
EASTERN DOOARS TEA COMPANY LIMITED

REPORT AND ACCOUNTS 2020-2021

EASTERN DOOARS TEA COMPANY LIMITED

| | | |
|-------------------------|---|--|
| Directors | : | Surendra Kumar Nahata (DIN: 00025510) Vijay Kumar Nahata (DIN: 00599189) Sampatmal Sancheti, Independent Director (DIN: 00620693) Tarun Kumar Sancheti, Independent Director (DIN: 06827935) Nandini Bose, Woman Director (DIN: 00717701) Sharad Nahata – w.e.f. 10.10.2021 (DIN: 02725654) |
| Company Secretary | : | Namrata Surana |
| Chief Financial Officer | : | R. Sreram |
| Auditors | : | M/s A. Sethia & Co. Chartered Accountants 4, Fairlie Place, HMP House, Kolkata – 700 001 |
| Bankers | : | HDFC Bank Ltd. State Bank of India ICICI Bank Ltd. |
| Agents | : | 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. 3A, Auckland Place, Room No. 7A & 7B, 7th Floor Kolkata – 700 017 Phone : 2280 6616/6617/6618 E-mail : nichetechpl@nichetechpl.com |
| ISIN No. | : | INE752C01014 |
| Script Code | : | 15069 (CALCUTTA STOCK EXCHANGE) |
| CIN | : | L15492WB1917PLC002823 |

EASTERN DOOARS TEA COMPANY LIMITED

Report of the Board of Directors

Your Directors present the Annual Report together with the Audited Accounts for the year ended 31st March, 2021.

- 1. PLANTATION :** The Uprooting and replanting Policy of your Company continued to remain in focus during the year. Pests and disease were better controlled, strictly adhering to the approved chemicals listed under the Tea Board Plant Protection Code.. The total area under Tea cultivation at Banglabari Tea Estate now stands at 295.50 hectares and that of Daloabari Tea Estate at 272.15 hectares.

Your Daloabari and Banglabari Tea Estates are “Trustea” certified.

(Amount in Rs.)

2 OPERATING RESULTS

Profit (Loss) Before Depreciation

Depreciation

Profit (Loss) Before Taxation

Deduct : Provision for Taxation

: Deferred Tax

Profit (Loss) after Taxation

Add : Surplus of last year

Surplus Available

Appropriation :

Balance to next year

| 2020-21 | 2019-20 |
|--------------------|----------------|
| 2,93,23,638 | (42,59,765) |
| 55,79,458 | 65,64,738 |
| 2,37,44,180 | (1,08,24,503) |
| 30,00,000 | Nil |
| (9,59,969) | (8,92,125) |
| 2,17,04,149 | (99,32,378) |
| 4,33,003 | 1,03,65,381 |
| 2,21,37,152 | 4,33,003 |
| 2,21,37,152 | 4,33,003 |

- 3. PROSPECT :** Your Company has been able to manufacture. 9,80,851 kgs. of crop as against 11,83,886 kgs. last year from own gardens leaf. Thus, during the year under review your gardens were behind in production by 2,03,035 kgs. in comparison to last year.

Due to Covid-19 pandemic and related restrictions, there was complete lockdown in tea estates inflicting crop losses in our tea estates. There was sharp increase in input cost particularly for energy and labour wages in the last part of the financial year.

- 4. DIVIDEND :** In order to conserve resources, the board has decided not to recommend any Dividend for the year.
- 5. 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.
- 6. 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 fresh loans, guarantees or investments were made by the Company.
- 7. FINANCE :** The Company is enjoying a cash credit limit of Rs 4 crores with HDFC Bank Limited for its working capital requirement at present.
- 8. 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.

9. 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, four Non Executive Directors that includes one woman 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.

Appointment of Directors : Shri Sharad Nahata (DIN : 02725654) was appointed as Director at the last Annual General Meeting of the Company held on 29th day of December, 2020.

Retirement by rotation

- (a) In terms of Section 152 (6) (a) of the Companies Act, 2013, Shri Surendra Kumar Nahata (DIN : 00025510), Director would retire by rotation at the forthcoming Annual General Meeting and is eligible for re-appointment. Shri Surendra Kumar Nahata (DIN : 00025510) has offered himself for re-appointment. The Board recommends his re-appointment.
- (b) In terms of Section 152 of the Companies Act, 2013, Sri Tarun Kumar Sancheti (DIN : 06827935), an Independent Director would retire by rotation at the forthcoming Annual General Meeting and is eligible for re-appointment. Sri Tarun Kumar Sancheti (DIN : 06827935) has offered himself for re-appointment. The Board recommends his re-appointment.

There was no other appointment or cessation of appointment of Key Managerial Personnel during the financial year.

- 10. 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 Annual General Meeting.

- 11. 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.
- 12. 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 Mrs. K. Gulgulia & Co., Practicing Company Secretaries, to undertake the Secretarial Audit of the Company for the financial year 2020-21. The Secretarial Audit Report in specified form MR-3 is annexed herewith as Annexure – B in the Annexure forming part of this Report. The Secretarial Audit Report for the financial year ended 31st March, 2021 has no qualification, reservation, adverse remark or disclaimer ; hence no explanation or comments by the Board were required.
- 13. COST AUDIT :** Cost Audit is not applicable to your Company as per requirements of Companies Act, 2013.
- 14. 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 :-

The Company during the financial year under consideration neither did have Managing Director nor a Whole Time Director. Therefore, said ratio is not relevant & cannot be calculated.

- (b) The percentage increase (decrease) in remuneration of Managing Director and Chief Financial Officer during the financial year ended on 31st March, 2021. Not applicable and Nil respectively.
 - (c) The percentage increase in the median remuneration of employee in the financial year ended on 31st March, 2021 is 2.72.
 - (d) The number of permanent employees as on 31st March, 2021 is 962.
 - (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.
- 15. 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.
- 16. 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, 2021 is annexed as Annexure- C.
- 17. EXTRACT OF ANNUAL RETURN :** The details for the financial year ended 31st March, 2021 has been provided in our website at www.nahata-group.com.
- 18. 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.
- 19. 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.
- 20. 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 Dooars Tea Company Limited as on 31st March, 2021 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 and Private Limited 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 : Twelve Board meetings were held during the year, as against the minimum requirements of four meetings. During the financial year ended 31st March 2021, Board Meetings were held on 4th May, 2020, 30th July, 2020, 11th September, 2020, 10th October, 2020, 07th November, 2020, 29th December, 2020, 13th January, 2021, 25th January, 2021, 12th February, 2021, 17th March, 2021, 24th March, 2021 and 26th March, 2021.

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 (*) |
|---------------------------------------|-----------------------|---|------------------------|-------------------------------------|
| Surendra Kumar Nahata (DIN: 00025510) | Director | Ten | No | Seven |
| Vijay Kumar Nahata (DIN: 00599189) | Director | Nine | Yes | Seven |
| Sharad Nahata (DIN: 02725654) | Director | Five | No | Ten |
| Sampatmal Sancheti (DIN: 00620693) | Independent Director | Seven | No | One |
| Tarun Kumar Sancheti (DIN: 06827935) | Independent Director | Seven | No | One |
| Nandini Bose (DIN: 00717701) | Women director | Six | No | 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 Surendra Kumar Nahata (DIN: 00025510) (Director), Sri Sampatmal Sancheti (DIN: 00620693) (Independent Director) and Sri Tarun Kumar Sancheti (DIN: 06827935) (Independent Director). All of them financially literate and most of them have accounting or related financial management expertise. Sri Sampatmal Sancheti (DIN: 06827935), 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, 2021 meeting of the Audit Committee were held on 30.07.2020, 11.09.2020, 25.01.2021 and 12.02.2021 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 out of which two are Independent Directors viz. Sarvashree (i) Sri Sampatmal Sancheti (DIN: 00620693), (ii) Sri Tarun Kumar Sancheti (DIN: 06827935) and (iii) Smt. Nandini Bose (DIN: 00717701).

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 Managing/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, 2021 meeting of the Remuneration & Nomination Committee were held on 30.07.2020, 11.09.2020, 25.01.2021 and 12.02.2021 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 |
|----------------|----------------------|------------|---|
| 2017-18 | 29th September, 2018 | 11.30 A.M. | 8,CAMAC STREET,4TH FLOOR, KOLKATA-700 017 |
| 2018-19 | 28th September, 2019 | 11.30 A.M. | 8,CAMAC STREET,4TH FLOOR, KOLKATA-700 017 |
| 2019-20 | 29th December, 2020 | 11.30 A.M. | 8,CAMAC STREET,4TH FLOOR, KOLKATA-700 017 |

V. Dates of Book Closure : 15th December, 2021 to 21st December, 2021, (both days inclusive)
For E Voting – 14th December, 2021

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

VII. Stock Code : The Calcutta Stock Exchange Limited – 15069
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 01/04/2020 to 31/03/2021 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., 3A, Auckland Place, Room No. 7A & 7B, 7th Floor, Kolkata–700017.

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 | Saturday, September 29, 2018 | Nil |
| Annual General Meeting | Saturday, September 28, 2019 | Re-appointment of Shri Minnalal Nahata as Managing Director |
| Annual General Meeting | Tuesday, December 29, 2020 | 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. DIRECTOR/CFO Certificate : The 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.

DIRECTOR/CFO CERTIFICATE

To

The Board of Directors

Eastern Doors Tea Company Limited

- a) We have reviewed the financial statements and the Cash Flow Statement for the year ended 31st March, 2021 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 made during the year and that the same has been disclosed in the notes to the financial statements ; 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, 29th day of October, 2021

R. Sreram
Chief Financial Officer

Surendra Kumar Nahata
Director
(DIN : 00025510)

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, 2021 as stipulated in Clause 49 of the Listing Agreement of the said Company with The Calcutta Stock Exchange Limited.

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
UDIN : 21305914AAAAFE8543
The 29th day of October, 2021.

XIV. Information on Shareholding

| Category | No. of Shareholders | % of Total | No. of Shares | % of Total |
|--|---------------------|---------------|-----------------|---------------|
| SHAREHOLDING OF PROMOTER & PROMOTER GROUP | | | | |
| Bodies Corporate | 5 | 0.64 | 20,630 | 10.32 |
| Individual/Hindu Undivided family | 24 | 3.06 | 1,64,751 | 82.37 |
| PUBLIC SHAREHOLDING | | | | |
| Central Govt./State Govt./President of India | 1 | 0.13 | 1062 | 0.53 |
| Financial Institutions/ banks | 2 | 0.25 | 12 | 0.01 |
| NRI – Non- repatriable | 55 | 7.01 | 554 | 0.28 |
| Others | 698 | 88.91 | 12,991 | 6.49 |
| TOTAL | 785 | 100.00 | 2,00,000 | 100.00 |

- 21. 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.
- 22. 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 requirement laid down under Section 124(5) of Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer & Refund) Rules.
- 23. Deposits :** Your Company has not accepted any deposits from Public in terms with corresponding provisions of Companies Act, 2013.

24. 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**.

25. 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 judgments 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 improvement in working.

For and on behalf of the Board
Eastern Dooars Tea Company Limited

Surendra Kumar Nahata
Director
DIN : 00025510

Vijay Kumar Nahata
Director
DIN : 01347669

Sampatmal Sancheti
Director
DIN : 00620693

Sharad Nahata
Director
DIN : 02725654

Place : Kolkata
The 29th day of October, 2021

EASTERN DOOARS TEA COMPANY LIMITED

ANNEXURE TO THE DIRECTOR'S REPORT

ANNEXURE - A

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUT GO

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, 2021 is given here below and forms part of the Director's Report.

A. Conservation of Energy

- I. In line with the Company's commitment towards conservation of energy, tea estates continue with their efforts aimed at improving energy efficiency through improved operational and maintenance practices. The steps taken in this direction at tea estates are as under :
 - Reducing power consumption by providing coal savers and VFBD driers.
 - Replacement of inefficient motors with energy efficient motors.
 - Upgradation of Machineries and installation of new machineries based on fuel or power efficiency.
 - Maintenance and overhauls of generators to achieve a high unit per litre delivery.
 - Monitoring the maximum demand and power load factor on daily basis.
 - Installation of adequate power capacitors for efficient utilization of available power.
 - Optimum power factor is being maintained to avoid surcharge on power factor as well as to get maximum rebate on electricity bills.
- II The steps taken by the Company for utilizing alternate source of energy
The Company is studying feasibility to use solar energy for irrigation and lighting.
- III The Capital investment on energy conservation equipment was Nil .

B. Technology Absorption

- I. The efforts made towards technology absorption :
 - Installation of high efficiency humidification system.
 - Usage of low voltage LED lights.
- II The benefits derived like improvement in quality and cost reduction.
- III In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - NOT APPLICABLE
- IV The expenditure incurred on R & D : Research & Development activities are being carried out as part of the Company's normal business activities. Hence no separate expenditure figures are available. In addition, the Company contributes for the activities of Tea Research Association regularly.

The Company has incurred an expenditure of Rs. 5,13,996/- being amount paid to Tea Research Association.

C. Foreign Exchange Earnings and Outgo : Nil

For and on behalf of the Board

Eastern Dooars Tea Company Limited

Surendra Kumar Nahata, Director

DIN : 00025510

Vijay Kumar Nahata, Director

Din : 00599189

Sampatmal Sancheti, Director

DIN : 00620693

Sharad Nahata, Director

DIN : 02725654

Place : Kolkata

The 29th day of October, 2021

ANNEXURE - B TO DIRECTORS' REPORT
FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021
[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.
CIN: L15492WB1917PLC002823

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, 2021 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 March 31, 2021 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, 2018 (Not Applicable as the Company had not issued any further share capital during the period under review);
 - 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; (Not applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review)
 - 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, 2018 (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) The Income Tax Act, 1961

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.

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. Changes in the composition of Board of Directors that took place during the year under review, were carried out in compliance with the provisions of the Act;
 - 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. During the year under review, majority decision is carried through while the Minutes of the Meetings of the Board and Committees thereof, held during the audit period did not reveal any dissenting member's view. As Confirmed by the Management, there were no dissenting views expressed by any of the Directors on any business transacted at the meeting of the Board and Committees thereof, held during the year under review.
- vii. We have also examined compliance with the applicable clauses of the following :
- i. Secretarial Standards issued by The Institute of Company Secretaries of India notified with effect from July 1, 2015;
 - ii. The Listing Agreements entered into by the Company with the Calcutta Stock Exchange Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified with effect from December 1, 2015.

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.

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

For K. Gulgulia & Co.
Company Secretaries
ACS NO: 62099

Khushboo Gulgulia
CP NO: 24240

Place : Kolkata
The 29th day of October, 2021

UDIN: A062099C001366710

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 K. Gulgulia & Co.
Company Secretaries

ACS NO: 62099

Khushboo Gulgulia
CP NO: 24240

Place : Kolkata
The 29th day of October, 2021

UDIN: A062099C001366710

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

| Sl. No. | Nature of Transactions | Relationship | 31.03.2021 | 31.03.2020 |
|---------|---|--------------|-------------|------------|
| 1 | Consultancy Charges M/s Panchiram Nahata | Relative | 20,13,333 | 17,20,000 |
| 2 | Services Rendered Bijni Dooars Tea Co. Ltd. | Relative | Nil | 74,70,689 |
| 3 | Payment of Salaries / Perquisites / Commission Minnalal Nahata | K M P | Nil | 9,57,150 |
| 4 | Reimbursement of Property Tax Bijni Dooars Tea Co. Ltd. | K M P | 10,993 | 10,993 |
| 5 | Payment of Electric Charges Bijni Dooars Tea Co Ltd. | Relative | 37,057 | 1,08,235 |
| 6 | Payment of Salaries R. Sreram | K M P | 2,72,700 | 2,72,700 |
| 7 | Payment of Salaries Namrata Surana | K M P | 1,50,000 | 1,50,000 |
| 8 | Intercorporate Loan Taken Bijni Dooars Tea Co. Ltd. | Relative | 1,45,24,904 | - |
| 9 | Loan Taken Surendra Kumar Nahata (DIN : 00025510) | K M P | 1,07,22,466 | - |
| 10 | Loan Taken Vijay Kumar Nahata (DIN : 00599189) | K M P | 1,07,22,466 | - |

For and on behalf of the Board

Eastern Dooars Tea Company Limited

Surendra Kumar Nahata, Director

DIN : 00025510

Vijay Kumar Nahata, Director

Din : 00599189

Sampatmal Sancheti, Director

DIN : 00620693

Sharad Nahata, Director

DIN : 02725654

Place : Kolkata

The 29th day of October, 2021

INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF *EASTERN DOOARS TEA COMPANY LIMITED*

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Eastern Dooars Tea Company Limited (“the Company”), which comprise the Balance Sheet as at 31st March, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor’s Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

| Sr. No. | Key Audit Matter | Auditor’s Response |
|---------|---|--|
| 1. | <p>Valuation of biological assets : Biological assets of the Company include unharvested green tea leaves which are measured at fair value.</p> <p>For unharvested green leaves, since there is no active market for own leaves, significant estimates are used by management in determining the valuation of biological assets consumed in manufacture of black tea. The principal assumptions and estimates in the determination of the fair value include assumptions about the yields and cost incurred in plucking of green leaf remaining unharvested as on 31st March 2021.</p> | <p>Principal audit procedures performed:</p> <p>Our audit approach was a combination of test of internal controls and substantive procedures including:</p> <ul style="list-style-type: none"> • Obtaining an understanding of the fair value measurement methodologies used and assessing the reasonableness and consistency of the significant assumptions used in the valuation. • Evaluating the design and implementation of Company’s controls around the valuation of biological assets. • Assessing the plucking yields to analyse the stage of transformation considered for the fair valuation of biological assets. • Testing the consistency of application of the fair value approaches and models over the years. |

Information Other than the Financial Statements and Auditor’s Report Thereon

- The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Report of the Directors and Management Discussion & Analysis Report, but does not include the financial statements and our auditor’s report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these 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 Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 in terms of Section 143(11) of the Act, we give in "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, based on our audit, 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 Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
 - d) Subject to non compliance with AS-12 for Accounting of Grants to the extent that grants are accounted on receipt basis, in our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - 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 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, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **A. SETHIA & CO.**
Chartered Accountants
ICAI Reg. No. 328380E
(ALOK SETHIA)
PARTNER
M. No. 305914
UDIN : 21305914AAAAFC2397
4, Fairlie Place, HMP House
Kolkata - 700 001
The 29th day of October, 2021

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S 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 March31, 2021, 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 made. 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 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 2021 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 Income Tax Act 1961 | Income Tax | Assessing Officer | 2,12,332/- | Assessment Year-2009-10 |
| The Income Tax Act 1961 | Income Tax | Commissioner of Income Tax (Appeals) | 32,45,340/- | Assessment Year-2013-14 |
| The Income Tax Act 1961 | Income Tax | Commissioner of Income Tax (Appeals) | 35,260/- | Assessment Year-2014-15 |
| The Income Tax Act 1961 | Income Tax | Commissioner of Income Tax (Appeals) | 13,53,030/- | Assessment Year-2018-19 |

- (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 have been we 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.

For **A. SETHIA & CO.**

Chartered Accountants

ICAI Reg. No. 328380E

(ALOK SETHIA)

PARTNER

M. No. 305914

UDIN : 21305914AAAAFC2397

4, Fairlie Place, HMP House

Kolkata - 700 001

The 29th day of October, 2021

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

Referred to in paragraph 2(f) 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”) as of 31st March 2021 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 31st March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **A. SETHIA & CO.**

Chartered Accountants

ICAI Reg. No. 328380E

(ALOK SETHIA)

PARTNER

M. No. 305914

UDIN : 21305914AAAAFC2397

4, Fairlie Place, HMP House

Kolkata - 700 001

The 29th day of October, 2021

EASTERN DOOARS TEA COMPANY LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2021

| Particulars | Note No. | As at 31.03.2021 Rs | As at 31.03.2020 Rs |
|---|----------|------------------------|------------------------|
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Property, Plant and Equipments | 2 | 60,087,265 | 64,987,907 |
| Capital work-in-progress | 2 | 832,290 | 832,290 |
| Financial Assets | | | |
| (a) Investment | 3 | 1,020 | 1,020 |
| (b) Trade Receivables | 4 | 8,358,734 | 8,110,135 |
| (c) Loans | 5 | 1,485,326 | 1,485,326 |
| Total Non Current assets | | 70,764,635 | 75,416,678 |
| CURRENT ASSETS | | | |
| Inventories | 6 | 26,475,205 | 39,407,838 |
| Biological Assets other than bearer plants | 7 | 1,433,440 | - |
| Financial Assets | | | |
| (a) Investments | 3 | 50,391,160 | - |
| (b) Trade Receivables | 4 | 19,836,840 | 11,976,620 |
| (c) Cash and Cash Equivalents | 8 | 619,550 | 726,398 |
| (e) Loans | 5 | - | 13,000 |
| (f) Other Financial Assets | 9 | - | 107,449 |
| (g) Current Tax Assets | 10 | 6,729,648 | 5,561,798 |
| (h) Other Current Assets | 11 | 1,504,688 | 2,091,026 |
| Total Current assets | | 106,990,531 | 59,884,129 |
| Total Assets | | 177,755,166 | 135,300,807 |
| EQUITY AND LIABILITIES | | | |
| EQUITY | | | |
| Equity Share Capital | 12 | 2,000,000 | 2,000,000 |
| Other Equity | 13 | 101,343,640 | 79,159,030 |
| Total Equity | | 103,343,640 | 81,159,030 |
| LIABILITIES | | | |
| NON-CURRENT LIABILITIES | | | |
| (a) Deferred Tax Liabilities (Net) | 14 | 870,332 | 1,661,490 |
| (b) Trade Payables | | | |
| (i) Dues of micro enterprises and small enterprises | 15 | - | - |
| (ii) Dues of creditors other than micro enterprises and small enterprises | 15 | 563,024 | 356,732 |
| Total Non Current Liabilities | | 1,433,356 | 2,018,222 |
| CURRENT LIABILITIES | | | |
| Financial Liabilities | | | |
| (a) Borrowings | 16 | 28,843,516 | 19,997,129 |
| (b) Trade Payables | | | |
| (a) Dues of micro enterprises and small enterprises | 15 | 912,572 | 720,137 |
| (b) Dues of creditors other than micro enterprises and small enterprises | 15 | 7,966,081 | 9,173,034 |
| (c) Other Financial Liabilities | 17 | 10,073,365 | 6,710,432 |
| (d) Other Current Liabilities | 18 | 1,667,929 | 2,372,884 |
| (e) Provisions | 19 | 23,514,707 | 13,149,939 |
| Total Current Liabilities | | 72,978,170 | 52,123,555 |
| Total Liabilities | | 74,411,526 | 54,141,777 |
| Total Equity and Liabilities | | 177,755,166 | 135,300,807 |

Significant Accounting Policies

1

The accompanying notes are an integral part of the Financial Statements

As per our report on even date.

For **A. Sethia & CO.**

Chartered Accountants

ICAI Regn No. 328380E

(ALOK SETHIA)

Partner

M.No. 305914

4, Fairlie Place, HMP House,

Kolkata - 700 001

The 29th day of October, 2021

For and on behalf of the Board

Surendra Kumar Nahata

Director

DIN : 00025510

Vijay Kumar Nahata

Director

DIN : 00599189

Sampatmal Sancheti

Director

DIN : 00620693

Sharad Nahata

Director

DIN : 02725654

EASTERN DOOARS TEA COMPANY LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2021

| | Note No. | For the year ended 31.03.2021 | For the year ended 31.03.2020 |
|--|----------|----------------------------------|----------------------------------|
| | | Rs | Rs |
| INCOME | | | |
| Revenue from Operations (Gross) | 20 | 266,007,685 | 167,797,645 |
| Other Income | 21 | 348,966 | 1,152,562 |
| Total Revenue | | 266,356,651 | 168,950,207 |
| EXPENSES | | | |
| Purchase of Finished Goods | 22 | - | 724,500 |
| Cost of Materials Consumed | 23 | 40,310,161 | 6,830,946 |
| Changes in Inventories of Finished Goods | 24 | 2,247,655 | (14,254,222) |
| Employee Benefits Expense | 25 | 72,029,976 | 59,830,671 |
| Finance Costs | 26 | 2,060,037 | 2,199,918 |
| Depreciation and Amortisation Expense | 2 | 5,579,458 | 6,564,738 |
| Other Expenses | 27 | 120,385,184 | 117,878,159 |
| Total Expenses | | 242,612,471 | 179,774,710 |
| Profit before tax | | 23,744,180 | (10,824,503) |
| Tax expense: | | | |
| (a) Current Tax | | 3,000,000 | - |
| (b) Deferred Tax | | (959,969) | (892,125) |
| Profit after Tax for the year | | 21,704,149 | (9,932,378) |
| Other Comprehensive Income: | | | |
| Other Comprehensive Income not to be reclassified to profit | | | |
| or loss in subsequent periods : | | | |
| Fair value of equity instruments through OCI | | 649,272 | (668,642) |
| Income tax effect thereof | | (168,811) | 173,224 |
| Other Comprehensive Income/ (loss) for the year, net of tax | | 480,461 | (495,418) |
| Total Comprehensive Income for the year, net of Tax | | 22,184,610 | (10,427,796) |
| Earnings per Equity Share of Rs.10/- each | | | |
| (a) Basic | | 108.52 | (49.66) |
| (b) Diluted | | 108.52 | (49.66) |
| Significant Accounting Policies | 1 | | |

As per our report on even date.

For **A. Sethia & CO.**

Chartered Accountants

ICAI Regn No. 328380E

(ALOK SETHIA)

Partner

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4, Fairlie Place, HMP House,

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Sharad Nahata

Director

DIN : 02725654

EASTERN DOOARS TEA COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021

(Amount in Rupees)

| (a) Equity Share Capital | No. of Shares | Amount |
|--|----------------------|------------------|
| Equity shares of Rs. 10 each issued, subscribed and fully paid | | |
| At 31 March 2020 | 400,000 | 4,000,000 |
| Issue of share capital | - | - |
| At 31 March 2021 | 400,000 | 4,000,000 |

(b) Other equity

For the year ended 31 March, 2021 :

| Particulars | Reserve & Surplus | | | Items of OCI | Total Equity |
|---|-------------------|-------------------|-------------------|----------------------------|--------------------|
| | Capital Reserve | General Reserve | Retained Earnings | Other Comprehensive Income | |
| As at 1 April 2019 | 792,757 | 70,000,000 | 10,365,381 | 8,428,688 | 89,586,826 |
| Profit for the period | - | - | (9,932,378) | - | (9,932,378) |
| Other comprehensive income/ (loss) for the year | - | - | - | (495,418) | (495,418) |
| Total comprehensive income | 792,757 | 70,000,000 | 433,003 | 7,933,270 | 79,159,030 |
| Transfer to reserves | - | - | - | - | - |
| As at 1 April 2020 | 792,757 | 70,000,000 | 433,003 | 7,933,270 | 79,159,30 |
| Profit for the period | - | - | 21,704,149 | - | 21,704,149 |
| Other comprehensive income/ (loss) for the year | - | - | - | 480,461 | 480,461 |
| Total comprehensive income | 792,757 | 70,000,000 | 22,137,152 | 8,413,731 | 101,343,640 |
| Transfer to reserves | - | - | - | - | - |
| At 31 March 2021 | 792,757 | 70,000,000 | 22,137,152 | 8,413,731 | 101,343,640 |

Nature and purpose of Reserve and Surplus

- A. Capital Reserve : This reserve represents the excess arising on account of revaluation of Property, Plant & Equipments.
- B. General Reserve : This reserve represents appropriation of profits made from retained earnings and can be distributed / utilized by the Company in accordance with the Companies Act, 2013.
- C. Retained Earnings : This reserve represents the cumulative profits and can be distributed / utilized by the Company in accordance with the Companies Act, 2013.
- D. Other Comprehensive Reserve : This reserve represents remeasurement of defined benefits plans and can be distributed / utilized by the Company in accordance with the Companies Act, 2013.

As per our report on even date.

For **A. Sethia & CO.**

Chartered Accountants

ICAI Regn No. 328380E

(ALOK SETHIA)

Partner

M.No. 305914

4, Fairlie Place, HMP House,

Kolkata - 700 001

The 29th day of October, 2021

For and on behalf of the Board

Surendra Kumar Nahata

Director

DIN : 00025510

Vijay Kumar Nahata

Director

DIN : 00599189

Sampatmal Sancheti

Director

DIN : 00620693

Sharad Nahata

Director

DIN : 02725654

EASTERN DOOARS TEA COMPANY LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

| | Amt in Rs 2020-21 | Amt in Rs 2019-20 |
|---|----------------------|----------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES : | | |
| Net Profit before tax | 23,744,180 | (10,824,503) |
| Adjustment for : | | |
| Depreciation | 5,579,458 | 6,564,738 |
| Net Gain on sale of current investments | (241,888) | (879,908) |
| Surplus on sale of Property, Plant and Equipments | (1,560) | - |
| Finance cost | 2,060,037 | 2,199,918 |
| Interest received | - | (103,832) |
| Operating Profit Before Working Capital Changes : | 31,140,227 | (3,043,587) |
| Adjustments for : | | |
| Trade receivables | (8,108,820) | (880,944) |
| Short term loans & advances | 13,000 | (13,000) |
| Other current assets | 693,787 | (718,258) |
| Inventories | 12,932,633 | (19,660,190) |
| Trade payables | (808,226) | (4,544,548) |
| Biological assets | (1,433,440) | 1,225,780 |
| Other current liabilities | 2,657,978 | (5,982,845) |
| Short term provisions | 7,364,767 | (4,229,837) |
| Cash generated from operations | 44,451,908 | (37,847,429) |
| Direct taxes paid | (1,167,850) | (1,846,923) |
| Cash flow before Extraordinary items | 43,284,057 | (39,694,352) |
| Extra ordinary items | - | - |
| Net Cash from Operating Activities (A) | 43,284,057 | (39,694,352) |
| B. CASH FLOW FROM INVESTING ACTIVITIES : | | |
| Purchase of Property, Plant & Equipments | (858,976) | (620,354) |
| Sale of Property, Plant & Equipments | 181,720 | - |
| Purchase of investments | (59,500,000) | - |
| Sale proceeds of investments | 10,000,000 | 34,859,908 |
| Interest received | - | 103,832 |
| Net Cash from Investing Activities (B) | (50,177,256) | 34,343,386 |
| C. CASH FLOW FROM FINANCING ACTIVITIES : | | |
| Receipt (Repayment) of Borrowings | 8,846,387 | 5,008,946 |
| Finance cost | (2,060,037) | (2,199,918) |
| Net Cash from Financing Activities (C) | 6,786,350 | 2,809,028 |
| Net increase in Cash & Cash Equivalents (A+B+C) | (106,849) | (2,541,938) |
| * Cash & Cash Equivalents (Opening Balance) | 726,398 | 3,268,337 |
| * Cash & Cash Equivalents (Closing Balance) | 619,550 | 726,398 |
| * 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.

In terms of our attached Report of even date

For **A. Sethia & CO.**

Chartered Accountants

ICAI Regn No. 328380E

(ALOK SETHIA)

Partner

M.No. 305914

4, Fairlie Place, HMP House,

Kolkata - 700 001

The 29th day of October, 2021

For and on behalf of the Board

Surendra Kumar Nahata

Director

DIN : 00025510

Vijay Kumar Nahata

Director

DIN : 00599189

Sampatmal Sancheti

Director

DIN : 00620693

Sharad Nahata

Director

DIN : 02725654

EASTERN DOOARS TEA COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Note 1

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”, 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, 2021 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.

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.

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.

EASTERN DOOARS TEA COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

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 in correlation to the underlying transaction either in OCI or directly in equity.

EASTERN DOOARS TEA COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

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.

EASTERN DOOARS TEA COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

* 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

There are no standards issued but not yet effective up to the date of issuance of the Company's financial statements.

EASTERN DOOARS TEA COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Note. 2 Property, Plant & Equipments

(Amount in Rs.)

| DESCRIPTION | GROSS BLOCK | | | | ACCUMULATED DEPRECIATION | | | | NET BLOCK | |
|-----------------------|---------------------|--------------------------------|--------------------------------------|------------------------------|--------------------------|------------------|--|------------------------------|---------------------|---------------------|
| | As on 01-04-2020 | Addition during the year | Less : Sales and/or Adjustment | Total Up to 31-03-2021 | Up to 31-03-2020 | For the year | Less: Applicable to Assets Sold | Total Up to 31-03-2021 | As at 31-03-2021 | As at 31-03-2020 |
| Land | 224,995 | - | - | 224,995 | - | - | - | - | 224,995 | 224,995 |
| Plantation | 26,785,262 | - | - | 26,785,262 | - | - | - | - | 26,785,262 | 26,785,262 |
| Machineries | 88,860,916 | 839,558 | 8,298,110 | 81,402,364 | 71,684,643 | 3,389,549 | 8,117,950 | 66,956,242 | 14,446,122 | 17,176,273 |
| Factory Building | 6,342,144 | - | - | 6,342,144 | 5,328,993 | 76,658 | - | 5,405,651 | 936,493 | 1,013,151 |
| Buildings | 9,051,100 | - | - | 9,051,100 | 5,701,483 | 327,479 | - | 6,028,962 | 3,022,138 | 3,349,617 |
| Hospital Buildings | 109,382 | - | - | 109,382 | 107,172 | - | - | 107,172 | 2,210 | 2,210 |
| Office Premises | 11,915,263 | - | - | 11,915,263 | 3,737,757 | 777,163 | - | 4,514,920 | 7,400,343 | 8,177,506 |
| Fencing | 438,250 | - | - | 438,250 | 433,709 | - | - | 433,709 | 4,541 | 4,541 |
| Tractors & Trailors | 2,138,370 | - | - | 2,138,370 | 2,060,136 | 14,908 | - | 2,075,044 | 63,326 | 78,234 |
| Motor Cars, Jeeps | 4,522,441 | - | - | 4,522,441 | 3,946,933 | 156,468 | - | 4,103,401 | 419,040 | 575,508 |
| Furniture | 1,145,072 | - | - | 1,145,072 | 997,402 | 39,891 | - | 1,037,293 | 107,779 | 147,670 |
| Air conditioners | 108,454 | - | - | 108,454 | 83,483 | 11,691 | - | 95,174 | 13,280 | 24,971 |
| Electrification | 2,303,421 | - | - | 2,303,421 | 2,047,623 | 55,051 | - | 2,102,674 | 200,747 | 255,798 |
| New Labour Houses | 18,668,553 | - | - | 18,668,553 | 11,619,300 | 697,757 | - | 12,317,057 | 6,351,496 | 7,049,253 |
| Refrigerators | 65,671 | 10,859 | - | 76,530 | 52,622 | 7,319 | - | 59,941 | 16,589 | 13,049 |
| Deep Tube Well | 862,446 | - | - | 862,446 | 832,617 | - | - | 832,617 | 29,829 | 29,829 |
| Motor Cycles & Mopeds | 338,093 | - | - | 338,093 | 326,675 | 1,478 | - | 328,153 | 9,940 | 11,418 |
| Computers | 472,566 | 8,559 | - | 481,125 | 427,594 | 24,046 | - | 451,640 | 29,485 | 44,972 |
| Roads & Bridges | 473,002 | - | - | 473,002 | 449,352 | - | - | 449,352 | 23,650 | 23,650 |
| Total | 174,825,401 | 858,976 | 8,298,110 | 167,386,267 | 109,837,494 | 5,579,458 | 8,117,950 | 123,534,902 | 60,087,265 | 64,987,907 |

Note : a) 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, 2020 | Additions | Capitalisation | As at 31st March, 2021 |
|-------------------|-----------------------|-----------|----------------|------------------------|
| Plant & Machinery | 832,290 | - | - | 832,290 |
| Total | 832,290 | - | - | 832,290 |

EASTERN DOOARS TEA COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Note. 2 Property, Plant & Equipments

(Amount in Rs.)

| DESCRIPTION | GROSS BLOCK | | | | ACCUMULATED DEPRECIATION | | | | NET BLOCK | |
|-----------------------|---------------------|--------------------------------|--------------------------------------|------------------------------|--------------------------|------------------|--|------------------------------|---------------------|---------------------|
| | As on 01-04-2019 | Addition during the year | Less : Sales and/or Adjustment | Total Up to 31-03-2020 | Up to 31-03-2019 | For the year | Less: Applicable to Assets Sold | Total Up to 31-03-2020 | As at 31-03-2020 | As at 31-03-2019 |
| Land | 224,995 | - | - | 224,995 | - | - | - | - | 224,995 | 224,995 |
| Plantation | 26,785,262 | - | - | 26,785,262 | - | - | - | - | 26,785,262 | 26,785,262 |
| Machineries | 88,378,148 | 482,768 | - | 88,860,916 | 67,636,734 | 4,047,909 | - | 71,684,643 | 17,176,273 | 20,741,414 |
| Factory Building | 6,342,144 | - | - | 6,342,144 | 5,241,671 | 87,322 | - | 5,328,993 | 1,013,151 | 1,100,473 |
| Buildings | 9,051,100 | - | - | 9,051,100 | 5,324,602 | 376,881 | - | 5,701,483 | 3,349,617 | 3,726,498 |
| Hospital Buildings | 109,382 | - | - | 109,382 | 107,172 | - | - | 107,172 | 2,210 | 2,210 |
| Office Premises | 11,915,263 | - | - | 11,915,263 | 2,878,979 | 858,778 | - | 3,737,757 | 8,177,506 | 9,036,284 |
| Fencing | 438,250 | - | - | 438,250 | 433,709 | - | - | 433,709 | 4,541 | 4,541 |
| Tractors & Trailors | 2,072,442 | 65,928 | - | 2,138,370 | 2,041,588 | 18,548 | - | 2,060,136 | 78,234 | 30,854 |
| Motor Cars, Jeeps | 4,522,441 | - | - | 4,522,441 | 3,702,567 | 244,366 | - | 3,946,933 | 575,508 | 819,874 |
| Furniture | 1,145,072 | - | - | 1,145,072 | 942,690 | 54,712 | - | 997,402 | 147,670 | 202,382 |
| Air conditioners | 80,810 | 27,644 | - | 108,454 | 79,469 | 4,014 | - | 83,483 | 24,971 | 1,341 |
| Electrification | 2,303,421 | - | - | 2,303,421 | 1,972,521 | 75,102 | - | 2,047,623 | 255,798 | 330,900 |
| New Labour Houses | 18,668,553 | - | - | 18,668,553 | 10,839,689 | 779,611 | - | 11,619,300 | 7,049,253 | 7,828,864 |
| Refrigerators | 52,659 | 13,012 | - | 65,671 | 50,733 | 1,889 | - | 52,622 | 13,049 | 1,926 |
| Deep Tube Well | 862,446 | - | - | 862,446 | 832,617 | - | - | 832,617 | 29,829 | 29,829 |
| Motor Cycles & Mopeds | 338,093 | - | - | 338,093 | 324,680 | 1,995 | - | 326,675 | 11,418 | 13,413 |
| Computers | 441,564 | 31,002 | - | 472,566 | 413,983 | 13,611 | - | 427,594 | 44,972 | 27,581 |
| Roads & Bridges | 473,002 | - | - | 473,002 | 449,352 | - | - | 449,352 | 23,650 | 23,650 |
| Total | 174,205,047 | 620,354 | - | 174,825,401 | 103,272,756 | 6,564,738 | - | 109,837,494 | 64,987,907 | 70,932,291 |

Note : a) Addition to Machineries is after Netting of Rs. Nil (Previous year -Rs. 4,06,598/-) 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, 2019 | Additions | Capitalisation | As at 31st March, 2020 |
|-------------------|-----------------------|-----------|----------------|------------------------|
| Plant & Machinery | 832,290 | - | - | 832,290 |
| Total | 832,290 | - | - | 832,290 |

EASTERN DOOARS TEA COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

(Amount in Rs.)

Note. 3 Financial Assets - Investments

| Particulars | Non Current | | Current | |
|--|---------------------|---------------------|---------------------|---------------------|
| | As at 31-03-2021 | As at 31-03-2020 | As at 31-03-2021 | As at 31-03-2020 |
| Investment in Unquoted equity shares | | | | |
| 1020 (31.03.2020 - 1020) equity shares of Re 1 each of Onrush Building Maintenance Private Limited - at cost | 1,020 | 1,020 | - | - |
| Investment in Mutual Funds (Unquoted) | | | | |
| 77092.493 (31st March 2020 - Nil) units of Aditya Birla Sunlife Low Duration Fund - Growth - Regular Plan | | - | 50,391,160 | - |
| Total | 1,020 | 1,020 | 50,391,160 | - |

Note 4 Trade Receivables

| Particulars | Non Current | | Current | |
|----------------------------|---------------------|---------------------|---------------------|---------------------|
| | As at 31-03-2021 | As at 31-03-2020 | As at 31-03-2021 | As at 31-03-2020 |
| Unsecured, considered good | 8,358,734 | 8,110,135 | 19,836,840 | 11,976,620 |
| Total | 8,358,734 | 8,110,135 | 19,836,840 | 11,976,620 |

Note. 5 Financial assets - Loans

| Particulars | Non Current | | Current | |
|------------------------------------|---------------------|---------------------|---------------------|---------------------|
| | As at 31-03-2021 | As at 31-03-2020 | As at 31-03-2021 | As at 31-03-2020 |
| (Unsecured considered good) | | | | |
| Security Deposits | 1,361,920 | 1,361,920 | - | - |
| Deposit with Agents | 123,406 | 123,406 | - | - |
| Loan/Advance to Employee | - | - | - | 13,000 |
| Total | 1,485,326 | 1,485,326 | - | 13,000 |

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

| Particulars | As at 31-03-2021 | As at 31-03-2020 |
|------------------------------|---------------------|---------------------|
| Finished Goods- Stock of Tea | 18,343,582 | 20,591,237 |
| Stores and Spares | 8,131,623 | 18,816,601 |
| Total | 26,475,205 | 39,407,838 |

Note. 7 Biological Assets

| Particulars | As at 31-03-2021 | As at 31-03-2020 |
|---|---------------------|---------------------|
| Opening Balance | 1,378,776 | 1,225,780 |
| Green Leaf recognised at fair value | 1,433,440 | - |
| Transfer of harvested leaf for production | 1,378,776 | 1,225,780 |
| Closing Balance | 1,433,440 | - |

EASTERN DOOARS TEA COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

(Amount in Rs.)

Note 8 Cash and Cash Equivalents

| Particulars | As at 31-03-2021 | As at 31-03-2020 |
|--|---------------------|---------------------|
| Balances with banks in current account | 559,031 | 516,714 |
| Cash in hand | 60,519 | 209,684 |
| Total | 619,550 | 726,398 |

Note. 9 Other financial assets

| Particulars | As at 31-03-2021 | As at 31-03-2020 |
|-----------------------------|---------------------|---------------------|
| (Unsecured considered good) | | |
| Interest accrued and due | - | 93,449 |
| Other Receivables | - | 14,000 |
| Total | - | 107,449 |

Note. 10 Current Tax Assets

| Particulars | As at 31-03-2021 | As at 31-03-2020 |
|------------------------|---------------------|---------------------|
| Advance Tax & T. D. S. | 6,729,648 | 5,561,798 |
| Total | 6,729,648 | 5,561,798 |

Note. 11 Other Current Assets

| Particulars | As at 31-03-2021 | As at 31-03-2020 |
|--|---------------------|---------------------|
| Prepaid Expenses | 142,101 | 154,661 |
| Advance to Suppliers & Contractors | 623,591 | 886,492 |
| Balances with Government and Statutory Authorities | 738,996 | 1,049,873 |
| Total | 1,504,688 | 2,091,026 |

Note. 12 Equity Share Capital

| Particulars | As at 31-03-2021 | As at 31-03-2020 |
|---|---------------------|---------------------|
| Authorised Capital | | |
| 4,00,000 Equity Shares of Rs.10 each | 4,000,000 | 4,000,000 |
| Issued, Subscribed and fully paid-up Capital | | |
| 2,00,000 Equity Shares of Rs.10 each | 2,000,000 | 2,000,000 |
| Total Equity Share Capital | 2,000,000 | 2,000,000 |

EASTERN DOOARS TEA COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

(Amount in Rs.)

a) Reconciliation of Share Capital is given below :

| Particulars | As at 31.03.2021 | | As at 31.03.2020 | |
|-------------------------------------|------------------|------------------|------------------|------------------|
| | No. of Shares | Rs. | No. of Shares | Rs. |
| At the beginning of the year | 200,000 | 2,000,000 | 200,000 | 2,000,000 |
| Issued during the year | - | - | - | - |
| At the end of the year | 200,000 | 2,000,000 | 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 31-03-2021 | | As at 31.03.2020 | |
|---------------------------------|------------------|-------------|------------------|-----------|
| | No. of Shares | % holding | No. of Shares | % holding |
| Nahata Estates Pvt. Ltd. | 15,300 | 7.65 | 15,300 | 7.65 |
| Vijay Kumar Nahata (HUF) | 12,950 | 6.48 | 12,950 | 6.48 |
| Vijay Kumar Nahata | 15,700 | 7.85 | 15,700 | 7.85 |
| Jitendra Kumar Nahata | 13,657 | 6.83 | 13,657 | 6.83 |
| Vikas Nahata | 16,985 | 8.49 | 16,985 | 8.49 |
| Rashi Nahata | 10,900 | 5.45 | 10,900 | 5.45 |
| Manju Nahata | 13,310 | 6.66 | 13,310 | 6.66 |
| Surya Kanta Nahata | 10,200 | 5.10 | 10,200 | 5.10 |

Note 13. Other Equity

| | As at 31.03.2021 | As at 31.03.2020 |
|-----------------------------------|--------------------|-------------------|
| | Rs. | Rs. |
| Reserves & Surplus | | |
| Capital Reserve | 792,757 | 792,757 |
| General Reserve | 70,000,000 | 70,000,000 |
| Retained Earnings | 22,137,152 | 433,003 |
| Other Comprehensive Income | 8,413,731 | 7,933,270 |
| Total Other equity | 101,343,640 | 79,159,030 |

Note 14 Deferred Tax Liabilities (Net)

| | As at 31.03.2021 | As at 31.03.2020 |
|--|------------------|------------------|
| Property Plant & Equipments | 1,108,618 | 1,661,490 |
| Fair Value of Financial Instrument through OCI | 168,811 | - |
| Total | 1,277,429 | 1,661,490 |
| Deferred Tax Assets | | |
| On Biological Assets at Fair Value | 407,097 | - |
| Total | 407,097 | - |
| Total | 870,332 | 1,661,490 |

EASTERN DOOARS TEA COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

(Amount in Rs.)

Note 15 Trade Payables

| Particulars | Non Current | | Current | |
|---|---------------------|---------------------|---------------------|---------------------|
| | As at 31.03.2021 | As at 31.03.2020 | As at 31.03.2021 | As at 31.03.2020 |
| Trade Payables | | | | |
| Due to Micro, Small & Medium Enterprises | - | - | 912,572 | 720,137 |
| Due to Creditors other than Micro, Small & Medium Enterprises | 563,024 | 356,732 | 7,966,081 | 9,173,034 |
| Total | 563,024 | 356,732 | 8,878,653 | 9,893,171 |

Note 16 Current Borrowings

| | As at 31.03.2021 | As at 31.03.2020 |
|---------------------------------|---------------------|---------------------|
| Secured : | | |
| Cash Credit from HDFC Bank Ltd. | 28,843,516 | 19,997,129 |
| Total Secured Borrowings | 28,843,516 | 19,997,129 |

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 31.03.2021 | As at 31.03.2020 |
|---------------------------------|---------------------|---------------------|
| Cash Credit from HDFC Bank Ltd. | 28,843,516 | 19,997,129 |

Note 17 Other Financial Liabilities

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|------------------|---------------------|---------------------|
| Expenses Payable | 10,073,365 | 6,710,432 |
| Total | 10,073,365 | 6,710,432 |

Note 18 Other Current Liabilities

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|------------------------------|---------------------|---------------------|
| Statutory Liabilities | 1,667,929 | 2,343,464 |
| Advance received from Agents | - | 29,420 |
| Total | 1,667,929 | 2,372,884 |

Note 19 Provisions

| Particulars | Non Current | | Current | |
|--|---------------------|---------------------|---------------------|---------------------|
| | As at 31.03.2021 | As at 31.03.2020 | As at 31.03.2021 | As at 31.03.2020 |
| Provision for employee benefits | | | | |
| Provision for Bonus | - | - | 14,747,924 | 7,383,157 |
| Others | | | | |
| Provision for Taxation | - | - | 8,766,783 | 5,766,782 |
| Total | - | - | 23,514,707 | 13,149,939 |

EASTERN DOOARS TEA COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

(Amount in Rs.)

Note 20. Revenue from operations

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|--|---------------------|---------------------|
| Sale of products | | |
| Finished Goods- Tea | 264,567,210 | 167,797,645 |
| Other Operating Revenue | | |
| Insurance & Other Claims | 7,035 | - |
| Changes in Fair Value of Biological Assets | 1,433,440 | - |
| Total | 266,007,685 | 167,797,645 |

Note 21. Other Income

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|--|---------------------|---------------------|
| Interest Income on Security Deposit | - | 103,832 |
| Net gain on sale of current investments | 241,888 | 879,908 |
| Miscellaneous income | 37,810 | 58,310 |
| Liabilities no longer required written back | 67,708 | 110,512 |
| Surplus on sale of Property, Plant & Equipment | 1,560 | - |
| Total | 348,966 | 1,152,562 |

Note 22. Purchase of Finished Goods

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|-----------------|---------------------|---------------------|
| Purchase of Tea | - | 724,500 |
| Total | - | 724,500 |

Note 23. Cost of Materials Consumed

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|-------------------------------------|---------------------|---------------------|
| Opening Stock | - | - |
| Add: Purchases | 40,310,161 | 6,830,946 |
| Less: Closing Stock | - | - |
| | 40,310,161 | 6,830,946 |
| Material consumed comprises: | | |
| Green Tea Leaves | 40,310,161 | 6,830,946 |
| Total | 40,310,161 | 6,830,946 |

Note 24. Changes in Inventories of Finished Goods

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|---|---------------------|---------------------|
| Inventories at the beginning of the year: | | |
| Finished Goods | 20,591,237 | 6,337,015 |
| Inventories at the end of the year: | | |
| Finished Goods | 18,343,582 | 20,591,237 |
| Net (increase) / decrease | 2,247,655 | (14,254,222) |

EASTERN DOOARS TEA COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

(Amount in Rs.)

Note 25. Employee Benefits Expense

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|--|---------------------|---------------------|
| Salaries & Wages | 44,425,570 | 30,787,450 |
| Managing Director's Remuneration | - | 957,150 |
| Contributions to Provident & Other Funds | 9,481,889 | 8,333,367 |
| Staff Welfare Expenses | 18,122,517 | 19,752,704 |
| Total | 72,029,976 | 59,830,671 |

Note 26. Finance Cost

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|---------------------------|---------------------|---------------------|
| Interest expense : | | |
| Bank Borrowings | 2,060,037 | 2,199,918 |
| Total | 2,060,037 | 2,199,918 |

Note 27. Other Expenses

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|--|---------------------|---------------------|
| MANUFACTURING EXPENSES | | |
| Cultivation & Plucking | 57,386,345 | 58,581,662 |
| Tea Making | 4,877,383 | 4,825,210 |
| Packing Material Consumed | 1,385,888 | 1,349,485 |
| Power and Fuel | 33,677,958 | 31,807,878 |
| Repairs to Buildings | 3,727,276 | 2,045,209 |
| Transport Expenses | 2,805,269 | 3,030,703 |
| Repairs to Machinery | 5,760,456 | 4,319,951 |
| | 109,620,575 | 105,960,098 |
| SELLING & ADMINISTRATION | | |
| Insurance | 379,687 | 252,196 |
| Rates and Taxes | 379,107 | 1,287,988 |
| Changes in Fair Value of Biological Assets | - | 1,225,780 |
| Freight & Sales Charges | 2,231,240 | 1,994,114 |
| Brokerage & Commission | 2,626,783 | 1,824,415 |
| Consultancy Charges to Agents | 2,013,333 | 1,720,000 |
| Rent | 528 | 528 |
| Director Fees | 44,000 | 42,000 |
| Payments to Auditors: | | |
| Statutory Audit Fees | 160,000 | 160,000 |
| Tax Audit Fees | 30,000 | 30,000 |
| Miscellaneous Expenses | 2,899,931 | 3,381,040 |
| | 10,764,609 | 11,918,061 |
| Total | 120,385,184 | 117,878,159 |

EASTERN DOOARS TEA COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

(Amount in Rs.)

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

a) Contingent Liabilities

- i) Disputed Income Tax demand of Rs. 2,12,332 (P. Y. 2,12,332) 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.
- ii) Disputed Income Tax demand of Rs 32,45,340 (P. Y. 32,45,340) for assessment year 2013-14 against which the Company has preferred appeal before Commissioner of Income Tax (Appeals).
- iii) Disputed Income Tax demand of Rs. 35,260 (P. Y. 35,260) for assessment year 2014-15 against which the Company has preferred appeal before Commissioner of Income Tax (Appeals).
- iv) Disputed Income Tax demand of Rs. 13,53,030 (P. Y. 13,53,030) for assessment year 2018-19 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 – Nil (Previous year - Nil).

29. Balance with banks in Current Account includes Rs. 4,09,937 (P.Y. 4,15,420) which are subject to confirmation from bank.

30. GST Input Tax Credit as per books is subject to reconciliation with returns.

- 31. a) Expenses grouped under Other Expenses includes Rs.4,97,05,959 (Previous year Rs.5,69,69,735) being expenses towards Employee Benefit Expenses over and above amount disclosed in Note 25 for Employee Benefit Expenses.
- b) Expenses grouped under Other Expenses includes Rs.4,61,50,519 (Previous year Rs.4,67,45,656) being the cost of Stores & Spares consumed during the year.

| | 2020-21 | | 2019-20 | |
|---|----------------------|------------|----------------|----------|
| 32. 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 | 4,03,10,161 * | 100 | 68,30,946 * | 100 |
| | ----- | --- | ----- | --- |
| | 4,03,10,161 | 100 | 68,30,946 | 100 |
| | ----- | --- | ----- | --- |
| <u>Stores & Spares</u> | | | | |
| Imported | --- | -- | --- | -- |
| Indigenous | 4,61,50,519 | 100 | 4,67,45,656 | 100 |
| | ----- | --- | ----- | --- |
| | 4,61,50,519 | 100 | 4,67,45,656 | 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.

EASTERN DOOARS TEA COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

| | (Amount in Rs.) | |
|--|-----------------|----------------|
| | <u>2020-21</u> | <u>2019-20</u> |
| 33. Quantitative information in respect of tea manufactured during the year: | | |
| a) Class of Goods | Tea | Tea |
| b) Unit | Kg | Kg |
| c) Actual Production | 12,84,717.0 | 12,68,157.0 |
| d) Opening Stock of Goods Produced | 1,47,277.0 | 76,960.0 |
| e) Complimentary, Sampling & Shortage | 14,237.5 | 9,541.1 |
| f) Sales | 13,21,512.5 | 11,88,298.9 |
| g) Closing Stock of Goods Produced | 96,244.0 | 1,47,277.0 |
| h) Raw Materials (Green Leaf Plucked in Garden owned by Company) | 41,75,802.0 | 50,72,208.0 |
| i) Raw Materials (Green Leaf Purchased) | 13,95,689.0 | 3,74,957.0 |

34. Income Tax assessments are pending for assessment year 2019-20 and onwards.

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

36. 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. 39,30,771 (P. Y. 21,64,673) towards gratuity during the year ended 31st March, 2021 in the Statement of Profit & Loss.

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

| | <u>2020-21</u> | <u>2019-20</u> |
|---|--------------------|--------------------|
| I. Reconciliation of opening and closing balances of the present value of the Defined Benefit Obligation | | |
| (a) Present Value of Obligation at beginning of period | 4,03,71,901 | 4,24,04,377 |
| (b) Current Service cost | 21,70,872 | 21,01,704 |
| (c) Interest cost | 26,64,545 | 31,80,328 |
| (d) Actuarial (gains)/ losses | (33,01,920) | 5,64,747 |
| (e) (Benefits paid) | (39,46,156) | (66,14,673) |
| (f) Present Value of Obligation at the end of year | <u>3,79,59,242</u> | <u>4,03,71,901</u> |
| II. Reconciliation of opening and closing balances of the Fair value of the Plan Assets | | |
| (a) Fair Value of Plan assets at beginning of year | 3,45,04,034 | 3,72,39,459 |
| (b) Expected Return on Plan Assets | 24,15,282 | 29,79,157 |
| (c) Actuarial Gain/(Loss) | (13,27,903) | (12,64,582) |
| (d) Contributions by Employer | 39,30,771 | 21,64,673 |
| (e) (Benefits paid) | (39,46,156) | 66,14,673) |
| (f) Fair Value of Plan assets at the end of year | <u>3,55,76,028</u> | <u>3,45,04,034</u> |

EASTERN DOOARS TEA COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

(Amount in Rs.)

III. Reconciliation of present value of the Defined Benefit Obligation in 'I' above and the fair value of Plan Assets in 'II' above

| | | |
|--|-------------|-------------|
| (a) Present Value of Obligation at the end of year | 3,79,59,242 | 4,03,71,901 |
| (b) Fair Value of Plan assets at the end of year | 3,55,76,028 | 3,45,04,034 |
| (c) Asset/ (Liability) recognised in the Balance Sheet | (23,83,214) | (58,67,867) |
| (d) Experience (Gain)/ Loss adjustment on plan liabilities | (34,64,739) | (29,78,790) |
| (e) Experience Gain/ (Loss) adjustment on plan assets | (13,27,903) | (12,64,582) |

IV. Expense Charged to the Statement of Profit & Loss

| | | |
|---|-------------|-------------|
| (a) Current Service cost | 21,70,872 | 21,01,704 |
| (b) Interest cost | 26,64,545 | 31,80,328 |
| (c) Expected return on plan assets | (24,15,282) | (29,79,157) |
| (d) Actuarial Losses/ (Gains) | (19,74,017) | 5,64,747 |
| (e) Total expense charged to the Statement of Profit & Loss | 4,46,118 | 67,64,673 |

V. Percentage of each Category of Plan Assets to total Fair Value of Plan Assets

| | As at 31st March 2021 | As at 31st March 2020 |
|---|--------------------------|--------------------------|
| (a) High quality Corporate Bonds | 70.92% | 73.22% |
| (b) Government (Central & State) Securities | 13.37% | 10.87% |
| (c) Special Deposit Scheme | 6.55% | 6.76% |
| (d) Bank Balance | 2.41% | 2.59% |
| (e) Other Investments | 6.75% | 6.56% |
| | 100.00% | 100.00% |

2020-21

2019-20

VI. Actual Return on Plan Assets

10,87,379

17,14,575

VII. Principal Actuarial Assumptions

| | 31st March 2021 | 31st March 2020 |
|--|-----------------|-----------------|
| (a) Discounting Rate (per annum) | 6.80% | 6.60% |
| (b) Expected Rate of return on Plan Assets (per annum) | 7.00% | 7.00% |
| (c) Salary Escalation | 4.25% | 4.00% |
| (d) Mortality | IALM 12-14 | IALM 12-14 |
| | 100% | 100% |
| (e) Attrition Rates, based on age (% p.a.) | 2.00 | 2.00 |

The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields / rates available on applicable bonds as on the current valuation date. The salary growth rate indicated above is the Company's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc. Attrition rate indicated above represents the Company's best estimate of employee turnover in future (other than on account of retirement, death or disablement) determined considering various factors such as nature of business, retention policy, industry factors, past experience etc.

The Company has contributed Rs. 27,54,929/- so far expects to further contribute Rs.10,00,000/- to its Gratuity Fund in F.Y. 2021-22.

EASTERN DOOARS TEA COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

(Amount in Rs.)

37. 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.
38. 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.
39. **Details of dues to micro and small enterprises as defined under the MSMED Act, 2006 :**

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|--|---------------------|---------------------|
| The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the year reported in Current Trade Payables | | |
| Principal Amount Unpaid | 9,12,572 | 7,20,137 |
| Interest thereon | Nil | Nil |
| The amount of interest paid by the buyer in terms of section 16, of the MSMED ACT, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year | | |
| Payment made beyond the Appointed Date | Nil | Nil |
| Interest paid beyond the Appointed Date | Nil | Nil |
| The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006. | | |
| The amount of interest accrued and remaining unpaid at the end of the year : and | Nil | Nil |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006 | Nil | Nil |

39. The balances of Creditors, Debtors, Other Liabilities and Loans and Advances are subject to confirmation/reconciliation.

| 40. <u>Earning Per Share</u> | As at | As at |
|--|--------------------|-------------------|
| | 31.03.2021 | 31.03.2020 |
| Net Profit / (Loss) after tax as per profit and loss account | 2,17,04,149 | (99,32,378) |
| No. of Equity Shares of Rs.10/- each | 2,00,000 | 2,00,000 |
| Basic and Diluted Earning per Share | 108.52 | (49.66) |

42. 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.

43. 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:

Enterprise in which KMP or their relative are having significant influence (Relative) (with whom Company has transactions)

Name of the related Party

Bijni Dooars Tea Co. Ltd.
M/s Panchiram Nahata

Key Managerial Persons

Surendra Kumar Nahata, Director (DIN 00025510)
Vijay Kumar Nahata, Director (DIN 00599189)
Nandini Bose, Director (DIN 00717701)
Sharad Nahata, Director (w.e.f. 10.10.2020) (DIN 02725654)
R. Sreram, Chief Financial Officer
Namrata Surana, Company Secretary

EASTERN DOOARS TEA COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

(Amount in Rs.)

Particulars of Transactions during the year ended 31st March, 2021

| Sl. No. | Nature of Transactions | Relationship | 31.03.2021 | 31.03.2020 |
|---------|--|--------------|--------------------|------------|
| 1 | Consultancy Charges | | | |
| | M/s Panchiram Nahata | Relative | 20,13,333 | 17,20,000 |
| 2 | Services Rendered | | | |
| | Bijni Dooars Tea Co. Ltd. | Relative | Nil | 74,70,689 |
| 3 | Payment of Salaries / Perquisites / Commission | | | |
| | Minnalal Nahata | K M P | Nil | 9,57,150 |
| 4 | Reimbursement of Property Tax | | | |
| | Bijni Dooars Tea Co. Ltd. | K M P | 10,993 | 10,993 |
| 5 | Payment of Electric Charges | | | |
| | Bijni Dooars Tea Co Ltd. | Relative | 37,057 | 1,08,235 |
| 6 | Payment of Salaries | | | |
| | R. Sreram | K M P | 2,72,700 | 2,72,700 |
| 7 | Payment of Salaries | | | |
| | Namrata Surana | K M P | 1,50,000 | 1,50,000 |
| 8 | Intercompany Loan Taken | | | |
| | Bijni Dooars Tea Co. Ltd. | Relative | 1,45,24,904 | - |
| 9 | Loan Taken | | | |
| | Surendra Kumar Nahata (DIN : 00025510) | K M P | 1,07,22,466 | - |
| 10 | Loan Taken | | | |
| | Vijay Kumar Nahata (DIN : 00599189) | K M P | 1,07,22,466 | - |

Balances Outstanding at the Year End 31.03.2021

| Sl. No. | Nature of Transactions | Relationship | 31.03.2021 | 31.03.2020 |
|---------|-----------------------------|--------------|------------------|------------|
| 1 | Consultancy Charges Payable | | | |
| | M/s Panchiram Nahata | Relative | 18,62,333 | 15,48,000 |
| 2 | Sundry Creditors | | | |
| | Bijni Dooars Tea Co. Ltd | Relative | 5,88,539 | 7,38,907 |
| 3 | Salaries payable | | | |
| | R. Sreram | K M P | Nil | 19,470 |

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

As per our report on even date.

For **A. Sethia & CO.**

Chartered Accountants

ICAI Regn No. 328380E

(ALOK SETHIA)

Partner

M.No. 305914

4, Fairlie Place, HMP House,
Kolkata - 700 001

The 29th day of October, 2021

For and on behalf of the Board

Surendra Kumar Nahata

Director

DIN : 00025510

Vijay Kumar Nahata

Director

DIN : 00599189

Sampatmal Sancheti

Director

DIN : 00620693

Sharad Nahata

Director

DIN : 02725654