

# Corporate Information

## BOARD OF DIRECTORS

Mr. Rakesh Macwan, *Non-Executive Independent Director*  
Mr. Rajvinder Singh, *Non-Executive Independent Director*  
Ms. Suparna Charkrabortti, *Non-Executive Independent Director*

## KEY MANAGERIAL PERSONNEL

Mr. Ram Krishna Majumdar, *Manager*  
Mr. Priyarup Mukherjee, *Company Secretary*  
Mr. Deepak Kumar Singh, *Chief Financial officer*

## REGISTERED OFFICE

4, Dr. Rajendra Prasad Sarani  
Kolkata – 700 001  
Phone : (033) 2230 4351  
Fax : (033) 2230 7555  
E-mail: [compliances@dhelakhat.com](mailto:compliances@dhelakhat.com)  
Website: [www.dhelakhat.com](http://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](mailto:nichetechpl@nichetechpl.com)  
Website : [www.nichetechpl.com](http://www.nichetechpl.com)

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# Notice of the 103rd Annual General Meeting

## NOTICE TO THE SHAREHOLDERS

**Notice** is hereby given that the 103<sup>rd</sup> Annual General Meeting ('AGM') of Dhelakhat Tea Company Limited will be held on **Thursday, 11<sup>th</sup> August, 2022 at 1.00 p.m. through Video Conferencing/Other Audio Visual Means ("VC/OAVM") Facility** to transact the following business:

### ORDINARY BUSINESS:

#### 1. Adoption of Financial Statements

To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2022 and the reports of the Board of Directors and the Auditors' thereon.

#### 2. Appointment of Auditor

To appoint the Statutory Auditor of the Company in place of the existing auditor and to fix their remuneration, and in this regard, consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT**, pursuant to the provision of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and pursuant to the recommendations of the Audit Committee, M/s S. Guha & Associates, Chartered Accountants, (Firm Registration Number: 322493E) be and are hereby appointed as the Statutory Auditor of the Company in place of the existing Auditor M/s. Acharyya Swapan & Co., Chartered Accountants (Firm Registration Number: 325797E), who shall hold office from the conclusion of this Annual General Meeting till the conclusion of the fifth consecutive Annual General Meeting of the Company to be held in the year 2027 and that the Board be and is hereby authorized to fix such remuneration as may be determined by the Audit Committee in consultation with the Auditors, in addition to reimbursement of all out-of-pocket expenses as may be incurred in connection with the audit of the accounts of the Company."

**RESOLVED FURTHER THAT** the Directors of the Company be and are hereby severally authorised to do all acts, deeds, things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

### SPECIAL BUSINESS:

#### 3. 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 1 (One) year with effect from 3<sup>rd</sup> February, 2022 upon the terms and conditions as mentioned in the appointment letter addressed to Mr. Majumdar, 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: compliances@dhelakhat.com  
Website: www.dhelakhat.com  
Place: Kolkata  
Date: 25th May, 2022

By Order of the Board of Directors

For **Dhelakhat Tea Company Limited**

**Priyarup Mukherjee**  
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 of the accompanying Notice, is annexed hereto. The Board of Directors of the Company, at its meeting held on 25th May, 2022, considered that the special business under Item No. 3, being considered unavoidable, be transacted at the 103rd AGM of the Company.

### 2. General instructions for accessing and participating in the 103<sup>rd</sup> AGM through VC/OAVM Facility and voting through electronic means including remote e-Voting

- a. The Ministry of Corporate Affairs, (MCA) vide its General Circular No. 02/2022 dated 5<sup>th</sup> May, 2022 and in continuation to General Circular Nos. 20/2020 dated 5<sup>th</sup> May, 2020, 02/2021 dated 13<sup>th</sup> January, 2021, 19/2021 dated 8<sup>th</sup> December, 2021 and 21/2021 dated 14<sup>th</sup> December, 2021 has allowed Companies to conduct their AGMs due in the year 2022 through Video Conferencing (VC) or Other Audio Visual Means (OAVM) on or before 31<sup>st</sup> December, 2022 in accordance with the requirements laid down in the paragraph 3 and 4 of the General Circular No. 20/2020 dated 5<sup>th</sup> May 2020 read with General Circular Nos. 14/2020 dated 8<sup>th</sup> April 2020 and 17/2020 dated 13<sup>th</sup> April 2020. Pursuant to the aforesaid MCA circulars and in compliance with the relevant provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") the 103<sup>rd</sup> 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 103<sup>rd</sup> 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](http://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 respective MCA Circulars and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13<sup>th</sup> May, 2022, since the physical attendance of Members has been dispensed with, there is no requirement for appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the 103<sup>rd</sup> 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 103<sup>rd</sup> AGM through VC/OAVM Facility and e-Voting during the 103<sup>rd</sup> AGM.
- d. Members are requested to participate on first come first served 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 served basis.
- e. 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.
- f. Since the AGM will be held through VC/OAVM Facility, the Route Map is not annexed in this Notice.
- g. Central Depository Services (India) Limited ("CDSL") will be providing facility for voting through remote e-Voting, for participation in the 102<sup>nd</sup> AGM through VC/OAVM Facility and e-Voting during the 103<sup>rd</sup> AGM.
- h. Attendance of the Members participating in the 103<sup>rd</sup> AGM through VC/OAVM Facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

## Notice *(Contd.)*

### 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 [compliances@dhelakhat.com](mailto:compliances@dhelakhat.com).

### 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 **5<sup>th</sup> August, 2022 to 11<sup>th</sup> August, 2022** (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 aforesaid MCA Circulars and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13<sup>th</sup> May, 2022, the Notice of the 103<sup>rd</sup> AGM and the Annual Report for the year 2022 including therein the Audited Financial Statements for the Financial Year 2021- 22, are being sent only by email to the Members at their respective registered email addresses with the Company/Depository Participants. 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 103<sup>rd</sup> AGM and the Annual Report for the year 2022 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, scanned copy of the share certificate (front and back), 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 [compliances@dhelakhat.com](mailto:compliances@dhelakhat.com). or to e-mail address of Niche Technologies Pvt Ltd, the Company's Registrar & Share Transfer Agent (RTA) at [nichetechpl@nichetechpl.com](mailto:nichetechpl@nichetechpl.com).
- b. For the Members holding shares in demat form, please update your email address through your respective Depository Participant/s.

Members may note that the above mentioned documents will also be available on the website of the Company at [www.dhelakhat.com](http://www.dhelakhat.com) under "Investors" section.

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## 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,

7<sup>th</sup> Floor, Room No. 7A & 7B

Kolkata – 700017

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

Email: [nichetechpl@nichetechpl.com](mailto: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](http://www.dhelakhat.com)), as also on the website of the Ministry of Corporate Affairs ([www.mca.gov.in](http://www.mca.gov.in)). Those Members, who have not encashed their dividends are requested to correspond with the Registrar & Share Transfer Agents as mentioned above or to the Company Secretary at the Company's Registered Office or via mail at [compliances@dhelakhat.com](mailto:compliances@dhelakhat.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](http://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")**.

## Notice *(Contd.)*

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 instruction below to cast their vote through e-voting.

The voting period begins on **Monday, 8<sup>th</sup> August, 2022 (9:00 a.m. IST) and ends on Wednesday, 10<sup>th</sup> August, 2022 (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 **4<sup>th</sup> August, 2022**, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.

In terms of SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9<sup>th</sup> December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their Demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**A. Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:**

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at: <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>

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Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

### Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cDSLindia.com">helpdesk.evoting@cDSLindia.com</a> or contact at 022- 23058738 and 022-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

## Notice *(Contd.)*

### **B. Login method for e-Voting and joining virtual meeting for members other than individual members holding in Demat form & physical shareholders.**

- i) The shareholders should log on to the e-voting website at [www.evotingindia.com](http://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.
- v) If you are holding shares in Demat form and had logged on to **[www.evotingindia.com](http://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	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> </ul>
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)	<p>Enter the Bank Account Number as recorded in your demat account with the depository or in the Company records for your folio.</p> <ul style="list-style-type: none"> <li>• Please enter the DOB or Bank Account Number in order to login.</li> <li>• 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).</li> </ul>

- 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.



## Notice *(Contd.)*

- 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](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a compliance user using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto: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 [compliances@dhelakhat.com](mailto:compliances@dhelakhat.com) and [aklabhcs@gmail.com](mailto:aklabhcs@gmail.com) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) without which the vote shall not be treated as valid.

### **C. Other Instructions:**

- i) 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 4<sup>th</sup> August, 2022. 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.
- ii) 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 24<sup>th</sup> June, 2022.
- iii) 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. 4<sup>th</sup> August, 2022 are requested to send the written / email communication to the Company at [compliances@dhelakhat.com](mailto:compliances@dhelakhat.com) by mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-voting.
- iv) 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](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact them at **022-23058738 and 022-23058542/43**.
- v) 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, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 022-23058542/43.

## Notice *(Contd.)*

### 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 e-voting at the AGM) 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](http://www.dhelakhat.com) and on the website of CDSL viz [www.evotingindia.com](http://www.evotingindia.com) within two days of the passing of the resolutions at the 103<sup>rd</sup> Annual General Meeting on 11<sup>th</sup> August, 2022 and will be communicated to the Stock Exchange where the Company's Shares are listed, i.e. Calcutta Stock Exchange Ltd.

## 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. The procedure for attending meeting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
4. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
5. 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.
6. 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 [compliances@dhelakhat.com](mailto:compliances@dhelakhat.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 [compliances@dhelakhat.com](mailto:compliances@dhelakhat.com). These queries will be replied to by the company suitably by email.
7. 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.

## Notice *(Contd.)*

- 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.

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

#### Item No. 3

Mr. Ram Krishna Majumdar has been reappointed as the Manager of the Company by the Board of Directors at its meeting held on 9<sup>th</sup> February, 2022 for a period of one year with effect from 3rd February, 2022 on the recommendation of the Nomination and Remuneration Committee and the aforesaid reappointment 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 the aforesaid reappointment 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 there under read with Schedule V to the Companies Act, 2013.

The Board considers that it will be in the interest of the Company to reappoint Mr. Majumdar as Manager of the Company for a further term of one year. Accordingly, based on recommendation of the Nomination and Remuneration Committee, the Board recommends Ordinary Resolution as set out at Item No. 3 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. 3 of the accompanying Notice of AGM.

#### Registered Office:

4, Dr. Rajendra Prasad Sarani,  
Kolkata – 700001

CIN: L15492WB1917PLC002894

Phone: (033) 2230-4351

Fax: (033) 2230-7555

E-mail: [compliances@dhelakhat.com](mailto:compliances@dhelakhat.com)

Website: [www.dhelakhat.com](http://www.dhelakhat.com)

Place: Kolkata

Date: 25th May, 2022

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

**Priyarup Mukherjee**  
Company Secretary

# Directors' Report

## Dear Members,

Your Directors are pleased to present the 103<sup>rd</sup> Annual Report on the business and operations of the Company together with the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2022.

### 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 2021-22 is as under:

Particulars	Amount (in Rs.)	
	2021-2022	2020-2021
<b>The Profit and Loss Account before taxation for the year shows a balance of Profit of</b>	42,56,111	24,91,954
<b>From which is to be deducted:</b>		
Tax Expenses	22,78,069	(11,15,468)
<b>Leaving a balance of Profit after Taxation</b>	19,78,042	36,07,422
To which is added the Balance of Profit Brought forward from the previous year	(1,80,06,856)	(2,10,83,781)
Other Comprehensive Income/ (Loss)	6,02,214	(5,30,497)
Balance available for appropriation	(1,54,26,600)	(1,80,06,856)
Proposed Dividend	0	0
Corporate Tax on Dividend	0	0
<b>Leaving a Credit Balance in Profit &amp; Loss Account</b>	(1,54,26,600)	(1,80,06,856)
<b>Earnings per share</b>	5.04	9.18

### 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

The Company carries on the business of growing and manufacturing of tea. The Company is having two estates namely, Dhelakhat and Mohunbaree which sold 9.33 lakh kgs of tea in 2021-22 out of 9.52 lakh Kgs of production having price realization of Rs. 214.54 per kg as compared to 7.44 lakh kgs of tea out of 7.57 lakh Kgs of production having price realization of Rs. 242.96 per kg in the year 2020-21. The net sales in the year 2021-22 were Rs. 20.25 crores as compared to Rs. 18.05 crores during the same period in the year 2020-21.

### 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.

### 8. Board Of Directors

There has been no change in the Directorship of the Company during the year under review. Following are the Directors of the Company as on the date of this report:

## Directors' Report *(Contd.)*

- a) Mr. Rakesh Macwan
- b) Mr. Rajvinder Singh
- c) Ms. Suparna Chakrabortti

### 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.

### 10. Key Managerial Personnel

Pursuant to the provisions of Section 203 of the Companies Act, 2013, following are the Key Managerial Personnel (KMP) of the Company as on the date of this report:

- a) Mr. Ram Krishna Majumdar, Manager
- b) Mr. Deepak Kumar Singh, Chief Financial Officer
- c) Mr. Priyarup Mukherjee, Company Secretary

During the financial year under review following appointment & cessation took place:

Mr. Aditya Gupta resigned as the Chief Financial Officer with effect from 31.07.2021.

Mr. Deepak Kumar Singh was appointed as the Chief Financial Officer with effect from 29.01.2022

Mr. Ram Krishna Majumdar was 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 one year with effect from 3<sup>rd</sup> February, 2022 subject to the approval of the Members of the Company. 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, 2022 5 (Five) Board meetings were held i.e. on 24.06.2021, 11.08.2021, 16.09.2021, 10.11.2021 and 09.02.2022. 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				
	24.06.2021	11.08.2021	16.09.2021	10.11.2021	09.02.2022
Mr. Rakesh Macwan	Yes	Yes	Yes	Yes	Yes
Mr. Rajvinder Singh	Yes	Yes	Yes	Yes	Yes
Ms. Suparna Chakrabortti	Yes	Yes	Yes	Yes	Yes

### Audit Committee

#### i) Composition

The Audit Committee of the Company consists of Mr. Rakesh Macwan as Chairman, Mr. Rajvinder Singh and Ms. Suparna Chakrabortti as its Members. Mr. Priyarup Mukherjee, Company Secretary acts as the Secretary of the Audit Committee.

#### ii) Attendance

During the year ended 31st March, 2022 4 (Four) Audit Committee meetings were held i.e. on 24.06.2021, 11.08.2021, 10.11.2021 and 09.02.2022. Attendance of the members has been as follows:

## Directors' Report *(Contd.)*

Name of the Member	Whether attended the meetings held on			
	24.06.2021	11.08.2021	10.11.2021	09.02.2022
Mr. Rakesh Macwan	Yes	Yes	Yes	Yes
Mr. Rajvinder Singh	Yes	Yes	Yes	Yes
Ms. Suparna Chakrabortti	Yes	Yes	Yes	Yes

The details of all related party transactions, if any, 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](http://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 and Ms. Suparna Chakrabortti as its Members. Mr. Priyarup Mukherjee, 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](http://www.dhelakhat.com).

One Meeting of the Nomination and Remuneration Committee was held during the financial year ended 31<sup>st</sup> March, 2022 on 09.02.2022 which was attended by all the members of the Committee.

#### Independent Directors' Meeting

Independent Directors Meetings of the Company was held on 11.08.2021 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 Board of Directors was carried out by the Independent 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<sup>st</sup> March, 2022 and confirm that:

- (i) in the preparation of the Annual Accounts for the year ended 31<sup>st</sup> March, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

## Directors' Report *(Contd.)*

- (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 attached as **"Annexure-A"** and forms a part of 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.

### 16. Auditors

#### Statutory Auditor

Pursuant to the provisions of Section 139 of the Companies Act, 2013 M/s. Acharyya Swapan & Co., Chartered Accountants (FRN: 325797E), who were appointed as the Statutory Auditors of the Company at the Annual General Meeting of the Company held in the year 2017 for five years, shall cease to hold the office from the conclusion of the ensuing Annual General Meeting of the Company.

The Board of Directors of the Company has recommended the appointment of M/s S. Guha & Associates, Chartered Accountants (FRN: 322493E) as the Statutory Auditor of the Company, in place of the existing Statutory Auditors, for a period of 5 years from the conclusion of the ensuing Annual General Meeting of the Company till the conclusion of the Annual General Meeting of the Company to be held in the year 2027.

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 a part of this Report.

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

### 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 Company has set up an Internal Audit Department headed by the Chief Internal Auditor during the year pursuant to the provisions of the Section 138 of the Act.

The reports of the Internal Audit 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.

### 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.

## Directors' Report *(Contd.)*

### 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

No transactions were entered with Related Parties for the year under review hence, 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.

The Policy on Related Party Transactions can be accessed on the website of the Company at [www.dhelakhat.com](http://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) The company is following a strict policy of making quality teas which results in higher price realizations for the tea manufacture.

### 22. Extract of Annual Return

For the Extract of Annual Return please refer to the link at the Company website [www.dhelakhat.com](http://www.dhelakhat.com).

### 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-D"** and forms part of this Report.

### 24. Management Discussion and Analysis Report

In terms of the requirements of Regulation 34(2)(e) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 a Management Discussion and Analysis Report is attached as **"Annexure – E"** forming part of this Report.

### 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.



## Directors' Report *(Contd.)*

### 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 complaint 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: 25<sup>th</sup> May, 2022

**Rakesh Macwan**  
*Director*  
(DIN: 01328442)

**Rajvinder Singh**  
*Director*  
(DIN: 06931916)

## Annexure to the Directors' Report (Contd.)

## ANNEXURE - B

## PARTICULARS OF EMPLOYEE PURSUENT TO SECTION 134(3) (q) OF COMPANIES ACT, 2013 READ WITH RULE 5(2) &amp; 5(3) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) 2014

## TOP 10 EMPLOYEES IN TERMS OF REMUNERATION DRAWN DURING THE YEAR

Sl No.	Name	Designation	Age (Years)	Remuneration (Rs.)	Qualification	Total Experience (Years)	Date of Comencement of Employment (in this Company)	Previous Employment	% of Equity Shares held
1	Sanjeev Kumar	Estate Manager	49	10,39,368	M.Sc.	24	1st November 2010	Baint Gorie Tea Estates	NIL
2	Amrit Prasad	Acting Estate Manager	43	10,37,126	B.Com.	04	1st February 2018	Mcleod Russel India Ltd	NIL
3	Ram Krishna Mazumdar	Manager	59	10,62,448	B.Com.,ICWA Inter.	40	1st April 1982	NA	NIL
4	Priyarup Mukherjee	Company Secretary	35	4,65,608	B.Com., ACS	07	1st November 2019	EITA India Limited	NIL
5	Podma Kumar Kachari	Fitter	54	3,97,827	H.S.	31	1st August 1991	NA	NIL
6	Gulap Dutta	Head Tea House Clerk	60	3,65,102	B.A.	34	3rd May 1988	NA	NIL
7	Krishna Kanta Das	Pharmacist	39	3,61,066	HS	13	20th May 2021	Tengapani Tea Estate	NIL
8	Hitesh Gohain	Head Clerk	57	3,60,537	B.A.	32	1st August 1990	NA	NIL
9	Hemonta K Dowerah	Head Clerk	58	3,47,499	B.Sc.	35	2nd February 1987	NA	NIL
10	Pronob Chawrok	Stores Clerk	47	3,43,240	HS	28	20th May 1994	NA	NIL

## Notes :

- Remuneration received includes salary, perquisites and profits in lieu of salary as per Section 17(1), 17(2) and 17(3) of the Income Tax Act;
- In respect of all the employees, the nature of employment is contractual in accordance with terms and conditions as per Companies Rules, terminable by notice on either side;
- None of the employees mentioned above is relative of any Director of the Company;
- Total experience shown in Column 7 includes service with previous employers;
- None of the employees of the Company are posted and working outside India

For and on behalf of the Board

4, Dr. Rajendra Prasad Sarani  
Kolkata-700 001  
Dated: 25<sup>th</sup> May, 2022

**Rakesh Macwan**  
Director  
(DIN: 01328442)

**Rajvinder Singh**  
Director  
(DIN: 06931916)

# Annexure to the Directors' Report *(Contd.)*

## ANNEXURE - C SECRETARIAL AUDIT REPORT

Form No. MR-3

**FOR THE FINANCIAL YEAR ENDED ON 31st March, 2022**

[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 Company Limited CIN: L15492WB1917PLC002894** (hereinafter referred as '**the Company**') for and during the financial year ended 31st March, 2022 (hereinafter referred as '**audit period**'). 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, 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, 2022, 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 the Company for the audit period, 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) Regulation, 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 from the Company that during the audit period the Company 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 as referred above, to the best of our knowledge, understanding and belief, we are of the view that during the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above in Paragraph 4(I), Paragraph 4(II) and Paragraph 5 of this report.
  7. We have checked the compliance with the provisions of the Standard Listing Agreement entered by the company with The Calcutta Stock Exchange Limited (CSE) India and 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 audit period.
    - a. 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.

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

**ANJAN KUMAR ROY**

*Proprietor*

FCS No. 5684

CP. No. 4557

UDIN: F005684D000366572

Peer Review Certificate No.: 869/2020

Place : Kolkata  
Date : 25<sup>th</sup> May, 2022

# Annexure to the Directors' Report *(Contd.)*

## ANNEXURE - A

(To the Secretarial Audit Report of M/s. Dhelakhat Tea Company Limited for the financial year ended 31st March, 2022)

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, 2022 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. The said audit has been conducted through information technology medium in the best possible manner.
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: F005684D000366572

Peer Review Certificate No.: 869/2020

Place : Kolkata  
Date : 25<sup>th</sup> May, 2022

## Annexure to the Directors' Report (Contd.)

## ANNEXURE - D

## INFORMATION PERTAINING TO REMUNERATION OF EMPLOYEES

Pursuant to section 197(12) read with Rule 5(1) of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules 2014

**1. The ratio of remuneration of each Director to the median remuneration of employees of the Company for the financial year 2021-22**

<b>All employees median remuneration for FY 2021-22</b>	INR 63,960
The percentage increase in the median remuneration of employees in the FY 2021-22	41.86%
The number of permanent employees on the rolls of the Company as on March 31, 2022	877

Name of Director/ KMP	Ratio of remuneration to median remuneration of all employees	% increase in remuneration in the FY 2021-22
Mr. Rakesh Macwan	All the Directors were paid sitting fees for attending the meeting and the same has not been considered as Remuneration.	
Mr. Rajvinder Singh		
Ms. Suparna Chakrabortti		

KEY MANAGERIAL PERSONNEL	Ratio of remuneration to median remuneration of all employees	% increase in remuneration in the FY 2021-22
Mr. Ram Krishna Majumdar, Manager	16.61	15.30%
Mr. Priyarup Mukherjee, Company Secretary	7.28	29.11%
Mr. Deepak Kumar Singh, Chief Financial Officer (Appointed w.e.f. 29.01.2022)#	NA	NA

# Mr. Deepak Kumar Singh has been appointed as the Chief Financial Officer of the Company w.e.f 29th January, 2022 and hence his remuneration is not taken into consideration.

**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 4.25 %;
- Average percentile Salary increase of managerial personnel is 19.19 %;
- 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 31.03.2022 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: 25th May, 2022

**Rakesh Macwan**  
Director  
(DIN: 01328442)

**Rajvinder Singh**  
Director  
(DIN: 06931916)

## Annexure to the Directors' Report *(Contd.)*

### ANNEXURE-E

#### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

##### INDUSTRY STRUCTURE AND DEVELOPMENT

India is one of the major tea producing countries of the world with the tea produced in the country being one of the finest in the world. As tea is one of the oldest industries in the country, India enjoys a large network of producers, auctioneers, distributors, retailers, packers, and exporters.

Tea Crop in India was approx 1329.20 million Kgs in 2021 as compared to 1283.03 million Kgs in 2020 which is up by 46.17 million kgs i.e. around 3.60%.

Global production of some of the major tea producing countries (in million kgs) is given below:

Country	2021-2022	2020-2021	Diff	Percentage
Sri Lanka	297	278	19m.kgs	6.83%
Bangladesh	99	86	13m.kgs	15.11%
Kenya	538	570	(32m.kgs)	(-5.61%)
Malawi	51	45	6m.kgs	13.33%

##### REVIEW OF THE COMPANY'S OPERATIONS AND PERFORMANCE IN 2021-22

The company carries on the business of growing and manufacturing of tea at the two Estates in Assam, namely, Dhelakhat and Mohunbaree. During the Financial Year under review, your Company recorded production of saleable crop of 9.52 lakh kgs, as compared to 7.56 lakh kgs last year, out of which 9.33 lakh kgs of crop were sold as compared to 7.44 lakh Kgs last year.

The Turnover for the year 2021-22 amounted to Rs. 20.25 crores as compared to Rs. 18.04 crores during the year 2020-21. The average price realisation of the Company's tea reduced to Rs. 214.54 this year as compared to Rs. 242.96 in the previous year which resulted in decrease of Profit (after tax) from 36.07 lakh in 2020-21 to Rs. 19.78 lakhs in 2021-22.

##### ECONOMIC SUSTAINABILITY/OUTLOOK FOR THE COMING SEASON 2022

This year (2022-2023) started on a bad note with floods hitting the Estates early in May, only. Excessive rainfall recorded till 15th of May, which will affect the quality of the teas. However, we might see some gains in the market due to downfall of Sri Lankan Economy. Exports of Orthodox tea have hiked up and there will be great demand.

Unfortunately with the increase in the Cost of inputs the marginal gain would get negated.

Since both the Estates are located in upper Assam they are on Gas supply by Assam Gas Company Limited (AGCL) for firing of teas and due to steep hike in the gas prices their cost of production will also go up by at least Rs. 5

Indian Oil Corporation Limited (IOCL) is further approaching our Company to takeover some more land for drilling for oil, which, if happens, the Company might lose another 2 to 3 hectares of areas in addition to 10 hectares which has already been taken over by IOCL in the last 10 years.

Another wage increase will definitely bring in losses unless tea prices goes up substantially.

##### CONSERVATION OF ENERGY

Machinery up-gradation is a regular process at the Factories of both Dhelakhat as well as Mohunbaree with a view to conserve fuel and electrical energy.

The company is planning to conduct energy audit in both the tea estates in the next year to achieve even better efficiency of per unit tea made ratio.

##### TEA IS DEPENDENT ON THE VAGARIES OF THE WEATHER

The growing of tea has been facing the brunt of climate change in the form of extreme conditions. Either drought like conditions or very heavy intensity of rainfall has been playing havoc with the crops. With the cost factor increasing day by day with a higher

## Annexure to the Directors' Report *(Contd.)*

proportion we feel that unless the price realization of the tea goes up substantially otherwise it will be very difficult to maintain the margins.

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACIES

The company implemented internal control systems to ensure that all the assets are safe guarded and protected against losses and all transactions are recorded and reported correctly. The segment wise or product wise performance of 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.

### RISK 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:

<b>Industry risk:</b>	The Company invested in producing quality teas as an effective hedge. This helped moderate the impact of price and output volatility, increasing corporate stability.
<b>Climate risk:</b>	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.
<b>Labour risk:</b>	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.
<b>Pest risk:</b>	The Company rigorously enforced an estate wide mechanism to address pest attacks through the use of PPC – prescribed chemicals under the Trustee code. This responsible use of chemicals strengthen the demand for the Company's product.

### HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS

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 whole hearted support and dedication from employees at all levels in maintaining smooth production and manufacture of tea from all the Tea Estates during the year.

### 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 Director's envisage in terms of future performance and outlook.

For and on behalf of the Board

4, Dr. Rajendra Prasad Sarani  
Kolkata-700 001  
Dated: 25th May, 2022

**Rakesh Macwan**  
*Director*  
(DIN: 01328442)

**Rajvinder Singh**  
*Director*  
(DIN: 06931916)



# 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 2022	Year Ended 31st March 2021
<b>POWER &amp; FUEL CONSUMPTION</b>		
• Purchased Units (in lacs)	7.01	5.68
Amount (Rs. in lacs)	60.81	51.24
Average Cost per Unit (Rs.)	8.67	9.02
• Own Generation		
• Through Diesel Generator (Units) (lacs)	2.10	1.97
• Unit per litre of Diesel oil	41.29	39.75
• Average Cost per Unit (Rs.)	5.47	4.40
• Through Natural Gas Supply Quantity		
Total Amount (in lacs)	55.80	46.18
Average rate/Unit (Rs.)	10.18	10.48

### B. CONSUMPTION PER UNIT OF PRODUCTION

Particulars	Standards (if any)	Current Year	Previous Year
Black Tea (Kgs)	-	8,29,895	9,86,735
Electricity (Unit/kg of tea)	-	0.64	0.62

### 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

### TECHNOLOGY ABSORPTION

#### • RESEARCH & DEVELOPMENT (R&D)

- Specific areas in which R & D: carried out by the Company : NIL
- Benefits derived as a result of: above R & D : The company makes in-house efforts in order to keep pace with technological developments
- Future Plan of Action: : The Company is in the process of organizing and expanding Agency Division in line with the market requirements.
- Expenditure on R & D: : The Company has not spent any specific amount on Research and Development during the year under review.
- Capital: : NIL
- Recurring: : NIL
- Total: : NIL
- 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: 25<sup>th</sup> May, 2022

**Rakesh Macwan**  
*Director*  
(DIN: 01328442)

**Rajvinder Singh**  
*Director*  
(DIN: 06931916)

# 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 2022, 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, 2022, 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.

Key audit matters	How our audit addressed the key audit matters
<p><b>Estimation of Useful Life of Bearer Plants</b> (as described in note 3 of the standalone Ind AS financial statements)</p> <p>The carrying value of Bearer Plants as on March 31, 2022 is Rs. 1136.95 lakhs. Estimation of useful life of Bearer Plants requires the management to exercise significant judgement. The changes in natural factors may affect the useful life expectancy of such assets and consequently have an impact on the carrying value of these assets and depreciation expense.</p> <p>As per Ind AS 16 'Property, Plant and Equipment', the management reviews estimated useful life and residual value of Bearer Plants annually.</p> <p>As per Bush Valuation Report uprooting done during the year in different sections has been taken out from the opening balance of carrying amount.</p> <p>This matter has been identified as a key audit matter due to significant estimates / judgment involved in estimating useful life for these asset.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>Assessed the management's estimate of useful life of Bearer Plants, for which we (1) evaluated the consistency of estimates with the Company's pattern of economic benefits embodied in such assets and future operating plans including acquisitions and retirements of the Bearer Plants; (2) compared the useful life estimates with those adopted by comparable tea producers, as per external available information; and (3) considered the Company's historical experience.</li> <li>Evaluated the assumptions and critical judgements used by the management and tested the underlying supporting documents / details.</li> <li>Assessed the related disclosures in the standalone Ind AS financial statements.</li> </ul> <p>Our checking reveals that opening carrying amount of Bearer Plants have not been reduced with Uprooting.</p>
<p><b>Valuation of Biological Assets and agriculture produce</b> (as described in note 11 of the standalone Ind AS financial statements)</p>	

## Independent Auditor's Report (Contd.)

<p>As required by Ind AS 41 "Agriculture", management estimates the fair value of plucked (agriculture produce) and un-plucked tea leaves (biological assets) as at the balance sheet date through the use of valuation model and recent transaction prices. As at March 31, 2022, the carrying value of biological assets included under current assets is ` Rs.10.37 Lakhs. Finished goods produced from agricultural produce are valued at lower of cost (arrived at by adding the cost of conversion to the fair value of agricultural produce) and the net realisable value. For harvested or unharvested green leaves, since there is no active market for own leaves, significant judgement is involved in considering key assumptions used in determining average prevalent selling prices of the tea leaf, average quality of the tea leaf and quantity of unplucked leaf. Accordingly, this matter has been identified as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Understood, evaluated and tested the operating effectiveness of internal controls over valuation of biological assets and harvested tea leaf inventory.</li> <li>• Assessed the significant assumptions used in the valuation model with reference to available market information,</li> <li>• Tested the data inputs used and compared them with underlying supporting documents.</li> <li>• Assessed the related disclosures in the standalone Ind AS financial statements for compliance with disclosure requirements.</li> <li>• Testing the consistency of application of the fair value approaches and models over the years.</li> </ul>
<p><b>Investment in other than Associate</b> (as described in note 5 of the standalone Ind AS financial statements)</p>	
<p>The company carries its investments in other than Associates at cost, adjusted for impairment if any. At 31st March 2022, total investments amounted to Rs. 106.60 Lakhs, The amount is significant to the financial statements. Moreover, the testing of impairment exercise involves the use of estimates and judgements. The identification of impairment events and the determination of an impairment charge also require the application of significant judgement by management, in particular with respect to the timing, quantity and estimation of future cash flows. In view of the significance of the investments and the above, we consider investment valuation/impairment to be a significant key audit matter.</p>	<p>Our audit procedures comprised, amongst others:</p> <ul style="list-style-type: none"> <li>• We have assessed the valuation methodology used by management and the requirements in Ind AS and tested the inputs used</li> <li>• Our audit response also consisted of analysing the possible indications of impairment and discussed them with management.</li> <li>• We have discussed the forecasted results of the investments with management and also reviewed the substantiation of the forecasts based on historical information.</li> <li>• We have reviewed the market value of assets provided by the management based upon prevalent market conditions and evidences of the market value of the assets.</li> </ul>

### 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 yhe 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

## Independent Auditor's Report

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.

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 for 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.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("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.

## Independent Auditor's Report *(Contd.)*

- (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 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 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, as amended 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 financial statements.
  - 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.
  - iv.
    - a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide a guarantee or security or the like on behalf of the Ultimate Beneficiaries;
    - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

for **Acharyya Swapan & Co.**

*Chartered Accountants*

Firm's Registration Number: 325797E

**Aditya Singh**

*Partner*

Membership Number : 068958

UDIN: 22068958AMBNJ08026

Kolkata  
25th May, 2022

## Annexure - A to the Independent Auditor's 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 2022, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.  
The Company does not have any Intangible Assets .
- (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) Based on our examination of the Land Revenue tax receipts and Lease agreements of land of Tea Estates & its' renewal papers etc. provided to us, we report that, the title in respect of Leasehold Lands disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
- (d) The Company has not revalued any of its Property, Plant and Equipment except for Bearer Plants where valuation has been done by a Registered Valuer.
- (e) 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 are held in the name of the Company.
- (f) According to the information & explanation given to us no proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder
- (ii) (a) 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 of its business .
- (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks on the basis of security of current assets . Hence reporting under this clause is not applicable,
- (iii) The Company has not granted any loans or advances in the nature of loans or stood guarantee, or provided security to Companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, and hence reporting under clause 3(iii)(a) of the Order is not applicable.
- (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 deposit or amounts which are deemed to be deposit, hence reporting under clause 3(v) of the Order is not applicable
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act .
- (vii) 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, 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 .  
According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable .
- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961
- (ix) (a) The Company during the year has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year but there were no outstanding term loans at the beginning of the year .

## Annexure - A to the Independent Auditor's Report *(Contd.)*

- (d) On an overall examination of the financial statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its Associate. The Company has no associates,
- (f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- (x) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) however term loans received during the year has been utilised for the purpose for which they were taken.
- a) 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.
- b) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedure.
- (xi) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company as prescribed under section 406 of the Act. Accordingly reporting under clause (xii) of the Order is not applicable to the Company.
- (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 financial statements as required by the applicable Indian Accounting Standards.
- (xiv) a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit
- (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 and hence provisions of section 192 of The Companies Act,2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act ,1934.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of Statutory Auditor during the year and hence this clause is not applicable.
- (xix) On the basis of our checking of the financial ratios, ageing and expected realisation of financial assets and payment of financial liabilities, and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

for **Acharyya Swapan & Co.**

Chartered Accountants

Firm's Registration Number: 325797E

**Aditya Singh**

Partner

Membership Number : 068958

UDIN: 22068958AMBNJ08026

Kolkata  
25th May, 2022



## Annexure - B to the Independent Auditor's Report

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

We have audited the internal financial controls over financial reporting of Dhelakhat Tea Co. Limited ("the Company") as of 31 March 2022 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.

#### 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 2022, 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: 22068958AMBNJ08026

Kolkata  
25th May, 2022

# BALANCE SHEET

as at 31 March 2022

(All amounts in INR hundreds)

Particulars	Note	31 March 2022	31 March 2021
<b>ASSETS</b>			
<b>(1) Non-current assets</b>			
Property, plant and equipment	3	12,12,598	12,14,752
Capital work-in-progress	4	65,454	25,336
<b>Financial assets</b>			
(i) Investments	5	1,06,599	99,324
(ii) Other financial assets	6	13,300	13,300
Non current tax asset (net)	7	1,25,756	1,01,880
Deferred tax assets (net)	18	39,451	63,661
Other non-current assets	8	50,353	60,353
<b>Total non-current assets</b>		<b>16,13,511</b>	<b>15,78,606</b>
<b>(2) Current assets</b>			
Inventories	9	2,74,173	3,01,206
Biological assets other than bearer plants	10	10,365	7,613
<b>Financial assets</b>			
(i) Trade receivables	11	63,516	70,280
(ii) Cash and cash equivalents	12	17,678	8,553
(iii) Other bank balances	13	1,931	1,931
Other current assets	14	65,237	93,865
<b>Total current assets</b>		<b>4,32,900</b>	<b>4,83,448</b>
<b>Total assets</b>		<b>20,46,411</b>	<b>20,62,054</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	15	39,277	39,277
Other equity	16	3,13,955	2,88,152
<b>Total equity</b>		<b>3,53,232</b>	<b>3,27,429</b>
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
Provisions	17	1,85,176	2,30,410
<b>Total non-current liabilities</b>		<b>1,85,176</b>	<b>2,30,410</b>
<b>(2) Current liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	19	3,89,938	3,83,814
(ii) Trade payables	20	3,84,542	4,14,530
(iii) Other financial liabilities	21	5,88,853	5,21,634
Other current liabilities	22	25,092	26,325
Provisions	23	19,339	58,642
Current tax liabilities (net)	24	1,00,239	99,270
<b>Total current liabilities</b>		<b>15,08,003</b>	<b>15,04,215</b>
<b>Total liabilities</b>		<b>16,93,179</b>	<b>17,34,625</b>
<b>Total equity and liabilities</b>		<b>20,46,411</b>	<b>20,62,054</b>

## ACCOUNTING POLICIES AND NOTES ON ACCOUNTS - 1 to 41

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: 25th May, 2022

For and on behalf of the Board of Directors

**Rakesh Macwan**

Director  
(DIN: 01328442)

**Rajvinder Singh**

Director  
(DIN: 06931916)

**Priyarup Mukherjee**

Company Secretary

**Deepak Kumar Singh**

Chief Financial Officer

# STATEMENT OF PROFIT AND LOSS

for the year ended 31 March 2022

(All amounts in INR hundreds)

Particulars	Note	31 March 2022	31 March 2021
<b>Income</b>			
Revenue from operations	25	20,25,202	18,04,929
Other income	26	53,048	62,009
<b>Total income</b>		<b>20,78,250</b>	<b>18,66,938</b>
<b>Expenses</b>			
Cost of materials consumed	27	2,09,162	1,76,361
Changes in inventories of finished goods	28	9,710	17,749
Change in carrying amount of biological assets other than bearer plant (gain/(loss))	29	(2,752)	(3,866)
Employee benefits expense	30	14,60,453	12,48,461
Finance costs	31	8,737	29,658
Depreciation expense	3	37,295	34,032
Other expenses	32	3,13,084	3,39,623
<b>Total expenses</b>		<b>20,35,689</b>	<b>18,42,018</b>
<b>Profit before tax</b>		<b>42,561</b>	<b>24,920</b>
<b>Tax expense:</b>			
- Current tax	33	969	1,686
- Deferred tax	33	21,812	(12,841)
<b>Total tax expenses</b>		<b>22,781</b>	<b>(11,155)</b>
<b>Profit for the year</b>		<b>19,780</b>	<b>36,075</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurements of post-employment benefit obligations	36	(8,423)	7,420
Income tax relating to these items	33	2,400	(2,115)
<b>Other comprehensive income for the year, net of tax</b>		<b>(6,023)</b>	<b>5,305</b>
<b>Total comprehensive income for the year</b>		<b>25,803</b>	<b>30,770</b>
<b>Earnings per equity share:</b>			
Basic and Diluted	34	5.04	9.19
(Nominal value per Share Rs.10)			

## ACCOUNTING POLICIES AND NOTES ON ACCOUNTS - 1 to 41

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: 25th May, 2022

For and on behalf of the Board of Directors

**Rakesh Macwan**

Director

(DIN: 01328442)

**Rajvinder Singh**

Director

(DIN: 06931916)

**Priyarup Mukherjee**

Company Secretary

**Deepak Kumar Singh**

Chief Financial Officer

## STATEMENT OF CHANGES IN EQUITY for the year ended 31 March 2022

(All amounts in INR hundreds)

### A. Equity share capital

Description	Note	Amount
As at 31 March 2021	15	39,277
Changes in equity share capital		-
<b>As at 31 March 2022</b>	15	<b>39,277</b>

### B. Other equity

Description	Note	Reserve and Surplus			Total other equity
		Capital reserve	General reserve	Retained earnings	
<b>Balance at 01 April 2020</b>	<b>16</b>	<b>256</b>	<b>4,67,965</b>	<b>(2,10,839)</b>	<b>2,57,382</b>
Profit for the year		-	-	36,075	36,075
Other comprehensive income for the year		-	-	(5,305)	(5,305)
<b>Total comprehensive income for the year</b>		-	-	<b>30,770</b>	<b>30,770</b>
Transfer within equity		-	-	-	-
<b>Balance at 31 March 2021</b>	<b>16</b>	<b>256</b>	<b>4,67,965</b>	<b>(1,80,069)</b>	<b>2,88,152</b>
<b>Balance at 01 April 2021</b>	<b>16</b>	<b>256</b>	<b>4,67,965</b>	<b>(1,80,069)</b>	<b>2,88,152</b>
Profit for the year		-	-	19,780	19,780
Other comprehensive income for the year		-	-	6,023	6,023
<b>Total comprehensive income for the year</b>		-	-	<b>25,803</b>	<b>25,803</b>
Transfer within equity		-	-	-	-
<b>Balance at 31 March 2022</b>	<b>16</b>	<b>256</b>	<b>4,67,965</b>	<b>(1,54,266)</b>	<b>3,13,955</b>

### ACCOUNTING POLICIES AND NOTES ON ACCOUNTS - 1 to 41

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: 25th May, 2022

For and on behalf of the Board of Directors

**Rakesh Macwan**

Director

(DIN: 01328442)

**Rajvinder Singh**

Director

(DIN: 06931916)

**Priyarup Mukherjee**

Company Secretary

**Deepak Kumar Singh**

Chief Financial Officer

# CASH FLOW STATEMENT

for the year ended 31 March 2022

(All amounts in INR hundreds)

Particulars	31 March 2022	31 March 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
<b>Net Profit/ (Loss) before taxation</b>	42,561	24,921
Adjustments for:		
Depreciation	37,295	34,032
Net gain on financial assets measured at FVTPL	(7,275)	2,680
Gain on sale of assets	-	-
Finance costs	8,738	29,658
Irrecoverable Receivables written off	-	43,440
<b>OPERATING PROFIT / (LOSS) BEFORE WORKING CAPITAL CHANGES</b>	<b>81,319</b>	<b>1,34,731</b>
Adjustments for:		
Non-Current/Current financial and other assets	17,793	(15,971)
Inventories	27,033	12,571
Non-Current/Current financial and other liabilities/provisions	(39,148)	4,705
<b>CASH USED IN OPERATING ACTIVITIES</b>	<b>86,997</b>	<b>1,36,036</b>
Direct Taxes Paid (Net of Refund)	-	-
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<b>86,997</b>	<b>1,36,036</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, plant and equipment & CWIP	(75,258)	(26,407)
Sale of Assets	-	-
<b>NET CASH GENERATED FROM INVESTING ACTIVITIES</b>	<b>(75,258)</b>	<b>(26,407)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds from Financial borrowings	6,125	(92,231)
Interest paid	(8,738)	(32,473)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(2,613)</b>	<b>(1,24,704)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>9,126</b>	<b>(15,075)</b>
* <b>CASH AND CASH EQUIVALENTS OPENING BALANCE</b>	<b>8,553</b>	<b>23,628</b>
* <b>CASH AND CASH EQUIVALENTS CLOSING BALANCE</b>	<b>17,679</b>	<b>8,553</b>

## ACCOUNTING POLICIES AND NOTES ON ACCOUNTS - 1 to 41

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: 25th May, 2022

For and on behalf of the Board of Directors

**Rakesh Macwan**

Director

(DIN: 01328442)

**Rajvinder Singh**

Director

(DIN: 06931916)

**Priyarup Mukherjee**

Company Secretary

**Deepak Kumar Singh**

Chief Financial Officer

# NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2022

## 1 General Information

Dhelakhat Tea Company Limited is a Company incorporated under the Companies Act, 2013. 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 2022 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 2022 were approved by the Board of Directors and authorised for issue on 25th May, 2022.

## 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. 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.

## NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2022

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 year)
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 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.

# NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2022

## 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.

#### 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.



# NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2022

## (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."

### (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.

# NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2022

## 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 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.

# NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2022

## 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 2022

(All amounts in INR hundreds, unless otherwise stated)

## Note 3 : Property, plant and equipment

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying value	
	As at 01 April 2020	Addition/ Adjustments	Deductions/ Adjustments	Closing as at 31 March 2021	As at 01 April 2020	Charge during the year	Deductions/ Adjustments	Closing as at 31 March 2021	As at 31 March 2021	As at 31 March 2020
Land - leasehold	-	-	-	-	-	-	-	-	-	-
Bearer plant	8,94,320	298664	-	11,92,984	42,300	18,756	-	61,056	11,31,928	8,52,020
Buildings	46,133	-	-	46,133	15,385	1,899	-	17,284	28,849	30,748
Plant & Machinery	1,04,206	4525	-	1,08,730	54,963	9,199	-	64,161	44,569	49,243
Furniture & Fixture	879	323	-	1,202	588	102	-	690	512	290
Motor Vehicles	16,454	-	-	16,454	8,789	2,394	-	11,183	5,271	7,665
Plant & Machinery Spares	5,288	1739	-	7,026	1,917	1,631	-	3,548	3,478	3,371
Computers	316	115	-	431	235	51	-	286	145	80
<b>Total</b>	<b>10,67,595</b>	<b>3,05,366</b>	<b>-</b>	<b>13,72,961</b>	<b>1,24,177</b>	<b>34,032</b>	<b>-</b>	<b>1,58,208</b>	<b>12,14,752</b>	<b>9,43,418</b>

Particulars	GROSS BLOCK - AT COST				Accumulated depreciation				Net carrying value	
	As at 01 April 2021	Addition/ Adjustments	Deductions/ Adjustments	Closing as at 31 March 2022	As at 01 April 2021	Charge during the year	Deductions/ Adjustments	Closing as at 31 March 2022	As at 31 March 2022	As at 31 March 2021
Land - leasehold	-	-	-	-	-	-	-	-	-	-
Bearer plant	11,92,984	25105	-	12,18,089	61,056	20,085	-	81,140	11,36,948	11,31,928
Buildings	46,133	-	-	46,133	17,284	1,579	-	18,862	27,271	28,849
Plant & Machinery	1,08,730	2057	-	1,10,788	64,161	8,258	-	72,420	38,368	44,569
Furniture & Fixture	1,202	-	-	1,202	690	132	-	822	379	512
Motor Vehicles	16,454	-	-	16,454	11,183	1,646	-	12,830	3,625	5,271
Plant & Machinery Spares	7,026	7979	-	15,005	3,548	5,508.00	-	9,055	5,950	3,478
Computers	431	-	-	431	286	87	-	373	58	145
<b>Total</b>	<b>13,72,961</b>	<b>35,141</b>	<b>-</b>	<b>14,08,101</b>	<b>1,58,208</b>	<b>37,295</b>	<b>-</b>	<b>1,95,503</b>	<b>12,12,598</b>	<b>12,14,752</b>

## Note 4 : Capital work-in-progress

Description	As at 01 April 2020	Addition	Deductions /Adjustments	Closing as at 31 March 2021
Bearer plant - young trees	3,01,784	22,216	(2,98,664)	25,336
<b>Total</b>	<b>3,01,784</b>	<b>22,216</b>	<b>(2,98,664)</b>	<b>25,336</b>

Description	As at 01 April 2021	Addition	Deductions /Adjustments	Closing as at 31 March 2022
Bearer plant - young trees	25,336	65,623	(25,105)	65,454
<b>Total</b>	<b>25,336</b>	<b>65,623</b>	<b>(25,105)</b>	<b>65,454</b>

### As at March 31, 2022

Description	Less than 1 year	1-2 years	2-3 years	More than 3 years
<b>Projects in progress:</b>				
Young Tree	65,623	-	-	-
<b>Total</b>	<b>65,623</b>	<b>-</b>	<b>-</b>	<b>-</b>

### As at March 31, 2021

Description	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress:				
<b>Young Tree</b>	<b>22,216</b>	<b>3,120</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>22,216</b>	<b>3,120</b>	<b>-</b>	<b>-</b>

# NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2022

(All amounts in INR hundreds, unless otherwise stated)

## Note 5 : Investments - Non current

Particulars	31 March 2022	31 March 2021
<b>Investment in equity shares designated at FVPL - Others (fully paid up) :</b>		
<b>i) Quoted</b>		
10,606 (31 March 2021: 10,606 ) equity shares of Rs.100 each fully paid-up in Jardine Henderson Limited	1,06,549	99,274
<b>ii) Unquoted</b>		
500 (31 March 2021: 500) equity shares of Rs.10 each fully paid-up in ABC Tea Workers' Welfare Services (formerly Assam Bengal Cereals Ltd.)	50	50
<b>Total non-current investment</b>	<b>1,06,599</b>	<b>99,324</b>
(a) Aggregate carrying amount of quoted investments	1,06,549	99,274
(b) Aggregate market value of quoted investments	1,06,549	99,274
(c) Aggregate amount of unquoted investments	50	50

## Note 6 : Other financial assets - non current

Particulars	31 March 2022	31 March 2021
Security deposits	13,300	13,300
<b>Total</b>	<b>13,300</b>	<b>13,300</b>

## Note 7 : Non current tax asset (net)

Particulars	31 March 2022	31 March 2021
Advance income tax	1,25,756	1,01,880
<b>Total</b>	<b>1,25,756</b>	<b>1,01,880</b>

## Note 8 : Other non current assets

Particulars	31 March 2022	31 March 2021
Advances others	50,353	60,353
<b>Total</b>	<b>50,353</b>	<b>60,353</b>

## Note 9 : Inventories

Particulars	31 March 2022	31 March 2021
Inventories (valued at lower of cost and net realizable value)	2,43,598	2,53,308
Stores and spares	30,575	47,898
<b>Total</b>	<b>2,74,173</b>	<b>3,01,206</b>

## Note 10 : Biological assets other than bearer plants

Particulars	31 March 2022	31 March 2021
Fair value of biological assets other than bearer plants (Unharvested tea leaves)	10,365	7,613
<b>Total</b>	<b>10,365</b>	<b>7,613</b>

## Reconciliation of changes in the carrying amount of biological assets

Particulars	31 March 2022	31 March 2021
Opening balance	7,613	3,747

## NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2022

(All amounts in INR hundreds, unless otherwise stated)

Gain/ (loss) arising from changes in fair value less costs to sell	-	-
Increases due to purchases/ flushing during the year	(7,613)	(3,747)
Decreases due to harvest during the year	10,365	7,613
<b>Closing balance</b>	<b>10,365</b>	<b>7,613</b>

**Note:** Unharvested tea leaves on bushes as on 31 March 2022 was 43,129 kgs (31 March 2021 - 31,721 kgs)

### Note 11 : Trade receivables

Particulars	31 March 2022	31 March 2021
Unsecured, considered good	63,516	70,280
<b>Total</b>	<b>63,516</b>	<b>70,280</b>

**Refer Note :** 37 for risk related to Trade Receivables.

### Note 12 : Cash and cash equivalents

Particulars	31 March 2022	31 March 2021
Cash in hand	457	78
Balance with banks in current account	17,221	8,475
<b>Total</b>	<b>17,678</b>	<b>8,553</b>

### Note 13 : Other bank balances

Particulars	31 March 2022	31 March 2021
Balance with banks - unpaid dividend account*	1,931	1,931
<b>Total</b>	<b>1,931</b>	<b>1,931</b>

### Note 14 : Other current assets

Particulars	31 March 2022	31 March 2021
Advance against supply of goods or services	25,608	25,516
Advance to others	34,163	62,883
Balances with excise and other government authorities	5,466	5,466
<b>Total</b>	<b>65,237</b>	<b>93,865</b>

### Note 15 : Equity share capital

Particulars	31 March 2022	31 March 2021
<b>Authorized equity share capital</b>		
500,000 (31 March, 2021: 500,000, 1 April, 2016: 500,000) equity shares of Rs.10/- each	<b>50,000</b>	<b>50,000</b>
<b>Issued, subscribed and fully paid-up equity share capital</b>		
392,770 (31 March, 2021: 392,770) equity shares of Rs.10 each fully paid up	39,277	39,277
<b>Total</b>	<b>39,277</b>	<b>39,277</b>

#### (i) Movement in equity share capital

Particulars	31 March 2022		31 March 2021	
	No. of shares	Amount	No. of shares	Amount
<b>Equity shares</b>				
At the beginning of the year	3,928	39,277	3,928	39,277
Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>3,928</b>	<b>39,277</b>	<b>3,928</b>	<b>39,277</b>

# NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2022

(All amounts in INR hundreds, unless otherwise stated)

## (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) Shareholding of Promoter

The Company does not have a promoter and is governed by the board of directors and is professionally managed. No single shareholder or person influences the board in making decision for the company.

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

Particulars	31 March 2022		31 March 2021	
	No. of shares	% of holding	No. of shares	% of holding
<b>Equity shares of Rs. 10 each fully paid-up</b>				
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%

(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 2022	31 March 2021
<b>Reserves and surplus</b>		
a) Capital reserve	256	256
b) General reserve	4,67,965	4,67,965
c) Retained earnings	(1,54,266)	(1,80,069)
<b>Total reserves and surplus</b>	<b>3,13,955</b>	<b>2,88,152</b>

## Note 16(a) : Other equity

Particulars	31 March 2022	31 March 2021
<b>Reserves and surplus</b>		
<b>a) Capital reserve</b>		
Opening balance	256	256
<b>Closing balance</b>	<b>256</b>	<b>256</b>
<b>b) General reserve</b>		
Opening balance	4,67,965	4,67,965
Amount transferred from retained earnings	-	-
<b>Closing balance</b>	<b>4,67,965</b>	<b>4,67,965</b>
<b>c) Retained earnings</b>		
Opening balance	(1,80,069)	(2,10,838)
Net profit/ (loss) for the year	19,780	36,074
- Remeasurements of post-employment benefit obligation, net of tax	6,023	(5,305)
<b>Closing balance</b>	<b>(1,54,266)</b>	<b>(1,80,069)</b>
<b>Total reserves and surplus</b>	<b>3,13,955</b>	<b>2,88,152</b>

# NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in INR hundreds, unless otherwise stated)

## 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 2022	31 March 2021
<b>Provision for employee benefits</b>		
Provision for gratuity (Refer note 38)	1,85,176	2,30,410
<b>Total</b>	<b>1,85,176</b>	<b>2,30,410</b>

### Note 18 : Deferred tax Assets (net)

Particulars	31 March 2022	31 March 2021
<b>Deferred tax liability</b>		
Property, plant and equipment	4,509	3,314
MAT credit entitlement	-	-
Investments	19,296	17,928
Others	-	-
<b>Gross deferred tax liability</b>	<b>23,805</b>	<b>21,242</b>
<b>Deferred tax asset</b>		
Property, plant and equipment		
Expenses allowable on payment basis	60,142	82,380
Provisions	-	-
Biological asset other than bearer plant and inventories	80	177
Others	3,034	2,346
<b>Gross deferred tax assets</b>	<b>63,256</b>	<b>84,903</b>
<b>Net deferred tax liabilities/(asset)</b>	<b>(39,451)</b>	<b>(63,661)</b>

### Note 19 : Borrowings - Current

Particulars	31 March 2022	31 March 2021
Loans repayable on demand		
<b>Unsecured</b>		
Inter-corporate deposit	2,17,250	2,17,250
<b>Secured</b>		
Cash credit from banks (secured)	1,72,688	1,66,564
<b>Total</b>	<b>3,89,938</b>	<b>3,83,814</b>

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 @ 10.00% p.a. (31 March 2021 :@ 10.90% p.a)



# NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2021

(All amounts in INR hundreds, unless otherwise stated)

## Note 20 : Trade payables

Particulars	31 March 2022	31 March 2021
Trade payables ( Refer note 39)	3,84,542	4,14,530
<b>Total</b>	<b>3,84,542</b>	<b>4,14,530</b>

## Note 21 : Other financial liabilities - Current

Particulars	31 March 2022	31 March 2021
Unpaid dividend	1,931	1,931
Others payables	5,86,922	5,19,703
<b>Total</b>	<b>5,88,853</b>	<b>5,21,634</b>

## Note 22 : Other Current Liabilities

Particulars	31 March 2022	31 March 2021
Statutory dues payable	25,092	26,325
<b>Total</b>	<b>25,092</b>	<b>26,325</b>

## Note 23 : Provisions - current

Particulars	31 March 2022	31 March 2021
<b>Provision for employee benefits</b>		
Provision for gratuity (Refer note 38)	14,366	53,669
Provision for compensated absences (Refer note 38)	4,973	4,973
<b>Total</b>	<b>19,339</b>	<b>58,642</b>

## Note 24 : Current tax liability (net)

Particulars	31 March 2022	31 March 2021
Provision for tax	1,00,239	99,270
<b>Total</b>	<b>1,00,239</b>	<b>99,270</b>

## Note 25: Revenue from operation

Particulars	31 March 2022	31 March 2021
<b>Sale of goods:</b>		
Manufactured goods (Sale of Tea)	20,25,202	18,04,929
<b>Total</b>	<b>20,25,202</b>	<b>18,04,929</b>

## Note 26 : Other income

Particulars	31 March 2022	31 March 2021
Dividend income on equity investments measured at FVTPL	1,060	491
Sale of tea waste	10,119	30,238
Gain on sale of property, plant and equipment	-	-
Government grant	33,767	33,521
Sundry receipt	827	439
Change in fair value of financial Asset measured at FVTPL	7,275	(2,680)
<b>Total</b>	<b>53,048</b>	<b>62,009</b>

# NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in INR hundreds, unless otherwise stated)

## Note 27 : Cost of materials consumed

Particulars	31 March 2022	31 March 2021
Inventory at the beginning of the year	47,898	42,719
Add: Purchases	1,91,839	1,81,539
Less: Inventory at the end of the year	30,575	47,898
<b>Total</b>	<b>2,09,162</b>	<b>1,76,360</b>

## Note 28 : Changes in inventories of finished goods

Particulars	31 March 2022	31 March 2021
Opening Stock of Tea	2,53,308	2,71,057
Closing Stock of Tea	2,43,598	2,53,308
<b>(Increase)/Decrease</b>	<b>9,710</b>	<b>17,749</b>

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

Particulars	31 March 2022	31 March 2021
Opening Stock Bearer Plants	7,613	3,747
Closing Stock Bearer Plants	10,365	7,613
<b>(Increase)/Decrease</b>	<b>(2,752)</b>	<b>(3,866)</b>

## Note 30 : Employee benefit expense

Particulars	31 March 2022	31 March 2021
Salaries, Wages & Bonus	12,29,923	9,98,271
Contribution to Provident and other funds	1,16,411	1,07,290
Gratuity expense	34,474	38,243
Workmen and Staff Welfare	79,645	1,04,657
<b>Total</b>	<b>14,60,453</b>	<b>12,48,461</b>

## Note 31 : Finance costs

Particulars	31 March 2022	31 March 2021
Interest and finance charges on financial liabilities not at fair value through profit or loss	11,843	32,473
Less: Borrowing cost capitalisation	(3,106)	(2,815)
<b>Total</b>	<b>8,737</b>	<b>29,658</b>

## Note 32 : Other expenses

Particulars	31 March 2022	31 March 2021
Power and Fuel	1,68,647	1,38,530
Repairs to Buildings	434	2,196
Repairs to Machinery	14,080	6,928
Insurance	622	839
Rates & Taxes	4,236	16,503
Cess on Green Leaf	-	-
Brokerage and Commission on Tea	22,286	17,308
Freight and Transit Charges	43,230	35,900
Cultiivation Expenses	762	2,227
Directors sitting fees	1,290	1,470

# NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in INR hundreds, unless otherwise stated)

<b>Auditors' remuneration:</b>	-	-
Statutory Audit fees	1,200	1,200
Tax Audit fees	200	300
Other Services	240	240
Out of pocket expenses	-	-
Prov For Bad And Doubtful Debts	-	43,440
Miscellaneous Expenses	55,857	72,542
<b>Total</b>	<b>3,13,084</b>	<b>3,39,623</b>

## 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 2022	31 March 2021
(a) Income tax expense		
Current tax		
Current tax on profits for the year	969	1,686
Profit and loss	-	-
<b>Total current tax expense</b>	<b>969</b>	<b>1,686</b>
Deferred tax		
Decrease (increase) in deferred tax assets	(21,648)	(12,840)
(Decrease) increase in deferred tax liabilities	(2,564)	(2,115)
<b>Total deferred tax expense/(benefit)</b>	<b>(24,212)</b>	<b>(14,955)</b>
<b>Income tax expense</b>	<b>(24,212)</b>	<b>(14,955)</b>

Particulars	31 March 2022	31 March 2021
<b>Current tax expense recognised in profit or loss</b>		
Current tax on profits for the year	(969)	(1,686)
Total current tax expense (A)	<b>(969)</b>	<b>(1,686)</b>
<b>Deferred tax expense recognised in profit or loss</b>		
Deferred taxes	(21,812)	12,840
<b>Total deferred tax expense recognised in profit or loss (B)</b>	<b>(21,812)</b>	<b>12,840</b>
Deferred tax expense recognised in Other comprehensive income		
<b>Deferred taxes</b>	<b>(2,400)</b>	<b>2,115</b>
<b>Total deferred tax expense recognised in Other comprehensive income (C)</b>	<b>(2,400)</b>	<b>2,115</b>
<b>Total deferred tax for the year (B+C)</b>	<b>(24,212)</b>	<b>14,955</b>
<b>Total income tax expense recognised in profit or loss (A+B)</b>	<b>(22,781)</b>	<b>11,154</b>
<b>Total income tax expense recognised in Other comprehensive income (C)</b>	<b>(2,400)</b>	<b>2,115</b>
<b>Total income tax expense (A+B+C)</b>	<b>(25,181)</b>	<b>13,269</b>

## Note 34 : Earnings per share

Particulars	31 March 2021	31 March 2020
(a) Profit attributable to equity holders of the company used in calculating basic and diluted earnings per share (INR hundreds)	19,780	36,074
(b) Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share (in numbers)	3,928	3,928
(c) Nominal value of Equity Share (in Rs.)	10	10
(d) Basic and diluted earnings per share (INR)	5.04	9.19

# NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in INR hundreds, unless otherwise stated)

## 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 2022	31 March 2021
<b>(i) Equity shares</b>		
Final dividend for the year ended 31 March, 2022 - Nil (31 March, 2021 - Nil) per fully paid share	-	-
Dividend Distribution Tax	-	-

## Note 36 : Fair value measurements

### Financial instruments by category

Particulars	31 March 2022			31 March 2021		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Investments in equity instruments	1,06,599	-	-	99,324	-	-
Trade receivables	-	-	63,516	-	-	70,280
Cash and cash equivalents	-	-	17,678	-	-	8,553
Other bank balances	-	-	1,931	-	-	1,931
Other financial assets	-	-	13,300	-	-	13,300
<b>Total financial assets</b>	<b>1,06,599</b>	<b>-</b>	<b>96,425</b>	<b>99,324</b>	<b>-</b>	<b>94,064</b>
<b>Financial liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Borrowings	-	-	3,89,938	-	-	3,83,814
Trade payable	-	-	3,84,542	-	-	4,14,530
Other financial liabilities	-	-	5,88,853	-	-	5,21,635
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>13,63,333</b>	<b>-</b>	<b>-</b>	<b>13,19,979</b>

### (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.

# NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2022

(All amounts in INR hundreds, unless otherwise stated)

**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:**

- a) There have been no transfers between Level 1 and Level 2 for the years ended March 31, 2022 and March 31, 2021
- b) 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.
- c) 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. Financial liabilities

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.

## Fair value of biological assets other than bearer plants

Particulars	31 March 2022	31 March 2021
Fair value of biological assets other than bearer plants (Unharvested tea leaves) for which fair value (less cost to sell) are disclosed	10,365	7,613

**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

# NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2021

(All amounts in INR hundreds, unless otherwise stated)

## (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 2022, 31 March 2021. The ageing of trade receivables as of balance sheet date is given below. The age analysis have been considered from the due date:

As at March 31, 2022	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed – considered good	63516	-	-	-	-	63,516
Undisputed – Credit Impaired	-	-	-	-	43,440	43,440
Disputed - considered good	-	-	-	-	-	-
Disputed - considered doubtful	-	-	-	-	-	-
<b>Trade receivables due</b>	<b>63,516</b>	-	-	-	<b>43,440</b>	<b>1,06,956</b>
<b>Less: Allowance for Credit Loss</b>	-	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(43,440)</b>
<b>Total trade receivables</b>	<b>63,516</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>63,516</b>

As at March 31, 2022	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed – considered good	70,280	-	-	-	-	70,280
Undisputed – Credit Impaired	-	-	-	-	43,440	43,440
Disputed - considered good	-	-	-	-	-	-
Disputed - considered doubtful	-	-	-	-	-	-
<b>Trade receivables due</b>	<b>70,280</b>	-	-	-	<b>43,440</b>	<b>1,13,720</b>
<b>Less: Allowance for Credit Loss</b>	-	<b>0</b>	<b>0</b>	<b>0</b>	<b>(43,440)</b>	<b>(43,440)</b>
<b>Total trade receivables</b>	<b>70,280</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>70,280</b>

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.

### 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. 96,42,554 as at 31 March 2022, Rs. 94,06,389 as at 31 March 2021, 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.

# NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2022

(All amounts in INR hundreds, unless otherwise stated)

## (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 2022	Less than 1 year	1 - 3 years	Total
Borrowings	3,89,938	0	3,89,938
Trade payable	3,84,542	0	3,84,542
Other financial liabilities	5,88,853	0	5,88,853
<b>Total financial liabilities</b>	<b>13,63,333</b>	-	<b>13,63,333</b>

Contractual maturities of financial liabilities 31 March 2021	Less than 1 year	1 - 3 years	Total
Borrowings	3,83,814	-	3,83,814
Trade payable	4,14,530	-	4,14,530
Other financial liabilities	5,21,635	-	5,21,635
<b>Total financial liabilities</b>	<b>13,19,979</b>	-	<b>13,19,979</b>

## (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.

#### (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-22	31-Mar-21	31-Mar-22	31-Mar-21
Increase by 5% (2022: 5%)*	5,330	4,966	3,811	3,551
Decrease by 5% (2022: 5%)*	(5,330)	(4,966)	(3,811)	(3,551)

\* Holding all other variables constant

# NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2021

(All amounts in INR hundreds, unless otherwise stated)

## 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.

### (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
<b>1 April 2020</b>	2,89,457	11,203	2,78,254
Current service cost	18,686	-	18,686
Interest expense/(income)	20,341	784	19,557
<b>Total amount recognised in profit or loss</b>	<b>39,027</b>	<b>784</b>	<b>38,242</b>
Remeasurements	-	-	-
Return on plan assets, excluding amounts included in interest expense/(income)	-	1,180	(1,180)
Actuarial (gain)/loss from change in financial assumptions	2,031	-	2,031
Actuarial (gain)/loss from unexpected experience	6,697	-	6,697
<b>Total amount recognised in other comprehensive income</b>	<b>8,728</b>	<b>1,180</b>	<b>7,548</b>
Employer contributions/ premium paid	-	(41,074)	(41,074)
Benefit payments	(41,074)	41,074	-
<b>31 March 2021</b>	<b>2,96,138</b>	<b>13,167</b>	<b>2,82,971</b>
<b>1 April 2021</b>	2,96,138	13,167	2,82,971
Current service cost	14,828	-	14,827
Interest expense/(income)	20,555	909	19,647
<b>Total amount recognised in profit or loss</b>	<b>35,383</b>	<b>909</b>	<b>34,474</b>
Remeasurements	-	-	-
Return on plan assets, excluding amounts included in interest expense/(income)	-	(909)	909
Actuarial (gain)/loss from change in financial assumptions	(3,816)	-	(3,816)
Actuarial (gain)/loss from unexpected experience	(5,515)	-	(5,515)
<b>Total amount recognised in other comprehensive income</b>	<b>(9,331)</b>	<b>(909)</b>	<b>(8,422)</b>
Employer contributions/ premium paid	-	(1,09,481)	-
Benefit payments	(1,09,481)	(1,09,481)	(1,09,481)
<b>31 March 2022</b>	<b>2,22,420</b>	<b>13,167</b>	<b>2,09,253</b>



# NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2022

(All amounts in INR hundreds, unless otherwise stated)

## (iv) Significant estimates: actuarial assumptions

The significant actuarial assumptions were as follows :

Particulars	31 March 2022	31 March 2021
Discount rate	-	-
Salary growth rate	-	-
Mortality rate	IALM (2006-08) Table	IALM (2006-08) Table
Disability Rate	5% of Mortality Rate	5% of Mortality Rate
Withdrawal rate	1% to 8%	1% to 8%
Retirement Age	58	58 Years
Average Future Service	16.04	15.53

## (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 2022		31 March 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (-/+ 1%)	(197)	223	(172)	194
Salary growth rate (-/+ 1%)	238	(211)	203	(180)
Withdrawal rate (-/+ 1%)	53	(58)	58	(65)

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.

## (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.

# NOTES TO FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in INR hundreds, unless otherwise stated)

## 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 next year ending 31 March, 2022 would be Rs. 73,478

The weighted average duration of the defined benefit obligation is 4.67 years (31 March, 2021 – 4.67 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
<b>31 March, 2022</b>				
Defined benefit obligation (gratuity)	-	922	611	1,309
<b>Total</b>	-	<b>922</b>	<b>611</b>	<b>1,309</b>
<b>31 March, 2021</b>				
Defined benefit obligation (gratuity)	812	402	464	1,168
<b>Total</b>	<b>812</b>	<b>402</b>	<b>464</b>	<b>1,168</b>

## (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

### (ii) Ageing schedule of trade payable is as below:

As at March 31, 2022	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues - MSME	-	-	-	-	-
Undisputed dues - others	1,11,820	-	2,72,722	-	2,72,722
Disputed dues - MSME	-	-	-	-	-
Disputed dues - others	-	-	-	-	-
<b>Trade payables due</b>	<b>1,11,820</b>	-	<b>2,72,722</b>	-	<b>2,72,722</b>
<b>Trade payables not due</b>	-	-	-	-	-
<b>Unbilled trade payables</b>	-	-	-	-	-
<b>Total trade payables</b>	<b>1,11,820</b>	-	<b>2,72,722</b>	-	<b>3,84,542</b>

As at March 31, 2021	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues - MSME	-	-	0	-	0
Undisputed dues - others	1,22,042	2,92,488	-	-	4,14,530
Disputed dues - MSME	-	-	0	-	0
Disputed dues - others	-	-	0	-	0
<b>Trade payables due</b>	<b>1,22,042</b>	<b>2,92,488</b>	-	-	<b>4,14,530</b>
<b>Trade payables not due</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Unbilled trade payables</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total trade payables</b>	<b>1,22,042</b>	<b>2,92,488</b>	-	-	<b>4,14,530</b>

# NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2022

(All amounts in INR hundreds, unless otherwise stated)

## Note 40 : Ratios

The following are analytical ratios for the year ended March 31, 2022 and March 31, 2021

Particulars	Numerator	Denominator	31-03-2022	31-03-2021	Variance
Current Ratio <sup>1</sup>	Current assets	Current liabilities	0.29	0.32	-10.68%
Debt- Equity Ratio <sup>2</sup>	Total Debts	Shareholders Equity	1.10	1.17	-5.83%
Debt-Service Coverage Ratio	Earnings Available for Debt Service	Debt Service	5.87	1.84	219.04%
Return on Equity (ROE)	Net Profits after taxes	Average Shareholders Fund	5.81%	11.56%	-5.75%
Trade receivables turnover ratio	Revenue	Average Trade Receivable	30.27	20.73	46.01%
Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	0.56	0.60	-5.67%
Trade payables turnover ratio	Purchases of services and Goods	Other expenses Average Trade Payables	0.48	0.42	15.10%
Net capital turnover ratio	Revenue	Working Capital	-1.88	-1.77	6.53%
Net profit ratio	Net Profit	Revenue	0.98%	2.00%	-1.02%
Return on capital employed (ROCE)	Earning before interest and Taxes	Capital Employed <sup>(4)</sup>	6.90%	7.67%	-0.77%
Return on Investment(ROI)					
Quoted	Income generated from investments	Time weighted average investments	0%	0%	
Unquoted	Income generated from investments	Time weighted average investments	0%	0%	

## Note 41 : Other notes to accounts

- a. Contingent liability is not provided for and includes:

Particulars	31 March 2022	31 March 2021
Income Tax demand disputed and under Appeal.	19,265	-

- 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.

## c. Related party disclosure

**Key Managerial Personnel:**

- Mr. Rajvinder Singh - Managing Director
- Mr. Priyarup Mukherjee- CS
- Mr. Deepak Singh - CFO
- Mr. R. K. Majumdar - Manager

## Key management personnel compensation

Particulars	31 March 2022	31 March 2021
Short-term employee benefits	16,271	14,032

- d. There were no dues to the Micro, Small and Medium Enterprises outstanding as on 31st March, 2022. 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)
2021-22	Not Applicable	13,00,000	9,52,389
2020-21		13,00,000	7,56,856

## NOTES TO FINANCIAL STATEMENTS for the year ended 31 March 2022

(All amounts in INR hundreds, unless otherwise stated)

Year	Sales		Opening Stock		Closing Stock	
	Quantity (Kg.)	Amount	Quantity (Kg.)	Amount	Quantity (Kg.)	Quantity (Kg.)
2021-22	9,33,355	20,25,202	1,44,070	2,53,308	1,42,612	1,42,612
2020-21	7,43,705	18,04,929	1,49,415	2,71,057	1,44,070	1,44,070

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

Particulars	2021-22	2020-21
Indigenous	1,764	1,529
	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: 25th May, 2022

For and on behalf of the Board of Directors

**Rakesh Macwan**

Director  
(DIN: 01328442)

**Rajvinder Singh**

Director  
(DIN: 06931916)

**Priyarup Mukherjee**

Company Secretary

**Deepak Kumar Singh**

Chief Financial Officer



**DHELAKHAT TEA COMPANY LIMITED**

CIN : L15492WB1917PLC002894

4, Dr. Rajendra Prasad Sarani

Kolkata - 700 001

103RD ANNUAL REPORT  
DHELAKHAT TEA COMPANY LIMITED



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

2021-2022

