



INDEPENDENT AUDITOR'S REPORT ON AUDIT OF STANDALONE FINANCIAL RESULTS

**TO THE BOARD OF DIRECTORS
OF LEDO TEA COMPANY LIMITED**

Report on the Audit of Standalone Financial Results

Opinion

We have audited the accompanying statement of standalone annual financial results of **LEDO TEA COMPANY LIMITED** (hereinafter referred to as the "Company"), for the year ended March 31, 2021 (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 (the "Listing Regulations").

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

- a) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard and;
- b) gives a true and fair view in conformity with recognition and measurement principles laid down in the applicable Indian Accounting Standard ("IND AS") prescribed under Section 133 of the Companies Act 2013 (the "Act") read with relevant rules issued there under and other accounting principles generally accepted in India, of the standalone net profit and standalone total comprehensive income and other financial information of the Company for the ended March 31, 2021, standalone statement of assets and liabilities as at March 31, 2021 and the standalone statement of cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Statement in accordance with the Standards on Auditing ("SA's) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Results under the provisions of the Act and the Rules 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 audit opinion on the standalone annual financial results.

Emphasis of Matter

We draw attention to the following matters:

- a) The company has not made provision for part of gratuity liability as per actuarial valuation as per Ind AS 19 - Employee Benefits.
- b) Note 6 of the financial results, indicates the fact that the net-worth of the Company is fully eroded. This condition indicate the existence of a material uncertainty that may cast significant doubt the Company's ability to continue as a going concern. However the financial results of the Company have been prepared on a going concern basis for the reason stated in said note. The appropriateness of the said basis is dependent on the Company's ability to infuse requisite funds for meeting its obligations, repayment of advances and short term borrowings along with interest and restoring its operational profitability.

Our Opinion is not modified in respect of above matter.

Management's Responsibilities for the Standalone Financial Results

This Statement, is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared on the basis of standalone financial statements for the year ended March 31, 2021. The Company's Board of Directors are responsible for the preparation and presentation of the Standalone 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 Ind AS 34, prescribed under Section 133 of the Act, read with relevant rules issued thereunder 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 Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, the 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 financial reporting process of the Company.

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

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results 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 this Standalone 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 Standalone 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' 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 ability of the Company 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 Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are

A handwritten signature in blue ink is written over a circular stamp. The stamp contains some illegible text and a central emblem. The signature appears to be 'S. K. S.' or similar.

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 Results, including the disclosures, and whether the Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Standalone Financial Results of the Company to express an opinion on the Standalone Financial Results.

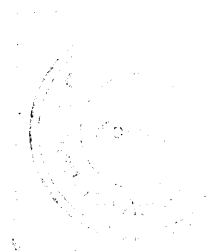
Materiality is the magnitude of misstatements in the Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Results.

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 Matter

The standalone annual financial results include the results for the quarter ended March 31, 2021 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.



For B Nath & Co
Chartered Accountants
Registration number- 307057E

Gaurav More
Partner
Membership no-306466
UDIN- 21306466AAAACB1332

Place: Kolkata
Date: June 30, 2021

LEDO TEA COMPANY LIMITED

CIN : L01132WB1983PLC036204

Regd. Office : 3-B, Lal Bazar Street, Kolkata - 700 001

Phone No; (033)2230 6686,E-mail:ledoteaco@gmail.com

Statement of Audited Standalone Financial Results for the Quarter and Year ended 31st March,2021

PARTICULARS		(Rs.in Lacs)				
		Quarter Ended			Year ended	
		31.03.2021 (Audited)	31.12.2020 (Unaudited)	31.03.2020 (Audited)	31.03.2021 (Audited)	31/03/2020 (Audited)
1	Income					
	a. Revenue from Operations	77.73	436.66	132.20	1,234.34	808.86
	b. Other Income	14.07	1.89	3.98	17.43	6.74
	Total Income	91.80	438.55	136.18	1,251.77	815.60
2	Expenses					
	a. Cost of materials consumed	18.17	31.23	0.81	158.56	72.89
	b. Changes in inventories of finished goods, stock-in-trade	45.61	131.94	139.23	(0.68)	38.17
	c. Employee benefits expense	139.25	178.13	191.54	710.47	793.76
	d. Finance cost	25.78	22.39	27.54	100.80	89.48
	e. Depreciation and amortisation expense	5.51	7.24	8.57	27.23	28.97
	f. Other expenses	42.46	74.64	68.25	258.59	284.51
	Total Expense	276.78	445.57	435.94	1,254.97	1,307.78
3	Profit/(Loss) Before Tax (1-2)	(184.98)	(7.02)	(299.76)	(3.20)	(492.18)
4	Tax Expense					
	a. Current Tax	-	-	-	-	-
	b. Deferred Tax	(22.89)	-	(62.77)	(22.89)	(62.77)
	c. Tax for earlier years	(0.95)	-	0.56	(0.95)	0.56
	Total	(23.84)	-	(62.21)	(23.84)	(62.21)
5	Net Profit/ (Loss) for the period (3-4)	(161.14)	(7.02)	(237.55)	20.64	(429.97)
6	Other Comprehensive Income					
	(a) Items that will not be Reclassified to Profit & Loss					
	Remeasurement of the net defined benefit plans	-	-	-	-	-
7	Total Comprehensive Income (5+6)	(161.14)	(7.02)	(237.55)	20.64	(429.97)
8	Paid up Equity Share Capital (Face value of Rs.10/- each)	86.35	86.35	86.35	86.35	86.35
9	Earnings per Share (Face value of Rs.10/- each)					
	- Basic & diluted (not annualised)	(18.66)	(0.81)	(27.51)	2.39	(49.79)

For LEDO TEA COMPANY LTD.

Manish Lohia

DIRECTOR
DIN: 03591937

Audited Statement of Assets and Liabilities

(Rs. in Lacs)

	As at	As at
	31st March 2021	31st March 2020
ASSETS		
Non-Current Assets		
(a) Property, plant and equipment	825.03	797.18
(b) Capital work-in-progress	0.65	0.01
(c) Financial assets :		
(i) Investments	0.68	0.71
(d) Deferred tax assets (net)	239.97	217.08
Total Non-Current Assets	1,066.33	1,014.98
Current Assets		
(a) Inventories	67.28	66.32
(b) Financial assets:		
(i) Trade receivables	2.97	15.58
(ii) Cash and cash equivalents	118.80	63.66
(iii) Other Financial assets	44.35	44.28
(c) Other Current Assets	87.81	75.69
Total Current Assets	321.21	265.53
Total Assets	1,387.54	1,280.51
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share Capital	86.35	86.35
(b) Other Equity	(722.89)	(743.53)
Total Equity	(636.54)	(657.18)
Liabilities		
Non-Current Liabilities		
(a) Financial liabilities:		
(i) Borrowings	91.58	13.66
(c) Other non current liabilities	3.60	6.48
Total Non-Current Liabilities	95.18	20.14
Current liabilities		
(a) Financial liabilities:		
(i) Borrowings	1,244.59	1,267.44
(ii) Trade payables		
(a) Total Outstanding Dues of Micro Enterprises and Small Enterprises	0.42	0.41
(b) Total Outstanding Dues of Creditors Other than Micro Enterprises and Small Enterprises	168.98	165.95
(iii) Other Financial Liabilities	237.61	183.52
(b) Other current liabilities	67.93	95.21
(c) Provisions	209.37	205.02
Total Current Liabilities	1,928.90	1,917.55
Total Equity and Liabilities	1,387.54	1,280.51

For LEDO TEA COMPANY LTD.

Armit Lohia

DIRECTOR

DIN: 03591937

L. P.

LEDO TEA COMPANY LIMITED
Cash Flow Statement for the year ended 31st March,2021

(Rs. In Lacs)

	Year ended 31st March, 2021		Year ended 31st March, 2020	
	Rs	Rs	Rs	Rs
A Cash Flow from Operating Activities				
Loss before Tax		(3.20)		(492.18)
Add :				
Depreciation	27.23		28.97	
Investment written off	0.03		-	
Loss on Sale of Fixed Assets	(0.06)		-	
Interest debited to Profit & Loss Account	100.80	128.00	89.48	118.45
		124.80		(373.73)
Less :				
Deferred Government Grants	2.88		2.88	
Interest Income	2.06	4.94	2.41	5.29
Operating Profit before Working Capital Changes		119.86		(379.02)
Adjusted for :				
Trade & Other Receivables	2.02		15.87	
Inventories	(0.96)		32.70	
Trade Payables,Other Liabilities & Provision	34.19	35.25	204.73	253.30
		155.11		(125.72)
Less : Taxation		0.64		2.65
Net Cash inflow from Operating Activities		154.47		(128.37)
B. Cash Flow from Investing Activities				
Outflow :				
Acquisition of Fixed Assets		(55.75)		(64.68)
Inflow :				
Sale of Fixed Assets	0.09		0.10	
Interest Received	2.06	2.15	2.41	2.51
Net Cash inflow/(outflow) from Investing Activities		(53.60)		(62.17)
C Cash Flow from Financing Activities				
Borrowings	55.07		337.94	
Interest Paid	(100.80)	(45.73)	(89.48)	248.46
Net Cash inflow/(outflow) from Financing Activities		(45.73)		248.46
Net increase/(decrease)/in Cash equivalents (A+B+C)		55.14		57.92
Opening Cash Balance & Cash Equivalents		63.66		5.74
Closing Cash Balance & Cash Equivalents		118.80		63.66

For LEDO TEA COMPANY LTD.

Munir Lohia

DIRECTOR
DIN: 03591937

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Notes:

- 1 The production of green leaf (raw material consumed by the Company for manufacture of tea) from the company's own tea estate involved integrated process having various stages such as nursery, planting, cultivation, etc. their values at the intermediate stages could not be ascertained. Cost of material consumed represents purchase of Green Leaf.
- 2 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meeting held on 30th June, 2021.
- 3 This statement has been prepared in accordance with the companies (Indian Accounting Standards) Rules 2015 (Ind AS) as amended by the companies (Indian Accounting Standards) Rules 2016 (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable.
- 4 The company is primarily engaged in the business of growing and manufacturing of tea and accordingly there are no separate reportable segments as per Ind AS 108 dealing with segment reporting.
- 5 The Statutory auditors have carried out audit on the aforesaid standalone financial results and have expressed an unqualified audit opinion.
- 6 The net worth of the company has been fully eroded due to accumulated losses, however, considering the nature of the business of the Company, the accounts have been prepared on the basis applicable to "Going Concern."
- 7 The figures for the quarter ended 31st March, 2021 represents the derived figures between the audited figures in respect of the year ended 31st March, 2021 and unaudited published period to date figures upto December, 2020, which was subjected to limited review.
- 8 The company has assessed and considered the impact of the ongoing Covid-19 pandemic on carrying amounts of Property, Plant & Equipment, Investments, Trade receivables, Inventories, other assets and its business operations including all relevant internal and external information available up to the date of approval of these financial results. On basis of such evaluation, the management does not expect any adverse impact on its future cash flows, its liquidity position and shall be able to continue as a going concern. However, the eventual outcome of the impact of the Covid-19 pandemic may be different from those estimated as on the date of approval of these financial results owing to the nature and duration of the pandemic.
- 9 The company has initiated the process of voluntary delisting of its equity shares from BSE Limited under Special Provision for Small Companies under Chapter VII of the SEBI Delisting Regulations, 2009. The shareholders have approved the special resolution for delisting through postal ballot, result of which was declared on 30.12.2020. Thereafter, the company has applied to BSE Limited for its in-principle approval for delisting on 02.06.2021 and is awaiting for their approval for further processing. On receipt of the in-principle approval from BSE Limited, the offer letter will be sent to the shareholders.
- 10 Previous year/ period figures have been rearranged / regrouped, wherever necessary to make them comparable with current period figures.

Place: Kolkata

Date: 30th June 2021

C.P.



For LEDO TEA COMPANY LTD.

Amrit Lohia

**DIRECTOR
DIN: 03591937**