Fax: (033) 2230-7555
E-mail: dhelakhat.cs@gmail.com
Website: www.dhelakhat.com
Place: Kolkata
Date: 30th July, 2020

By Order of the Board of Directors
For **Dhelakhat Tea Company Limited**

Sweta Shah
Company Secretary

NOTICE *(Contd.)*

NOTES:

1. Explanatory Statement

The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out material facts concerning the business under item no. 3 to 5 of the accompanying Notice, is annexed hereto. The Board of Directors of the Company, at its meeting held on 30th July, 2020, considered that the special business under Item Nos. 3 to 5, being considered unavoidable, be transacted at the 101st AGM of the Company

A brief resume of the Directors as required under Regulation 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other requisite information as per Clause 1.2.5 of Secretarial Standards-2 on General Meetings, relating to the Director seeking re- appointment are provided in Annexure to this Notice.

2. General instructions for accessing and participating in the 101st AGM through VC/OAVM Facility and voting through electronic means including remote e-Voting

- a. In view of the outbreak of the COVID-19 pandemic, social distancing norm to be followed and the continuing restriction on movement of persons at several places in the country and pursuant to General Circular Nos.14/2020, 17/2020 and 20/2020 dated 8th April 2020, 13th April 2020 and 5th May 2020, respectively, issued by the Ministry of Corporate Affairs ("MCA Circulars") and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 issued by the Securities and Exchange Board of India ("SEBI Circular") and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 101st AGM of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of members at a common venue. The deemed venue for the 101st AGM shall be the Registered Office of the Company.

Hence, Members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participating in the meeting through VC/OAVM is annexed herewith and available at the Company's website at www.dhelakhat.com.

- b. The helpline number regarding any query/assistance for participation in the AGM through VC/OAVM is **(033) 2230-4351 (5 lines)**.
- c. In terms of the MCA Circulars, since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the 101st AGM. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the Members may be appointed for the purpose of voting through remote e-Voting, for participation in the 101st AGM through VC/OAVM Facility and e-Voting during the 101st AGM.
- d. Members are requested to participate on first come first serve basis, as participation through video conferencing is limited and will be closed on expiry of 15 minutes from the scheduled time of the AGM. However, the participation of members holding 2% or more is not restricted on first come first serve basis. Members can login and join 15 minutes prior to the scheduled time of meeting and window for joining shall be kept open till the expiry of 15 minutes after the scheduled time.
- e. Since the AGM will be held through VC/OAVM Facility, the Route Map is not annexed in this Notice.
- f. Central Depository Services (India) Limited ("CDSL") will be providing facility for voting through remote e-Voting, for participation in the 101st AGM through VC/OAVM Facility and e-Voting during the 101st AGM.
- g. Attendance of the Members participating in the 101st AGM through VC/OAVM Facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

3. Corporate Representation

A Corporate Member shall be deemed to be present personally only if it is represented in accordance with the Section 113 of the Companies Act, 2013, supported by a certified true copy of the resolution passed by the Board of Directors of the Company authorizing the Representative to attend and vote at the meeting on behalf Corporate Member.

4. Inspection By Members

The Register of Directors & Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode. Members can inspect the same by sending an email to dhelakhat.cs@gmail.com.

NOTICE (Contd.)**5. 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 18th September, 2020 to 24th September, 2020 (both days inclusive).

6. Bank Account Details

Regulation 12 and Schedule-I of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, requires all Companies to use the facilities of electronic clearing services for payment of dividend.

You are requested to submit your Bank Details along with an original cancelled cheque or a photo copy of the cheque to our Registrar, Niche Technologies Pvt. Ltd. to enable them to update our records, in case you hold shares in physical form and to your Depository Participants in respect of shares held by you in dematerialised form.

7. Nomination Facility

Members holding shares in the 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.

8. Communication

Pursuant to the MCA Circulars and SEBI Circular, in view of the prevailing situation, owing to the difficulties involved in dispatching of physical copies of the Notice of the 101st AGM and the Annual Report for the year 2020 including therein the Audited Financial Statements for year, 2020, the same are being sent only by email to the Members. Therefore, those Members, whose email address is not registered with the Company or with their respective Depository Participant/s, and who wish to receive the Notice of the 101st AGM and the Annual Report for the year 2020 and all other communication sent by the Company, from time to time, can get their email address registered by following the steps as given below:-

- a. For Members holding shares in physical form, please send scan copy of a signed request letter mentioning your folio number, complete address, email address to be registered along with scanned self attested copy of the PAN and any document (such as Driving Licence, Passport, Bank Statement, AADHAR) supporting the registered address of the Member, by email to the Company's email address at **dhelakhat.cs@gmail.com**.
- b. For the Members holding shares in demat form, please update your email address through your respective Depository Participant/s.

9. Registrar & Share Transfer Agents

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.

3A, Auckland Place,

7th Floor, Room No. 7A & 7B

Kolkata – 700017

Phone No. : 033 2280 6616 / 17 / 18; Telefax: 033 2280 6619

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 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.

10. 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. Pursuant to the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of the unpaid and unclaimed amounts lying with the Company on the website of the Company (www.dhelakhat.com), as also on the website of the Ministry of Corporate Affairs (www.mca.gov.in). Those Members, who have not encashed their dividends are requested to correspond

NOTICE *(Contd.)*

with the Registrar & Share Transfer Agents as mentioned above or to the Company Secretary at the Company's Registered Office or via mail at dhelakhat.cs@gmail.com.

11. Transfer of Unclaimed Shares to the IEPF Authority

Pursuant to the provisions of Section 124(6) of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, ("Rules") as amended from time to time all equity shares of the Company on which dividend has not been paid or claimed for seven consecutive years shall be transferred by the Company to Investor Education and Protection Fund ("IEPF"). No claim shall lie against the Company in respect of these equity shares post their transfer to IEPF. Upon transfer, the Shareholders will be able to claim these equity shares only from the IEPF Authority by making an online application the details of which are available at www.iepf.gov.in.

12. 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 must submit their PAN details to the Company's Registrar and Share Transfer Agents, Niche Technologies Pvt. Ltd.

13. Dematerialization of Shareholding

Members are requested to dematerialize 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.

14. Instruction for Electronic Voting (E-Voting)

Pursuant to 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 the members the facility to exercise their right to vote by electronic means and all resolutions set forth in this Notice may be transacted through e-Voting Services provided by **Central Depository Services (India) Limited ("CDSL")**.

In addition, the facility for voting through electronic voting system shall also be made available at the AGM and the Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to vote at the AGM (Refer **Annexure-1** for the detailed procedure). Members who are present in the meeting through video conferencing facility and have not casted their vote on resolution through remote e-voting, shall be allowed to vote through e-voting system during the meeting.

However, in case Members cast their vote exercising both the options, i.e. Voting at the venue and remote e-voting, then votes cast through remote e-voting shall only be taken into consideration and treated valid whereas votes cast at the meeting shall be treated as invalid. The instructions for remote e-voting are as under. Members are requested to follow the instructions below to cast their vote through remote e-voting.

The voting period begins on **Monday, September, 21, 2020 (9:00 a.m. IST) and ends on Wednesday, September, 23, 2020 (5:00 p.m. IST) (inclusive of both days)**. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **September 17, 2020**, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.

A. *In case Member receives an e-mail from CDSL (for members whose-mail addresses are registered with the Company/ Depositories):*

- i) The shareholders should log on to the e-voting website at www.evotingindia.com during the voting period.
- ii) Click on "Shareholders" tab.
- iii) Now enter your User Id:
 - a. For CDSL: 16 digits beneficiary ID;
 - b. For NSDL: 8 characters DP ID followed by 8 digits client ID and
 - c. Members holding shares in Physical Form should enter Folio No. registered with the Company excluding the special character.
- iv) Next enter the Image Verification as displayed and Click on Login.

NOTICE (Contd.)

- v) If you are holding shares in Demat form and had logged on to **www.evotingindia.com** and voted on an earlier voting of any company, then your existing password is to be used.

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

For Member holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN 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	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.
Bank Account Number (DBD)	Enter the Bank Account Number as recorded in your demat account with the depository or in the Company records for your folio. <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 (iii).

- vi) After entering these details appropriately, click on "SUBMIT" tab.
- vii) 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.
- viii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ix) Click on the EVSN for the relevant Company name i.e., "**DHELAKHAT TEA COMPANY LIMITED**" on which you choose to vote.
- x) 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.
- xi) Shareholders holding multiple folios/demat accounts shall choose the voting process separately for each folio / demat account.
- xii) Click on the "RESOLUTION FILE LINK" if you wish to view the entire Resolution details.
- xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvi) **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 & sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

NOTICE *(Contd.)*

- 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.

(xvii) 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 dhelakhat.cs@gmail.com and aklabhcs@gmail.com with a copy marked to helpdesk.evoting@cDSLindia.com without which the vote shall not be treated as valid.

B. Other Instructions:

- The voting right of the Members shall be in proportion to their shares of the paid up equity share capital of the Company held by them as on cut-off date of 17th September, 2020. 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.
- 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 31st July, 2020.
- 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. 17th September, 2020 are requested to send the written / email communication to the Company at dhelakhat.cs@gmail.com by mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-voting.
- 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**.
- All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL), Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cDSLindia.com or call 1800225533.
- 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.

15. 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.

16. DECLARATION OF RESULTS

The results shall be declared on or after the AGM, but not later than two days from the conclusion of the date of the AGM. The results declared alongwith the Scrutinizer's Report shall be placed on the website of the Company at www.dhelakhat.com and on the website of CDSL viz www.evotingindia.com within two days of the passing of the resolutions at the 101st Annual General Meeting on 24th September, 2020 and will be communicated to the Stock Exchange where the Company's Shares are listed, i.e. Calcutta Stock Exchange Ltd.

NOTICE (Contd.)**Annexure-I****PROCESS AND MANNER FOR PARTICIPATING IN AGM THROUGH VIDEO CONFERENCING****A. Instructions For Shareholders attending the AGM through VC/OAVM are as under:**

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 (seven) days prior to meeting mentioning their name, demat account number/ folio number, email id, mobile number at dhelakhat.cs@gmail.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 (seven) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at dhelakhat.cs@gmail.com. These queries will be replied to by the company suitably by email.
6. Only those shareholders who have registered themselves as a speaker will be allowed to express their views/ask questions during the meeting.

B. Instructions For Shareholders For E-Voting During the AGM are as under:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

NOTICE *(Contd.)*

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, re-appointed Mr. Rakesh Macwan (DIN: 01328442) as an Independent Director of the Company under Section 149 of the Companies Act, 2013 for a term of five consecutive years w.e.f. 30th October, 2019. His re-appointment is subject to the approval of the Members.

The Company has received intimation in Form DIR-8 from Mr. Rakesh Macwan that, he is not disqualified from being re-appointed as an Independent Director in terms of Section 164 of the Act, declaration that he meets with the criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013 & Regulation 16(1)(b) of SEBI Listing Regulations and his consent to continue as an Independent Director.

The resolution seeks the approval of members for the re-appointment of Mr. Rakesh Macwan as an Independent Director of the Company commencing in terms of Section 149 and other applicable provisions of the Act and Rules made there under. He is not liable to retire by rotation.

In the opinion of the Board, Mr. Rakesh Macwan fulfills the conditions for his re-appointment as an Independent Director as specified in the Act and the SEBI Listing Regulations and is independent of the management.

The Board considers that his association would be of immense benefit to the Company and it is desirable to avail services of Mr. Macwan as an Independent Director for a further term of five years. Accordingly, based on recommendation of Nomination and Remuneration Committee, the Board recommends Special Resolution as set out at Item No. 3 of the accompanying Notice of AGM for the approval by the Members.

Except Mr. Macwan, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the accompanying Notice of AGM.

Item No. 4

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, re-appointed Ms. Suparna Chakrabortti (DIN: 07090308) as an Independent Director of the Company under Section 149 of the Companies Act, 2013 for a term of five consecutive years w.e.f. 1st April, 2020. Her re-appointment is subject to the approval of the Members.

The Company has received intimation in Form DIR-8 from Ms. Suparna Chakrabortti that, she is not disqualified from being re-appointed as an Independent Director in terms of Section 164 of the Act, declaration that he meets with the criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013 & Regulation 16(1)(b) of SEBI Listing Regulations and her consent to continue as an Independent Director.

The resolution seeks the approval of members for the re-appointment of Ms. Suparna Chakrabortti as an Independent Director of the Company in terms of Section 149 and other applicable provisions of the Act and Rules made there under. She is not liable to retire by rotation.

In the opinion of the Board, Ms. Suparna Chakrabortti fulfills the conditions for her re-appointment as an Independent Director as specified in the Act and the SEBI Listing Regulations and is independent of the management.

The Board considers that her association would be of immense benefit to the Company and it is desirable to avail services of Ms. Chakrabortti as an Independent Director for a further term of five years. Accordingly, based on recommendation of Nomination and Remuneration Committee, the Board recommends Special Resolution as set out at Item No. 4 of the accompanying Notice of AGM for the approval by the Members.

Except Ms. Suparna Chakrabortti, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the accompanying Notice of AGM.

Item No. 5

Mr. Ram Krishna Majumdar has been re-appointed as the Manager of the Company by the Board of Directors for a period of two years with effect from 3rd February, 2020 on the recommendation of the Nomination and Remuneration Committee and the aforesaid appointment of Mr. Ram Krishna Majumdar requires the approval of the Members of the Company by way of a Resolution in General Meeting.

The resolution seeks the approval of Members for re-appointment of Mr. Ram Krishna Majumdar as the Manager of the Company in

terms of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and Rules made thereunder read with Schedule V to the Companies Act, 2013.

The Board considers that it will be in the interest of the Company to re-appoint Mr. Majumdar as Manager of the Company for a further term of two years. Accordingly, based on recommendation of the Nomination and Remuneration Committee, the Board recommends ordinary resolution as set out in Item No. 5 of the accompanying Notice of AGM for the approval by the members.

Except Mr. Majumdar, being an appointee none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item no. 5 of the accompanying Notice of AGM.

The Statement of disclosures pursuant to Secretarial Standard-2 on General Meetings and Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, is as under:

Name of the Director	Mr. Rakesh Macwan	Ms. Suparna Chakrabortti	Mr. Raghav Lall
DIN	01328442	07090308	05121368
Date of Birth	30/06/1953	28/06/1966	31/10/1954
Date of Appointment	30/10/2014	31/03/2015	30/05/2013
Qualification	MBA	ACA, MBA (USA) MS.Ed. (USA).	B.A. Hons., MBA Marketing
Expertise in specific functional areas	Expertise in Business Management.	Practicing Chartered Accountant .	Experienced in Finance and Business Management and wide experience of Tea Industry.
Directorship held in other entities	<ul style="list-style-type: none"> ➤ Jardine Henderson Ltd. ➤ Begal Quality Metal Products Ltd. ➤ Diamond Products Printing & Processing Ltd. ➤ Belvedre Estates Ltd. ➤ Jardine Pest Management Ltd 	<ul style="list-style-type: none"> ➤ Genesis Exports Ltd. ➤ Rydak Syndicate Ltd. 	<ul style="list-style-type: none"> ➤ James Warren Tea Ltd.
Membership/Chairmanship across public companies	Member of Audit Committee & Stakeholders Relationship Committee in Jardine Henderson Ltd	Member of Audit Committee in Dhelakhat Tea Company Ltd	Member of Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee in James Warren Tea Ltd
No. of shares held in the Company	Nil	Nil	Nil
Relationship with any Director(s) of the Company	Not Applicable	Not Applicable	Not Applicable
Number of Meetings of the Board attended	4 out of 4	4 out of 4	4 out of 4

Registered Office:

4, Dr. Rajendra Prasad Sarani,
Kolkata – 700001
CIN: L15492WB1917PLC002894
Phone: (033) 2230-4351
Fax: (033) 2230-7555
E-mail: dhelakhat.cs@gmail.com
Website: www.dhelakhat.com
Place: Kolkata
Date: 30th July, 2020

By Order of the Board of Directors
For **Dhelakhat Tea Company Limited**

Sweta Shah
Company Secretary

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the 101st Annual Report on the business and operations of the Company together with the Audited Financial Statements for the year ended March 31, 2020.

1. Corporate Overview

Dhelakhat Tea Company Limited is a Company with business in manufacturing of black tea. The Company has its registered office in Kolkata and has two tea estates which are located in Assam region.

2. Financial Results

A summary of the Company's Financial Results for the Financial Year 2019-20 is as under:

Amount (₹ In hundreds)

Particulars	2019-2020	2018-2019
The Profit and Loss Account before taxation for the year shows a balance of Profit of	5,514	(101,542)
From which is to be deducted:		
Less : Tax Expenses	5,941	1,523
Leaving a balance of Profit after Taxation	(427)	(103,065)
To which is added the Balance of Profit Brought forward from the previous year	(231,378)	(170,878)
Less: Other Comprehensive Income/ (Loss)	20,967	1,920
Less: Provisions for diminution in investment	-	-
Balance available for appropriation	-	-
Proposed Dividend	-	-
Corporate Tax on Dividend	-	-
Subsidy Transferred to PL	-	4,064,504
Leaving a Credit Balance in Profit & Loss Account	(210,838)	(231,378)
Earnings per share	(0.11)	(26.24)

3. Transfer To Reserve

For the year under review no amount has been proposed to be transferred to General Reserve.

4. Dividend

In view of the inadequacy of profit, your Directors have not recommended any Dividend this year.

5. 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 9.35 lakh kgs having price realization of Rs. 203.45 per kg as compared to 8.51 lakh kgs having price realization of Rs. 180. per kg in the same period last year.

The net sales in the year 2019-2020 was Rs. 1926.55 lakhs as compares to Rs. 1478.95 lakhs during the same period in the year 2018-2019.

6. Subsidiary / Joint Ventures / Associates

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

7. Share Capital

The paid up Equity Share Capital of the Company is Rs. 39, 27,700/-. During the year under review, the Company has not issued any shares with or without differential voting rights.

DIRECTORS' REPORT *(Contd.)*

8. Board Of Directors

In accordance with the provisions of 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 for the consideration of the Members of the Company at the ensuing Annual General Meeting.

Mr. Rakesh Macwan (DIN:01328442) has been re-appointed by the Board as an Independent Director of the Company in accordance with the provisions of the Section 149 of the Companies Act, 2013, for a further period of five years w.e.f 30th October, 2019. The Board recommends his re-appointment for the consideration of the Members of the Company at the ensuing Annual General Meeting.

Ms. Suparna Chakrabortti (DIN: 07090308) has been re-appointed by the Board as an Independent Director of the Company in accordance with the provisions of the Section 149 of the Companies Act, 2013, for a further period of five years w.e.f 1st April, 2020. The Board recommends her re-appointment for the consideration of the Members of the Company at the ensuing Annual General Meeting.

9. Declaration By Independent Directors

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013. All the Independent Directors of the Company have registered themselves on the online databank of the Ministry of Corporate Affairs.

10. Key Managerial Personnel

During the financial year under review Mr. Kumar Shankar Dutta ceased from the service of Chief Financial Officer with effect from June 1, 2019.

Mr. Ram Krishna Majumdar has been re-appointed by the Board as the Manager of the Company in accordance with the provisions of the Section 196, 197, 203 of the Companies Act, 2013, for a further period of two years w.e.f 3rd February, 2020. The Board recommends his re-appointment for the consideration of the Members of the Company at the ensuing Annual General Meeting.

11. Meetings of Board and of Committees

During the year ended 31st March, 2020 4 (Four) Board meetings were held i.e. on 30.05.2019, 25.07.2019, 07.11.2019 and 05.02.2020. 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			
	30.05.2019	25.07.2019	07.11.2019	05.02.2020
Mr. Rakesh Macwan	Yes	Yes	Yes	Yes
Mr. Kausik Gupta	Yes	Yes	Yes	Yes
Mr. Raghav Lall	No	Yes	Yes	Yes
Mr. Rajvinder Singh	Yes	Yes	Yes	Yes
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. Kausik Gupta and Ms. Suparna Chakrabortti as its Members. Ms. Sweta Shah, Company Secretary acts as the Secretary of the Audit Committee.

ii) Attendance

During the year ended 31st March, 2019 4 (Four) Audit Committee meetings were held i.e. on 30.05.2019, 25.07.2019, 07.11.2019 and 05.02.2020. Attendance of the members has been as follows

DIRECTORS' REPORT *(Contd.)*

Four Meetings of the Audit Committee were held during the financial year ended March 31, 2020 and the attendance of the members is as follows:

Name of the Director	Whether attended the meetings held on			
	30.05.2019	25.07.2019	07.11.2019	05.02.2020
Mr. Rakesh Macwan	Yes	Yes	Yes	Yes
Mr. Kausik Gupta*	NA	NA	Yes	Yes
Mr. Raghav Lall	Yes	Yes	Yes	Yes
Mr. Rajvinder Singh	Yes	Yes	Yes	Yes
Ms. Suparna Chakrabortti	Yes	Yes	Yes	Yes

*Mr. Kausik Gupta became the member of Audit Committee w.e.f. 07.11.2019

The details of all related party transactions are placed periodically before Audit Committee. 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. Kausik Gupta as its Members. Ms. Sweta Shah, Company Secretary acts as the Secretary of the Committee.

The Company's Remuneration Policy prepared in accordance with Section 178 of the Companies Act, 2013 is available on the website of the Company at www.dhelakhat.com.

One Meeting of the Nomination and Remuneration Committee was held during the financial year ended March 31, 2020 on 30.05.2019.

Independent Directors' Meeting

Independent Directors' Meeting of the Company was held on 05.02.2020 and was attended by all the Independent Directors of the Company.

12. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a structured questionnaire was prepared after taking into consideration the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Independent Directors was completed during the year under review. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors and Non-Executive Directors. The Board of Directors expressed their satisfaction with the evaluation process.

13. 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 31.03.2020 and confirm that:

DIRECTORS' REPORT *(Contd.)*

- (i) in the preparation of the Annual Accounts for the year ended March 31, 2020, 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 loss 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.

14. 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 marked as **"Annexure-A"** to this Report.

15. Particular Of Employees

The prescribed particulars of Employees required under Section 134(3) (q) read with Rule 5 (2) and 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is attached as **"Annexure-B"** and forms a part of this Report of the Directors.

16. Auditors

Statutory Auditor

M/s. Acharyya Swapan & Co., Chartered Accountants (FRN: 325797E), were appointed as the Statutory Auditors of the Company at the Annual General Meeting of the Company held in the year, 2017, to hold office till the conclusion of the Annual General Meeting of the Company to be held in the year 2022.

There are no qualifications, adverse remarks or disclaimer made by the Auditors in their Report.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Board has appointed M/s. Anjan Kumar Roy & Co., a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed as **"Annexure-C"** and forms an integral part of this Report.

There are no qualifications, adverse remarks or disclaimer made by the Auditor in their Report *save and except* the delay in filling up of CFO position of the Company as required u/s 203(4) of the Companies Act, 2013 due to the unprecedented COVID-19 pandemic as well as overlooking the procedures, etc.

17. Internal Control Systems

The Company has an effective internal control and risk mitigation system, which is constantly assessed and strengthened with new/revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations. 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 audit is entrusted to M/s Ford Rhodes Parks & Co., LLP, a reputed firm of Chartered Accountants and their audit reports are periodically reviewed by the Audit Committee of the Board of Directors. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

DIRECTORS' REPORT *(Contd.)*

18. 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.

19. 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.

20. Related Party Transaction

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the Companies Act, 2013 and the Rules made thereunder are not attracted. Thus, disclosure in form AOC-2 in terms of Section 134 of the Companies Act, 2013 is not required. Further, there are no material related party transactions during the year under review with the Promoters, Directors or Key Managerial Personnel.

All Related Party Transactions are placed before the Audit Committee as also before the Board for approval. Omnibus approval was obtained on a yearly basis for transactions which are of repetitive nature. Transactions entered into pursuant to omnibus approval are verified by the respective department and a statement giving details of all Related Party Transactions are placed before the Audit Committee for review and approval on a quarterly basis.

The Policy on Related Party Transactions can be accessed on the website of the Company at www.dhelakhat.com.

21. Risk Management

- 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) To combat the above risks, the company has taken a policy of augmenting irrigation and digging of ponds near tea areas to combat lesser rainfall.

22. Extract of Annual Return

An extract of the Annual Return of the Company in form MGT-9, as required under Section 92 of the Companies Act, 2013, is annexed as "**Annexure- D**" and forms an integral part of this report.

23. 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 annexed here to as "**Annexure-E**" and forms part of this Report.

DIRECTORS' REPORT *(Contd.)*

24. Economic Scenario And Outlook

A detailed examination of the economic outlook for the company and the tea industry is included in Management and Discussion Analysis Report in "Annexure F" as required under Regulation 34(2)(e) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015('Listing Regulations).

25. 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.

26. Change In The Nature Of Business

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

27. 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.

28. 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.

29. 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.

30. Disclosures Under Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013

In compliance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 the Company had constituted an Internal Complaint Committee to prevent the sexual harassment on employees especially on women employees.

The Committee has submitted their Annual Report pursuant to Section 22 of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and it was reported that no complaints were received by the Committee pursuant to the provisions of the Act.

31. Secretarial Standards

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

32. 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.

33. Cautionary Statement

The Board's Report may contain certain statements describing the Company's objectives, expectations or forecasts that appear to be forward-looking within the meaning of applicable securities laws and regulations while actual outcomes may differ materially from what is expressed herein.

34. Acknowledgement

Your Directors take the opportunity of placing their sincere appreciation to the Central Government, State Government, Banks, Financial Institutions, employees, associates, consultants and members of the company for their valuable guidance and support.

For and on behalf of the Board

4, Dr. Rajendra Prasad Sarani
Kolkata-700 001
Dated: 30th July, 2020

Rakesh Macwan
Director
(DIN: 01328442)

Kausik Gupta
Director
(DIN: 08000780)

ANNEXURE TO THE DIRECTORS' REPORT

ANNEXURE - A

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 2020	Year Ended 31st March 2019
A. POWER & FUEL CONSUMPTION		
a) Purchased Units (in lacs)	6.17	6.05
Amount (Rs. in lacs)	58.40	56.95
Average Cost per Unit (Rs.)	9.47	9.41
b) Own Generation		
i) Through Diesel Generator (Units) (lacs)	-	1.35
ii) Unit per litre of Diesel oil	3.57	3.57
iii) Average Cost per Unit (Rs.)	65.90	69.17
c) Through Natural Gas Supply Quantity	5.35	4,99,230
Total Amount (in lacs)	65.28	54.36
Average rate/Unit (Rs.)	12.20	10.93

Particulars	Standards (if any)	Current Year	Previous Year
B. CONSUMPTION PER UNIT OF PRODUCTION			
Black Tea (Kgs)	-	9,86,735	8,92,740
Electricity (Unit/kg of tea)	-	0.62	1.47

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

4, Dr. Rajendra Prasad Sarani
Kolkata-700 001
Dated: 30th July, 2020

Rakesh Macwan
Director
(DIN: 01328442)

Kausik Gupta
Director
(DIN: 08000780)

ANNEXURE TO THE DIRECTORS' REPORT (Contd.)**ANNEXURE - B****PARTICULARS OF EMPLOYEE PURSUANT TO SECTION 134(3)(q) OF COMPANIES ACT, 2013
READ WITH RULE 5(2) & 5(3) OF COMPANIES (APPOINTMENT AND REMUNERATION OF
MANAGERIAL PERSONNEL) RULES, 2014****TOP 10 EMPLOYEES IN TERMS OF REMUNERATION DRAWN DURING THE YEAR**

SL NO	NAME	DESIGNATION	AGE	REMUNERATION (Rs.)	QUALIFICATION	EXPERIENCE	DATE OF COMENCEMENT OF EMPLOYEMENT (IN THIS COMPANY)	PREVIOUS EMPLOYMENT	% OF EQUITY Shares held
1	Mr. G.C.Barua	Estate Manager	52	1131217	B.A	28	01/01/2018	MOKAIBARI T.E	NIL
2	Mr. R.K. Majumder	Manager	58	891000	GRADUATE , ICWA INTER	38	01/04/2082	-	NIL
3	MS. Sweta Shah	C.S	27	821400	B.COM (HONS) L.LB Member of the ICSI)	5	01/08/2015	A K LAB & CO	NIL
4	Mr. Anup Kumar Sharma	Asst Manager	55	818567	M.E	28	01/12/1991	JAYSHREE TEA IND. LTD	NIL
5	Mr. S. Kumar	Asst. Manager	47	693287	M.SC	23	15/11/2010	BAINT GORIE TEA ESTATES	NIL
6	Dr. Dulilen Penging	G.M.O	43	653237	MBBS	01	31/03/2020	UNDER AURNACHAL GOV	NIL
7	Mr. S. Khound	Asst Manager	49	611167	B.SC	16	01/02/2009	BARMAJAN TEA ESTATES	NIL
8.	Mr. K.K. Sharma	Asst Manager	44	514267	-	18	01/12/2016	DHEKIAJULI T E	NIL
9	Mr. Surprit Singh	Asst Manager		500237	B.Com , Dip in Agri	11	15/11/2009	-	NIL
10	Mr. Kumar Shankar Dutta	Asst Manager	65	182886	M.COM, C.A	25	05/03/2018	HALDIA PETRO CHEMICAL	NIL

Notes :

1. None of the employee of the Company is holding shares in the Company except Mr. R. K. Majumdar.
2. No Employee is a relative of any Director or Manager of the Company.
3. Rule 5(2)(iii) of the captioned rules is not applicable to any employee.

For and on behalf of the Board

4, Dr. Rajendra Prasad Sarani
Kolkata-700 001
Dated: 30th July, 2020

Rakesh Macwan
Director
(DIN: 01328442)

Kausik Gupta
Director
(DIN: 08000780)

ANNEXURE TO THE DIRECTORS' REPORT (Contd.)**ANNEXURE - C****SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31st March, 2020**

[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, 2020. 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, electronically signed extracts of minutes book, forms and returns filed and other records maintained by the company, as obtained by us using appropriate Information Technology tools during the said audit, relying on management representation letter 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, 2020, 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. (l) We have examined the secretarial compliance on test check basis of the books, papers, minutes book, forms and returns filed and other records maintained by **M/s. Dhelakhat Tea Co. Ltd.** for the financial year ended on 31st March, 2020, 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 to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - (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, as amended;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended;
 - d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended;
 - e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the companies act and dealing with clients.

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

- (II) We have received management representation that **M/s. Dhelakhat Tea Co. Ltd.** for the financial year ended on 31st March, 2020, has fully complied with the provisions of the following laws specifically applicable to the Company;
- a) The Tea Act, 1953.
 - b) The Tea Warehouse (Licensing) Order, 1989.
 - c) The Tea Waste Control Order, 1959.
 - d) The Tea (Distribution and Export) Control Order, 2005.
 - e) Plant Protection Code (Formulated by the Tea Board of India).
 - f) Food Safety and Standard Act, 2006.
 - g) The Tea (Marketing) Control Order, 2003.
 - h) The Tea Board Guidelines and Orders.
 - i) Legal Metrology Act, 2009.

5. We have also examined compliance with the applicable clauses of the 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 and representation as referred above and 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 save and except:

- 1. Form MGT-14 in respect of Removal of Chief Financial Officer (CFO here in after), Mr. Kumar Shankar Datta was required to be filed with the Registrar of Companies (Ministry of Corporate Affairs), within 30 days of such removal as per Rule 8(4) of the Companies (Meeting of Board and it's Power) Rules 2014 read with Sections 117 and 179 of Companies Act 2013, has not been filed.**
- 2. The termination of CFO was not considered in a regular meeting of the Board of Directors of the company as required under Rule 8(2) of the Companies (Meeting of Board and it's Powers) Rules 2014 read with Sections 117 and 179 of the Companies Act 2013.**
- 3. The Company has failed to fill up the vacancy caused by the cessation of Mr. Kumar Shankar Datta as the CFO of the company within a period of six months as was required under Section 203(4) of The Companies Act, 2013.**

Further, it was observed that:

1. Form CHG 1 (CHG ID - 80027025) in respect of modification of charge has been belatedly filed on 29/11/2019.
 2. Form MGT-14 in respect of Reappointment of Independent Director, Mr. Rakesh Macwan has been belatedly filed on 05/03/2020.
 3. Form DPT-3 (Onetime return) has been belatedly filed on 30/06/2019.
7. We have checked the compliance with the provisions of the Standard Listing Agreement entered by the company with the following Stock Exchange in India also with the provisions of the Securities and 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 provisions 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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the applicable provisions of the Act.

- 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 and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
 - 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 applicable laws, rules, regulations and guidelines, generally applicable to 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

Note: Due to nationwide lockdown in the wake of COVID 19 pandemic, the aforesaid examination has been carried out on the basis of documents and information received from the company over Email and telephone. However, we also intend to carry out physical verification once the situation is restored to normal.

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

ANJAN KUMAR ROY

Proprietor

FCS No. 5684

CP. No. 4557

UDIN: F005684B000496416

Place : Kolkata
Date : 30/07/2020

ANNEXURE TO THE DIRECTORS' REPORT (Contd.)**Annexure A****(To the Secretarial Audit Report of Dhelakhat Tea Co. Ltd. for the financial year ended 31/03/2020)**

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 31st March, 2020 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. Due to nationwide lockdown in the wake of COVID 19 pandemic, the aforesaid examination has been carried out on the basis of documents and information received from the company over Email and telephone. However, we also intend to carry out physical verification once the situation is restored to normal.
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

UDIN: F005684B000496416

Place : Kolkata

Date : 30/07/2020

ANNEXURE TO THE DIRECTORS' REPORT (Contd.)**ANNEXURE - D****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 to the median remuneration of employees of the Company for the financial year 2019-20

All employees median remuneration for FY 2019-20	INR 43,627/-
The percentage increase in the median remuneration of employees in the FY 2019-20	6.79
The number of permanent employees on the rolls of the Company as on March 31, 2020	1162

Name of Director/ KMP	Ratio of remuneration to median remuneration of all employees	% increase in remuneration in the FY 2020
Mr. Rakesh Macwan	All the Directors were paid sitting fees for attending the meeting and the same has not been considered as Remuneration.	
Ms. Kausik Gupta		
Mr. Raghav Lall		
Mr. Rajvinder Singh		
Ms. Suparna Chakrabortti		

KEY MANAGERIAL PERSONNEL	% increase in remuneration in the FY 2020
Mr. K.S. Dutta, Chief Financial Officer	Mr. K.S. Dutta ceased to be the CFO of the Company w.e.f. 1st June, 2019 and his Remuneration Details is given in Annexure-E of the Directors' Report. Hence Comparison is not applicable.
Mr. R.K. Majumdar, Manager	5.10
Ms. Sweta Shah, Company Secretary	15.66

2. 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 percentile salary increase of employees other than managerial personnel is 3.17%;
- Average percentile Salary increase of managerial personnel is 7.16%;
- There are no exceptional circumstances in increase in managerial remuneration.

3. Affirmation that the remuneration is as per the remuneration policy of the Company.

Remuneration paid during the Financial Year ended 31.03.2020 is as per the Remuneration Policy of the Company.

For and on behalf of the Board

4, Dr. Rajendra Prasad Sarani
Kolkata-700 001
Dated: 30th July, 2020

Rakesh Macwan
Director
(DIN: 01328442)

Kausik Gupta
Director
(DIN: 08000780)

ANNEXURE TO THE DIRECTORS' REPORT (Contd.)

ANNEXURE - E

Form No. MGT-9

EXTRACT OF ANNUAL RETURN**as on the financial year ended on 31st March, 2020***[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	19/11/1917
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, PH. NO. (033) 2230 4351
Whether listed company	YES
Name, Address and Contact details of Registrar and Transfer Agent, if any	NICHE TECHNOLOGIES PVT LTD. 3A, AUCKLAND PLACE 7TH FLOOR, ROOM NO. : 7A & 7B, KOLKATA - 700 017 PHONE : (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	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
	NIL				

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	NIL
b) Central Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) State Govt(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) Bodies Corp	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f) Any Other	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
SUB-TOTAL(A)(1):-	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

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) 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	8512	740	9252	2.356	8512	740	9252	2.356	0.000
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	39030	39030	9.937	NIL	39030	39030	9.937	0.000
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)	8512	39770	48282	12.293	8512	39770	48282	12.293	0.000
2. Non Institutions									
a) Bodies Corp.									
(i) Indian	NIL	217241	217241	55.310	NIL	202093	202093	51.453	-3.857
(ii) Overseas	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	7575	92156	99731	25.392	7713	68251	75964	19.341	-6.051
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
c) Others Specify									
i) NRI	NIL	27516	27516	7.006	NIL	4480	4480	1.141	-5.865
ii) Overseas	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
iii) Corporate Bodies	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
iv) Foreign Nationals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
v) Clearing Members	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
vi) Trusts	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
vii) Foreign Bodies D, R.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
viii) IEPF Authority	NIL	NIL	NIL	NIL	61951	NIL	61951	15.773	15.773
Sub-total(B)(2)	7575	336913	344488	87.707	69664	274824	344488	87.707	0.000
Total Public Shareholding (B)=(B)(1)+ (B)(2)	16087	376683	392770	100.00	78176	314594	392770	100.00	0.000
C. SHARES HELD BY CUSTODIAN FOR GDRS & ADRS	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
Grand Total (A+B+C)	16087	376683	392770	100.00	78176	314594	392770	100.00	0.000

ANNEXURE TO THE DIRECTORS' REPORT (Contd.)

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
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	NIL			
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):				
At the End of the year				

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		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	RYDAK SYNDICATE LTD.				
	a) At the Beginning of the Year	62924	16.021		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			62924	16.021
2	INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY MINISTRY OF CORPORATE AFFAIRS.				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	31/05/2019 Transfer	61951	15.773	61951	15.773
	c) At the End of the Year			61951	15.773
3	KANT & CO. LIMITED				
	a) At the Beginning of the Year	60407	15.380		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			60407	15.380
4	SRIPADAM INVESTMENTS LTD.				
	a) At the Beginning of the Year	54248	13.812		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			54248	13.812
5	NATIONAL INSURANCE CO.LTD.				
	a) At the Beginning of the Year	39030	9.937		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			39030	9.937

ANNEXURE TO THE DIRECTORS' REPORT (Contd.)

Sl. No.	For Each of the Top 10 Shareholders	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
6	VIBHA LEASING PVT.LTD.				
	a) At the Beginning of the Year	19800	5.041		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			19800	5.041
7	LIFE INSURANCE CORPORATION OF INDIA				
	a) At the Beginning of the Year	8512	2.167		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			8512	2.167
8	AVNISH MEHTA				
	a) At the Beginning of the Year	4600	1.171		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			4600	1.171
9	PRADEEP LAL MEHTA				
	a) At the Beginning of the Year	4456	1.135		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			4456	1.135
10	AMITA MEHTA				
	a) At the Beginning of the Year	3000	0.764		
	b) Changes during the year				
	Date Reason				
	12/04/2019 Transfer	1200	0.306	4200	1.069
	c) At the End of the Year			4200	1.069
11	J.B. RAM				
	a) At the Beginning of the Year	16234	4.133		
	b) Changes during the year				
	Date Reason				
	07/05/2019 Transfer [Transfer to IEPF]	-16234	-4.133	0	0.000
	c) At the End of the Year			0	0.000
12	CARRITT MORAN & CO.(PVT.) LTD.				
	a) At the Beginning of the Year	14000	3.564		
	b) Changes during the year				
	Date Reason				
	07/05/2019 Transfer [Transfer to IEPF]	-14000	-3.564	0	0.000
	c) At the End of the Year			0	0.000

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
Mr. Ram Krishna Majumdar	25	0.006	25	0.006
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			

ANNEXURE TO THE DIRECTORS' REPORT (Contd.)

V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Amount in ₹)

Sl. No.	Particulars of Remuneration	R. K. Majumdar** (Manager) (p.a.)
1.	Gross Salary a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 b) Value of perquisites u/s 17(2) Income-tax Act, 1961 c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	8,91,000 - -
2.	Stock Option	Nil
3.	Sweat Equity	Nil
4.	Commission - as% of profit - others, specify	Nil
5.	Others, please specify	Nil
	Total(A)	8,91,000
	Ceiling as per the Act	Remuneration has been paid as per Schedule V, of the Companies Act, 2013

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount (in Rs.)
		Mr. R. Macwan	Mr. R. Singh	Ms. S. Chakrabortti	
1	Independent Directors				
	Fee for attending Board / Committee meetings	50,000	50,000	45,000	1,45,000
	• Commission	N.A	N.A	N.A	N.A
	• Others, please specify				
	Total(1)	50,000	50,000	45,000	1,45,000
2		Mr. R. Lall	Mr. K. Gupta		
	Other Non-Executive Directors				
	Fee for attending Board / Committee meetings	45,000	35,000	-	80,000
	• Commission	N.A	N.A	-	-
	• Others, please specify				
	Total(2)				80,000
Total(B)=(1+2)				2,25,000	
	Total Managerial Remuneration				
	Overall Ceiling as per the Act				

ANNEXURE TO THE DIRECTORS' REPORT (Contd.)**C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		S. Shah Company Secretary	K. S. Datta Chief Financial Officer**	Total (in Rs.) (p.a.)
1.	Gross salary			
	a. Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	8,21,400	1,82,866	10,04,266
	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	Nil	Nil	Nil
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	8,21,400	1,82,866	10,04,266

**Mr. K.S Dutta ceased to be the Chief Financial Officer of the Company w.e.f. 01.06.2019

VI. INDEBTEDNESS AMOUNT

(INR in Hundreds)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2,55,482	2,17,250		4,72,732
ii) Interest due but not paid				
iii) Interest accrued but not				
Total(i+ii+iii)	2,55,482	2,17,250		4,72,732
Change in Indebtedness during the financial year				
• Addition	3,309	-		3,309
• Reduction				
Indebtedness at the closing of the financial year				
i) Principal Amount	2,58,791	2,17,250		4,76,041
ii) Interest due but not paid				
iii) Interest accrued but not				
Total(i+ii+iii)	2,58,791	2,17,250		4,76,041

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

4, Dr. Rajendra Prasad Sarani
Kolkata-700 001
Dated: 30th July, 2020

Rakesh Macwan
Director
(DIN: 01328442)

Kausik Gupta
Director
(DIN: 08000780)

ANNEXURE TO THE DIRECTORS' REPORT (Contd.)**ANNEXURE-F****MANAGEMENT DISCUSSION AND ANALYSIS REPORT****INDUSTRY STRUCTURE AND DEVELOPMENT**

India is one of the major tea producing centres of the world with tea produced in the country being one of the finest in the world and enjoys worldwide consumer preference. One of the oldest industries, the tea industry has a large network of retailers, distributors, producers, packers, exporters and auctioneers.

The Company carries on the business of growing and manufacturing of tea. The Company is having two estates which produced a saleable crop of 9.34 lakh kgs as compared to 8.51 lakh kgs in the same period last year.

The average price realization of the Company's tea was Rs. 203.45 as compared to Rs. 178.50 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 COVID-19 conditions.

The net sales in the year 2019-20 was Rs.19.27 Crores as compared to Rs. 14.79 Crores during the same period in the year 2018-2019. There was an increase of 30.29% in sales realization, which was brought about mainly by an increased in production during the fiscal year and better price realisation.

Cost in India was substantially higher on account of increase in wages after implementation of new wage agreement and other input costs coupled with loss of crop towards the end of season due to lockdown in March. This had substantial impact on operating earnings of the year.

ECONOMIC SCENARIO 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.
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 in Assam 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.
6. The COVID-19 Pandemic continues to spread unabated impacting adversely the industry. The prolonged lockdown has affected our business with management closely monitoring the situation to mitigate its impact.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

SEGMENT WISE OR PRODUCT WISE PERFORMANCE

The Company is primarily engaged in the business of cultivation, manufacture and sale of tea and is managed organizationally as a single unit. Accordingly, the Company is a single business segment company.

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

RISKS AND CONCERNS

Risks are inevitable in any business. Being aware of this, the Company has a proper risk management system in place to counter them. The Tea Industry is largely dependent on the vagaries of nature:

Industry risk	: The Company invested in producing quality teas as an effective hedge. This helped moderate the impact of price and output volatility, increasing corporate stability.
Climatic risk	: Weather condition largely varied from one geographical region to another and Tea Industry in India facing the brunt of climate change in the form of extreme weather conditions — either a drought-like situation or high-intensity rainfall. This is one of the major risks for our industry as unpredictable climatic conditions could hamper tea production.
Labour risk	: Tea Industry is labour intensive industry which is marked by rising labour costs and man power shortage. The Industry is highly labour intensive and is subject to stringent labour laws. Substantial increase in labour wages, high social cost remains the major problems for the Indian Tea Industry. Shortage of labour during peak season in some pockets is also a cause for concern. The Government of Assam and West Bengal are all set to implement the maximum wage, if this gets implemented, the industry has to bear the social costs and it would also result in the higher cost of production than the revenue income.
Pests risk	: The Company rigorously enforced an estate wide mechanism to address pest attacks through the use of PPC-prescribed chemicals under the Trustea code. This responsible use of chemicals strengthened the demand for the Company's product.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The details of Financial Performance and Operational Performance have been provided in the Report of the Directors.

HUMAN RESOURCES

Tea Industry is highly labour intensive. Industrial relation in all tea estates and other units continued to be cordial. The Company carries out various program for development of its executives at all levels. During the year the company carried out restructuring exercise at key level for improvement in plantation activities and overall corporate performance. The Company would like to record appreciation of the wholehearted support and dedication from employees at all levels in maintaining smooth production and manufacture of tea from all the Tea Estates during the year.

The total number of people employed in your Company as on 31st March, 2020 was around 1162.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis Report in regard to projections, estimates and expectations have been made in good faith. Many unforeseen factors may come into play and affect the actual results, which could be different from what the Directors envisage in terms of future performance and outlook.

For and on behalf of the Board

4, Dr. Rajendra Prasad Sarani
Kolkata-700 001
Dated: 30th July, 2020

Rakesh Macwan
Director
(DIN: 01328442)

Kausik Gupta
Director
(DIN: 08000780)

INDEPENDENT AUDITOR'S REPORT

To the Members of
Dhelakhat Tea Co. Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **Dhelakhat Tea Co. Limited** ('the Company'), which comprise the balance sheet as at 31 March 2020, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Standalone Ind AS financial statements").

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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 Indian Accounting Standard prescribed under section 133 of the Act read with Companies (Indian Accounting Standard) Rules, 2015 (as amended) and other accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31 March, 2020, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted the Audit of the Standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's responsibilities for the Audit of the Financial Statements sections of our Report. We are independent of the Company in accordance with the code of Ethics issued by the Institute of the Chartered Accountants of India together with the ethical requirements that are relevant to our Audit of the Standalone Financial Statement.

We believe that the Audit evidences we have obtained so far is sufficient to provide a basis for our Audit opinion on the Standalone financial Statement.

Key Audit Matters:

Key Audit Matters are those matters that, in our professional judgment, were of most significant in our Audit of the Standalone Financial Statement of the current period. These matters are addressed in the context of our Audit of the Standalone Financial Statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters.

Sr. No.	Key Audit Matters	Auditor's response
1.	Change in the Accounting Policy	Audit procedure performed
	<p>During the Current year the Management changed the Policy of Transferring age of Young trees to Matured Trees from Three years (hitherto followed by the Company) to One year.</p> <p>In consequential the Depreciation charge on Tea Bushes and Capital WIP has been rearranged .</p>	<p>a) In absence of any specific guidelines from Regulatory board, we accepted the management's view that from 2nd year onwards the tea bushes are ready for plucking.</p> <p>b) We verified the Bush valuation calculation considering the changed Accounting Policy, testing the accuracy and also verified the revised calculation on opening carried forward CWIP.</p> <p>c) Performing substantive checking of the corresponding changes in Bush depreciation also.</p> <p>The procedures performed by us gave us sufficient evidence to conclude about the accuracy of valuation.</p>

INDEPENDENT AUDITOR'S REPORT

Sr. No.	Key Audit Matters	Auditor's response
2.	Land Compensation (IndAs 20)	Audit procedure performed
	<p>During the year the Company has received Rs.30.49 Lacs</p> <p>On account of Land compensation of Dhelakhat Tea Estate from Oil India Limited.</p> <p>As per IndAS 20, the same should have been reduced from carrying amount of Property Plant & Equipment. However the Company has shown it under other Income.</p>	<p>a) We have examined the evidences and noted the actual money receipt and amount receivable subsequently.</p> <p>b) We also agree that IndAs 20 could not be followed in this case as the Cost of leasehold land in the Property Plant & Equipment details is Re.1/-Hence the compensation received was shown in Other Income.</p>
3.	Inventory	Audit procedure performed
	<p>As explained by the management due to COVID-19 related restriction on account of Lockdown, physical verification of Inventory as on 31.3.2020 could not be carried out. Accordingly existence and valuation data are generated through System.</p>	<p>a) We have performed the procedure to ensure that the changes in the Inventory (finished goods) between the Audit date and date of the Balance Sheet are properly reconciled with "Roll back" procedure.</p> <p>b) We have performed analytical procedures to test the correctness of Inventory (Stock of Stores) both of existence and valuation.</p> <p>c) The verification performed by us gave us a sufficient evidence to conclude about existence & valuation</p>

Information other than the Standalone Financial Statements and Auditor's Report thereon

The Companies Board of Directors is responsible of preparation of other information .The other information comprises of the information included in the management discussion and analysis, Board's report including Annexures , business responsibility report, corporate governance report, shareholders' information, but does not include financial statement and audit report thereon.

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

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

If based on the work we have performed, we conclude that there is a material mis-statement ,we required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

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

INDEPENDENT AUDITOR'S REPORT

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

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

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS 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 thereunder.

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 standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS 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 standalone Ind AS financial statements.

As a part of audit in accordance with SA we exercise Professional judgment and maintained professional skepticism throughout the Audit.

We also :

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

INDEPENDENT AUDITOR'S REPORT

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the balance sheet, the statement of profit and loss, the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;
 - (e) on the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statement.
 - ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

for Acharyya Swapan & Co.

Chartered Accountants

Firm's Registration Number: 325797E

Aditya Singh

Partner

Membership Number : 068958

UDIN: 20068958AAAABX9684

Kolkata
30th July, 2020

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31 March 2020, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets. However updating of the register is in process.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (Leasehold Lands) are held in the name of the Company.
- (ii) As explained to us Inventories have been physically verified during the year by the management at reasonable interval ,except for teas lying with Agents. The procedure of physical verification followed by the management are reasonable and adequate in relation to the size of the Company and nature if its business As informed to us no material discrepancies were noted on such verification Due to COVID-19 related nationwide lockdown the Management was unable to physically verify as on the year end.
- (iii) The Company has not granted loans to any bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The Company has not accepted any deposits under section 73 to 76 of the Companies Act, 2013 from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act for the products of the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess, GST and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.
- (b) According to the information and explanations given to us, there are no dues of duty of customs which have not been deposited with the appropriate authorities on account of any dispute. and were in arrear as at 31st.March,2020 for a period of more than six months from the date they became payable.
- (viii) The Company has not defaulted repayment of loans or borrowing from Bank during the year.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.

Annexure - A to the Auditors' Report

- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

for Acharyya Swapan & Co.

Chartered Accountants

Firm's Registration Number: 325797E

Aditya Singh

Partner

Membership Number : 068958

UDIN: 20068958AAAABX9684

Kolkata

30th July, 2020

Annexure - B to the Auditors' 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 Dhelakhat Tea Co. Limited ("the Company") as of 31 March 2020 in conjunction with our audit of the standalone Ind AS 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 standalone Ind AS 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 authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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.

Annexure - B to the Auditors' Report

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 31 March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for **Acharyya Swapan & Co.**

Chartered Accountants

Firm's Registration Number: 325797E

Aditya Singh

Partner

Membership Number : 068958

UDIN: 20068958AAAABX9684

Kolkata

30th July, 2020

BALANCE SHEET as at 31 March 2020

(All amounts in INR hundreds, unless otherwise stated)

Particulars	Note	31 March 2020	31 March 2019
ASSETS			
(1) Non-current assets			
Property, plant and equipment	3	9,43,418	7,09,667
Capital work-in-progress	4	3,01,784	5,24,113
Financial assets			
(i) Investments	5	1,02,004	97,550
(ii) Other financial assets	6	13,300	13,300
Non current tax asset (net)	7	85,948	78,928
Deferred tax assets (net)	18	48,707	62,964
Other non-current assets	8	60,530	60,677
Total non-current assets		15,55,691	15,47,198
(2) Current assets			
Inventories	9	3,13,777	2,79,235
Biological assets other than bearer plants	10	3,747	10,897
Financial assets			
(i) Trade receivables	11	1,03,833	1,08,799
(ii) Cash and cash equivalents	12	23,628	3,001
(iii) Other bank balances	13	1,921	1,931
Other current assets	14	1,66,449	1,20,002
Total current assets		6,13,355	5,23,865
Total assets		21,69,046	20,71,063
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	39,277	39,277
Other equity	16	2,57,383	2,36,843
Total equity		2,96,660	2,76,120
Liabilities			
(1) Non-current liabilities			
Provisions	17	2,39,153	2,35,375
Total non-current liabilities		2,39,153	2,35,375
(2) Current liabilities			
Financial liabilities			
(i) Borrowings	19	4,76,041	4,72,732
(ii) Trade payables	20	4,55,822	4,28,775
(iii) Other financial liabilities	21	5,38,706	4,95,043
Other current liabilities	22	22,289	13,015
Provisions	23	42,791	52,420
Current tax liabilities (net)	24	97,584	97,584
Total current liabilities		16,33,233	15,59,568
Total liabilities		18,72,386	17,94,943
Total equity and liabilities		21,69,046	20,71,063

ACCOUNTING POLICIES AND NOTES ON ACCOUNTS - 1 to 39

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

In terms of our attached Report of even date

For **Acharyya Swapan & Co.**

Chartered Accountants

Firm's Registration Number: 325797E

Aditya Singh

Partner

Membership Number: 068958

Place: Kolkata

Date: 30th July, 2020

For and on behalf of the Board of Directors

RAKESH MACWAN

Director

(DIN: 01328442)

KAUSIK GUPTA

Director

(DIN: 08000780)

SWETA SHAH

Company Secretary

RAM KRISHNA MAJUMDAR

Manager

STATEMENT OF PROFIT AND LOSS for the year ended 31 March 2020*(All amounts in INR hundreds, unless otherwise stated)*

Particulars	Note	31 March 2020	31 March 2019
Income			
Revenue from operations	25	19,26,548	14,78,945
Other income	26	72,656	61,326
Total income		19,99,204	15,40,271
Expenses			
Cost of materials consumed	27	2,15,630	1,75,942
Changes in inventories of finished goods	28	(32,345)	3,969
Change in carrying amount of biological assets other than bearer plant (gain)/loss	29	7,150	(1,171)
Employee benefits expense	30	13,96,493	10,81,632
Finance costs	31	23,866	36,679
Depreciation expense	3	32,061	33,976
Other expenses	32	3,50,835	3,10,784
Total expenses		19,93,690	16,41,813
Profit before tax		5,514	(1,01,542)
Tax expense:			
- Current tax	33	-	-
- Deferred tax	33	5,941	1,523
Total tax expenses		5,941	1,523
Profit for the year		(427)	(1,03,065)
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurements of post-employment benefit obligations	37	29,284	2,681
Income tax relating to these items	37	(8,317)	(761)
Other comprehensive income for the year, net of tax		20,967	1,920
Total comprehensive income for the year		20,540	(1,01,145)
Earnings per equity share:			
Basic and Diluted	34	(0.11)	(26.24)
(Nominal value per Share Rs.10)			

ACCOUNTING POLICIES AND NOTES ON ACCOUNTS - 1 to 39

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

In terms of our attached Report of even date

For **Acharya Swapan & Co.**

Chartered Accountants

Firm's Registration Number: 325797E

Aditya Singh

Partner

Membership Number: 068958

Place: Kolkata

Date: 30th July, 2020

For and on behalf of the Board of Directors

RAKESH MACWAN

Director

(DIN: 01328442)

SWETA SHAH

Company Secretary

KAUSIK GUPTA

Director

(DIN: 08000780)

RAM KRISHNA MAJUMDAR

Manager

STATEMENT OF CHANGES IN EQUITY for the year ended 31 March 2020*(All amounts in INR hundreds, unless otherwise stated)***A. Equity share capital**

Description	Note	Amount
As at 31 March 2019	15	3,928
Changes in equity share capital		-
As at 31 March 2020	15	3,928

B. Other equity

Description	Note	Reserve and Surplus			Total other equity
		Capital reserve	General reserve	Retained earnings	
Balance at 01 April 2018	16	256	4,67,965	(1,70,878)	2,97,344
Profit for the year		-	-	(1,03,065)	(1,03,065)
Other comprehensive income for the year		-	-	1,920	1,920
Subsidy transferred to retained earnings		-	-	40,645	40,645
Total comprehensive income for the year		-	-	(60,500)	(60,500)
Transfer within equity					-
Balance at 31 March 2019	16	256	4,67,965	(2,31,378)	2,36,843
Balance at 01 April 2019	16	256	4,67,965	(2,31,378)	2,36,843
Profit for the year		-	-	(427)	(427)
Other comprehensive income for the year		-	-	20,967	20,967
Total comprehensive income for the year		-	-	20,540	20,540
Transfer within equity		-	-	-	-
Balance at 31 March 2020	16	256	4,67,965	(2,10,838)	2,57,383

ACCOUNTING POLICIES AND NOTES ON ACCOUNTS - 1 to 39

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

In terms of our attached Report of even date

For **Acharyya Swapan & Co.**

Chartered Accountants

Firm's Registration Number: 325797E

Aditya Singh

Partner

Membership Number: 068958

Place: Kolkata

Date: 30th July, 2020

For and on behalf of the Board of Directors

RAKESH MACWAN

Director

(DIN: 01328442)

KAUSIK GUPTA

Director

(DIN: 08000780)

SWETA SHAH

Company Secretary

RAM KRISHNA MAJUMDAR

Manager

CASH FLOW STATEMENT for the year ended 31 March 2020

(All amounts in INR hundreds, unless otherwise stated)

Particulars	31 March 2020	31 March 2019
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit/ (Loss) before taxation	5,514	(1,01,542)
Adjustments for:	-	-
Depreciation	32,061	33,976
Net gain on financial assets measured at FVTPL	(4,455)	20,378
Gain on sale of assets	(7,333)	-
Finance costs	23,867	36,679
OPERATING PROFIT / (LOSS) BEFORE WORKING CAPITAL CHANGES	49,654	(10,508)
Adjustments for:	-	-
Non-Current/Current financial and other assets	(41,203)	3,052
Inventories	(34,541)	53,658
Non-Current/Current financial and other liabilities/provisions	74,142	(11,039)
CASH USED IN OPERATING ACTIVITIES	48,052	35,163
Direct Taxes Paid (Net of Refund)	(7,020)	784
NET CASH USED IN OPERATING ACTIVITIES	41,032	35,947
B. CASH FLOW FROM INVESTING ACTIVITIES	-	-
Purchase of Property, plant and equipment& CWIP	(8,767)	(2,15,327)
Sale of Assets	13,000	-
NET CASH GENERATED FROM INVESTING ACTIVITIES	4,233	(2,15,327)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Financial borrowings	3,310	2,10,019
Interest paid	(27,947)	(36,679)
NET CASH USED IN FINANCING ACTIVITIES	(24,637)	1,73,339
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	20,627	(6,040)
* CASH AND CASH EQUIVALENTS OPENING BALANCE	3,001	9,041
* CASH AND CASH EQUIVALENTS CLOSING BALANCE	23,628	3,001

Note: The above Cash flow statement has been prepared under the indirect method as set out in Ind AS 7.

Note-

- 1) The above cashflow statement have been prepared using "Indirect Method" as set out in Ind AS 7 - Statement of cashflows.
- 2) Cash and cash equivalents includes cash on hand, balances with banks in current account.
- 3) In case of Company's financing activities(including) borrowings there are no non-cash transactions as impact of changes in Foreign exchange rates.
- 4) Previous year figures have been regrouped/rearranged whether considered necessary to conform to current years presentation.

ACCOUNTING POLICIES AND NOTES ON ACCOUNTS - 1 to 39

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

In terms of our attached Report of even date

For **Acharyya Swapan & Co.**

Chartered Accountants

Firm's Registration Number: 325797E

Aditya Singh

Partner

Membership Number: 068958

Place: Kolkata

Date: 30th July, 2020

For and on behalf of the Board of Directors

RAKESH MACWAN

Director

(DIN: 01328442)

SWETA SHAH

Company Secretary

KAUSIK GUPTA

Director

(DIN: 08000780)

RAM KRISHNA MAJUMDAR

Manager

NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2020

1 General Information

Dhelakhat Tea Company Limited is a Company incorporated under the Companies Act, 1913. The Company's shares are listed on the Calcutta Stock Exchange. The Company is engaged in harvesting, manufacturing and selling of tea.

The financial statements as at 31 March 2020 present the current financial position of the Company.

The functional and presentation currency of the Company is Indian Rupee ("INR") which is the currency of the primary economic environment in which the Company operates.

The financial statements for the year ended 31 March 2020 were approved by the Board of Directors and authorised for issue on 30th July, 2020.

2.0 Significant accounting policies

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements unless otherwise indicated.

2.1 Statement of compliance

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 01, 2016.

These financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

2.2 Basis of preparation

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention, except for the following:

- a) certain financial assets and liabilities that is measured at fair value;
- b) certain biological assets (including unplucked green leaves) measured at fair value less cost to sell.

2.3 Use of estimates and critical accounting judgments

In preparation of the financial statements, the Company makes judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Significant judgments and estimates relating to the carrying amounts of assets and liabilities include useful lives of property, plant and equipment, intangible assets, impairment of property, plant and equipment, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

2.4 Property, plant and equipment

An item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. This recognition principle is applied to the costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the statement of profit and loss as incurred. When a replacement occurs, the carrying amount of the replaced part is derecognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.

NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2020

The Company's tea bushes qualify as bearer plants under the definition in Ind AS 41 and are therefore accounted for as a part of property, plant and equipment.

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use. Borrowing costs, if any, during the period of construction is capitalised as part of cost of the qualifying assets.

The gain or loss arising on disposal of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset, and is recognised in the statement of profit and loss.

2.5 Biological assets

Tea leaves growing on tea bushes are measured at fair value less cost to sell with changes in fair value recognised in statement of profit and loss.

2.6 Depreciation methods, estimated useful lives and residual value of property, plant and equipment

Depreciation, other than bearer plant, is calculated using written down value method to allocate their cost, net of their residual values on the basis of useful lives prescribed in Schedule II to the Companies Act, 2013, which are also supported by technical evaluation.

Bearer plants are depreciated using straight line method from the date when they are ready for commercial harvest.

The estimated useful lives of assets and residual values are reviewed regularly and, when necessary, revised. No further charge is provided in respect of assets that are fully written down but are still in use.

The estimated useful lives for the main categories of property, plant and equipment and other intangible assets are:

Categories of assets	Useful life (in years)
Plant and Machinery	15
Furniture & Fixture	10
Building	60
Bearer plants	79
Vehicles	8 - 10
Software	5

2.7 Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash flows from other assets or group of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.8 Leases

Leases are classified as finance lease where the terms of the lease transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Company as lessee

- (i) *Operating lease* – Rentals payable under operating leases are charged to the statement of profit and loss on a straight line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.
- (ii) *Finance lease* – Finance leases are capitalised at the commencement of lease, at the lower of the fair value of the property

NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2020

or the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest.

2.9 Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

(a) Financial assets

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have maturities of less than three months from the date of such deposits. These balances with banks are unrestricted for withdrawal and usage.

Other bank balances

Other bank balances include balances and deposits with banks that are restricted for withdrawal and usage or having maturities of more than three months from the date of such deposits.

Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at fair value through profit or loss

Financial asset not measured at amortized cost or at fair value through other comprehensive income is carried at fair value through profit or loss.

Impairment of financial assets

Loss allowance for expected credit losses is recognized for financial assets measured at amortized cost and fair value through other comprehensive income.

The Company recognises life time expected credit losses for all trade receivables that do not constitute a financing transaction.

For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2020

De-recognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

(b) Financial liabilities and equity instruments

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial liabilities

Financial liabilities such as trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant.

Borrowings

Interest-bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

2.10 Employee benefits

(a) Post employment obligations

Defined contribution plans

The Company makes contributions to government administered provident fund scheme, employee state insurance scheme and pension fund scheme for the employees. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

Defined benefit plans - Gratuity

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

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

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

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2020

(b) Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised based on actuarial valuation at the present value of the obligation as on the reporting date.

The obligations are presented as current liabilities in the balance sheet since the Company does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

2.11 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government Grant that are receivable as a compensation for expenses or losses incurred for the purpose of giving immediate financial support with no future related cost are recognised in statement of Profit and loss in the year it is received.

Tea Plantation Subsidy and other subsidies is accounted for on acceptance from the concerned authorities.

2.12 Provisions

Provisions are recognised in the balance sheet when the Company has a present obligation (legal or constructive) as a result of a past event, which is expected to result in an outflow of resources embodying economic benefits which can be reliably estimated. Each provision is based on the best estimate of the expenditure required to settle the present obligation at the balance sheet date. When appropriate, provisions are measured on a discounted basis.

Constructive obligation is an obligation that derives from an entity's actions where:

- (a) by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities and
- (b) As a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

2.13 Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in

NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2020

equity, respectively.

2.14 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable net of discounts, taking into account contractually defined terms and excluding taxes or duties collected on behalf of the government.

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognized if there are significant uncertainties regarding recovery of the amount due, associated costs or the possible return of goods.

2.15 Income recognition

a) Interest income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

b) Dividend income

Dividend income from investments is recognised when the shareholder's rights to receive payment have been established.

2.16 Inventories

Raw materials including harvested tea leaves, produced from own gardens are measured at lower of cost and net realisable value. Cost being the fair value less cost to sell at the point of harvest of tea leaves.

Raw materials of purchased green leaves, stores and spare parts and finished goods are stated at lower of cost and net realisable value. Cost of finished goods comprise direct material, direct labour and appropriate portion of variable and fixed overhead expenditure. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Cost are assigned to individual items of inventory on the basis of weighted average method. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.17 Research and development

Revenue expenditure on research and development is recognised as a charge in the Statement Profit and Loss. Capital expenditure on assets acquired for research and development is added to Property, plant and equipment, if any.

2.18 Earnings per share

Earnings per share is calculated by dividing the net profit or loss for the year attributable to equity share holders, by the weighted average numbers of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.19 Contingent Liabilities

Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent and disclosed by way of notes to the accounts.

2.20 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest hundreds as per the requirements of Schedule III, unless stated otherwise.

NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2020*(All amounts in INR hundreds, unless otherwise stated)***Note 3 : Property, plant and equipment**

Particulars	GROSS BLOCK - AT COST				DEPRECIATION				NET BLOCK	
	As at 01 April 2018	Addition/ Adjustments	Deductions/ Adjustments	Closing as at 31 March 2019	As at 01 April 2018	Charge during the year	Deductions/ Adjustments	Closing as at 31 March 2019	As at 31 March 2019	As at 01 April 2018
Land - leasehold	-	-	-	-	-	-	-	-	-	-
Bearer plant	5,13,700	1,14,427	-	6,28,127	19,203	8,168	-	27,372	6,00,755	4,94,497
Buildings	46,133	-	-	46,133	9,305	3,744	-	13,048	33,085	36,828
Plant & Machinery	99,229	4,977	-	1,04,206	29,422	15,901	-	45,323	58,883	69,807
Furniture & Fixture	879	-	-	879	445	44	-	489	390	434
Motor Vehicles	36,564	-	-	36,564	14,069	6,117	-	20,186	16,379	22,496
Computers	163	153	-	316	138	2	-	140	175	25
Total	6,96,668	1,19,557	-	8,16,225	72,582	33,976	-	1,06,558	7,09,667	6,24,086

Particulars	GROSS BLOCK - AT COST				DEPRECIATION				NET BLOCK	
	As at 01 April 2019	Addition/ Adjustments	Deductions/ Adjustments	Closing as at 31 March 2020	As at 01 April 2019	Charge during the year	Deductions/ Adjustments	Closing as at 31 March 2020	As at 31 March 2020	As at 31 March 2019
Land - leasehold	-	-	-	-	-	-	-	-	-	-
Bearer plant	6,28,127	2,66,193	-	8,94,320	27,372	14,928	-	42,300	8,52,020	6,00,755
Buildings	46,133	-	-	46,133	13,048	2,337	-	15,385	30,748	33,085
Plant & Machinery	1,04,206	-	-	1,04,206	45,323	9,639	-	54,963	49,243	58,883
Furniture & Fixture	879	-	-	879	489	99	-	588	290	390
Motor Vehicles	36,564	-	20,110	16,454	20,186	3,046	14,443	8,789	7,665	16,379
Plant & Machinery Spares	-	5,288	-	5,288	-	1,917	-	1,917	3,371	-
Computers	316	-	-	316	140	95	-	235	80	175
Total	8,16,225	2,71,480	20,110	10,67,595	1,06,558	32,061	14,443	1,24,177	9,43,418	7,09,667

Note 4 : Capital work-in-progress

Particulars	As at 01 April 2018	Addition	Deductions / Adjustments	Closing as at 31 March 2019
Bearer plant - young trees	3,92,004	2,33,216	(1,14,427)	5,10,793
Bearer plant - nursery	13,309	13,319	(13,309)	13,319
Total	4,05,313	2,46,535	(1,27,735)	5,24,113

Description	As at 01 April 2019	Addition	Deductions / Adjustments	Closing as at 31 March 2020
Bearer plant - young trees	5,10,793	57,184	2,66,193	3,01,784
Total	5,10,793	57,184	2,66,193	3,01,784

- (i) Property, plant and equipment pledged as security
Refer to note 19 for information on property, plant and equipment pledged as security by the Company.
- (ii) Contractual obligations
Refer to note 39 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2020*(All amounts in INR hundreds, unless otherwise stated)***Note 5 : Investments - Non current**

Particulars	31 March 2020	31 March 2019
Investment in equity shares designated at FVPL - Others (fully paid up) :		
i) Quoted		
10,606 (31 March 2019: 10,606) equity shares of Rs.100 each fully paid-up in Jardine Henderson Limited	1,01,954	97,500
ii) Unquoted		
500 (31 March 2019: 500) equity shares of Rs.10 each fully paid-up in ABC Tea Workers' Welfare Services (formerly Assam Bengal Cereals (Ltd.))	50	50
Total non-current investment	1,02,004	97,550
(a) Aggregate carrying amount of quoted investments	1,01,954	97,500
(b) Aggregate market value of quoted investments	1,01,954	97,500
(c) Aggregate amount of unquoted investments	50	50

Note 6 : Other financial assets - non current

Particulars	31 March 2020	31 March 2019
Security deposits	13,300	13,300
Total	13,300	13,300

Note 7 : Non current tax asset (net)

Particulars	31 March 2020	31 March 2019
Advance income tax [net of provision for tax and FBT of Rs. 11,804 (31 March 2019: Rs.11,804)]	85,948	78,928
Total	85,948	78,928

Note 8 : Other non current assets

Particulars	31 March 2020	31 March 2019
Advances to consignor	60,530	60,677
Total	60,530	60,677

Note 9 : Inventories

Particulars	31 March 2020	31 March 2019
Inventories (valued at lower of cost and net realizable value)		
Stock of tea	2,71,057	2,38,712
Stores and spares	42,720	40,524
Total	3,13,777	2,79,235

Note 10 : Biological assets other than bearer plants

Particulars	31 March 2020	31 March 2019
Fair value of biological assets other than bearer plants (Unharvested tea leaves)	3,747	10,897
Total	3,747	10,897

NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2020*(All amounts in INR hundreds, unless otherwise stated)***Reconciliation of changes in the carrying amount of biological assets**

Particulars	31 March 2020	31 March 2019
Opening balance	10,897	9,727
Gain/ (loss) arising from changes in fair value less costs to sell	624	713
Increases due to purchases/ flushing during the year	3,122	10,183
Decreases due to harvest during the year	(10,897)	(9,726)
Closing balance	3,747	10,897

Note: Unharvested tea leaves on bushes as on 31 March 2020 was 94,479 kgs (31 March 2019 1,08,132 kgs)

Note 11 : Trade receivables

Particulars	31 March 2020	31 March 2019
Unsecured, considered good	1,03,833	1,08,799
Total	1,03,833	1,08,799

Refer Note : 37 for risk related to Trade Receivables.

Note 12 : Cash and cash equivalents

Particulars	31 March 2020	31 March 2019
Cash in hand	607	251
Balance with banks in current account	23,021	2,750
Total	23,628	3,001

Note 13 : Other bank balances

Particulars	31 March 2020	31 March 2019
Balance with banks - unpaid dividend account*	1,921	1,931
Total	1,921	1,931

Note 14 : Other current assets

Particulars	31 March 2020	31 March 2019
Advance against supply of goods or services	1,05,327	71,889
Advance to others	55,656	33,900
Balances with excise and other government authorities	5,466	5,466
Prepaid expenses	-	8,747
Total	1,66,449	1,20,002

Note 15 : Equity share capital

Particulars	31 March 2020	31 March 2019
Authorized equity share capital		
500,000 (31 March, 2020: 500,000, 31 March 2019: 500,000) equity shares of Rs.10/- each	50,000	50,000
Issued, subscribed and fully paid-up equity share capital		
3,92,770 (31 March, 2020: 3,92,770, 31 March 2019: 3,92,770) equity shares of Rs.10 each fully paid up	39,277	39,277
Total	39,277	39,277

NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2020*(All amounts in INR hundreds, unless otherwise stated)***(i) Movement in equity share capital**

Particulars	31 March 2020		31 March 2019	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
At the beginning of the year	3,92,770	39,277	3,92,770	39,277
Issued during the year				
Outstanding at the end of the year	3,92,770	39,277	3,92,770	39,277

(ii) Terms / rights attached to equity shares

The company has only one class of equity shares having a par value of Rs 10/- per share. Each holder of equity shares is entitled to one vote per share.

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.

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

Particulars	31 March 2020		31 March 2019	
	No. of shares	% of holding	No. of shares	% of holding
Equity shares of Rs. 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%	60,407	15.38%
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%
5. Vibha Leasing Co. Ltd	19,800	5.04%	2,700	0.69%

(iv) During the period of 5 years immediately preceding the balance sheet date, no shares were issued for consideration other than cash. Also, no bonus shares were issued and no shares were bought back by the company during the said period.

Note 16 : Other equity

Particulars	31 March 2020	31 March 2019
Reserves and surplus		
a) Capital reserve	256	256
b) General reserve	4,67,965	4,67,965
c) Retained earnings	(2,10,838)	(2,31,378)
Total reserves and surplus	2,57,383	2,36,843

Note 16(a) : Other equity

Particulars	31 March 2020	31 March 2019
Reserves and surplus		
a) Capital reserve		
Opening balance	256	256
Closing balance	256	256
b) General reserve		
Opening balance	4,67,965	4,67,965
Amount transferred from retained earnings	-	-
Closing balance	4,67,965	4,67,965

NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2020

(All amounts in INR hundreds, unless otherwise stated)

Particulars	31 March 2020	31 March 2019
c) Retained earnings		
Opening balance	(2,31,378)	(1,70,878)
Net profit/ (loss) for the year	(427)	(1,03,065)
<i>Items of other comprehensive income recognised directly in retained earnings</i>		
- Remeasurements of post-employment benefit obligation, net of tax	20,967	1,920
Dividend paid	-	-
Dividend distribution tax paid	-	-
Remeasurement of Subsidy	-	40,645
Closing balance	(2,10,838)	(2,31,378)
Total reserves and surplus	2,57,383	2,36,843

Nature and purpose of other reserves**General reserve**

Under the erstwhile Indian Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act, 2013, the requirement to mandatory transfer a specified percentage of the net profit to general reserve has been withdrawn though the Company may transfer such percentage of its profits for the financial year as it may consider appropriate. Declaration of dividend out of such reserve shall not be made except in accordance with rules prescribed in this behalf under the Act.

Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfer to general reserve, dividends or other distributions paid to shareholders.

Note 17 : Provisions - Non current

Particulars	31 March 2020	31 March 2019
Provision for employee benefits		
Provision for gratuity (Refer note 38)	2,39,153	2,35,375
Total	2,39,153	2,35,375

Note 18 : Deferred tax Assets (net)

Particulars	31 March 2020	31 March 2019
Net deferred tax liabilities/(asset)	(48,707)	(62,964)
	(48,707)	(62,964)

Note 19 : Borrowings - Current

Particulars	31 March 2020	31 March 2019
Loans repayable on demand		
Unsecured		
Inter-corporate deposit	2,17,250	2,17,250
Secured		
Cash credit from banks (secured)	1,96,891	2,00,948
Term Loan IOB	61,900	54,534
Total	4,76,041	4,72,732

Cash credit from banks are secured against first charge on the entire current assets of the Company and are repayable on demand. The above loans carry interest @ 10.25% p.a. (31 March 2019 :@ 10.70% p.a.)

NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2020*(All amounts in INR hundreds, unless otherwise stated)***Note 20 : Trade payables**

Particulars	31 March 2020	31 March 2019
Trade payables (Refer note 37)	4,55,822	4,28,775
Total	4,55,822	4,28,775

Note 21 : Other financial liabilities - Current

Particulars	31 March 2020	31 March 2019
Unpaid dividend	1,922	1,931
Others payables	5,36,784	4,93,112
Total	5,38,706	4,95,043

Note 22 : Other Current Liabilities

Particulars	31 March 2020	31 March 2019
Statutory dues payable	22,289	13,015
Total	22,289	13,015

Note 23 : Provisions - current

Particulars	31 March 2020	31 March 2019
Provision for employee benefits		
Provision for gratuity (Refer note 38)	39,100	46,744
Provision for compensated absences (Refer note 38)	3,691	5,676
Total	42,791	52,420

Note 24 : Current tax liability (net)

Particulars	31 March 2020	31 March 2019
Provision for tax	97,584	97,584
Total	97,584	97,584

Note 25: Revenue from operation

Particulars	31 March 2020	31 March 2019
Sale of goods:		
Manufactured goods (Sale of Tea)	19,26,548	14,78,945
Total	19,26,548	14,78,945

NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2020*(All amounts in INR hundreds, unless otherwise stated)***Note 26 : Other income**

Particulars	31 March 2020	31 March 2019
Dividend income on equity investments measured at FVTPL	795	530
Change in fair value of financial assets measured at FVTPL	4,455	20,428
Sale of tea waste	-	4,492
Gain on sale of property, plant and equipment	7,333	-
Government grant	29,476	34,148
Sundry receipt	30,597	1,727
Total	72,656	61,326

Note 27 : Cost of materials consumed

Particulars	31 March 2020	31 March 2019
Inventory at the beginning of the year	40,524	66,150
Add: Purchases	2,17,825	1,50,316
Less: Inventory at the end of the year	42,719	40,524
Total	2,15,630	1,75,942

Note 28 : Changes in inventories of finished goods

Particulars	31 March 2020	31 March 2019
Opening Stock of Tea	2,38,712	2,42,681
Closing Stock of Tea	2,71,057	2,38,712
(Increase)/Decrease	(32,345)	3,969

Note 29 : Change in Carrying amount of Biological Assets other than bearer plant (Gain)/Loss

Particulars	31 March 2020	31 March 2019
Opening Fair Value of Biological Assets other than bearer plant	10,897	9,727
Closing Fair Value of Biological Assets other than bearer plant	3,747	10,897
(Increase)/Decrease	7,150	(1,170)

Note 30 : Employee benefit expense

Particulars	31 March 2020	31 March 2019
Salaries, Wages & Bonus	12,14,882	9,16,068
Contribution to Provident and other funds	1,09,898	97,422
Gratuity expense (Note 38)	39,612	37,848
Workmen and Staff Welfare	32,101	30,295
Total	13,96,493	10,81,632

Note 31: Finance costs

Particulars	31 March 2020	31 March 2019
Interest and finance charges on financial liabilities not at fair value through profit or loss	27,947	47,698
Less: Borrowing cost capitalisation	4,081	11,019
Total	23,866	36,679

The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the entity's general borrowing during the year, in this case is 10.90%, (31 March 2017: 10.90%)

NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2020*(All amounts in INR hundreds, unless otherwise stated)***Note 32 : Other expenses**

Particulars	31 March 2020	31 March 2019
Power and Fuel	1,71,534	1,50,488
Repairs to Buildings	1,549	1,542
Repairs to Machinery	10,687	9,283
Insurance	1,304	3,123
Rates & Taxes	1,587	2,443
Cess on Green Leaf	-	14,506
Brokerage and Commission on Tea	18,334	6,078
Freight and Transit Charges	44,448	46,234
Cultiivation Expenses	4,747	12,298
Directors sitting fees	1,380	1,350
Auditors' remuneration:		
Statutory Audit fees	1,200	1,200
Tax Audit fees	300	300
Other Services	245	195
Miscellaneous Expenses	93,520	61,745
Total	3,50,835	3,10,784

Note 33 : Income tax expense

This note provides an analysis of the Company's income tax expense, shows amounts that are recognised in profit or loss or other comprehensive income and how the tax expense is affected by non-assessable and non-deductible items.

Particulars	31 March 2020	31 March 2019
(a) Income tax expense		
Current tax		
Current tax on profits for the year		
Profit and loss	-	-
Total current tax expense	-	-
Deferred tax		
Decrease (increase) in deferred tax assets	1,777	3,117
(Decrease) increase in deferred tax liabilities	4,164	(1,594)
Total deferred tax expense/(benefit)	5,941	1,523
Income tax expense	5,941	1,523

NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2020*(All amounts in INR hundreds, unless otherwise stated)*

Particulars	31 March 2020	31 March 2019
Current tax expense recognised in profit or loss		
Current tax on profits for the year		
Profit and loss	-	-
Total current tax expense (A)	-	-
Deferred tax expense recognised in profit or loss		
Deferred taxes	5,941	1,523
Total deferred tax expense recognised in profit or loss (B)	5,941	1,523
Deferred tax expense recognised in Other comprehensive income		
Deferred taxes	8,317	(761)
Total deferred tax expense recognised in other comprehensive income (C)	8,317	(761)
Total deferred tax for the year (B+C)	14,257	762
Total income tax expense recognised in profit or loss (A+B)	5,941	1,523
Total income tax expense recognised in Other comprehensive income (C)	8,317	(761)
Total income tax expense (A+B+C)	14,257	2,284

Note 34 : Earnings per share

Particulars	31 March 2020	31 March 2019
(a) Profit attributable to equity holders of the company used in calculating basic and diluted earnings per share (INR hundreds)	(427)	(1,01,542)
(b) Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share (in numbers)	3,92,770	3,92,770
(c) Nominal value of Equity Share (in Rs.)	10	10
(d) Basic and diluted earnings per share (INR)	(0.11)	(25.85)

Note 35: Capital management**(a) Risk management**

The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through a mixture of equity, long term borrowings and short term borrowings.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The amount mentioned under total equity in balance sheet is considered as Capital.

(b) Dividends paid and proposed

Particulars	31 March 2020	31 March 2019
(i) Equity shares		
Final dividend for the year ended 31 March, 2020 - Nil (31 March 2019 - Nil) per fully paid share	-	-
Dividend Distribution Tax	-	-

NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2020*(All amounts in INR hundreds, unless otherwise stated)***Note 36 : Fair value measurements****Financial instruments by category**

Particulars	31 March 2020			31 March 2019		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investments in equity instruments	1,01,954	-	1,020	97,500	-	-
Trade receivables	-	-	1,03,833	-	-	1,08,799
Cash and cash equivalents	-	-	23,628	-	-	3,001
Other bank balances	-	-	1,921	-	-	1,931
Other financial assets	-	-	13,300	-	-	13,300
Total financial assets	1,01,954	-	1,43,702	97,500	-	1,27,031
Financial liabilities						
Borrowings	-	-	4,76,041	-	-	4,72,732
Trade payable	-	-	4,55,821	-	-	4,28,775
Other financial liabilities	-	-	5,38,705	-	-	4,95,043
Total financial liabilities	-	-	14,70,567	-	-	13,96,549

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The entire financial assets and liabilities of the Company is classified as Level 3 in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

Note:

- There have been no transfers between Level 1 and Level 2 for the years ended March 31, 2019 and March 31, 2018
- Costs of unquoted equity instruments has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.
- Fair value of borrowings which do not have an active market or are unquoted is estimated by discounting expected future cash flows using a discount rate equivalent to the risk-free rate of return adjusted for credit spread considered by lenders for instruments of similar maturities which is categorised as level 3 in the fair value hierarchy.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the fair value of the financial instruments is determined using discounted cash flow analysis.

The carrying amounts of remaining financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature.

The fair values for financial instruments were calculated based on cash flows discounted using current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2020*(All amounts in INR hundreds, unless otherwise stated)***Fair value of biological assets other than bearer plants**

Particulars	31 March 2020	31 March 2019
Fair value of biological assets other than bearer plants (Unharvested tea leaves) for which fair value (less cost to sell) are disclosed	3,747	10,897
Total	3,747	10,897

Note: The fair value of biological assets other than bearer plants are to considered as Level 2 fair values

Note 37 : Financial Risk Management

The Company's activities are exposed to a variety of financial risks: credit risk, liquidity risk and market risk (i.e. foreign currency risk, interest rate risk and price risk).

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk:

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables and financial assets measured at amortised cost.	Aging analysis Credit ratings	Diversification of bank deposits and credit limits, quality customer selection
Liquidity risk	Financial liabilities that are settled by delivering cash or another financial asset.	Cash flow forecasts	Projecting cash flows and considering the level of liquid assets necessary to meet the liabilities
Market risk – a) security prices	Investments in equity securities	Sensitivity analysis	Portfolio diversification

(A) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) including deposits with banks and financial institutions and other financial instruments carried at amortised cost and financial guarantees.

i) Trade receivables

Customer credit risk is managed by the Company through established policy and procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally carrying 45 to 90 days credit terms. The Company has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation. The Company's exposure to customers is diversified and no single customer contributes to more than 10% of outstanding trade receivables as at 31 March 2019, 31 March 2018.

The ageing of trade receivables as of balance sheet date is given below. The age analysis have been considered from the due date:

Particulars	Less than six months	More than six months	Total
Trade receivable as on 31 March 2020 (Gross)	1,03,833	-	1,03,833
Less: Provision for impairment loss	-	-	-
Trade receivable as on 31 March 2020 (Net)	1,03,833	-	1,03,833

Particulars	Less than six months	More than six months	Total
Trade receivable as on 31 March 2019 (Gross)	1,08,799	-	1,08,799
Less: Provision for impairment loss	-	-	-
Trade receivable as on 31 March 2019 (Net)	1,08,799	-	1,08,799

The requirement for impairment is analysed at each reporting date. Refer note 11 for details on the impairment of trade receivables. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 36. The Company does not hold collateral as security.

NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2020*(All amounts in INR hundreds, unless otherwise stated)***ii) Financial instruments and deposits**

Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loans receivables, investments and cash and cash equivalents held by the Company. None of the financial instruments of the Company result in material concentration of credit risk.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was Rs. 14269148 as at 31 March 2020, Rs. 1,27,47,885 as at 31 March 2019, being the total of the carrying amount of trade receivables and other financial assets.

(B) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally performed in accordance with practice and limits set by the Company.

(i) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- all financial liabilities

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities 31 March 2020	Less than 1 year	1 - 3 years	Total
Borrowings	4,76,041	-	4,76,041
Trade payable	4,55,822	-	4,55,822
Other financial liabilities	5,38,706	-	5,38,706
Total financial liabilities	14,70,569	-	14,70,569

Contractual maturities of financial liabilities 31 March 2019	Less than 1 year	1 - 3 years	Total
Borrowings	4,72,732	-	4,72,732
Trade payable	4,28,775	-	4,28,775
Other financial liabilities	4,95,043	-	4,95,043
Total financial liabilities	13,96,549	-	13,96,549

(C) Market risk**(i) Foreign currency risk**

Foreign Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's transactions are denominated only in INR and hence the Company is not exposed to any foreign currency risk.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to the risk of changes in market interest rates because it does not have any floating rate borrowings nor does it have any variable rate financial assets.

(iii) Price risk**(a) Exposure**

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market. The company's exposure to equity securities price risk arises from investments held by the company in equity securities and classified in the balance sheet as at fair value through profit and loss account.

NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2020*(All amounts in INR hundreds, unless otherwise stated)***(b) Sensitivity**

The table below summarises the impact of increases/decreases of the prices of respective securities on company's equity and profit before tax for the period. The analysis is based on the assumption that the price of the respective securities had increased by 5% or decreased by 5% with all other variables held constant:

Particulars	Impact on profit before tax		Impact on other component of equity	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
Increase by 5% (2018: 5%)*	4,87,748	3,85,607	3,37,034	2,66,454
Decrease by 5% (2018: 5%)*	(4,87,748)	(3,85,607)	(3,37,034)	(2,66,454)

* Holding all other variables constant

Note 38 : Employee benefit obligations**(i) Defined contribution plan**

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident fund which is defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are recognised in the Statement of Profit and Loss as they accrue. The amount recognised as an expense towards contribution to Provident fund for the year aggregates to Rs. 1,09,89,877 (2018-19: Rs. 9,086,692).

(ii) Post-employment obligations**a) Gratuity**

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic (including dearness allowance) salary per month computed proportionately for 15 days (reckoning 26 days for a month) salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India.

Based on actuarial valuation, a provision is recognised in full for the projected obligation over and above the funds held in scheme.

(iii) Balance sheet recognition**a) Gratuity**

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
1 April 2018	2,61,672	9,817	2,51,854
Current service cost	18,644	-	18,644
Interest expense/(income)	19,960	756	19,204
Total amount recognised in profit or loss	38,604	756	37,848
<i>Remeasurements</i>			
Return on plan assets, excluding amounts included in interest expense/(income)	-	83	(83)
Actuarial (gain)/loss from change in financial assumptions	905	-	905
Actuarial (gain)/loss from unexpected experience	(3,503)	-	(3,503)
Total amount recognised in other comprehensive income	(2,599)	83	(2,681)
Employer contributions/ premium paid	-	(4,902)	(4,902)
Benefit payments	(4,902)	4,902	-
31 March 2019	2,92,775	10,656	2,82,119

NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2020

(All amounts in INR hundreds, unless otherwise stated)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
1 April 2019	2,92,774	10,656	2,82,119
Current service cost	17,889	-	17,889
Interest expense/(income)	22,544	820	21,723
Total amount recognised in profit or loss	40,433	820	39,612
<i>Remeasurements</i>	-	-	-
Return on plan assets, excluding amounts included in interest expense/(income)	-	(273)	273
Actuarial (gain)/loss from change in financial assumptions	13,301	-	13,301
Actuarial (gain)/loss from unexpected experience	(39,274)	-	(39,274)
Total amount recognised in other comprehensive income	(25,972)	(273)	(25,699)
Employer contributions/ premium paid	-	(17,778)	(17,778)
Benefit payments	(17,778)	17,778	-
31 March 2020	2,89,457	11,203	2,78,254

(iv) Significant estimates: actuarial assumptions

The significant actuarial assumptions were as follows :

Particulars	31 March 2020	31 March 2019
Discount rate	-	-
Salary growth rate	-	-
Mortality rate	IALM (2012-14) Table	IALM (2012-14) Table
Disability Rate	5% of Mortality Rate	5% of Mortality Rate
Withdrawal rate	1% to 8%	1% to 8%
Retirement Age	58 Years	58 Years
Average Future Service	16.75	16.04

(v) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions are :

Particulars	Impact on defined benefit obligation			
	31 March 2020		31 March 2019	
	Increase	Decrease	Increase	Decrease
Discount rate (-/+ 1%)	(17,191)	19,424	(13,153)	14,642
Salary growth rate (-/+ 1%)	20,250	(17,988)	15,326	(13,862)
Withdrawal rate (-/+ 1%)	5,847	(6,465)	3,863	(4,216)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied while calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(vi) The major categories of plan assets

The defined benefit plans are funded with insurance companies of India. The Company does not have any liberty to manage the funds provided to insurance companies. Thus the composition of each major category of plan assets has not been disclosed.

NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2020*(All amounts in INR hundreds, unless otherwise stated)***(vii) Risk exposure**

Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

Investment risk:

The defined benefit plans are funded with insurance companies of India. The Company does not have any liberty to manage the funds provided to insurance companies.

The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the Government of India bonds. If the return on plan asset is below this rate, it will create a plan deficit.

Interest risk:

A decrease in the interest rate on plan assets will increase the plan liability.

Life expectancy:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

Salary growth risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

(viii) Defined benefit liability and employer contributions

Expected contributions to post-employment benefit plans for the year ending 31 March, 2019 are Rs. 10,401,386.

The weighted average duration of the defined benefit obligation is 4.67 years (31 March, 2017 – 7.76 years, 1 April, 2016 - 4.74 years). The expected maturity analysis of undiscounted gratuity benefits is as follows:

Particulars	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years
31 March, 2020				
Defined benefit obligation (gratuity)	81,19,242	40,17,023	46,35,767	1,16,77,005
Total	81,19,242	40,17,023	46,35,767	1,16,77,005
Particulars	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years
31 March, 2019				
Defined benefit obligation (gratuity)	14,14,276	1,15,55,713	37,72,650	1,09,46,244
Total	14,14,276	1,15,55,713	37,72,650	1,09,46,244

(ix) Compensated absences

Compensated absences cover the Company's liability for sick and earned leave. As the Company does not have an unconditional right to defer the payment beyond 12 months the entire amount has been treated as current.

Note 39 : Other notes to accounts**a. Contingent liability is not provided for and includes :**

Particulars	31 March 2020	31 March 2019
Income Tax demand disputed and under Appeal	–	–

- b.** The Company is engaged in the business of growing, manufacturing and sale of black tea and is having its manufacturing facilities located in India. The performance of the Company is assessed and reviewed by the Chief Operating Decision Maker ('CODM') as a single operating segment and accordingly growing, manufacturing and sale of black tea is the only operating segment.

The Company is domiciled in India and sells its products in India.

The Company has no customers from whom it derives more than 10% of total revenue.

NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2020*(All amounts in INR hundreds, unless otherwise stated)***c. Related party disclosure**

Key Managerial Personnel : Mr. R. K. Majumder - Manager
Ms. Sweta Shah - CS

Key management personnel compensation :

Particulars	31 March 2020	31 March 2019
Short-term employee benefits	17,124	24,024

d. There were no dues to the Micro, Small and Medium Enterprises outstanding as on 31st March, 2017. This information as required, has been determined to the extent such parties have been identified on the basis of information available to the Company.

e. Quantitative information*(In kgs)*

Year	Licensed Capacity	Installed Capacity	Production (Saleable Tea)
2019-20	Not Applicable	13,00,000	9,86,735
2018-19	Not Applicable	13,00,000	8,92,740

Financial Instrument by Category

Year	Sales		Opening Stock		Closing Stock	
	Quantity (Kg.)	Amount	Quantity (Kg.)	Amount	Quantity (Kg.)	Amount
2019-20	9,49,033	19,26,54,803	1,63,746	2,38,71,155	1,49,415	2,71,05,723
2018-19*	8,47,922	15,24,49,536	1,48,877	-	1,63,746	2,38,71,155

*The above figures includes the sales as a result of Young tree of Rs.45,55,057 (26687 kgs)

f. Value of Imported, indigenous stores, spare parts consumed :

Particulars	2019-20	2018-19*
Indigenous	2,15,62,978	1,75,94,223
	100%	100%

ACCOUNTING POLICIES AND NOTES ON ACCOUNTS - 1 to 39

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

In terms of our attached Report of even date

For **Acharyya Swapan & Co.**

Chartered Accountants

Firm's Registration Number: 325797E

Aditya Singh

Partner

Membership Number: 068958

Place: Kolkata

Date: 30th July, 2020

For and on behalf of the Board of Directors

RAKESH MACWAN

Director

(DIN: 01328442)

SWETA SHAH

Company Secretary

KAUSIK GUPTA

Director

(DIN: 08000780)

RAM KRISHNA MAJUMDAR

Manager

DHELAKHAT TEA COMPANY LIMITED

CIN : L15492WB1917PLC002894

4, Dr. Rajendra Prasad Sarani

Kolkata - 700 001