

Independent Auditor's Report on the Audited Annual Financial Results of Durrung Tea Estate Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (As amended)

To
The Board of Directors,
Durrung Tea Estate Limited

Opinion

We have audited the accompanying Annual Financial Results of **Durrung Tea Estate Limited** ("the Company") for the quarter and year ended March 31, 2024 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- a. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and
- b. gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ("Ind AS") and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information for the quarter and the year ended March 31, 2024.

Basis of Opinion

We conducted our audit of the Statement in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Annual Financial Results 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 (the "ICAI") together with the ethical requirements that are relevant to our audit of the annual financial results for the quarter and year ended March 31, 2024 under the provisions of the Act and the Rules made thereunder, 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 opinion on the Financial Statement.



Emphasis of Matter

We draw attention to the following matters:

- a. Balances of Trade Receivables, Other Receivables, Advances, Trade Payables and Other Current Liabilities are subject to confirmation by the parties and include some old balances pending for reconciliation (Refer Note 7).
- b. Liability in respect of Gratuity up to 31st March, 2024 comes to Rs. 498.16 Lakhs (Previous Year Rs. 440.53 Lakhs) as per Actuarial Valuation Report dated 28th May, 2024 against which the fund accumulation as on 31st March, 2024 is Rs. 0.72 Lakhs (Previous Year Rs. 0.72 Lakhs). Net Liability of Rs. 497.44 Lakhs (Previous Year Rs.439.81 Lakhs) including Rs. 57.62 Lakhs (Previous Year Rs. 68.16 Lakhs) for the current year remained unprovided in this Financial Statements (Refer Note 5).

Our opinion is not qualified in respect of these matters.

Management's and Board of Directors' Responsibilities for the Annual Financial Results

This Statement has been prepared on the basis of the annual financial statements of the Company.

The Company's Management and Board of Directors are responsible for the preparation and presentation of the Annual Financial Results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 the 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 annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the annual financial results, the Management and Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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



Auditor's Responsibilities for the Audit of the Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 annual financial results.

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 annual financial results, 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 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 through a separate report on the complete set of financial statements on whether the Company has adequate internal financial controls with reference to financial statements 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 in the annual financial results made by the Board of Directors and management in terms of the requirements specified under regulation 33 of the listing regulations.
- Conclude on the appropriateness of the Management and Board of Directors' use of the going concern basis of accounting based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 annual financial results 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 annual financial results, including the disclosures, and whether the annual financial results 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.

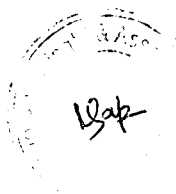
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

Other Matters

The Annual Financial Results include the results for the quarter ended March 31, 2024 being the derived figures between the audited figures in respect of the full financial year and the published unaudited figures up to the third quarter of the financial year which were subjected to a limited review by us, as required under the Listing Regulations.

Our opinion is not modified in respect of this matter.

For V. Singhi & Associates
Chartered Accountants
Firm Registration Number: 311017E



Naveen Taparia

Place: Kolkata
Date: 30th May, 2024

(NAVEEN TAPARIA)
Partner
Membership No.: 058433
UDIN: 24058433BKFCFC3265

Sl. No.	PARTICULARS	Quarter ended			Year ended	
		31.03.2024	31.12.2023	31.03.2023	31.03.2024	31.03.2023
		Audited	Unaudited	Audited	Audited	Audited
I	Income					
	a) Revenue from Operations	55.63	479.90	30.48	1,280.12	1,545.71
	b) Other Income	68.92	33.35	2.47	102.27	113.86
	Total Income	124.55	513.25	32.95	1,382.39	1,659.57
II	Expenses					
	a) Purchases	-	-	-	-	7.22
	b) Cost of Materials Consumed	-	0.27	1.66	3.25	42.19
	c) Changes in Inventories of Finished Goods	77.79	131.82	(19.01)	35.74	(23.32)
	d) Employee Benefits Expense	206.91	274.89	169.92	1,058.53	968.13
	e) Power & Fuel	19.74	73.80	24.51	240.04	273.70
	f) Finance Costs	6.51	17.66	2.18	57.75	45.44
	g) Depreciation & Amortisation Expense	14.31	13.34	(2.40)	54.34	55.48
	h) Other Expenses	48.42	63.44	50.44	196.02	198.56
	Total Expenses	373.68	575.22	227.30	1,645.67	1,567.40
III	Profit/(Loss) before tax (I-II)	(249.13)	(61.97)	(194.36)	(263.28)	92.17
IV	Tax Expense					
	a) Current Tax	-	-	(23.42)	-	-
	b) Deferred Tax	(2.65)	(2.81)	(15.97)	(2.81)	(10.04)
	Total Tax Expense	(2.65)	(2.81)	(39.39)	(2.81)	(10.04)
V	Net Profit/(Loss) for the period/year (III-IV)	(246.48)	(59.16)	(154.97)	(260.47)	102.21
VI	Other Comprehensive Income (Net of tax)					
	a) Items that will not be reclassified to profit or loss	-	-	-	-	-
	b) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-
	c) Items that will be reclassified to profit or loss	-	-	-	-	-
	d) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
	Total Other Comprehensive Income (Net of tax)	-	-	-	-	-
VII	Total Comprehensive Income for the Period/Year (V+VI)	(246.48)	(59.16)	(154.97)	(260.47)	102.21
VIII	Paid-up Equity Share Capital (Face Value of Rs.10/- each)	93.72	93.72	93.72	93.72	93.72
IX	Reserves excluding Revaluation Reserves	-	-	-	(293.04)	(32.57)
X	Earnings Per Share (of Rs. 10/- each) (not annualised)					
	Basic (Rs.)	(26.30)	(6.31)	(16.54)	(27.79)	10.91
	Diluted (Rs.)	(26.30)	(6.31)	(16.54)	(27.79)	10.91

Notes:

- 1) In Tea business the value of consumption of raw materials includes green leaf purchased from the parties. As the production of green leaf (Raw materials consumed by the Company for manufacture of Tea) is also from the Company's own estate and involves integrated process having various stages as nursery, planting, cultivation etc. their values at the intermediate stages could not be ascertained.
- 2) The above Financial Results for the quarter and financial year ended 31st March, 2024 were reviewed and recommended by the audit committee at its meeting held on 30th May, 2024 and subsequently approved by the Board of Directors at its meeting held on same date.
- 3) This Statement is as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are in compliance with the Indian Accounting Standards (IND-AS) as prescribed under section 133 of the Companies Act 2013 read with relevant rules thereunder and other accounting principles generally accepted in India.
- 4) Segment Reporting as defined in Indian Accounting Standard-108 is not applicable since the operation of the Company relates to only one segment i.e. "Manufacturing and Sale of Tea".
- 5) The company has not provided liability on account of terminal benefits (gratuity) in accordance with Ind AS 19 "Employee Benefit" amounting to Rs 498.16 Lakhs as of 31st March, 2024 against which the fund accumulation is Rs 0.72 Lakhs, in the statement which constitutes a departure from the Indian Accounting Standards Prescribed in section 133 of the Companies Act, 2013 ("the Act").
- 6) The company, vide letter dated 2nd December, 2019 addressed to the Calcutta Stock Exchange applied for delisting of the shares. Pursuant to mail dated 12th April and 27th May received from Calcutta Stock Exchange requesting for furtherance of delisting process, the documents has been duly submitted. The delisting of the Company is yet to be approved by the said Stock Exchange.
- 7) Balances of Trade Receivables, Other Receivables, Advances, Trade Payables and Other Current Liabilities are subject to confirmation by the parties and include some old balances pending for reconciliation.
- 8) Other income includes subsidy received from Assam Tourism Development Corporation Limited amounting to Rs. 100.05 Lakhs for Promotion and Development of Tea Tourism Infrastructure in Assam.
- 9) Figures for the quarter ended 31.03.2024 are the balancing figures between audited figures for the Year ended 31.03.2024 and the Unaudited figures for Nine Months ended 30.12.2023.

Place: Kolkata
Date: 30th May, 2024



For and on behalf of the Board

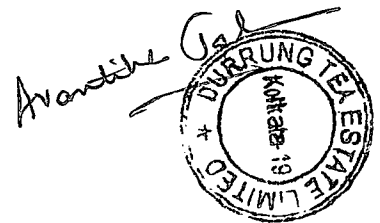
Avantika Jalan

Avantika Jalan
(Director)
DIN No: 03333925

DURRUNG TEA ESTATE LIMITED
STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH, 2024

(Amount in Lakhs)

	Note No	As at 31st March, 2024	As at 31st March, 2023
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	3a	835.37	808.41
(b) Goodwill	3b	22.53	22.53
(c) Other Intangible Assets	3b	0.18	0.18
(d) Financial Assets			
(i) Investments	4	0.00	0.00
(ii) Other Financial Assets	5	19.89	19.89
(e) Other Non-Current Assets	6	4.54	3.28
Total Non - Current Assets		<u>882.51</u>	<u>854.29</u>
Current Assets			
(a) Inventories	7	146.15	181.47
(b) Biological Assets other than Bearer Plants	8	6.05	2.18
(c) Financial Assets			
(i) Trade Receivables	9	14.28	25.34
(ii) Cash and Cash Equivalents	10	15.42	15.02
(iii) Other Financial Assets	11	522.63	522.38
(d) Current Tax Assets (Net)	12	86.52	60.33
(e) Other Current Assets	13	66.08	242.89
Total Current Assets		<u>857.13</u>	<u>1,049.62</u>
Total Assets		<u>1,739.64</u>	<u>1,903.91</u>
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	14	93.72	93.72
(b) Other Equity	15	(293.04)	(32.57)
Total Equity		<u>(199.32)</u>	<u>61.15</u>
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
Borrowings	16	34.31	66.75
(b) Deferred Tax Liabilities	17	17.37	20.18
Total Non- Current Liabilities		<u>51.68</u>	<u>86.93</u>
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	1,402.27	1,309.38
(ii) Trade Payables	19		
Total outstanding dues of Micro and Small Enterprises		7.27	4.70
Total outstanding dues of creditors other than Micro and Small Enterprises			
(iii) Other Financial Liabilities	20	136.75	132.28
(b) Other Current Liabilities	21	70.63	67.95
(c) Provisions	22	226.27	201.86
Total Current Liabilities		<u>44.09</u>	<u>39.66</u>
Total Equity and Liabilities		<u>1,887.28</u>	<u>1,755.83</u>
Total Equity and Liabilities		<u>1,739.64</u>	<u>1,903.91</u>



DURRUNG TEA ESTATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

	For the year ended 31st March, 2024		For the year ended 31st March, 2023	
	Rs.	Rs.	Rs.	Rs.
A. Cash Flow from Operating Activities :				
Net Profit/(Loss) before tax		(263.28)		92.17
Adjustments for :				
Depreciation and Amortisation Expense	54.34		55.48	
Interest Paid	57.75		45.44	
Changes in fair value of Biological Assets	(3.87)		2.26	
Profit on sale of Vehicle	-		(1.87)	
Interest Income	-	108.22	-	101.31
Operating Profit/(Loss) before Working Capital Changes		(155.05)		193.48
Adjustments For Changes In Working Capital :				
(Increase)/Decrease Trade & Other Receivables	186.38		(148.87)	
(Increase)/Decrease Inventories	35.32		(22.57)	
Increase/(Decrease)Trade & Other Payables	38.56	260.25	110.31	(61.13)
Net Cash Flow/(Outflow) Before Tax		105.20		132.35
Tax Refund / (Paid)		(26.20)		(9.56)
Net Cash Inflow/(Outflow) from Operating Activities (A)		79.00		122.79
B. Cash Flow from Investing Activities				
Purchase of Property, Plant and Equipment		(81.30)		(9.96)
Sales proceeds from Vehicle		-		2.61
Net Cash Inflow/(Outflow) Investing Activities (B)		(81.30)		(7.35)
C. Cash Flow from Financial Activities :				
Increase in long term Borrowings		(32.44)		(38.64)
Repayment of Short term Borrowings		92.89		(19.45)
Interest Paid		(57.75)		(45.44)
Net Cash Inflow/(Outflow) Financing Activities (C)		2.70		(103.52)
Net Increase/(Decrease) in Cash & Cash Equivalents (A + B + C)		0.40		11.92
Cash & Cash Equivalents Opening Balance		15.02		3.10
Cash & Cash Equivalents Closing Balance		15.42		15.02
Cash & Cash Equivalents consists of :				
Cash in hand		15.02		14.02
Balances with Bank		0.40		-
Cheque in Hand		-		1.00
		15.42		15.02

NOTE : Figures in bracket represent outflow.

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS - 7 on Statement of Cash Flows. Previous years figures have been regrouped/rearranged wherever found necessary.

