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***EASTERN DOOARS TEA COMPANY LIMITED***

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**REPORT AND ACCOUNTS 2017-2018**

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# ***EASTERN DOOARS TEA COMPANY LIMITED***

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Managing Director	:	Minnalal Nahata
Directors	:	Surendra Kumar Nahata Vijay Kumar Nahata Sampatmal Sancheti, Independent Director Tarun Kumar Sancheti, Independent Director Nandini Bose, Woman Director
Auditors	:	M/s A. Sethia & Co. Chartered Accountants 17, Bal Mukund Macker Road Kolkata - 700 007
Bankers	:	HDFC Bank Ltd. ICICI Bank Ltd. Citi Bank N. A.
Consultants	:	M/s Panchiram Nahata 177, Mahatma Gandhi Road Kolkata - 700 007
Location of Estates	:	1. Banglabari Tea Estate 2. Daloabari Tea Estate P. O. & Dist. Kokrajhar B. T. A. D., Assam - 783 370
Registered Office	:	"SHANTINIKETAN" (4th Floor) Suite No. 1A 8, Camac Street, Kolkata - 700 017 Phone : 033-2282 9303 Mail id : easterndooars@gmail.com
Registrar	:	M/s Niche Technologies Pvt. Ltd. D-511, Bagree Market 71, B. R. B. Road, Kolkata - 700 001 Phone : 033-2235 7270/71
ISIN No.	:	INE752C01014
Script Code	:	15069 (CALCUTTA STOCK EXCHANGE)
CIN	:	L15492WB1917PLC002823

# ***EASTERN DOOARS TEA COMPANY LIMITED***

## **DIRECTORS' REPORT**

Your Directors have pleasure in presenting the Annual Report together with the Audited Accounts for the year ended 31<sup>st</sup> March, 2018.

- 1. PLANTATION :** Your Tea Estates continue efforts to step up production and quality standards by adopting improved, scientific methods of cultivation, irrigation, infilling, rejuvenation and new plantation. The total area under Tea cultivation at Banglabari Tea Estate now stands at 295.50 hectares and that of Daloabari Tea Estate at 263.31 hectares.

**2. OPERATING RESULTS :** (Amount in Rs.)

	<b>2017-18</b>	<b>2016-17</b>
Profit Before Depreciation	1,43,46,111	1,08,30,458
Depreciation	93,50,971	1,02,48,844
Profit Before Taxation	49,95,140	5,81,614
Deduct : Provision for Taxation	30,00,000	7,50,000
: Deferred Tax	(13,71,748)	(13,68,034)
Profit after Taxation	33,66,888	11,99,648
Add : Surplus of last year	49,58,911	37,59,263
Surplus Available	83,25,799	49,58,911

**Appropriation :**

Balance to next year	83,25,799	49,58,911
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- 3. IMPLEMENTATION OF IND-AS :** Your Company has prepared the accounts of the current year as per IND-AS and has restated the comparable balance for the financial year ending on 31st March, 2017 to the extent the same was required.
- 4. PROSPECT :** Your Company has been able to manufacture. 13,10,851 kgs. of crop as against 13,17,721 kgs. last year from own gardens leaf. Thus during the year under review your gardens were behind in production by 6,870 kgs. in comparison to the last year.
- 5. DIVIDEND :** Your Directors do not recommend any Dividend for the year under review.
- 6. PROPERTIES :** The properties were regularly visited by the Directors, Officers of the Company and the Tea Research Association as well as by the technical experts of M/s Panchiram Nahata, Consultants of the Company.
- 7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS :** Section 186(4) of the Companies Act, 2013 requires disclosure in the financial statements of the full particulars of the loans given, investments made or guarantee given or security provided and the purpose for which the loan or guarantee or security is proposed to be utilised by the recipient of the loan or guarantee or security. During the year under consideration no loans, guarantees or investments were made by the Company.
- 8. FINANCE :** The Company is enjoying a cash credit limit of Rs.5,00,00,000/- with HDFC Bank Ltd. For its working capital requirement.
- 9. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY :** There are no significant and/or material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company.
- 10. DIRECTORS AND OTHER KEY MANAGERIAL PERSONNEL**

**Changes in the composition of the Board of Directors and other Key Managerial Personnel :**

**Composition of Directors :** The Board of the Company consists of 6 Directors, out of which two are Independent Directors, three Non Executive Directors that includes one woman Director and One Managing Director.

**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 and the Listing Regulations.



### Retirement by rotation

- (a) In terms of Section 152 of the Companies Act, 2013, Sri Surendra Kumar Nahata, Director would retire by rotation at the forthcoming AGM and is eligible for re-appointment. Sri Surendra Kumar Nahata has offered himself for re-appointment.
- (b) In terms of Section 152 of the Companies Act, 2013, Sri Sampatmal Sancheti, Director would retire by rotation at the forthcoming AGM and is eligible for re-appointment. Sri Sampatmal Sancheti has offered himself for re-appointment.

There was no other appointment or cessation of appointment of key managerial personnel during the financial year.

- 11. STATUTORY AUDITORS :** M/s. A. Sethia & Co., Chartered Accountants (Firm Registration No. 328380E) were appointed as Statutory Auditors of the Company at the Annual General Meeting held on 20th September, 2017 to hold office till the conclusion of the Annual General Meeting for the financial year 2021-22.

The Members may note that consequent to the changes made in the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 by the Ministry of Corporate Affairs (MCA) by notification dated May 7, 2018 the proviso to Section 139(1) of the Companies Act, 2013 read with explanation to sub-rule 7 of Rule 3 of the Companies (Audit and Auditors) Rules, 2014, requirement of ratification of appointment of Auditors by the Members at every AGM has been done away with. Therefore, the Company is not seeking any ratification of appointment of M/s A. Sethia & Co., Chartered Accountants as the Auditors of the Company, by the Members at the ensuing AGM.

- 12. AUDITORS' REPORT :** The report by the Auditors is self explanatory and has no qualification, reservation, adverse remark or disclaimer ; hence no explanation or comments by the Board were required. There has been no fraud reported by the Auditor under sub-section (12) of Section 143.
- 13. SECRETARIAL AUDIT REPORT :** Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. V. Gulgulia & Co., Company Secretaries, to undertake the Secretarial Audit of the Company for the financial year 2017-18. The Secretarial Audit Report in specified form MR-3 is annexed herewith as Annexure – A in the Annexure forming part of this Report. The Secretarial Audit Report for the financial year ended 31st March, 2018 has qualification, reservation, adverse remark relating to non-appointment of Company Secretary as required under section 203(1)(ii) of the Companies Act, 2013. Your Board is taking necessary steps for the appointment of Company Secretary in the Company.
- 14. COST AUDIT :** Cost Audit is not applicable to your Company as per requirements of Companies Act, 2013.
- 15. PERSONNEL :** The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given below :-

- (a) The ratio of the remuneration of Managing Director to median remuneration of employee of the Company for the financial year :-

Managing Director

19.84 : 1

- (b) The percentage increase in remuneration of Managing Director and Chief Financial Officer during the financial year ended on 31st March, 2018 are 8.33 % & 3.09 % respectively.
- (c) The percentage increase in the median remuneration of employee in the financial year ended on 31st March, 2018 is 21.74 %.
- (d) The number of permanent employees as on 31st March, 2018 is 1009.
- (e) The increase in remuneration of the employees is as per standard policy of the Company in respect of all its employees. However, increment in wages and salaries paid to non-executive employees employed at the Tea Estates of the Company are effected as per Industry wise agreements.

- (f) None of the employees of the Company including all the Key Managerial Personnel are in receipt of remuneration in excess of one crore and two lakh rupees per annum or eight lakh and fifty thousand rupees per month during the year under report.
- 16. INTERNAL CONTROL AND ITS ADEQUACY :** The Company has adequate internal controls and processes in place with respect to its financial statements which provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements. These controls and processes are driven through various policies, procedures and certifications. The processes and controls are reviewed periodically. The Company has a mechanism of testing the controls at regular intervals for their design and operating effectiveness to ascertain the reliability and authenticity of financial information.
- 17. RELATED PARTY TRANSACTIONS :** All Related Party Transactions that were entered into during the financial year were on an arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and the Listing Regulation. There were no materially significant Related Party Transactions made by the Company with Promoters, Directors, Key Managerial Personnel which may have a potential conflict with the interest of the Company at large. The details of material related party transactions at an aggregate level for year ended March 31, 2018 is annexed as Annexure- C.
- 18. EXTRACT OF ANNUAL RETURN :** The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as Annexure-D.
- 19. CORPORATE SOCIAL RESPONSIBILITY :** The criteria laid under Section 135 of Companies Act, 2013 for Corporate Social responsibility is not applicable to the Company during the year under review.
- 20. RISK MANAGEMENT FRAMEWORK :** The Company's risk management framework is based on a clear understanding of various risks, disciplined risk assessment and measurement procedures and continuous monitoring. The Board of Directors has oversight on all the risks assumed by the Company.
- 21. CORPORATE GOVERNANCE**
- I. Philosophy of Corporate Governance :** The Company is committed to good Corporate Governance and transparency in all dealings and places emphasis on business ethics, responsibilities conduct, integrity and accountability. The Company acknowledges the right of its shareholders to information on performance of the Company. The Company strives to improve the corporate governance practices to meet stakeholder's expectation and strictly complies with regulatory guidelines on Corporate Governance.
- Board of Directors :** In terms of the Company's Corporate Governance policy, all statutory and other significant and material information are placed before the Board to enable it to discharge its responsibilities of strategic supervision of the Company and as trustees of stakeholders.
- Composition :** The Board of Eastern Doars Tea Company Limited as on 31st March, 2018 consisted of 6 members including one woman Director. Two of them are Independent Directors. The Directors are eminent professionals drawn from amongst persons with experience in business /administration/finance /law.
- o The Directorships held by Directors as mentioned above, do not include Alternate Directorships and Directorships of Foreign Companies, Section 25 Companies.
  - o The Company did not have any material pecuniary relationship or transaction with the non-executive directors during the period under review.
- Meetings and Attendance :** Eleven Board meetings were held during the year, as against the minimum requirements of four meetings. During the financial year ended 31st March 2018, Board Meetings were held on 03rd May, 2017, 15th May, 2017, 28th July, 2017, 14 th August, 2017, 11th September, 2017, 30th October, 2017, 15th November, 2017, 16th December, 2017, 15th January, 2018, 27th February, 2018 and 09th March, 2018.



Attendance at Board Meetings and at Annual General Meeting (AGM)

Name of the Directors	Category of Directors	No of Board Meetings attended during the Financial Year	Attendance at Last AGM	No. of other Directorships held (*)
Minnalal Nahata	Managing Director	Eleven	Yes	Two
Surendra Kumar Nahata	Director	Ten	Yes	Eight
Vijay Kumar Nahata	Director	Ten	Yes	Seven
Sampatmal Sancheti	Independent Director	Eleven	No	Eight
Tarun Kumar Sancheti	Independent Director	Eleven	No	None
Nandini Bose	Women Director	Eleven	yes	Four

**II. Audit Committee as required u/s 177 of the Companies Act, 2013**

**Composition** : The Board of Directors of your Company has a duly constituted Audit Committee in terms of the provisions of Section 177 of the Companies Act, 2013 read with the Rules framed thereunder and Regulation 18 of the Listing regulations. The terms of reference of the Audit Committee has been approved by the Board of Directors.

Your Company has an Audit Committee comprising of three Members viz. Sri Minnalal Nahata (Managing Director), Sri Sampatmal Sancheti (Independent Director) and Sri Tarun Kumnar Sancheti (Independent Director). All of them financially literate and most of them have accounting or related financial management expertise. Sri Sampatmal Sancheti, an Independent Director is the Chairman of the Committee.

**Terms of Reference** : The Audit Committee provides direction to the audit function and monitors the quality of internal and statutory audit. The responsibilities of the Audit Committee include examining the financial statements and auditors' report and overseeing the financial reporting process to ensure fairness, sufficiency and credibility of financial statements, recommendation of appointment, terms of appointment and removal of statutory auditors and internal auditor and fixation of their remuneration, approval of payment to statutory auditors for other permitted services rendered by them, performance and effectiveness of audit process, review of the quarterly and annual financial statements before submission to the Board, review of the adequacy of internal control systems and the internal audit function, approval of transactions with related parties or any subsequent modifications, review of statement of significant related party transactions.

**Attendance** : During the financial year ended on 31st March, 2018 meeting of the Audit Committee were held on 15.05.2017, 11.09.2017, 16.12.2017 and 09.03.2018 which were attended by all the above members. Head of Finance and Accounts also attended said meetings as and when invited by the Committee.

**III. Remuneration & Nomination Committee**

**Composition** : Your Company has a Remuneration & Nomination Committee comprising of three members, viz. (i) Sri Sampatmal Sancheti, (ii) Sri Tarun Kumar Sancheti and (iii) Smt. Nandini Bose to screen the affairs of managerial remuneration of the Company. Two of the members of the Committee are Independent Directors..

**Terms of Reference** : The functions of the Committee include recommending appointments of Directors to the Board, identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommending to the Board their appointment and removal, framing an evaluation framework for the evaluation of the performance of the wholetime/independent Directors and the Board, evaluation of performance of every Director, approving the policy for and quantum of bonus payable to the members of the staff including senior management and key managerial personnel, formulating the criteria for determining qualifications, positive attributes and independence of a Director, framing policy on Board diversity.

**Attendance** : During the financial year ended on 31st March, 2018 meeting of the Remuneration & Nomination Committee were held on 15.05.2017, 11.09.2017, 16.12.2017 and 09.03.2018 which were attended by all the above members.

**Performance Evaluation of Board, Committees and Directors** : The Company has put in place an evaluation framework for evaluation of the Board and individual Directors. The Board also carries out an evaluation of the working of its Audit

Committee, Board Governance, Remuneration & Nomination Committee; the evaluation of the Committees is based on the assessment of the compliance with the terms of reference of the Committees.

**IV. General Body Meetings :** Location and time, where last three AGMs held:

Financial Year	Date	Time	Place
2014-15	28 <sup>th</sup> September, 2015	11.30 A.M.	8,CAMAC STREET,4 <sup>TH</sup> FLOOR, KOLKATA-700 017
2015-16	28 <sup>th</sup> September, 2016	11.30 A.M.	8,CAMAC STREET,4 <sup>TH</sup> FLOOR, KOLKATA-700 017
2016-17	20 <sup>th</sup> September, 2017	11.30 A.M.	8,CAMAC STREET,4 <sup>TH</sup> FLOOR, KOLKATA-700 017

V. Dates of Book Closure: 13th September, 2017 to 20th September, 2017, (both days inclusive)  
For E Voting-13th September, 2017

VI. Listing on Stock Exchange: The Calcutta Stock Exchange Limited  
7, Lyons Range, Kolkata- 700 001

VII. Stock Code: The Calcutta Stock Exchange Limited – 12190  
ISIN No. for the Company's Shares in Demat Form : INE 752C01014

VIII. **Market Price Data :** Monthly high and low price and volume of shares traded on Calcutta Stock Exchange (CSE) :  
There were no trading of the equity shares of Eastern Dooars Tea Company Limited for the period from 01/04/2017 to 31/03/2018 at the Calcutta Stock Exchange.

IX. **Registrars and Transfer Agents :** (Share transfer and communication regarding share certificates, dividends and change of address) M/s Niche Technologies Pvt. Ltd., D-511 Bagree Market, 5th Floor, 71 B. R. B. Basu Road, Kolkata-700001.

X. **Share Transfer System :** Share transfers are registered and returned within a period of 15 days from the date of receipt, in case documents are complete in all respects. All share transfers are approved by Director of the Company. No Shareholder grievances were pending at the beginning of the year. No grievances were received during the year under report. Therefore no pending cases were outstanding at the end of the year.

XI. **The details of the Special Resolutions passed in the General Meetings held in the previous three years are given below :**

General Body Meeting	Day, Date	Resolution
Annual General Meeting	Monday, September 28, 2015	Nil
Annual General Meeting	Wednesday, September 28, 2016	Nil
Annual General Meeting	Wednesday, September 20, 2017	Nil

XII. **Means of Communication :** In compliance with the requirements of the Listing Agreement, the Company regularly intimates un-audited as well as audited financial results to the Calcutta Stock Exchange after the Board takes them on record. Further coverage is given for the benefit of the shareholders and investors by publication of the financial results in the two newspapers circulating in the state of West Bengal.

XIII. **MD/CFO Certificate :** The Managing Director and CFO have issued certificate pursuant to the provisions of Clause 49 of the listing agreement certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.



## MD/CFO CERTIFICATE

To  
The Board of Directors  
**Eastern Dooars Tea Company Limited**

- a) We have reviewed the financial statements and the Cash Flow Statement for the year ended 31<sup>st</sup> March, 2018 duly audited by M/s A. Sethia & Co., Chartered Accountants, Kolkata and that to the best of our knowledge and belief:
- i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading ;
  - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) To the best of their knowledge and belief, no transactions entered into by the Company during the year could be considered as fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We do accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and we have disclosed to the Auditors and that the Audit Committee deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit committee
- i. Significant changes, if any, in the internal control over financial reporting during the year ;
  - ii. Significant changes in accounting policies in adopting IND-AS for the current financial year and restatement of comparable figures for the preceeding year's ; and
  - iii. Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Kolkata, 27<sup>th</sup> day of August, 2018

**R. SRERAM**  
Chief Financial Officer

**MINNALAL NAHATA**  
Managing Director

## AUDITORS' CERTIFICATE OF COMPLIANCES WITH THE CORPORATE GOVERNANCE REQUIREMENT UNDER CLAUSE 49 OF THE LISTING AGREEMENT TO THE MEMBERS OF EASTERN DOOARS TEA COMPANY LIMITED

To  
The Members of  
**Eastern Dooars Tea Company Limited**

We have examined the compliance of conditions of Corporate Governance by **Eastern Dooars Tea Company Limited** for the year ended on 31st March, 2018 as stipulated in Clause 49 of the Listing Agreement of the said Company with The Calcutta Stock Exchange.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the directors and the management, we certify that the Company has complied with the conditions of the Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **A. Sethia & Co.**  
*Chartered Accountants*  
ICAI Regn No.328380E  
**(ALOK SETHIA)**  
*Partner*  
(M.No.305914)  
Kolkata - 700001  
The 27th day of August, 2018.



#### XIV. Information on Shareholding

Category	No. of Shareholders	% of Total	No. of Shares	% of Total
<b>SHAREHOLDING OF PROMOTOR &amp; PROMOTOR GROUP</b>				
Bodies Corporate	5	0.64	20630	10.31
Individual/Hindu Undivided family	25	3.18	164751	82.38
<b>PUBLIC SHAREHOLDING</b>				
Financial Institution	2	0.25	12	0.01
Others	754	95.93	14607	7.30
<b>TOTAL</b>	<b>786</b>	<b>100.00</b>	<b>200000</b>	<b>100.00</b>

**22. Prevention of Sexual Harassment :** The Company employs large number of Women employees in its plantation and adheres to a Prevention of Sexual Harassment Policy in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**23. Transfer of Unclaimed dividend and Shares to Investor Education and Protection Fund :** Your Company does not have any Dividend or Shares to be transferred to IEPF as per requirements laid down under Section 124(5) of companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer & Refund) Rules.

**24. Deposits :** Your Company has not accepted any deposits from Public in terms with corresponding provisions of Companies Act, 2013.

#### **25. PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO**

The information pursuant to Section 134(3)(m) of the Companies Act, 2013 and Rule 8 of Companies (Accounts) Rules, 2014 in respect of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are attached and form part of this Report under Annexure- A.

#### **26. DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors confirm that according to their information :

1. in the preparation of the annual accounts, applicable accounting standards have been followed and there are no material departures ;
2. the accounting policies selected by directors are consistently followed and applied and judgements and estimates made are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company ;
3. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities ;
4. the annual accounts have been prepared on a going concern basis ;
5. there is adequate internal financial controls with reference to the financial statements have been laid down for the Company and such internal financial controls are adequate and were operating effectively ;
6. proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

**ACKNOWLEDGEMENT :** The Board wishes to place on record its sincere appreciation of the efforts put in by your Company's workers, staff and executives for achieving good results.

For and on behalf of the Board  
**EASTERN DOOARS TEA COMPANY LIMITED**

**Minnalal Nahata**  
(DIN : 00599149)  
*Managing Director*

**Vijay Kumar Nahata**  
(DIN : 00599189)

**Sampatmal Sancheti**  
(DIN : 00620693)

**Surendra Kumar Nahata**  
(DIN : 00025510)  
*Directors*

Place : Kolkata  
The 27th day of August, 2018

# ***EASTERN DOOARS TEA COMPANY LIMITED***

## **ANNEXURE TO THE DIRECTOR'S REPORT**

### **ANNEXURE - A**

[The information under Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended 31st March, 2018 ]

#### **Disclosure of Particulars with respect to Conservation of Energy.**

	<b>Current Year</b>	<b>Previous Year</b>
<b>A. Conservation of Energy</b>		
1. Electricity		
(a) Purchased		
Units (kwh)	8,39,227	11,76,101
Total Amount (Rs.)	88,01,490	99,13,787
Rate / Unit (Rs.)	10.49	8.43
(b) Own Generation ( H. S. D.)		
i) Through Diesel Generator Units (kwh)	4,22,006	2,77,728
Units per litre of Diesel Oil	2.48	2.49
Cost / Unit (Rs.)	24.07	21.73
ii) Through Steam Turbine / Generator Units	Nil	Nil
2. Coal		
Quantity (Tonnes)	1,307	925
Total Cost (Rs.)	1,10,23,235	73,96,108
Average Rate (Rs.)	6,431	7,999
3. Furnace Oil		
Quantity (Litres)	Nil	8,548
Total Cost (Rs.)	Nil	4,68,450
Average Rate (Rs.)	Nil	55
4. Other / Internal Generation	Nil	Nil
5. Consumption per Unit of Production		
Product	Tea	Tea
Unit	Ton	Ton
Electricity	883	955
Furnace Oil	Nil	6
Coal	916	607
Others	Nil	Nil

#### **B. Technology Absorption :**

The Tea Research Association at Tocklai, engaged in research in field and factory levels for improving yield and quality of Tea and the Company, being a member of TRA also applied the result of R&D in field and factory levels.

#### **C. Foreign Exchange Earnings : Nil (Previous Year – Nil)**

#### **D. Foreign Exchange Outgo : Nil (Previous Year – Nil )**



**ANNEXURE - B TO DIRECTORS' REPORT**  
**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**EASTERN DOOARS TEA CO. LTD.**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Eastern Dooars Tea Co Ltd. (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on 31st March, 2018 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- 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 following Regulations (as amended from time to time) and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable to the Company during audit period);
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during audit period);
  - f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during audit period); and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during audit period);
  - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

vi. Other Laws applicable to the Company namely :

- 1) Air (Prevention and Control of Pollution) Act, 1981 and the rules and standards made thereunder.
- 2) Water (Prevention and Control of Pollution) Act, 1974 and Water (Prevention and Control of Pollution) Rules, 1975
- 3) The Plantations Labour Act, 1951
- 4) Factories Act, 1948 and allied State Laws.
- 5) The Income Tax Act, 1961
- 6) The Central Excise Act, 1944
- 7) The Finance Act, 1994

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards on Meetings of the Board of Directors (SS-1) and on General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with the Calcutta Stock Exchange Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following:

- 1.) There is no Company Secretary appointed by the Company.
- 2.) There is no Internal Auditor appointed by the Company.

We further report that:

- I. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Women Director. 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 provisions of the Act and Listing Regulations.
- II. Adequate Notice is 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.
- III. Majority decision is carried through, while the dissenting members' views are captured, and recorded as part of the minutes.

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 as also represented by the management.

We further report that during the audit period, the company has no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

**For V. Gulgulia & Co.**  
Company Secretaries

**Vineeta Gulgulia**  
(Proprietor)

ACS No. : 36867 CP No. : 13743

Place : Kolkata  
Date : May 28, 2018

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.



# ***EASTERN DOOARS TEA COMPANY LIMITED***

## **'Annexure A'**

To,  
The Members  
**Eastern Dooars Tea Co. Ltd.**  
**CIN : L15492WB1917PLC002823**

Our report 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 to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For V. Gulgulia & Co.**  
Company Secretaries

**Vineeta Gulgulia**  
(Proprietor)

ACS No. : 36867 CP No. : 13743

Place : Kolkata  
Date : May 28, 2018

# ***EASTERN DOOARS TEA COMPANY LIMITED***

## **ANNEXURE - C TO THE DIRECTORS' REPORT RELATED PARTY TRANSACTIONS**

<b>Sl. No.</b>	<b>Nature of Transactions</b>	<b>Relationship</b>	<b>31.03.2018</b>	<b>31.03.2017</b>
1	Sale of Tea Plants Bijni Dooars Tea Co. Ltd	Relative	<b>NIL</b>	6,27,000
2	Sale of Stores Bijni Dooars Tea Co. Ltd	Relative	<b>NIL</b>	9,47,440
3	Consultancy Charges / Commission M/s Panchiram Nahata	Relative	<b>17,63,136</b>	17,79,159
4	Services Rendered Bijni Dooars Tea Co. Ltd.	Relative	<b>69,20,638</b>	30,26,849
5	Interest Paid Finance Exchange (India) Ltd	Relative	<b>NIL</b>	10,90,027
6	Payment of Salaries / Perquisites / Commission Minnalal Nahata	K M P	<b>13,37,036</b>	12,77,228
9	Payment of Electric Charges Bijni Dooars Tea Co Ltd.	Relative	<b>78,189</b>	59,766
10	Loan Received Finance Exchange (India) Ltd	Relative	<b>NIL</b>	2,85,00,000
11	Loan Repaid Finance Exchange (India) Ltd	Relative	<b>NIL</b>	2,85,00,000

For and on behalf of the Board

**Minnalal Nahata**

(DIN : 00599149)

*Managing Director*

**Vijay Kumar Nahata**

(DIN : 00599189)

**Sampatmal Sancheti**

(DIN : 00620693)

**Surendra Kumar Nahata**

(DIN : 00025510)

*Directors*

Place : Kolkata

Date : The 27th day of August, 2018



## ANNEXURE - D TO THE DIRECTORS' REPORT

FORM NO. MGT 9

### EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2018

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1)  
of the Company (Management & Administration ) Rules, 2014.

#### I REGISTRATION & OTHER DETAILS :

i	CIN	L15492WB1917PLC002823
II	Registration Date	25-04-1917
III	Name of the Company	Eastern Dooars Tea Company Ltd
IV	Category/Sub-category of the Company	Public Company : Limited By Shares
V	Address of the Registered office & contact details	8, Camac Street, 4th Floor, Shantiniketan Bldg., Kolkata-700017 , Phone No. 22829303
VI	Whether listed company	YES
VII	Name , Address & contact details of the Registrar & Transfer Agent, if any.	M/s Niche Technologies Pvt. Ltd., D-511, Bagree Market, 5th Floor, 71, B.R.B. BASU Road, Kolkata-700001, Ph.- 033 22357271/70

#### II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

Sl. No.	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Tea	0100	100%

#### III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Sl. No.	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	NONE				

#### IV (i) SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF	158726	6025	164751	82.376	159726	5025	164751	82.376	-
b) Central Govt.or State Govt.									-
c) Bodies Corporates	16930	3700	20630	10.315	16930	3700	20630	10.315	-
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL : (A) (1)</b>	<b>175656</b>	<b>9725</b>	<b>185381</b>	<b>92.691</b>	<b>176656</b>	<b>8725</b>	<b>185381</b>	<b>92.691</b>	<b>-</b>

<b>(2) Foreign</b>									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL : (A) (2)</b>	-	-	-	-	-	-	-	-	-
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	175656	9725	185381	92.691	176656	8725	185381	92.691	-
<b>B. PUBLIC SHAREHOLDING</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	12	12	0.006	-	12	12	0.006	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL : (B)(1)</b>	-	12	12	0.006	-	12	12	0.006	-
<b>(2) Non Institutions</b>									
a) Bodies corporates									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	1472	11585	13057	6.528	1676	11381	13057	6.528	-
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
c) N R I./OCBs	-	1550	1550	0.775	1,062	488	1550	0.775	-
<b>SUB TOTAL : (B)(2)</b>	1472	13135	14607	7.303	2738	11869	14607	7.303	-
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	1472	13147	14619	7.309	2738	11881	14619	7.309	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total : (A+B+C)</b>	177128	22872	200000	100.000	179394	20606	200000	100.000	-

## (ii) Share Holding of Promoters

Sl. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Aakriti Nahata	9073	4.54	Nil	9073	4.54	Nil	-
2	Bimala Debi Nahata	5063	2.53	Nil	5063	2.53	Nil	-
3	Chhotulal Nahata	3200	1.60	Nil	3200	1.60	Nil	-
4	Dhanpat Pincha	100	0.05	Nil	100	0.05	Nil	-
5	Indira Debi Nahata	7065	3.53	Nil	7065	3.53	Nil	-
6	Jitendra Kumar Nahata	13657	6.83	Nil	13657	6.83	Nil	-
7	Jitendra Kumar Nahata	3000	1.50	Nil	3000	1.50	Nil	-
8	Jyoti Dugar	200	0.10	Nil	200	0.10	Nil	-
9	Lalita Pincha	200	0.10	Nil	200	0.10	Nil	-
10	Manju Nahata	13310	6.66	Nil	13310	6.66	Nil	-
11	Minnalal Nahata	5158	2.58	Nil	5158	2.58	Nil	-
12	Minnalal Nahata	3200	1.60	Nil	3200	1.60	Nil	-
13	Paritosah Kumar Dutta	180	0.09	Nil	180	0.09	Nil	-
14	Rashi Nahata	10900	5.45	Nil	10900	5.45	Nil	-
15	Rita Anchalia	500	0.25	Nil	500	0.25	Nil	-
16	Sharad Nahata	6550	3.28	Nil	6550	3.28	Nil	-
17	Sunita Baid	500	0.25	Nil	500	0.25	Nil	-
18	Surendra Kumar Nahata	6590	3.30	Nil	6590	3.30	Nil	-
19	Surendra Kumar Nahata	3500	1.75	Nil	3500	1.75	Nil	-
20	Surya Kanta Nahata	10200	5.10	Nil	10200	5.10	Nil	-
21	Vaibhav Nahata	9745	4.87	Nil	9745	4.87	Nil	-
22	Vidya Nahata	7225	3.61	Nil	7225	3.61	Nil	-
23	Vijay Kumar Nahata	12950	6.48	Nil	12950	6.48	Nil	-
24	Vijay Kumar Nahata	15700	7.85	Nil	15700	7.85	Nil	-
25	Vikas Nahata	16985	8.49	Nil	16985	8.49	Nil	-
26	Bijni Dooars Tea Company Limited	3100	1.55	Nil	3100	1.55	Nil	-
27	Nahata Estates Pvt. Ltd.	15300	7.65	Nil	15300	7.65	Nil	-
28	S. Jitendra Trading & Investments Pvt. Ltd.	600	0.30	Nil	600	0.30	Nil	-
29	Vaibh Shree Finvest Pvt. Ltd.	630	0.32	Nil	630	0.32	Nil	-
30	Ratanshree Finvest Pvt. Ltd.	1000	0.50	Nil	1000	0.50	Nil	-
	<b>Total</b>	<b>185381</b>	<b>92.69</b>	<b>Nil</b>	<b>185381</b>	<b>92.69</b>	<b>Nil</b>	<b>-</b>



## (iii) Change In Promoters' Shareholding ( Specify if there is no change)

Sl. No.		Share holding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
<b>1</b>	<b>Minnal Nahata</b>				
	At the beginning of the year	8,358	4.18	8,358	4.18
	Changes	-	-	8,358	4.18
	At the end of the year	8,358	4.18	8,358	4.18
<b>2</b>	<b>Vijay Kumar Nahata</b>				
	At the beginning of the year	28,650	14.33	28,650	14.33
	Changes	-	-	28,650	14.33
	At the end of the year	28,650	14.33	28,650	14.33
<b>3</b>	<b>Surendra Kumar Nahata</b>				
	At the beginning of the year	10,090	5.05	10,090	5.05
	Changes	-	-	10,090	5.05
	At the end of the year	10,090	5.05	10,090	5.05
<b>4</b>	<b>Chhotulal Nahata</b>				
	At the beginning of the year	3,200	1.60	3,200	1.60
	Changes	-	-	3,200	1.60
	At the end of the year	3,200	1.60	3,200	1.60
<b>5</b>	<b>Aakriti Nahata</b>				
	At the beginning of the year	9,073	4.54	9,073	4.54
	Changes	-	-	9,073	4.54
	At the end of the year	9,073	4.54	9,073	4.54
<b>6</b>	<b>Bimala Debi Nahata</b>				
	At the beginning of the year	5,063	2.53	5,063	2.53
	Changes	-	-	5,063	2.53
	At the end of the year	5,063	2.53	5,063	2.53
<b>7</b>	<b>Dhanpat Pincha</b>				
	At the beginning of the year	100	0.05	100	0.05
	Changes	-	-	100	0.05
	At the end of the year	100	0.05	100	0.05
<b>8</b>	<b>Indira Debi Nahata</b>				
	At the beginning of the year	7,065	3.53	7,065	3.53
	Changes	-	-	7,065	3.53
	At the end of the year	7,065	3.53	7,065	3.53
<b>9</b>	<b>Jitendra Kumar Nahata</b>				
	At the beginning of the year	16,657	8.33	16,657	8.33
	Changes	-	-	16,657	8.33
	At the end of the year	16,657	8.33	16,657	8.33
<b>10</b>	<b>Jyoti Dugar</b>				
	At the beginning of the year	200	0.10	200	0.10
	Changes	-	-	200	0.10
	At the end of the year	200	0.10	200	0.10

<b>11</b>	<b>Lalita Pincha</b>				
	At the beginning of the year	200	0.10	200	0.10
	Changes	-	-	200	0.10
	At the end of the year	200	0.10	200	0.10
<b>12</b>	<b>Manju Nahata</b>				
	At the beginning of the year	13,310	6.66	13,310	6.66
	Changes	-	-	13,310	6.66
	At the end of the year	13,310	6.66	13,310	6.66
<b>13</b>	<b>Paritosah Kumar Dutta</b>				
	At the beginning of the year	180	0.09	180	0.09
	Changes	-	-	180	0.09
	At the end of the year	180	0.09	180	0.09
<b>14</b>	<b>Rashi Nahata</b>				
	At the beginning of the year	10,900	5.45	10,900	5.45
	Changes	-	-	10,900	5.45
	At the end of the year	10,900	5.45	10,900	5.45
<b>15</b>	<b>Rita Anchalía</b>				
	At the beginning of the year	500	0.25	500	0.25
	Changes	-	-	500	0.25
	At the end of the year	500	0.25	500	0.25
<b>16</b>	<b>Sharad Nahata</b>				
	At the beginning of the year	6,550	3.28	6,550	3.28
	Changes	-	-	6,550	3.28
	At the end of the year	6,550	3.28	6,550	3.28
<b>17</b>	<b>Sunita Baid</b>				
	At the beginning of the year	500	0.25	500	0.25
	Changes	-	-	500	0.25
	At the end of the year	500	0.25	500	0.25
<b>18</b>	<b>Surya kanta Nahata</b>				
	At the beginning of the year	10,200	5.10	10,200	5.10
	Changes	-	-	10,200	5.10
	At the end of the year	10,200	5.10	10,200	5.10
<b>19</b>	<b>Vaibhav Nahata</b>				
	At the beginning of the year	9,745	4.87	9,745	4.87
	Changes	-	-	9,745	4.87
	At the end of the year	9,745	4.87	9,745	4.87
<b>20</b>	<b>Vidya Nahata</b>				
	At the beginning of the year	7,225	3.61	7,225	3.61
	Changes	-	-	7,225	3.61
	At the end of the year	7,225	3.61	7,225	3.61
<b>21</b>	<b>Vikas Nahata</b>				
	At the beginning of the year	16,985	8.49	16,985	8.49
	Changes	-	-	16,985	8.49
	At the end of the year	16,985	8.49	16,985	8.49

<b>22</b>	<b>Bijni Dooars Tea Company Limited</b>				
	At the beginning of the year	3,100	1.55	3,100	1.55
	Changes	-	-	3,100	1.55
	At the end of the year	3,100	1.55	3,100	1.55
<b>23</b>	<b>Nahata Estates Pvt. Ltd.</b>				
	At the beginning of the year	15,300	7.65	15,300	7.65
	Changes	-	-	15,300	7.65
	At the end of the year	15,300	7.65	15,300	7.65
<b>24</b>	<b>S. Jitendra Trading &amp; Investments Pvt. Ltd.</b>				
	At the beginning of the year	600	0.30	600	0.30
	Changes	-	-	600	0.30
	At the end of the year	600	0.30	600	0.30
<b>25</b>	<b>Vaibh Shree Finvest Pvt. Ltd.</b>				
	At the beginning of the year	630	0.32	630	0.32
	Changes	-	-	630	0.32
	At the end of the year	630	0.32	630	0.32
<b>26</b>	<b>Ratanshree Finvest Pvt. Ltd.</b>				
	At the beginning of the year	1,000	0.50	1,000	0.50
	Changes	-	-	1,000	0.50
	At the end of the year	1,000	0.50	1,000	0.50

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sl. No.	For each of the top 10 Shareholders	Shareholding at the end of the Year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1</b>	<b>Kavita Devi Dugar</b>				
	At the beginning of the year	1,000	0.50	1,000	0.50
	Changes	-	-	1,000	0.50
	At the end of the year	<b>1,000</b>	<b>0.50</b>	<b>1,000</b>	<b>0.50</b>
<b>2</b>	<b>Chiranjil Lal Saini</b>				
	At the beginning of the year	1,000	0.50	1,000	0.50
	Changes	-	-	1,000	0.50
	At the end of the year	<b>1,000</b>	<b>0.50</b>	<b>1,000</b>	<b>0.50</b>
<b>3</b>	<b>Prithvisingh Rajput</b>				
	At the beginning of the year	450	0.23	450	0.23
	Changes	-	-	450	0.23
	At the end of the year	<b>450</b>	<b>0.23</b>	<b>450</b>	<b>0.23</b>
<b>4</b>	<b>Shrish Chunilal Parekh</b>				
	At the beginning of the year	200	0.10	200	0.10
	Changes	-	-	200	0.10
	At the end of the year	<b>200</b>	<b>0.10</b>	<b>200</b>	<b>0.10</b>
<b>5</b>	<b>Jignesh Shirish Parekh</b>				
	At the beginning of the year	200	0.10	200	0.10
	Changes	-	-	200	0.10
	At the end of the year	<b>200</b>	<b>0.10</b>	<b>200</b>	<b>0.10</b>



<b>6</b>	<b>Dhanraj Chindalia</b>				
	At the beginning of the year	196	0.10	22	0.01
	Changes	-	-	196	0.10
	At the end of the year	<b>196</b>	<b>0.10</b>	<b>196</b>	<b>0.10</b>
<b>7</b>	<b>Chittal R. M.</b>				
	At the beginning of the year	150	0.08	150	0.08
	Changes	-	-	150	0.08
	At the end of the year	150	0.08	150	0.08
<b>8</b>	<b>Chanchal Bai</b>				
	At the beginning of the year	150	0.08	150	0.08
	Changes	-	-	150	0.08
	At the end of the year	150	0.08	150	0.08
<b>9</b>	<b>Sri Iswar Gadadhar Jew</b>				
	At the beginning of the year	140	0.07	140	0.07
	Changes	-	-	140	0.07
	At the end of the year	140	0.07	140	0.07
<b>10</b>	<b>Nirmal Ranjan Sen</b>				
	At the beginning of the year	126	0.06	126	0.06
	Changes	-	-	126	0.06
	At the end of the year	126	0.06	126	0.06
	At the end of the year	<b>126</b>	<b>0.06</b>	<b>126</b>	<b>0.06</b>

## (v) Shareholding of Directors / KMP

Sl. No.	Name of the Director	Shareholding at the end of the Year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
<b>1</b>	<b>Minnalal Nahata</b>				
	At the beginning of the year	5158	2.58	5158	2.58
	Changes	-	-	5158	2.58
	At the end of the year	<b>5158</b>	<b>2.58</b>	<b>5158</b>	<b>2.58</b>
<b>2</b>	<b>Vijay Kumar Nahata</b>				
	At the beginning of the year	15700	7.65	15700	7.65
	Changes	-	-	15700	7.65
	At the end of the year	<b>15700</b>	<b>7.65</b>	<b>15700</b>	<b>7.65</b>
<b>3</b>	<b>Surendra Kumar Nahata</b>				
	At the beginning of the year	6590	3.30	6590	3.30
	Changes	-	-	6590	3.30
	At the end of the year	<b>6590</b>	<b>3.30</b>	<b>6590</b>	<b>3.30</b>

**V. INDEBTEDNESS****Indebtedness of the Company including interest outstanding/accrued but not due for payment**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	41,040,383	-	-	41,040,383
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>41,040,383</b>	<b>-</b>	<b>-</b>	<b>41,040,383</b>
<b>Change in Indebtedness during the financial year</b>				
Additions	-	-	-	-
Reduction	27,571,027	-	-	27,571,027
<b>Net Change</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	13,469,356	-	-	13,469,356
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>13,469,356</b>	<b>-</b>	<b>-</b>	<b>13,469,356</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A Remuneration to Managing Director, Whole time director and/or Manager :**

Sl.No.	Particulars of Remuneration	Name of the MD Sri Minnalal Nahata	Total Amount
1	<b>Gross salary</b>		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	770000	770000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	503714	503714
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-
2	Stock option	-	-
3	Sweat Equity	-	-
4	<b>Commission</b>	-	-
	as % of profit	63322	63322
	others (specify)	-	-
5	Others, please specify	-	-
	<b>Total (A)</b>	<b>1,337,036</b>	<b>1,337,036</b>
	<b>Ceiling as per the Act</b>	5% of the net profits of the Company calculated as per section 198 of the Companies Act, 2013.	

**B Remuneration to other directors :**

Sl.No.	Particulars of Remuneration	Name of the Directors			Total Amount
1	<b>Independent Directors</b>	<b>Sri Sampatmal Sancheti</b>	<b>Sri Tarun Kumar Sancheti</b>		
	(a) Fee for attending board / committee meetings	11,000	11,000		22,000
	(b) Commission	-	-		-
	(c) Others, please specify	-	-		-
	<b>Total (1)</b>	<b>11,000</b>	<b>11,000</b>		<b>22,000</b>
2	<b>Other Non Executive Directors</b>	<b>Sri Vijay Kumar Nahata</b>	<b>Sri Surendra Kumar Nahata</b>	<b>Smt. Nandini Bose</b>	
	(a) Fee for attending board / committee meetings	10,000	10,000	11,000.00	31,000
	(b) Commission	-	-	-	-
	(c) Others, please specify.	-	-	-	-
	<b>Total (2)</b>	<b>10,000</b>	<b>10,000</b>	<b>11,000.00</b>	<b>31,000</b>
	<b>Total (B)=(1+2)</b>	<b>21,000</b>	<b>21,000</b>	<b>11,000.00</b>	<b>53,000</b>
	<b>Total Managerial Remuneration</b>				NIL
	<b>Overall Cieling as per the Act.</b>	1% of the net profits of the Company calculated as per section 198 of the Companies Act, 2013.			



C. Remuneration To Key Managerial Personnel Other Than Md/Manager/Wtd

Sl. No	Particulars of Remuneration	Key Managerial Personnel	
		Chief Financial Officer	Total
	Sri R. Sreram		
1	<b>Gross salary</b>		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	242,012	242,012
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-
2	Stock option	-	-
3	Sweat Equity	-	-
4	Commission		
	as % of profit	-	-
	others (specify)	-	-
5	Others, please specify	-	-
	<b>Total</b>	<b>242,012</b>	<b>242,012</b>

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES - NONE

For and on behalf of the Board

Minnalal Nahata  
Managing Director  
DIN : 00599149

Vijay Kumar Nahata  
Director  
DIN : 00599189

Sampatmal Sancheti  
Director  
DIN : 00620693

Surendra Kumar Nahata  
Director  
DIN : 00025510

Place : Kolkata  
Date : The 27th August, 2018

# **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF *EASTERN DOOARS TEA COMPANY LIMITED***

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To the Members of EASTERN DOOARS TEA COMPANY LIMITED

## **Report on the Ind AS Financial Statements**

We have audited the accompanying Ind AS financial statements of Eastern Dooars Tea Company Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss including Other Comprehensive Income, Cash Flow Statement and the statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

## **Management's Responsibility for the Ind AS 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 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) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## **Auditor's Responsibility**

Our responsibility is to express an opinion on these 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 issued by the Institute of Chartered Accountants of India, as 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 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 Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 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 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 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 accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, its profit including other comprehensive income and its cash flows for the year ended on that date.



## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d) Subject to non compliance with Ind AS-20 for Accounting of Grants to the extent that grants are accounted on receipt basis, in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules 2015, as amended.
  - e) On the basis of the written representations received from the directors as on 31st March, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018, from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to adequacy of the internal financial controls over financial reporting of the company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate report in "Annexure B" to this report.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
    - i) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – refer note 27(a);
    - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii) There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Company during the year.

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For **A. SETHIA & CO.**

Chartered Accountants

ICAI Reg. No. 328380E

**(ALOK SETHIA)**

PARTNER

M. No. 305914

17, Bal Mukund Macker Road,

Kolkata - 700 007

The 27th day of August, 2018



## ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our report of even date.

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has phased programme for physical verification of all fixed assets, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verification.
- (c) Based on our audit procedures performed for the purpose of reporting the true and fair view of the Ind AS financial statement and according to information and explanation given by the management, the title deeds of immovable properties are held in the name of the company except for leasehold land having gross & net block of Rs.2,24,995 & Rs.2,24,995 respectively as at March 31,2018, for which title deeds are not in the name of the Company.
- (ii) As explained to us, stock of inventories were physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on such physical verification.
- (iii) In our opinion and according to the information and explanation given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provision of section 185 & 186 of the Companies Act, 2013 in respect of investments making. There are no loan, guarantees and securities provided in respect of which provision of section 185 and 186 of the Companies Act, 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits from the public within the meaning of section 73, 74, 75 and 76 of the Companies Act, 2013 and the rules framed there under to the extent notified.
- (vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 and hence reporting under clause 3(vi) of the Order is not applicable therefore not commented upon.
- (vii) (a) According to the information and explanations given to us and record of the company examined by us, in our opinion the Company is generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, value added tax, cess, goods and service tax, and any other statutory dues as applicable to it during the year with the appropriate authorities. According to the information and explanations given to us, no undisputed statutory dues were outstanding as at 31st March, 2018 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, following disputed statutory dues have not been deposited on account of dispute:-

Statute	Nature of Dues	Forum where dispute is pending	Amount involved	Period to which related
The W.B. Value Added Tax Act 2003/The Central Sales Tax Act 1956	VAT	West Bengal Commercial Taxes Appellate & Revisional Board	9,98,127/-	Financial Year 2007-08
The W.B. Value Added Tax Act 2003/The Central Sales Tax Act 1956	VAT	West Bengal Commercial Taxes Appellate Tribunal	17,18,392/-	Financial Year 2008-09
The Income Tax Act 1961	Income Tax	Assessing Officer	63,140/-	Assessment Year-2009-10
The Income Tax Act 1961	Income Tax	Commissioner of Income Tax(Appeals)	39,15,830/-	Assessment Year-2013-14
The Income Tax Act 1961	Income Tax	Commissioner of Income Tax(Appeals)	35,260/-	Assessment Year-2014-15

- (viii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the Ind AS financial statements and according to information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to banks & financial institution. The company did not have any outstanding dues to government during the year and there were no outstanding debentures.

- (ix) In our opinion and according to the information and explanation given to us, the company has not raised any money by way of initial public offer / further public offer /debt instruments and term loans. Hence, reporting under clause 3(ix) of the Order is not applicable to the company and therefore not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Ind AS financial statements and according to the information and explanation given by the management, we report that no fraud by the company or on the company by the officers and employees of the company has been noticed or reported during the year nor we have been informed of any such case by the management.
- (xi) Based on our audit procedures performed for the purpose of reporting the true and fair view of the Ind AS financial statements and according to the information and explanation given by the management, we report that the managerial remuneration paid / provided during the year is within the limits specified u/s 197 and no approvals u/s 197 read with schedule V to the Companies Act, 2013 were required.
- (xii) In our opinion, the company is not a Nidhi Company. Therefore the provisions of clause 3(xii) of the order are not applicable to the company and hence not commented upon.
- (xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the Ind AS financial statements and according to the information and explanation given by the management, transaction with related parties are in compliance with section 177 & 188 of Companies Act, 2013, wherever applicable, and the details have been disclosed in the notes to the Ind AS financial statements, as required by the applicable accounting standards.
- (xiv) According to information and explanation given to us, and based on the records of the company examined by us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore provisions of clause 3(xiv) of the Order are not applicable to the company and hence not commented upon.
- (xv) According to information and explanation given to us, and based on the records of the company examined by us, the company has not entered into any non-cash transactions with directors or persons connected with them.
- (xvi) According to information and explanation given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the company.

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For **A. SETHIA & CO.**

Chartered Accountants

ICAI Reg. No. 328380E

**(ALOK SETHIA)**

PARTNER

M. No. 305914

17, Bal Mukund Macker Road,

Kolkata - 700 007

The 27th day of August, 2018



## ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 2(g) under "Report on Other Legal and Regulatory Requirements" section of our report of even date.

**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 Eastern Dooars Tea Company Limited ("the Company") in conjunction with our audit of the 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 with reference to these Ind AS financial statements 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 with reference to these Ind AS financial statements 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 with reference to these Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Ind AS financial statements, 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 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 with reference to these Ind AS financial statements.

### **Meaning of Internal Financial Controls over Financial Reporting with reference to these Ind AS financial statements**

A company's internal financial control over financial reporting with reference to these Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these Ind AS financial statements 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 Ind AS 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 Ind AS financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these Ind AS financial statements**

Because of the inherent limitations of internal financial controls over financial reporting with reference to these Ind AS financial statements, 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 with reference to these Ind AS financial statements to future periods are subject to the risk that the



internal financial control over financial reporting with reference to these Ind AS financial statements 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 with reference to these Ind AS financial statements and such internal financial controls over financial reporting with reference to these Ind AS financial statements were operating effectively as at 31 March 2018, 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.

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For **A. SETHIA & CO.**

Chartered Accountants

ICAI Reg. No. 328380E

**(ALOK SETHIA)**

PARTNER

M. No. 305914

17, Bal Mukund Macker Road,

Kolkata - 700 007

The 27th day of August, 2018

# EASTERN DOOARS TEA COMPANY LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2018

Particulars	Note No.	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
		Rs	Rs	Rs
<b>ASSETS</b>				
<b>NON-CURRENT ASSETS</b>				
Property, Plant and Equipments	2	77,564,501	83,338,867	78,252,662
Capital work-in-progress	2	832,290	832,290	-
Financial Assets				
(a) Investment	3	-	1,423	1,423
(b) Trade Receivables	4	7,790,696	9,124,730	8,389,825
(c) Loans	5	1,361,920	1,361,920	1,360,920
<b>Total Non Current assets</b>		<b>87,549,407</b>	<b>94,659,230</b>	<b>88,004,830</b>
<b>CURRENT ASSETS</b>				
Inventories	6	18,485,749	35,006,040	35,396,623
Biological Assets other than bearer plants	7	1,378,776	1,572,096	974,832
Financial Assets				
(a) Investments	3	18,749,188	-	3,546,779
(b) Trade Receivables	4	10,462,225	32,957,828	16,033,852
(c) Cash and Cash Equivalents	8	789,085	2,837,342	1,674,255
(e) Loans	5	308,366	313,366	313,366
(f) Other Financial Assets	9	116,993	99,880	105,043
(g) Current Tax Assets	10	5,930,355	5,341,725	3,783,882
(h) Other Current Assets	11	1,119,085	3,196,786	2,558,000
<b>Total Current assets</b>		<b>57,339,822</b>	<b>81,325,063</b>	<b>64,386,632</b>
<b>Total Assets</b>		<b>144,889,229</b>	<b>175,984,293</b>	<b>152,391,462</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
Equity Share Capital	12	2,000,000	2,000,000	2,000,000
Other Equity	13	87,236,848	83,684,938	82,498,269
<b>Total Equity</b>		<b>89,236,848</b>	<b>85,684,938</b>	<b>84,498,269</b>
<b>LIABILITIES</b>				
<b>NON-CURRENT LIABILITIES</b>				
(a) Deferred Tax Liabilities (Net)	14	3,464,316	4,771,898	6,146,343
(b) Trade Payables	15	442,618	658,922	633,763
<b>Total Non Current Liabilities</b>		<b>3,906,934</b>	<b>5,430,820</b>	<b>6,780,106</b>
<b>CURRENT LIABILITIES</b>				
Financial Liabilities				
(a) Borrowings	16	13,469,356	41,040,383	36,808
(b) Trade Payables	15	6,502,564	7,023,973	9,878,461
(c) Other Financial Liabilities	17	6,680,713	7,309,117	16,361,903
(d) Other Current Liabilities	18	2,422,661	9,358,987	11,821,706
(e) Provisions	19	22,670,153	20,136,075	23,014,209
<b>Total Current Liabilities</b>		<b>51,745,447</b>	<b>84,868,535</b>	<b>61,113,087</b>
<b>Total Liabilities</b>		<b>55,652,381</b>	<b>90,299,355</b>	<b>67,893,193</b>
<b>Total Equity and Liabilities</b>		<b>144,889,229</b>	<b>175,984,293</b>	<b>152,391,462</b>

Significant Accounting Policies

1

The accompanying notes are an integral part of the Financial Statements

As per our report of even date

For and on behalf of the Board

**For A. Sethia & CO.**

Chartered Accountants  
ICAI Regn No. 328380E  
**(ALOK SETHIA)**

Partner

M.No. 305914

The 27th day of August, 2018

Minnalal Nahata  
Managing Director  
DIN : 00599149

Sampatmal Sancheti  
Director  
DIN : 00620693

Vijay Kumar Nahata  
Director  
DIN : 00599189

Surendra Kumar Nahata  
Director  
DIN : 00025510

# ***EASTERN DOOARS TEA COMPANY LIMITED***

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018**

	Note No.	For the year ended 31.03.2018	For the year ended 31.03.2017
		Rs	Rs
<b>INCOME</b>			
Revenue from Operations (Gross)	20	222,884,475	202,674,948
Other Income	21	894,551	2,419,252
<b>Total Revenue</b>		<b>223,779,026</b>	<b>205,094,200</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	22	8,770,016	15,988,579
Changes in Inventories of Finished Goods	23	15,074,855	(2,121,161)
Employee Benefits Expense	24	59,843,249	59,736,102
Finance Costs	25	2,409,227	2,282,955
Depreciation and Amortisation Expense	2	9,350,971	10,248,844
Other Expenses	26	123,335,568	118,377,267
<b>Total Expenses</b>		<b>218,783,886</b>	<b>204,512,586</b>
<b>Profit before tax</b>		<b>4,995,140</b>	<b>581,614</b>
<b>Tax expense:</b>			
(a) Current Tax		3,000,000	750,000
(b) Deferred Tax		(1,371,748)	(1,368,034)
<b>Profit after Tax for the year</b>		<b>3,366,888</b>	<b>1,199,648</b>
<b>Other Comprehensive Income:</b>			
<b>Other Comprehensive Income not to be reclassified to profit or loss in subsequent periods :</b>			
Fair value of equity instruments through OCI		249,188	(19,390.00)
Income tax effect thereof		(64,166)	6,411.00
<b>Other Comprehensive Income/ (loss) for the year, net of tax</b>		<b>185,022</b>	<b>(12,979.00)</b>
<b>Total Comprehensive Income for the year, net of Tax</b>		<b>3,551,910</b>	<b>1,186,669</b>
<b>Earnings per Equity Share of Rs.10/- each</b>			
(a) Basic		16.83	6.00
(b) Diluted		16.83	6.00

Significant Accounting Policies

1

As per our report of even date

**For A. Sethia & CO.**

Chartered Accountants

ICAI Regn No. 328380E

**(ALOK SETHIA)**

Partner

M.No. 305914

The 27th day of August, 2018

For and on behalf of the Board

Minnalal Nahata

*Managing Director*

DIN : 00599149

Sampatmal Sancheti

*Director*

DIN : 00620693

Vijay Kumar Nahata

*Director*

DIN : 00599189

Surendra Kumar Nahata

*Director*

DIN : 00025510



# EASTERN DOOARS TEA COMPANY LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2018

(Amount in Rupees)

(a) Equity Share Capital	No. of Shares	Amount
Equity shares of Rs. 10 each issued, subscribed and fully paid		
<b>At 1 April 2016</b>	400,000	4,000,000
Issue of share capital	-	-
<b>At 31 March 2017</b>	400,000	4,000,000
Issue of share capital	-	-
<b>At 31 March 2018</b>	400,000	4,000,000

**(b) Other equity**

**For the year ended 31 March, 2018:**

Particulars	Reserve & Surplus			Items of OCI	Total Equity
	Capital Reserve	General Reserve	Retained Earnings	Other Comprehensive Income	
<b>As at 1 April 2017</b>	792,757	70,000,000	4,958,911	7,933,270	83,684,938
Profit for the period	-	-	3,366,888	-	3,366,888
Other comprehensive income/ (loss) for the year	-	-	-	185,022	185,022
<b>Total comprehensive income</b>	792,757	70,000,000	8,325,799	8,118,292	87,236,848
Transfer to reserves	-	-	-	-	-
<b>At 31 March 2018</b>	792,757	70,000,000	8,325,799	8,118,292	87,236,848

**For the year ended 31 March, 2017:**

Particulars	Reserve & Surplus			Items of OCI	Total Equity
	Capital Reserve	General Reserve	Retained Earnings	Other Comprehensive Income	
<b>As at 1 April 2016</b>	792,757	70,000,000	3,759,263	7,946,249	82,498,269
Profit for the period	-	-	1,199,648	-	1,199,648
Other comprehensive income/ (loss) for the year	-	-	-	(12,979)	(12,979)
<b>Total comprehensive income</b>	792,757	70,000,000	4,958,911	7,933,270	83,684,938
Transfer to reserves	-	-	-	-	-
<b>At 31 March 2017</b>	792,757	70,000,000	4,958,911	7,933,270	83,684,938

As per our report of even date

**For A. Sethia & CO.**

Chartered Accountants

ICAI Regn No. 328380E

**(ALOK SETHIA)**

Partner

M.No. 305914

The 27th day of August, 2018

For and on behalf of the Board

Minnalal Nahata  
Managing Director  
DIN : 00599149

Sampatma Sancheti  
Director  
DIN : 00620693

Vijay Kumar Nahata  
Director  
DIN : 00599189

Surendra Kumar Nahata  
Director  
DIN : 00025510

# EASTERN DOOARS TEA COMPANY LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

DESCRIPTION	Amt in Rs	
	2017-2018	2016-2017
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit before tax	4,995,140	581,614
Adjustment for :		
Depreciation	9,350,971	10,248,844
Profit on sale of investments	-	(98,061)
Finance cost	2,409,227	2,282,955
Interest received	(104,405)	(114,708)
<b>Operating Profit Before Working Capital Changes :</b>	<b>16,650,933</b>	<b>12,900,644</b>
Adjustments for :		
Trade receivables	23,829,637	(17,658,881)
Short term loans & advances	5,000	(638,786)
Long term loans & advances	-	(1,000)
Other current assets	2,060,587	5,163
Inventories	16,520,291	390,583
Trade payables	(737,713)	(2,829,329)
Biological assets	193,320	(597,264)
Other current liabilities	(7,564,730)	(11,515,506)
Short term provisions	-	721,556
<b>Cash generated from operations</b>	<b>50,957,325</b>	<b>(19,222,820)</b>
Direct taxes paid	(1,189,488)	(5,907,533)
<b>Cash flow before Extraordinary items</b>	<b>49,767,837</b>	<b>(25,130,353)</b>
<b>Extra ordinary items</b>	<b>-</b>	<b>-</b>
<b>Net Cash from Operating Activities (A)</b>	<b>49,767,837</b>	<b>(25,130,353)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Property, Plant & Equipments	(3,576,605)	(16,167,338)
Purchase of investments	(18,500,000)	(5,500,000)
Sale proceeds of investments	1,423	9,125,450
Interest received	104,405	114,708
<b>Net Cash from Investing Activities (B)</b>	<b>(21,970,777)</b>	<b>(12,427,180)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds of borrowings	-	41,003,575
Repayment of borrowings	(27,571,027)	-
Finance cost	(2,409,227)	(2,282,955)
<b>Net Cash from Financing Activities</b>	<b>(29,980,254)</b>	<b>38,720,620</b>
<b>Net increase in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(2,183,193)</b>	<b>1,163,087</b>
* Cash & Cash Equivalents (Opening Balance)	2,837,342	1,674,255
* Cash & Cash Equivalents (Closing Balance)	789,085	2,837,342
* Represents Cash and Bank Balances as indicated in Note 8		

Note: Cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard - 7.

As per our report of even date

**For A. Sethia & CO.**  
Chartered Accountants  
ICAI Regn No. 328380E  
**(ALOK SETHIA)**  
Partner  
M.No. 305914  
The 27th day of August, 2018

For and on behalf of the Board

Minnalal Nahata <i>Managing Director</i> DIN : 00599149	Vijay Kumar Nahata <i>Director</i> DIN : 00599189	
Sampatmal Sancheti <i>Director</i> DIN : 00620693	Surendra Kumar Nahata <i>Director</i> DIN : 00025510	



# ***EASTERN DOOARS TEA COMPANY LIMITED***

## **NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**

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### **Note 1 Significant Accounting Policies**

#### **A. Corporate Information**

Eastern Dooars Tea Company Limited ("the Company") is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act. Its shares are listed on Calcutta Stock Exchange Limited. The Company is engaged in manufacture of tea.

The registered office of the Company is located at "Shantiniketan Building", 8, Camac Street, Kolkata – 700 017, West Bengal, India.

#### **B. Basis of Preparation**

The financial statements of the Company for the year ended 31 March, 2018 have been prepared in accordance with accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

For all periods up to and including the year ended 31 March, 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended 31 March, 2018 are the first the Company has prepared in accordance with Indian Accounting Standards ("Ind AS). Refer to note 44 for information on how the Company adopted Ind AS.

The financial statements have been prepared on historical cost basis, except for certain assets and liabilities which have been measured at fair value.

- Certain financial assets and liabilities which are measured at fair value/amortised cost.
- Certain biological assets (including unplucked green leaves) which are measured at fair value.

These financial statements are the first financial statements of the Company under Ind AS. Refer Note 45 for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

#### **C. Summary of Significant Accounting Policies**

##### **i. Current and Non-Current classification**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities. Deferred Tax assets and liabilities are classified as non-current only.

##### **ii. Property, Plant and Equipment**

The Company has elected to use the fair value of certain items of property, plant and equipment on the date of transition and designate the same as deemed cost on the date of transition. For the remaining assets, the Company has applied Ind AS retrospectively, from the date of their acquisition.

Property Plant and equipment are carried at cost of acquisition, less accumulated depreciation and accumulated impairment, if any. Cost comprises purchase price and directly attributable cost of bringing the asset to its working condition for the intended use.

Bearer Plants which is used in the production or supply of agriculture produce and expected to bear produce for more than a period of twelve months are capitalized as a part of Property, Plant & Equipment. The cost of bearer Plant includes all cost incurred till the plants are ready for commercial harvest.

Depreciation on property, plant and equipment assets other than land is provided on the Written Down Value Method to allocate their cost, net of their residual values on the basis of useful lives prescribed in the Schedule II of the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

##### **iii. Capital Work in Progress**

Capital Work-in-progress is stated at cost which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production.

##### **iv. Borrowing Costs**

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost until the assets is ready for its intended use. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use. Other borrowing costs are recognized as an expense in the period in which they are incurred.



**v. Inventories**

Stock of stores & Spares is valued at cost or net realizable value whichever is lower. Stock of Tea is valued at sale price for stock sold during subsequent period and at estimated market price for unsold stock.

**vi. Biological Assets**

Tea leaves growing on tea bushes are measured at fair value less cost to sell with changes in fair value recognized in Statement of Profit and Loss.

**vii. Cash and Cash Equivalents**

Cash and Cash Equivalent comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

**viii. Trade Receivables**

Trade receivables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment, if any.

**ix. Impairment of non-financial assets**

Impairment of Assets are assessed at each Balance Sheet date and if any indicators of impairment exists the same is assessed and provided for in accordance with the Indian Accounting Standard 36. A previously recognized impairment loss is periodically assessed.

**x. Government Grants**

Government Grants are recognized in accounts on cash basis. Revenue grants are recognized in the Statement of Profit & Loss. Capital grants relating to specific Tangible/Intangible Assets are reduced from the gross value of the respective Tangible/Intangible Assets. Other capital grants in the nature of promoters contribution are credited to Capital Reserve.

**xi. Revenue recognition**

**Sale of goods**

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have passed to the buyer, on delivery of the goods or as per buyer's instruction.

**Sale of services**

Revenue from services rendered is recognized as the services are rendered and is booked based on agreements/arrangements with the concerned parties.

**Interest Income**

Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income from debt instruments is recognized using the effective interest rate method.

**Dividends**

Dividend income is recognized in the statement of profit and loss only when the right to receive payment is established, which is generally when shareholders approve the dividend.

**xii. Employee Benefits**

**Short term Employees Benefits:**

**a) Short Term Employees Benefits**

The undiscounted amount of short term employee benefit expected to be paid in exchange for the services rendered by employee is recognized during the period when the employee render the service. This benefit includes salary, wages, short term compensatory absences and bonus.

**b) Long Term Employee Benefits**

- i) Defined Contribution Scheme : This benefit includes contribution to Provident Fund Schemes and Employees Deposit Link Insurance Scheme. The contribution is recognized during the period in which the employee renders service.
- ii) Defined Benefit Scheme : For defined benefit scheme the cost of providing benefit is determined using the projected unit credit method with actuarial valuation being carried out at each balance sheet date. The retirement benefit obligation recognized in the Balance Sheet represents value of defined benefit obligations as reduced by the fair value of planned assets. Actuarial gains and losses are recognized in full during the year in which they occur.

**xiii. Taxation**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax is provided using the balance sheet method on deductible temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current and Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current and Deferred tax items are recognized

#### **xiv. Earnings per Share**

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

#### **xv. Provisions and Contingencies**

A provision is recognized when an enterprise has a present obligation (legal or constructive) as a result of past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured of the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The expense relating to a provision is presented in the statement of profit and loss.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

#### **xvi. Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

##### **Financial Assets**

##### **Initial recognition and measurement**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

##### **Subsequent Measurement**

##### **Debt instruments at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- \* The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and,
- \* Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The EIR amortization is included in finance income in the Statement of Profit and Loss.

##### **Equity Investments**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at Fair Value Through Profit and Loss (FVTPL). For all other equity instruments, the Company makes an irrevocable election to present in Other Comprehensive Income (OCI) subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

##### **Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial asset) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- \* The rights to receive cash flows from the asset have expired, or
- \* The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.



### **Impairment of financial assets**

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the flowing financial assets and credit risk exposure:

\* Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

\* Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18 (referred to as 'contractual revenue receivables' in these financial statements).

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables or contract revenue receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original Effective Interest Rate (EIR). Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' (or 'other income') in the Statement of Profit and Loss.

### **Financial liabilities**

#### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

#### **Subsequent measurement**

##### **Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

##### **Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

#### **xvii. Fair Value measurement**

The Company measures financial instruments, such as, derivatives at fair value of each balance sheet date.

#### **xviii. Standard issued but not yet effective**

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified the following amendments to Ind AS's which the Company has not applied as they are effective for annual periods beginning on or after 1 April, 2018.

##### **Ind AS 12 - Income Taxes**

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount. Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognized in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact. These amendments are effective for annual periods beginning on or after 1 April, 2018. These amendments are not expected to have any impact on the Company as the Company has no deductible temporary differences or assets that are in the scope of the amendments.



***EASTERN DOOARS TEA COMPANY LIMITED***  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**

**Note. 2 Property, Plant & Machinery**

DESCRIPTION	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	As on 01-04-2017	Addition during the year	Less : Sales and/or Adjustment	Total Up to 31-03-2018	Up to 31-03-2017	For the year	Less: Applicable to Assets Sold	Total Up to 31-03-2018	As at 31-03-2018	As at 31-03-2017
Land	224,995	-	-	224,995	-	-	-	-	224,995	224,995
Plantation	26,785,262	-	-	26,785,262	-	-	-	-	26,785,262	26,785,262
Machineries	85,262,204	2,096,373	-	87,358,577	56,906,794	6,010,844	-	62,917,638	24,440,939	28,355,410
Factory Building	6,342,144	-	-	6,342,144	5,038,499	106,456	-	5,144,955	1,197,189	1,303,645
Buildings	8,873,927	177,173	-	9,051,100	4,418,434	475,327	-	4,893,761	4,157,339	4,455,493
Hospital Buildings	109,382	-	-	109,382	107,172	-	-	107,172	2,210	2,210
Office Premises	11,915,263	-	-	11,915,263	881,064	1,048,850	-	1,929,914	9,985,349	11,034,199
Fencing	438,250	-	-	438,250	433,709	-	-	433,709	4,541	4,541
Tractors & Trailors	2,072,442	-	-	2,072,442	2,032,557	9,031	-	2,041,588	30,854	39,885
Motor Cars, Jeeps	3,498,198	1,024,243	-	4,522,441	2,927,829	413,697	-	3,341,526	1,180,915	570,369
Furniture	1,028,922	116,150	-	1,145,072	781,253	86,174	-	867,427	277,645	247,669
Airconditioners	80,810	-	-	80,810	79,469	-	-	79,469	1,341	1,341
Electrification	2,303,421	-	-	2,303,421	1,733,281	137,595	-	1,870,876	432,545	570,140
New Labour Houses	18,622,345	46,208	-	18,668,553	8,961,702	996,550	-	9,958,252	8,710,301	9,660,643
Refrigerators	52,659	-	-	52,659	49,628	825	-	50,453	2,206	3,031
Deep Tube Well	862,446	-	-	862,446	832,617	-	-	832,617	29,829	29,829
Motor Cycles & Mopeds	338,093	-	-	338,093	320,362	1,622	-	321,984	16,109	17,731
Computers	325,106	116,458	-	441,564	316,282	64,000	-	380,282	61,282	8,824
Mobile Phone	77,675	-	-	77,675	77,675	-	-	77,675	-	-
Roads & Bridges	473,002	-	-	473,002	449,352	-	-	449,352	23,650	23,650
<b>Total</b>	<b>169,686,546</b>	<b>3,576,605</b>	<b>-</b>	<b>173,263,151</b>	<b>86,347,679</b>	<b>9,350,971</b>	<b>-</b>	<b>95,698,650</b>	<b>77,564,501</b>	<b>83,338,867</b>

Note : a) Addition to Machineries is after Netting of Rs. 4,80,286 (Previous year - Nil) on account of subsidy received from Tea Board under Tea Plantation Development Subsidy Scheme.

b) Land acquired for Rs 2,24,995 (previous year Rs 2,24,995) is pending for registration.

**Note. 2 Capital work in Progress**

DESCRIPTION	As at 1st April, 2016	Additions	Capitalisation	As at 31st March, 2017
Plant & Machinery	832,290	-	-	832,290
<b>Total</b>	<b>832,290</b>	<b>-</b>	<b>-</b>	<b>832,290</b>

# **EASTERN DOOARS TEA COMPANY LIMITED**

## **NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**

### **Note. 2 Property, Plant & Machinery**

(Amount in Rs.)

DESCRIPTION	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	As on 01-04-2016	Addition during the year	Less : Sales and/or Adjustment	Total Up to 31-03-2017	Up to 31-03-2016	For the year	Less: Applicable to Assets Sold	Total Up to 31-03-2017	As at 31-03-2017	As at 31-03-2016
Land	224,995			224,995	-	-	-	-	224,995	224,995
Plantation	26,785,262	-	-	26,785,262	-	-	-	-	26,785,262	26,785,262
Machineries	84,923,929	338,275	-	85,262,204	49,626,612	7,280,182	-	56,906,794	28,355,410	35,297,317
Factory Building	6,342,144		-	6,342,144	4,921,309	117,190	-	5,038,499	1,303,645	1,420,835
Buildings	8,757,915	116,012	-	8,873,927	3,867,521	550,913	-	4,418,434	4,455,493	4,890,394
Hospital Buildings	109,382		-	109,382	107,172	-	-	107,172	2,210	2,210
Office Premises	-	11,915,263	-	11,915,263	-	881,064	-	881,064	11,034,199	-
Fencing	438,250		-	438,250	433,709	-	-	433,709	4,541	4,541
Tractors & Trailors	2,072,442		-	2,072,442	2,015,153	17,404	-	2,032,557	39,885	57,289
Motor Cars, Jeeps	3,498,198	-	-	3,498,198	2,667,909	259,920	-	2,927,829	570,369	830,289
Furniture	1,028,922	-	-	1,028,922	684,803	96,450	-	781,253	247,669	344,119
Airconditioners	80,810		-	80,810	79,469	-	-	79,469	1,341	1,341
Electrification	1,704,608	598,813	-	2,303,421	1,646,191	87,090	-	1,733,281	570,140	58,417
New Labour Houses	16,255,660	2,366,685	-	18,622,345	8,035,339	926,363	-	8,961,702	9,660,643	8,220,321
Refrigerators	52,659		-	52,659	48,059	1,569	-	49,628	3,031	4,600
Deep Tube Well	862,446		-	862,446	811,555	21,062	-	832,617	29,829	50,891
Motor Cycles & Mopeds	338,093	-	-	338,093	311,742	8,620	-	320,362	17,731	26,351
Computers	325,106	-	-	325,106	315,265	1,017	-	316,282	8,824	9,841
Mobile Phone	77,675	-	-	77,675	77,675	-	-	77,675	-	-
Roads & Bridges	473,002	-	-	473,002	449,352	-	-	449,352	23,650	23,650
<b>Total</b>	<b>154,351,498</b>	<b>15,335,048</b>	<b>-</b>	<b>169,686,546</b>	<b>76,098,835</b>	<b>10,248,844</b>	<b>-</b>	<b>86,347,679</b>	<b>83,338,867</b>	<b>78,252,662</b>

- Note : a) Addition to Machineries is after Netting of Rs. Nil (Previous year - 5,90,276/- ) on account of subsidy received from Tea Board under Tea Plantation Development Subsidy Scheme.
- b) New Labor House includes a sum of Nil (previous year Rs 8,58,450) being the cost of labour houses constructed under loan from Assam State Housing Board.
- c) Land acquired for Rs 224995 (previous year Rs 224995) is pending for registration.

### **Note. 2 Capital work in Progress**

DESCRIPTION	As at 1st April, 2016	Additions	Capitalisation	As at 31st March, 2017
Plant & Machinery	-	832,290	-	832,290
<b>Total</b>	-	<b>832,290</b>	-	<b>832,290</b>



# EASTERN DOOARS TEA COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

### Note. 3 Financial Assets - Investments

(Amount in Rs.)

Particulars	Non Current			Current		
	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
<b>Investment in Govt. Securities (Unquoted)</b>						
1 (31st March 2017: 1, 31st March 2016: 1) 3% G. P. Notes of face value of Rs.1700 each	-	1,423	1,423	-	-	-
<b>Investment in Mutual Funds (Unquoted)</b>						
Nil (31st March 2017: Nil, 31st March 2016: 12110.735) Birla Sunlife Savings Fund - Growth - Regular	-	-	-	-	-	3,546,779
44799.011 (31st March 2017: Nil, 31st March 2016: Nil) Aditya Birla Sun Life Cash Manager Fund - Growth - Regular Plan	-	-	-	18,749,188	-	-
<b>Total</b>	-	1,423	1,423	18,749,188	-	3,546,779

### Note 4 Trade Receivables

Particulars	Non Current			Current		
	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
Unsecured, considered good	7,790,696	9,124,730	8,389,825	10,462,225	32,957,828	16,033,852
<b>Total</b>	7,790,696	9,124,730	8,389,825	10,462,225	32,957,828	16,033,852

### Note. 5 Financial assets - Loans

Particulars	Non Current			Current		
	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
<b>(Unsecured considered good)</b>						
Security Deposits	1,361,920	1,361,920	1,360,920	-	-	-
Loan/Advance to Employee	-	-	-	184,960	189,960	189,960
Deposit with Agents	-	-	-	123,406	123,406	123,406
<b>Total</b>	1,361,920	1,361,920	1,360,920	308,366	313,366	313,366

### Note. 6 Inventories (As valued & certified by the management)

Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
Finished Goods- Stock of Tea	10,203,291	25,278,147	23,156,985
Stores and Spares	8,282,458	9,727,893	12,239,638
<b>Total</b>	18,485,749	35,006,040	35,396,623



***EASTERN DOOARS TEA COMPANY LIMITED***  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**

(Amount in Rs.)

**Note. 7 Biological Assets**

Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
Opening Balance	1,572,096	974,832	-
Green Leaf recognised at fair value	1,378,776	1,572,096	974,832
Transfer of harvested leaf for production	1,572,096	974,832	-
<b>Closing Balance</b>	<b>1,378,776</b>	<b>1,572,096</b>	<b>974,832</b>

**Note 8 Cash and Cash Equivalents**

Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
Balances with banks in current account	192,619	240,795	80,182
Cash in hand	596,466	2,596,547	1,594,073
<b>Total</b>	<b>789,085</b>	<b>2,837,342</b>	<b>1,674,255</b>

**Note. 9 Other financial assets**

Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
(Unsecured considered good)			
Interest accrued and due	93,964	98,095	103,258
Other Receivables	23,029	1,785	1,785
<b>Total</b>	<b>116,993</b>	<b>99,880</b>	<b>105,043</b>

**Note. 10 Current Tax Assets**

Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
Advance Tax & T. D. S.	5,930,355	5,341,725	3,783,882
<b>Total</b>	<b>5,930,355</b>	<b>5,341,725</b>	<b>3,783,882</b>

**Note. 11 Other Current Assets**

Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
Prepaid Expenses	177,886	123,396	7,729
Advance to Suppliers & Contractors	202,203	2,319,672	1,800,016
Balances with Government and Statutory Authorities	738,996	753,718	750,255
<b>Total</b>	<b>1,119,085</b>	<b>3,196,786</b>	<b>2,558,000</b>

**Note. 12 Equity Share Capital**

Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
Authorised Capital			
4,00,000 Equity Shares of Rs.10 each	4,000,000	4,000,000	4,000,000
Issued, Subscribed and fully paid-up Capital			
<b>2,00,000 Equity Shares of Rs.10 each</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>2,000,000</b>
<b>Total Equity Share Capital</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>2,000,000</b>

# EASTERN DOOARS TEA COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(Amount in Rs.)

**a) Reconciliation of Share Capital is given below :**

Particulars	As at 31.03.2018		As at 31.03.2017	
	No. of Shares	Rs.	No. of Shares	Rs.
<b>At the beginning of the year</b>	<b>200,000</b>	<b>2,000,000</b>	200,000	2,000,000
Issued during the year	-	-	-	-
<b>At the end of the year</b>	<b>200,000</b>	<b>2,000,000</b>	200,000	2,000,000

**b) Terms / Rights attached to class of shares**

The Company has only one class of Equity Share having par value of Rs. 10 per share. Holder of each Equity is entitled to one vote per share. The claim of Ordinary Shareholders on earnings and on assets in the event of liquidation, follows all others, in proportion to their shareholding.

**c) The Company does not have any Holding Company / Ultimate Holding Company.**

**d) Details of Shareholders holding more than 5 percent of Equity Shares in the Company**

	As at 31-03-2018		As at 31-03-2017		As at 01-04-2016	
	No. of Shares	% holding	No. of Shares	% holding	No. of Shares	% holding
Nahata Estates Pvt. Ltd.	15,300	7.65	15,300	7.65	15,300	7.65
Vijay Kumar Nahata (HUF)	12,950	6.48	12,950	6.48	12,950	6.48
Vijay Kumar Nahata	15,700	7.85	15,700	7.85	15,700	7.85
Jitendra Kumar Nahata	13,657	6.83	13,657	6.83	13,657	6.83
Vikas Nahata	16,985	8.49	16,985	8.49	16,985	8.49
Rashi Nahata	10,900	5.45	10,900	5.45	10,900	5.45
Manju Nahata	13,310	6.66	13,310	6.66	13,310	6.66
Surya Kanta Nahata	10,200	5.10	10,200	5.10	10,200	5.10

**Note 13. Other Equity**

	As at 31.03.2018	As at 31.03.2017	As at 01-04-2016
<b>Reserves &amp; Surplus</b>			
Capital Reserve	792,757	792,757	792,757
General Reserve	70,000,000	70,000,000	70,000,000
Retained Earnings	8,325,799	4,958,911	3,759,263
Other Comprehensive Income	8,118,292	7,933,270	7,946,249
<b>Total Other equity</b>	<b>87,236,848</b>	83,684,938	82,498,269

**Note 14 Deferred Tax Liabilities (Net)**

	As at 31.03.2018	As at 31.03.2017	As at 01-04-2016
<b>Property Plant &amp; Equipments</b>	3,027,403	4,344,441	5,835,539
Fair Value of Financial Instrument through OCI	64,166	-	6,411
On Biological Assets at Fair Value	372,747	427,457	304,393
<b>Total</b>	<b>3,464,316</b>	4,771,898	6,146,343

***EASTERN DOOARS TEA COMPANY LIMITED***  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**

(Amount in Rs.)

**Note 15 Trade Payables**

Particulars	Non Current			Current		
	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
Trade Payables						
Due to Micro, Small & Medium Enterprises	-	-	-	-	-	-
Due to Creditors other than Micro, Small & Medium Enterprises	442,618	658,922	633,763	6,502,564	7,023,973	9,878,461
<b>Total</b>	<b>442,618</b>	<b>658,922</b>	<b>633,763</b>	<b>6,502,564</b>	<b>7,023,973</b>	<b>9,878,461</b>

**Note 16 Current Borrowings**

	As at 31.03.2018	As at 31.03.2017	As at 01-04-2016
<b>Secured :</b>			
Cash Credit from HDFC Bank Ltd.	13,469,356	41,040,383	-
Housing Loan from Assam State Housing Board	-	-	36,808
<b>Total Secured Borrowings</b>	<b>13,469,356</b>	<b>41,040,383</b>	<b>36,808</b>

**Security:**

- i) Cash Credit from HDFC Bank Ltd. is secured by hypothecation of stock of tea, stores & spares, book debts and other current assets existing and future, Equitable mortgage of immovable property at Daloabari & Banglabari Tea Estates owned by the Company and personal guarantee of two directors of the Company.

- (ii) Details of short-term borrowings guaranteed by directors or others:

	As at 31.03.2018	As at 31.03.2017	As at 01-04-2016
Cash Credit from HDFC Bank Ltd.	13,469,356	41,040,383	-

**Note 17 Other Financial Liabilities**

Particulars	Non Current			Current		
	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Expenses Payable	-	-	-	6,680,713	7,309,117	16,361,903
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,680,713</b>	<b>7,309,117</b>	<b>16,361,903</b>

**Note 18 Other Current Liabilities**

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Statutory Liabilities	2,185,732	2,054,197	3,014,759
Advance received from Agents	236,929	7,304,790	8,806,947
<b>Total</b>	<b>2,422,661</b>	<b>9,358,987</b>	<b>11,821,706</b>



# **EASTERN DOOARS TEA COMPANY LIMITED**

## **NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**

(Amount in Rs.)

### **Note 19 Provisions**

Particulars	Non Current			Current		
	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
<b>Provision for employee benefits</b>						
Provision for Bonus	-	-	-	<b>15,189,231</b>	15,054,296	14,332,740
<b>Others</b>						
Provision for Taxation	-	-	-	<b>7,480,922</b>	5,081,779	8,681,469
<b>Total</b>	-	-	-	<b>22,670,153</b>	20,136,075	23,014,209

### **Note 20. Revenue from operations**

Particulars	As at 31.03.2018	As at 31.03.2017
<u>Sale of products</u>		
Finished Goods- Tea	<b>222,884,164</b>	202,297,346
<u>Other Operating Revenue</u>		
Incentives & Subsidies	-	339,594
Insurance & Other Claims	<b>311</b>	38,008
<b>Total</b>	<b>222,884,475</b>	202,674,948

### **Note 21. Other Income**

Particulars	As at 31.03.2018	As at 31.03.2017
Interest Income on Bank Deposit	-	5,714
Interest Income on Security Deposit	<b>104,405</b>	108,994
Net gain on sale of current investments	-	98,061
Miscellaneous income	<b>36,008</b>	35,200
Excess provision for bonus in previous years written back	<b>254,945</b>	1,254,206
Liabilities no longer required written back	<b>457,873</b>	319,813
Sale of Scrap	<b>41,320</b>	-
Changes in Fair Value of Biological Assets	-	597,264
<b>Total</b>	<b>894,551</b>	<b>2,419,252</b>

### **Note 22. Cost of Materials Consumed**

Particulars	As at 31.03.2018	As at 31.03.2017
Opening Stock	-	-
Add: Purchases	<b>8,770,016</b>	15,988,579
Less: Closing Stock	-	-
	<b>8,770,016</b>	15,988,579
Material consumed comprises:		
Green Tea Leaves	<b>8,770,016</b>	15,988,579
<b>Total</b>	<b>8,770,016</b>	15,988,579

***EASTERN DOOARS TEA COMPANY LIMITED***  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**

(Amount in Rs.)

**Note 23. Changes in Inventories of Finished Goods**

Particulars	As at 31.03.2018	As at 31.03.2017
<u>Inventories at the beginning of the year:</u>		
Finished Goods	<b>25,278,146</b>	23,156,986
<u>Inventories at the end of the year:</u>		
Finished Goods	<b>10,203,291</b>	25,278,147
<b>Net (increase) / decrease</b>	<b>15,074,855</b>	(2,121,161)

**Note 24. Employee Benefits Expense**

Particulars	As at 31.03.2018	As at 31.03.2017
Salaries & Wages	<b>32,986,694</b>	30,345,886
Managing Director's Remuneration	<b>1,337,036</b>	1,277,228
Contributions to Provident & Other Funds	<b>6,955,587</b>	9,356,163
Staff Welfare Expenses	<b>18,563,932</b>	18,756,825
<b>Total</b>	<b>59,843,249</b>	<b>59,736,102</b>

**Note 25. Finance Costs**

Particulars	As at 31.03.2018	As at 31.03.2017
Interest expense :		
Bank Borrowings	<b>2,409,227</b>	1,192,269
Other Borrowings	-	1,090,686
<b>Total</b>	<b>2,409,227</b>	2,282,955

**Note 26. Other Expenses**

Particulars	As at 31.03.2018	As at 31.03.2017
<b>MANUFACTURING EXPENSES</b>		
Cultivation & Plucking	<b>60,679,180</b>	58,349,161
Tea Making	<b>4,421,761</b>	4,360,153
Packing Material Consumed	<b>1,599,090</b>	1,607,209
Power and Fuel	<b>30,073,079</b>	23,791,226
Repairs to Buildings	<b>3,713,883</b>	2,415,885
Transport Expenses	<b>3,560,241</b>	3,110,573
Repairs to Machinery	<b>5,345,789</b>	4,117,914
Cess on Green Leaf	<b>2,134,969</b>	2,188,397
	<b>111,527,992</b>	99,940,518

***EASTERN DOOARS TEA COMPANY LIMITED***  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**

(Amount in Rs.)

**Note 26. Other Expenses**

Particulars	As at 31.03.2018	As at 31.03.2017
<b>SELLING &amp; ADMINISTRATION</b>		
Excise Duty	<b>63,315</b>	745,560
Insurance	<b>352,003</b>	290,838
Rates and Taxes	<b>551,719</b>	851,294
Changes in Fair Value of Biological Assets	<b>193,320</b>	-
Freight & Sales Charges	<b>3,018,878</b>	7,694,711
Brokerage & Commission	<b>2,520,103</b>	3,871,545
Consultancy Charges to Agents	<b>1,763,136</b>	1,779,159
Rent	<b>528</b>	-
Director Fees	<b>53,000</b>	62,000
Payments to Auditors:		
Statutory Audit Fees	<b>160,000</b>	143,750
Tax Audit Fees	<b>30,000</b>	28,750
Other Services	<b>31,000</b>	21,275
Reimbursement of expenses	-	6,900
Miscellaneous Expenses	<b>3,070,574</b>	2,940,967
	<b>11,807,576</b>	18,436,749
<b>Total</b>	<b>123,335,568</b>	118,377,267

**27. Contingent Liabilities and Commitments (to the extent not provided for)**

**a) Contingent Liabilities**

- i) Disputed West Bengal VAT demand of Rs.9,98,127 (Previous year Rs. 9,98,127) for financial year 2007-08 against which the Company has preferred appeal before West Bengal Commercial Taxes Appellate & Revisional Board.
- ii) Disputed West Bengal VAT demand of Rs.17,18,392 (Previous year Rs.17,18,392) for financial year 2008-09 against which the Company has preferred appeal before West Bengal Commercial Taxes Appellate Tribunal.
- iii) Disputed Income Tax demand of Rs. 63,140 (P. Y. Nil) for assessment year 2009-10 against which the Company has preferred rectification petition u/s 154 of the Income Tax Act, 1961 before the Assessing Officer.
- iv) Disputed Income Tax demand of Rs 39,15,830 (P. Y. Nil) for assessment year 2013-14 against which the Company has preferred appeal before Commissioner of Income Tax (Appeals).
- v) Disputed Income Tax demand of Rs. 35,260 (P. Y. Nil) for assessment year 2014-15 against which the Company has preferred appeal before Commissioner of Income Tax (Appeals).

- b) Commitments : Estimated amount of contracts remaining to be executed on capital account (net of advance) and not provided for in the financial statement aggregating – Rs.23 Lakhs (Previous year - Nil).

28. Balance with banks in Current Account includes Rs.3,98,102 (P.Y. 3,98,102) which are subject to confirmation from bank.

- a) Expenses grouped under Other Expenses includes **Rs.6,54,05,891** (Previous year Rs.5,68,44,731) being expenses towards Employee Benefit Expenses over and above amount disclosed in Note 24 for Employee Benefit Expenses.
- b) Expenses grouped under Other Expenses includes Rs.4,87,27,648 (Previous year Rs.3,94,22,718) being the cost of Stores & Spares consumed during the year.



# ***EASTERN DOOARS TEA COMPANY LIMITED***

## **NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**

		2017-18		(Amount in Rs.) 2016-17	
30. a)	Value of Imports on C.I.F. basis	Nil		Nil	
b)	Expenditure in Foreign Currency	Nil		Nil	
c)	Earnings in Foreign Currency	Nil		Nil	
d)	Value of Raw Material & Stores consumed:				
	<u>Raw Material</u>	<u>Value</u>	<u>%</u>	<u>Value</u>	<u>%</u>
	Imported	---	--	---	--
	Indigenous	87,70,016 *	100	1,59,88,779*	100
		-----	-----	-----	-----
		87,70,016	100	1,59,88,779	100
		-----	-----	-----	-----
	<u>Stores &amp; Spares</u>				
	Imported	---	--	---	--
	Indigenous	4,87,27,648	100	3,94,22,718	100
		-----	-----	-----	-----
		4,87,27,648	100	3,94,22,718	100
		-----	-----	-----	-----

\* Represents only cost of green leaf purchased by the Company and is exclusive of green leaf plucked at the garden owned by the Company cost of which is not ascertainable.

31. Quantitative information in respect of tea manufactured during the year:			
a) Class of Goods		Tea	Tea
b) Unit		Kg	Kg
c) Actual Production		14,27,691.0	15,22,116.0
d) Opening Stock of Goods Produced		2,34,860.0	1,50,972.0
e) Complimentary, Sampling & Shortage		14,802.5	11,118.2
f) Sales		15,65,591.0	14,27,109.8
g) Closing Stock of Goods Produced		82,157.5	2,34,860.0
h) Raw Materials (Green Leaf Plucked in Garden owned by Company)		53,37,421.0	54,70,991.0
i) Raw Materials (Green Leaf Purchased)		5,41,448.0	9,63,459.0

32. Income Tax assessments are pending for assessment year 2015-15 and onwards.

33. Agriculture Income Tax Assessments are pending for assessment year 2013-14 and onwards.

34. VAT & Central Sales Tax Assessments are pending for financial year 2014-15 and onwards.

35. The Company operates a gratuity plan through the "Eastern Dooars Employee's Gratuity Fund". Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

The Company has charged Rs. 15,76,346/- (P. Y. Rs. 42,00,669/-) towards gratuity during the year ended 31st March 2018 in the Statement of Profit & Loss.

***EASTERN DOOARS TEA COMPANY LIMITED***  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**

(Amount in Rs.)

The details of fund and plan assets position are as follows.

	2017-18	2016-17
<b>I. Reconciliation of opening and closing balances of the present value of the Defined Benefit Obligation</b>		
(a) Present Value of Obligation at beginning of period	3,29,77,727	2,72,28,493
(b) Current Service cost	19,63,092	16,85,176
(c) Interest cost	24,07,374	21,23,822
(d) Actuarial (gains)/ losses	(21,48,182)	23,67,609
(e) (Benefits paid)	<u>(15,76,346)</u>	<u>(4,27,373)</u>
(f) Present Value of Obligation at the end of year	<u>3,36,23,665</u>	<u>3,29,77,727</u>
<b>II. Reconciliation of opening and closing balances of the Fair value of the Plan Assets</b>		
(a) Fair Value of Plan assets at beginning of year	3,30,37,102	2,74,61,164
(b) Expected Return on Plan Assets	26,42,968	21,96,893
(c) Actuarial Gain/(Loss)	(4,56,650)	(2,20,955)
(d) Contributions by Employer	15,76,346	40,27,373
(e) (Benefits paid)	<u>(15,76,346)</u>	<u>(4,27,373)</u>
(f) Fair Value of Plan assets at the end of year	<u>3,52,23,420</u>	<u>3,30,37,102</u>
<b>III. Reconciliation of present value of the Defined Benefit Obligation in 'I' above and the fair value of Plan Assets in 'II' above</b>		
(a) Present Value of Obligation at the end of year	3,36,23,665	3,29,77,727
(b) Fair Value of Plan assets at the end of year	3,52,23,420	3,30,37,102
(c) Asset/ (Liability) recognised in the Balance Sheet	15,99,755	59,375
(d) Experience (Gain)/ Loss adjustment on plan liabilities	(15,14,468)	13,91,383
(e) Experience Gain/ (Loss) adjustment on plan assets	<u>(4,56,650)</u>	<u>(2,20,955)</u>
<b>IV. Expense Charged to the Statement of Profit &amp; Loss</b>		
(a) Current Service cost	19,63,092	16,85,176
(b) Interest cost	24,07,374	21,23,822
(c) Expected return on plan assets	(26,42,968)	(21,96,893)
(d) Actuarial Losses/ (Gains)	<u>(16,91,532)</u>	<u>25,88,564</u>
(e) Total expense charged to the Statement of Profit & Loss	<u>35,966</u>	<u>42,00,669</u>
<b>V. Percentage of each Category of Plan Assets to total Fair Value of Plan Assets</b>		
	As at	As At
	31st March 2018	31st March 2017
(a) High quality Corporate Bonds	78.63%	45.81%
(b) Government (Central & State) Securities	11.82%	12.56%
(c) Special Deposit Scheme	6.62%	7.06%
(d) Bank Balance	0.04%	31.53%
Other Investments	<u>2.89%</u>	<u>3.04%</u>
Total	<u>100.00%</u>	<u>100.00%</u>



# ***EASTERN DOOARS TEA COMPANY LIMITED***

## **NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**

	(Amount in Rs.)	
	<u>2017-18</u>	<u>2016-17</u>
IV. Actual Return on Plan Assets	21,86,318	19,75,938
	31st March 2018	31st March 2017
V. Principal Actuarial Assumptions		
(a) Discounting Rate (per annum)	7.60%	7.30%
(b) Expected Rate of return on Plan Assets (per annum)	8.00%	8.00%
(c) Salary Escalation	4.00%	4.00%
(d) Mortality	IALM 06-08	IALM 06-08
	100%	100%
(e) Attrition Rates, based on age (% p.a.)	2.00	2.00

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The expected rate of return on plan assets is based on the portfolio of assets held, investment strategy and market scenario. In order to protect the capital and optimize returns within acceptable risk parameters, the plan assets are reasonably diversified.

36. As per the requirements of Indian Accounting Standard 36 on "Impairments of Assets" the company has assessed the carrying amount of assets vis a vis their recoverable values and no impairment is envisaged at the balance sheet date.
37. In the opinion of the Board of Directors of the Company, the Current Assets, Loans and Advances have value on realizations, in the ordinary course of business, at least equal to the amount at which they have been stated in the Balance Sheet.
38. There are no micro, small & medium enterprises as defined under The Micro, Small & Medium Enterprise Development Act, 2006 to whom the company owes dues. The above information regarding Micro, Small & Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company and has been relied upon by the auditors.
39. The balances of Creditors, Debtors, Other Liabilities and Loans and Advances are subject to confirmation/reconciliation.

**40. Earning Per Share**

	As at	As at
	31.03.2018	31.03.2017
Net Profit / (Loss) after tax as per profit and loss account	33,66,888	11,99,648
No. of Equity Shares of Rs.10/- each	2,00,000	2,00,000
Basic and Diluted Earning per Share	16.83	6.00

**41. Segmental Reporting:**

The Company's business is production & sale of single product i.e. Tea. The revenues other than sale of tea are either incidental to the business of tea or are of non recurring nature. There are no reportable geographical segments since the Company caters mainly to the needs of Indian Market.

42. As per Ind AS 24, issued by the Institute of Chartered Accountant of India, the disclosures of transaction with related parties as defined in the Accounting Standard are given below :

List of related parties and relationships:

	Name of the related Party
Enterprise in which KMP or their relative are having significant influence (Relative) (with whom Company has transactions) Key Managerial Persons	Bijni Dooars Tea Co Ltd Finance Exchange (India) Ltd M/s Panchiram Nahata Minnalal Nahata, Managing Director Vijay Kumar Nahata, Director Surendra Kumar Nahata, Director Nandini Bose, Director



# **EASTERN DOOARS TEA COMPANY LIMITED**

## **NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**

(Amount in Rs.)

Particulars of Transactions during the year ended 31st March, 2018

Sl. No.	Nature of Transactions	Relationship	31.03.2018	31.03.2017
1	Sale of Tea Plants Bijni Dooars Tea Co. Ltd	Relative	NIL	6,27,000
2	Sale of Stores Bijni Dooars Tea Co. Ltd	Relative	NIL	9,47,440
3	Commission / Consultancy Charges M/s Panchiram Nahata	Relative	17,63,136	17,79,159
4	Services Rendered Bijni Dooars Tea Co. Ltd.	Relative	69,20,638	30,26,849
5	Interest Paid Finance Exchange (India) Ltd	Relative	NIL	10,90,027
6	Payment of Salaries / Perquisites / Commission Minnalal Nahata	K M P	13,37,036	12,77,228
9	Payment of Electric Charges Bijni Dooars Tea Co Ltd.	Relative	78,189	59,766
10	Loan Received Finance Exchange (India) Ltd	Relative	NIL	2,85,00,000
11	Loan Repaid Finance Exchange (India) Ltd	Relative	NIL	2,85,00,000

**Balances Outstanding at the Year End 31.03.2018:**

Sl. No.	Nature of Transactions	Relationship	31.03.2018	31.03.2017
1	Commission, / Consultancy Charges Payable M/s Panchiram Nahata Minnalal Nahata	Relative K M P	16,18,490 63,322	17,36,964 37,004
2	Sundry Debtors Bijni Dooars Tea Co. Ltd	Relative	58,81,528	41,24,176

### 43. First time adoption of Ind AS

These financial statements, for the year ended 31 March 2018, are the first the Company has prepared in accordance with Ind AS. The Company's financial statements for the year ended 31 March 2018 have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 as described in the summary of significant accounting policies. The adoption of Ind AS has been carried out in accordance with Ind AS 101, with April 1, 2016 as the transition date. In accordance with Ind AS 101, the resulting difference between the carrying amounts of the assets and liabilities in the financial statements under both Ind AS and Previous GAAP as at the transition date have been recognized directly in equity at the transition date. An explanation of how the transition from previous GAAP to Ind AS has affected the financial position, financial performance and cash flows is set out in the following notes:

#### Exemptions and exceptions applied

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from Previous GAAP to Ind AS.

#### Ind AS Optional Exemptions

Fair valuation as deemed cost for certain items of Property, Plant and Equipment

Ind AS 101 permits an entity to elect to measure an item of property, plant and equipment at the date of transition to

# ***EASTERN DOOARS TEA COMPANY LIMITED***

## **NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**

(Amount in Rs.)

Ind AS at its fair value and use that fair value as its deemed cost at that date. Accordingly, the Company has elected to use the fair value of certain assets on the date of transition and designate the same as deemed cost on the date of transition. For the remaining assets, the Company has elected to continue with the carrying values under previous GAAP.

### **Classification and measurement of financial assets**

Ind AS 101 allows an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS. The classification of financial assets is thus based on the facts and circumstances that exist as at 1 April 2016.

#### **44. Notes to first-time Adoption**

##### **1. Biological Assets (i.e. unplucked leaf on tea bushes)**

Under previous GAAP, biological assets i.e. unplucked leaf on tea bushes has neither been valued nor recognised in the accounts. Under Ind AS, unplucked leaf on tea bushes has been measured at its fair value less cost to sell.

Consequent to this change, inventory of biological assets as on 1 April 2016 has increased by Rs. 9,74,832 with corresponding increase in equity. However, inventory of biological assets as on 31 March, 2017 has increased by Rs 5,98,074 with corresponding increase in equity.

##### **2. Fair valuation of Investments**

**A. Mutual Funds, Alternative Investment Fund and Bonds:** Under the previous GAAP, investments were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in retained earnings as at the date of transition and subsequently in the Other Comprehensive Income for the year ended 31st March, 2017. This has resulted in increase in investments by Rs Nil as at 31st March, 2017 (1st April, 2016 - Rs 19,390) with corresponding increase in equity.

##### **3. Retained Earnings**

Retained earnings as at April 1, 2016 has been adjusted consequent to the above Ind AS transition adjustments.

##### **4. Other Comprehensive Income**

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognized in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans and fair value gains or (losses) on FVOCI equity instruments. The concept of other comprehensive income did not exist under previous GAAP.

#### **45. Effect of the Transition to Ind AS**

Reconciliations of Equity as per erstwhile Indian GAAP as previously reported and Ind AS is as follows:

Particulars	Notes to First time adoption	Total Other Equity	
		31-Mar-17	31-Mar-16
Equity as per previous GAAP		80932014	78574122
<b>Adjustments:</b>			
Effect of change in fair value of Biological Assets	1Cvi	1572096	974832
Effect of change in fair value of Property Plant & Equipments	1Cii	5181340	7620130
Effect of measuring Financial Instruments at fair value	1Cxvi	-	19390
Tax Adjustments on above	1Cxiii	(2000512)	(2690205)
<b>Equity as per Ind AS</b>		<b>85684938</b>	<b>84498269</b>



# ***EASTERN DOOARS TEA COMPANY LIMITED***

## **NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**

(Amount in Rs.)

Reconciliations of net profit as per erstwhile Indian GAAP as previously reported and Ind AS is as follows:

Particulars	Notes to First time adoption	Total Other Equity 31-Mar-17
<b>Profit/ (Loss) as per Indian GAAP</b>		<b>2357892</b>
<b>Adjustments:</b>		
Effect of change in fair value of Biological Assets	1Cvi	597264
Effect of change in fair value of Property Plant & Equipments	1Cii	(2438790)
Effect of measuring Financial Instruments at fair value	1Cxvi	(12979)
Tax Adjustments on above	1Cxiii	683282
<b>Profit/ (Loss) as per Ind AS</b>		<b>1186669</b>

46. Previous year's figures have been regrouped/reclassified wherever necessary, to correspond with current year's classification.

As per our report of even date

**For A. Sethia & CO.**  
Chartered Accountants  
ICAI Regn No. 328380E  
**(ALOK SETHIA)**  
Partner  
M.No. 305914  
The 27th day of August, 2018

For and on behalf of the Board

<p>Minnalal Nahata <i>Managing Director</i> DIN : 00599149</p>	<p>Vijay Kumar Nahata <i>Director</i> DIN : 00599189</p>
<p>Sampatmal Sancheti <i>Director</i> DIN : 00620693</p>	<p>Surendra Kumar Nahata <i>Director</i> DIN : 00025510</p>