

**Annual**  
**Report**  
**&**  
**Accounts**  
**2011 - 2012**

**Dhunseri Investments Limited**

# DHUNSERI INVESTMENTS LIMITED

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## **BOARD OF DIRECTORS**

C. K. Dhanuka  
*Chairman of the Board*

A. Dhanuka

M. Dhanuka

B. D. Beriwala

P. L. Agarwal

A. K. Lohia

B. K. Biyani

A. Gupta  
*(w.e.f. 11.11.2011)*

### **COMPANY SECRETARY & CFO**

R. Mahadevan

### **BANKERS**

State Bank of India

HDFC Bank

### **REGISTERED OFFICE**

'Dhunseri House'

4A, Woodburn Park, Kolkata 700 020

Phone : 2280-1950 (5 Lines)

Fax : 91-33-2287 8995

E-mail : dhunseri@vsnl.com

### **AUDITORS**

Dhandhania & Associates

*Chartered Accountants*

### **TEA PACKETING FACTORY**

SP-534-A, Sitapura Industrial Area

Jaipur, Rajasthan

### **REGISTRARS & SHARE TRANSFER AGENTS**

Maheshwari Datamatics Pvt. Ltd.

6, Mangoe Lane, 2nd Floor, Kolkata 700 001

Phone : 2243-5029, 2243-5809

Fax : 91-33-2248 4787

E-mail : mdpl@cal.vsnl.net.in

### **ANNUAL GENERAL MEETING**

Monday, 13th August, 2012 at 10.30 A.M.

at 'KALAKUNJ', Sangit Kala Mandir

48, Shakespeare Sarani, Kolkata 700 017

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## **NOTICE**

NOTICE is hereby given that the 15th Annual General Meeting of the Members of DHUNSERI INVESTMENTS LIMITED will be held on Monday, the 13th day of August, 2012 at 'Kala Kunj', Sangit Kala Mandir Trust, 48, Shakespeare Sarani, Kolkata 700 017 at 10.30 A.M. to transact the following business :

1. To consider and adopt the Balance Sheet as at 31st March, 2012, the Statement of Profit & Loss for the year ended 31st March, 2012, the Cash Flow Statement for the year ended 31st March, 2012 and the Reports of the Directors' and Auditors' thereon.
2. To declare dividend.
3. To elect a director in place of Smt. Aruna Dhanuka who retires by rotation and being eligible, offers herself for re-appointment.
4. To elect a director in place of Sri Purushottam Lal Agarwal who retires by rotation and being eligible, offers himself for re-appointment.
5. To elect a director in place of Sri Ashok Kumar Lohia who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint Auditors and to fix their remuneration.

*Registered Office:*  
DHUNSERI HOUSE  
4A, Woodburn Park  
Kolkata 700 020  
28th May, 2012

By Order of the Board  
For DHUNSERI INVESTMENTS LIMITED  
R. MAHADEVAN  
*Company Secretary & Compliance Officer*

### **Notes :**

- (a) The relevant details of directors seeking re-appointment under Item Nos. 3 to 5 above as required by Clause 49 of the Listing Agreement entered into with the stock exchanges is annexed.
- (b) **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.**  
Proxies, in order to be effective, must be received at the Company's Registered Office not less than 48 hours before the meeting.
- (c) The Register of Members and Transfer Books of the Company will be closed from Wednesday, 1st August, 2012 to Monday, 13th August, 2012 ( both days inclusive).
- (d) If dividend on equity shares as recommended by the Board of Directors is passed at the meeting, payment of such dividend will be made on and after 14th August, 2012 to those members whose names are on the Company's Register of Members on Monday, 13th August, 2012. In respect of equity shares held in electronic form, the dividend will be payable to the beneficial owners of the shares as at the end of business hours on 31st July, 2012, as per details furnished by the depositories for this purpose.
- (e) Shareholders desiring any information as regards the Accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready at the meeting.
- (f) **Important Communication to Members :**  
The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliance by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by E-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their E-mail addresses so far, are requested to register their E-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form and who wish to receive in future, all documents through E-mail are requested to forward a letter duly signed to the Company's Registrars M/s. Maheshwari Datamatics Pvt. Ltd., 2nd Floor, 6, Mangoe Lane, Kolkata-700 001, mentioning their Name; E-mail ID; Address; Folio No. and No. of Equity Shares held.

**NOTICE (Contd.)****Details of Directors seeking re-appointment at the Annual General Meeting**

(In pursuance of Clause 49 of the Listing Agreement)

Name of Director	Smt. A. Dhanuka	Sri P. L. Agarwal	Sri A. K. Lohia
Date of Birth	05.09.1959	02.04.1942	07.12.1952
Date of Appointment	24.01.2001	11.08.2010	11.08.2010
Expertise in specific Functional areas	Expertise in Investment Business	Expertise in Commercial, Corporate Law, Real Estate & Intellectual Property	Business
Qualifications	B.A.	B.Com; LLB; & Attorney-at-Law	B.Com.(Hons)
Directorship held in Other public companies (excluding foreign companies)	Naga Dhunseri Group Ltd. Mint Investments Ltd. Plenty Valley Intra Ltd. Trimplex Investments Ltd.	Albert David Ltd. Dharampal Premchand Ltd. Karamchand Thapar & Bros(Coal Sales) Ltd. Rossell India Ltd. The Oodlabari Co. Ltd. Hiland Projects Ltd. Future Market Networks Ltd. DIC India Ltd.* (*since resigned)	Bio Tea Estates Ltd. Nagri Farm Tea Co. Ltd. East India Commercial Co. Ltd.
Membership/ Chairmanship of Committees of other Public companies (includes only Audit Committee and Shareholders'/ Investors' Grievance Committee)	NIL	Albert David Ltd. Member- Shareholders'/ Investors' Grievance Committee Future Market Networks Ltd. Chairman-Audit Committee & Member-Shareholders'/ Investors' Grievance Committee DIC India Ltd.* Chairman-Shareholders'/ Investors' Grievance Committee (*since resigned)	NIL
Equity Shares held in the Company	46,250	NIL	NIL

Registered Office:  
DHUNSERI HOUSE  
4A, Woodburn Park  
Kolkata 700 020  
28th May, 2012

By Order of the Board  
For DHUNSERI INVESTMENTS LIMITED  
R. MAHADEVAN  
Company Secretary & Compliance Officer

## DIRECTORS' REPORT

We have pleasure in presenting the Annual Report together with the Audited Accounts of your Company for the year ended 31st March, 2012.

### FINANCIAL RESULTS

	For the year ended 31.03.2012	For the year ended 31.03.2011
	(₹ in Lac)	(₹ in Lac)
Profit before Depreciation & Taxation	732.70	1520.98
Less: Depreciation (Net)	11.90	9.68
Provision for Taxation (Net)	(55.61)	199.90
Net Profit for the year	776.41	1311.40
Add: Balance brought forward	280.35	266.62
	<u>1056.76</u>	<u>1578.02</u>
The Directors recommend this amount to be appropriated as under :		
Transfer to NBFC Reserve Fund	155.28	262.31
Transfer to General Reserve	612.40	950.01
Proposed Dividend	73.19	73.19
Tax on Dividend	11.87	12.16
Balance carried forward	204.02	280.35
	<u>1056.76</u>	<u>1578.02</u>

### DIVIDEND

The Directors recommend a dividend of ₹ 1.25 per Equity Share i.e. @ 12.50% for the year ended 31st March, 2012.

### OPERATIONS

The Company's income during the year under review mainly comprised of income from dividend, profit from sale of investments of shares & securities and tea packeting income etc.

### SCHEME OF ARRANGEMENT

In further compliance of the sanctioned Scheme of Arrangement, the Company received the Certificate of Registration as a systematically important, non-deposit taking non-banking financial institution from Reserve Bank of India.

### AUDITORS' REPORT

The Notes to the Accounts referred to in the Auditors' Report are self-explanatory.

### PARTICULARS OF EMPLOYEES

The provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 is not attracted and hence no statement is being enclosed.

### PARTICULARS REGARDING CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION ETC.

The particulars in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo are attached and form part of this Report.

### NBFC PUBLIC DEPOSITS DIRECTIONS

The Company neither invited nor accepted any deposit from the public during the financial year 2011-12. The Company does not intend to invite or accept any public deposit during the financial year 2012-13.

## **DIRECTORS' REPORT** *(Contd.)*

### **DIRECTORS**

Smt. Aruna Dhanuka, Sri Purushottam Lal Agarwal and Sri Ashok Kumar Lohia retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. The Board recommends their re-appointment.

Sri Arun Bhutoria who was appointed as Director in casual vacancy w.e.f. 14th November, 2010 expired on 8th October, 2011. The Board placed on record its appreciation of the valuable services rendered by Sri Arun Bhutoria as a Director of the Company.

Sri Amit Gupta who was appointed an Additional Director of the Company w.e.f. 11th November, 2011 and who holds office till the ensuing Annual General Meeting has expressed his desire not to be appointed a Director of the Company, due to his other pressing engagements. He will therefore be retiring from the directorship of the Company on conclusion of the ensuing Annual General Meeting of the Company.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Board of Directors confirm:

- (i) that in the preparation of the annual accounts the applicable accounting standards have been followed and no material departures have been made from the same;
- (ii) that they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits for that period;
- (iii) that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that they have prepared the annual accounts on a 'going concern' basis.

### **REPORT ON CORPORATE GOVERNANCE**

A separate section on Corporate Governance and Management Discussion and Analysis together with a certificate from a Practising Company Secretary confirming compliance, is set out in the Annexure forming part of this Report.

### **AUDITORS**

M/s. Dhandhanika & Associates, Chartered Accountants, retire and being eligible, offer themselves for re-appointment.

### **ACKNOWLEDGEMENT**

Your Directors take this opportunity to express their grateful appreciation for the excellent assistance and cooperation received from the banks and other authorities. Your Directors also thank the employees of the Company for their valuable service and support during the year. Your Directors also gratefully acknowledge with thanks the cooperation and support received from the shareholders of the Company.

For and on behalf of the Board of Directors

Kolkata,  
28th May, 2012

C. K. DHANUKA  
*Chairman of the Board*

**ANNEXURE TO THE DIRECTORS' REPORT****CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS & OUTGO**

Pursuant to Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988

**FORM A****CONSERVATION OF ENERGY****A. POWER & FUEL CONSUMPTION**

	<b>Current Year ended 31.03.2012</b>	Previous Year ended 31.03.2011
1. Electricity		
a) Purchased Units (Lac KWH)	<b>0.6360</b>	0.6438
Total Amount (₹ Lac)	<b>3.72</b>	3.23
Rate / Unit (₹/KWH)	<b>5.85</b>	5.02
b) Own Generation		
i) Through Diesel Generator Units (Lac KWH)	<b>0.0027</b>	0.0056
Units per Ltr. of Diesel Oil	<b>0.9084</b>	1.431
Cost/Unit (₹/KWH)	<b>42.07</b>	36.09
ii) Through Gas Generator Units (Lac KWH)	<b>Not applicable</b>	Not applicable
Units per cu.m of Gas		
Cost / Unit (₹/KWH)		
2. Coal	<b>Not applicable</b>	Not applicable
Quantity (Tonne)		
Total Cost (₹ Lac)		
Average Rate (₹ / Tonne)		
3. Furnace Oil	<b>Not applicable</b>	Not applicable
Quantity (Lac Ltrs.)		
Total Cost (₹ Lac)		
Average Rate (₹/Ltr.)		
4. Gas	<b>Not applicable</b>	Not applicable
Quantity (Lac Cu.m)		
Total Cost (₹ Lac)		
Average Rate (₹/Cu.m)		

**B. CONSUMPTION PER UNIT OF PRODUCTION**

Product- Tea Packeting		
Tea Packeting (Lac Kgs.)	<b>24.25</b>	25.06
Electricity (KWH)	<b>0.026</b>	0.026
Diesel Oil (Ltrs.)	<b>0.0001</b>	0.0001

**RESEARCH AND DEVELOPMENT (R & D)**

The Company has no R & D unit.

**TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION**

- Efforts in brief made towards technology absorption, adaptation and innovation :  
Efforts are being made to conserve the energy to the maximum extent possible.
- Benefits derived as a result of the above efforts, e.g. product improvement, import substitution, etc :  
Reduction in cost of production.
- Imported Technology : Nil

**FOREIGN EXCHANGE EARNINGS AND OUTGO**

Foreign Exchange Earnings : ₹ Nil (Previous year ₹ Nil)  
Foreign Exchange Outgo : ₹ Nil (Previous year ₹ Nil)

## CORPORATE GOVERNANCE

In accordance with Clause 49 of the Listing Agreement with the stock exchanges

### 1. COMPANY'S PHILOSOPHY

The Company believes in good Corporate Governance and emphasizes on transparency, accountability and integrity in all its dealings without compromising on any of its obligations. It seeks to focus on regulatory compliances, fair play, justice and aims at enhancement of long-term shareholder value.

The Company endeavours to improve on these aspects on an ongoing basis.

### 2. BOARD OF DIRECTORS (BOARD)

#### a) Composition of Board

The Board now comprises of four Non-Executive Independent Directors, one Non-Executive/Non-Independent Director, two Non-Executive Directors related to promoter and a Promoter Director, who is the Chairman of the Board. The number of Non-Executive Independent Directors is half the total strength of the Board.

The composition of the Board :

Sri C. K. Dhanuka	Promoter Director Not Liable to retirement by rotation as Managing Director w.e.f. 01.09.2010.
Smt. A. Dhanuka	Non-Executive/Promoter Relative Liable to retirement by rotation
Sri M. Dhanuka	Non-Executive/Promoter Relative Liable to retirement by rotation
Sri B. K. Biyani	Non-Executive/Non-Independent Liable to retirement by rotation
Sri B. D. Beriwal	Non-Executive Independent Liable to retirement by rotation
Sri P. L. Agarwal	Non-Executive Independent Liable to retirement by rotation
Sri A. K. Lohia	Non-Executive Independent Liable to retirement by rotation
Sri A. Gupta (w.e.f. 11.11.2011)	Non-Executive Independent Retiring on conclusion of the ensuing Annual General Meeting

#### b) Attendance of each Director at the Board Meetings and at the last AGM and other directorships/committee memberships held

During the financial year 2011-2012, the Board met four times on the following dates:

23rd May, 2011, 11th August, 2011; 11th November, 2011; and 2nd February, 2012.

The attendance and number of other directorship/committee membership of each Director is given below:

Name of Director	No. of Board meetings attended	Whether attended last AGM on 11.08.2011	* No. of Directorships in other Public Limited Companies	@ Other Committee Memberships	
				Member	Chairman
Sri C. K. Dhanuka	4	Yes	6	1	-
Smt. A. Dhanuka	4	Yes	4	-	-
Sri M. Dhanuka	3	No	4	-	-
Sri B. K. Biyani	4	Yes	2	-	-
Sri B. D. Beriwal	4	Yes	3	-	-
Sri P. L. Agarwal	4	Yes	8	2	2
Sri A. K. Lohia	2	No	3	-	-
Sri A. Bhutoria <sup>1</sup>	2	Yes	-	-	-
Sri A. Gupta <sup>2</sup>	1	-	-	-	-



## DHUNSERI INVESTMENTS LIMITED

The Board meetings were held at the Company's Registered Office.

\* Excluding directorship in Indian Private Limited Companies, Foreign Companies, Alternate Directorship and Section 25 Companies.

@ Only the membership/chairmanship of Audit Committee and Shareholders'/Investors' Grievance Committee has been considered.

<sup>1</sup> Expired on October 8, 2011

<sup>2</sup> w.e.f. November 11, 2011

### c) Remuneration of Directors, Sitting Fees, Salary, Perquisites and Commission

Details of remuneration paid /payable to Directors :

Name of Director	Sitting Fees		Salary Perquisites & Commission	Total
	Board Meeting	Committee Meeting		
Smt. A. Dhanuka*	20,000	8,000	-	28,000
Sri M. Dhanuka*	15,000	-	-	15,000
Sri B. K. Biyani	20,000	-	-	20,000
Sri B. D. Beriwal	20,000	12,000	-	32,000
Sri P. L. Agarwal \$	20,000	4,000	-	24,000
Sri A. K. Lohia	10,000	4,000	-	14,000
Sri A. Bhutoria #	10,000	6,000	-	16,000
Sri A. Gupta	5,000	4,000	-	9,000
Sri C. K. Dhanuka @	Nil	Nil	-	Nil

\* Smt. A. Dhanuka & Sri M. Dhanuka are related to Sri C. K. Dhanuka.

\$ Paid to Khaitan & Co. LLP of which Sri P. L. Agarwal is a Partner.

# Expired on 08.10.2011

@ Sri C. K. Dhanuka is not entitled to any sitting fees for attending Board/Committee Meetings of the Company.

Sri C. K. Dhanuka was appointed Managing Director with concurrent designation as Chief Executive Officer of the Company, without any remuneration, for a period of five years w.e.f. 1st September, 2010 at the Board Meeting held on 11th August, 2010 and approved by the members at the Annual General Meeting held on 20th September, 2010. Sri C. K. Dhanuka holds 27,750 shares of the Company which were allotted on 21.07.2010.

#### Details of shares held by Non-Executive Directors in the Company as on 31st March, 2012:

None of the Directors except promoter directors hold shares in the Company.

### d) Code of Conduct for Directors and Senior Management

The Board of Directors of the Company at its meeting held on 11th August, 2010 adopted the Code of Conduct for directors and the senior management. The code is put up on the Company's website [www.dhunseriinvestments.com](http://www.dhunseriinvestments.com).

The Code was duly circulated to all the members of the Board and senior management and they have affirmed their compliance with the code. A declaration to this effect is appearing along with the Report.

### 3. AUDIT COMMITTEE

The Audit Committee now comprises of three Non-Executive & Independent Directors viz. Sri Basudeo Beriwal, Sri Ashok Kumar Lohia and Sri Amit Gupta and one Non-Executive Non-Independent Director viz. Smt. Aruna Dhanuka.

Sri Basudeo Beriwal is the Chairman of the Audit Committee.

#### Powers of Audit Committee

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

#### Role of Audit Committee

A brief description of the role of the Audit Committee as contained under Clause 49 of the Listing Agreement is as follows :

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditors and the fixation of audit fees.

3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (2AA) of Section 217 of the Companies Act, 1956.
  - b) Changes, if any, in accounting policies and practices and reasons for the same.
  - c) Major accounting entries involving estimates based on the exercise of judgment by management.
  - d) Significant adjustments made in the financial statements arising out of audit findings.
  - e) Compliance with listing and other legal requirements relating to financial statements.
  - f) Disclosure of any related party transactions.
  - g) Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- 5A. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
6. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
8. Discussion with internal auditors any significant findings and follow up there on.
9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
12. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
- 12A. Approval of appointment of CFO (i.e. the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
13. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Explanation (i) : The term "Related Party Transactions" shall have the same meaning as contained in the Accounting Standard 18, Related Party Transactions, issued by The Institute of Chartered Accountants of India.

Explanation (ii) : If the Company has set up an audit committee pursuant to provision of the Companies Act, the said Audit Committee shall have such additional functions / features as is contained in this clause.

**Review of information by Audit Committee**

The Audit Committee mandatorily reviews the following information :

1. Management Discussion and Analysis of financial condition and results of operations.
2. Statement of significant related-party transactions (as defined by the Audit Committee), submitted by management.
3. Management letters/letters of internal control weaknesses issued by the Statutory Auditors.
4. Internal audit reports relating to internal control weaknesses, and
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.

Sri R. Mahadevan, Company Secretary is the Compliance Officer to the Audit Committee.

The Audit Committee met four times during the year on 23rd May, 2011; 11th August, 2011; 11th November, 2011 and 2nd February, 2012.

The attendance of the Directors at the Audit Committee Meetings is summarized below:-

Name	No. of Meetings held	No. of Meetings attended
Sri B. D. Beriwalla	4	4
Smt. A. Dhanuka	4	4
Sri A. K. Lohia	4	2
Sri Arun Bhutoria #	2	2
Sri A. Gupta @	2	1

# Expired on 08.10.2011

@ Appointed w.e.f. 11.11.2011

**4. REMUNERATION COMMITTEE**

i) The Board may, if it considers expedient constitute a Remuneration Committee.

Sri C. K. Dhanuka was appointed Managing Director with concurrent designation as Chief Executive Officer of the Company without any remuneration for a period of five years w.e.f. 1st September, 2010 by the Board at its meeting held on 11th August, 2010 and approved by the members at the Annual General Meeting held on 20th September, 2010.

Sri C. K. Dhanuka holds 27,750 shares of the Company which were allotted on 21.07.2010.

ii) Non-Executive Directors

The Non-Executive Directors are paid ₹ 5,000/- each as sitting fees for every Board Meeting attended and ₹ 2,000/- each as sitting fees for every Audit Committee/Shareholders' & Investors' Grievance Committee Meeting attended by them. No sitting fee is payable for attending the other committee meetings of the Company.

The details of remuneration paid/payable to the Directors of the Company are detailed under Para 2(c) above.

**5. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE**

The Shareholders'/Investors' Grievance Committee now comprises of three Non-Executive Directors namely, Sri B. D. Beriwal, Sri P. L. Agarwal, Sri A. Gupta (appointed w.e.f.11.11.2011) and one Promoter Director Sri C. K. Dhanuka.

Sri. B. D. Beriwal is the Chairman of the Committee.

Sri R. Mahadevan, Company Secretary acts as the Compliance Officer to the Committee.

The Committee deals with all matters relating to shareholders'/investors' grievance viz. transfer of shares, non-receipt of balance sheet, non-receipt of declared dividend, etc.

The Committee met twice during the year on 11th August, 2011 and 2nd February, 2012.

The attendance of the Directors at the Shareholders'/Investors' Grievance Committee Meetings are summarized below:-

Name	No. of Meetings held	No. of Meetings attended
Sri B. D. Beriwal	2	2
Sri C. K. Dhanuka	2	2
Sri P. L. Agarwal	2	2
Sri A. Bhutoria #	1	1
Sri A. Gupta @	1	1

# Expired on 08.10.2011

@ Appointed w.e.f. 11.11.2011

During the year three complaints were received from shareholders/investors which were resolved to the satisfaction of the complainants. All valid requests for share transfers received during the year were acted upon by the Company and no such transfer is pending.

**6. SHARE TRANSFER COMMITTEE**

The Share Transfer Committee which was constituted on 11th August, 2010 comprises of the following Directors of the Company :

Member of the Share Transfer Committee	Category
Sri C. K. Dhanuka	Chairman
Sri M. Dhanuka	Director
Sri B. K. Biyani	Director

The said committee is authorized to deal with as well as accord its approval to all share-related matters. The scrutiny and other formalities relating to share transfers, etc. are undertaken by the Registrars & Share Transfer Agents, M/s. Maheshwari Datamatics Private Limited.

The Committee met four times during the year on the following dates : 7th April, 2011; 4th August, 2011; 21st October, 2011 and 19th January, 2012.

The attendance of the Directors at the Share Transfer Committee Meetings are given below :

Name	No. of Meetings held	No. of Meetings attended
Sri C. K. Dhanuka	4	4
Sri M. Dhanuka	4	4
Sri B. K. Biyani	4	4

## 7.1 GENERAL BODY MEETINGS

The last three Annual General Meetings of the Company were held as under:

Year	Location	Date	Time	Details of Special Resolution
2010-11	Kalakunj, Sangit Kala Mandir 48, Shakespeare Sarani Kolkata 700 017	11th August, 2011	10.30 A. M.	None
2009-10	Kalakunj, Sangit Kala Mandir 48, Shakespeare Sarani Kolkata 700 017	20th September, 2010	10.30 A. M.	Pursuant to Section 163(1) of the Companies Act, 1956 for keeping the Register of Members & Copies of Annual Returns under Sections 159 & 160 of the Act, with the Company's Registrar & Share Transfer Agents, M/s. Maheshwari Datamatics Pvt. Ltd., 6, Mangoe Lane, 2nd Floor, Kolkata 700 001
2008-09	Dhunseri House 4A, Woodburn Park Kolkata 700 020	24th September, 2009	11 A. M.	None

Other than the above, there were no other General Meetings during the last three years.

## 7.2 Postal Ballot and postal ballot process

No resolution was put through postal ballot during the year 2011-12.

## 7.3 Information about Directors seeking re-appointment, etc.

The details of the Directors of the Company seeking re-appointment is given in the Annexure to the Notice, under the head "Information Pursuant to Clause 49 of the Listing Agreement".

## 8. DISCLOSURES

- There are no materially significant related party transactions made by the Company with its Promoters, Directors or their relatives, or the management, or subsidiaries etc. that may have potential conflict with the interests of the Company at large. Transactions with related parties are disclosed in Note 2 (c) under Notes on Accounts forming part of the financial statements in the Annual Report.
- During the last three years, there were no strictures or penalties imposed by either SEBI or the stock exchanges or any statutory authority for non-compliance of any matter related to the capital markets.
- The Company does not have any whistle blower policy as of now but no personnel are being denied any access to the Audit Committee.
- The Company has adopted all the mandatory requirements as recommended by Clause 49 of the Listing Agreement with stock exchanges and is in the process of examining the implementation of some of the non-mandatory requirements.
- There are no pecuniary relationships or transactions with Non-Executive Independent Directors other than those disclosed in this Report.

### CEO and CFO Certification

As per Clause 49 (v) of the Listing Agreement, the CEO, i.e. the Managing Director of the Company and the CFO of the Company certifies to the Board regarding the review of the financial statement, compliance with the accounting standard, maintenance of the internal control systems for financial reporting and accounting policies etc.

## 9. MEANS OF COMMUNICATION

The quarterly and annual results of the Company are generally published in Business Standard as well as in Arthik Lipi. These results are also posted in the Company's website [www.dhunseriinvestments.com](http://www.dhunseriinvestments.com) shortly after its submission to the Stock Exchanges.

## 10. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### Industry Trend and Development

The Company's main business being Investments in Shares and Securities, the business strategy is largely dependent on the economic environment of the Country and the policy of the Government and Reserve Bank of India.

### Opportunities and Threats

The Company's major income is from dividend that may be receivable on investments held by it in the Associate Company. Any adverse impact on the business of the Associate Company will have a bearing on the performance of your Company.

**Risk and Concern**

The Management has to regularly monitor the changing market conditions and the trends. Further any slowdown of the economic growth or volatility in global financial markets could also adversely affect the Company's business.

**Internal Control System & their adequacy**

The Company has an effective system of internal control, commensurate with the size of the Company and ensures operational efficiency, accuracy in financial reporting and compliance of applicable laws and regulations. The system is also reviewed from time to time.

**Disclosures by Management to the Board**

All disclosures relating to financial and commercial transactions where Directors may have a potential interest are provided to the Board and the interested Directors do not participate in the discussions nor do they vote on such matters.

**Cautionary Statement**

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be forward looking statements within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downtrend in the industry - global or domestic or both, significant changes in political and economic environment in India, applicable statutes, litigations etc.

**11. SHAREHOLDERS' INFORMATION**

**a) Annual General Meeting**

Monday, 13th August, 2012 at 10.30 A.M. at Kalakunj, 48, Shakespeare Sarani, Kolkata 700 017.

**b) Book Closure**

The Register of Members and Share Transfer Register will remain closed from Wednesday, 1st August, 2012 to Monday, 13th August, 2012 (both days inclusive) on account of the Annual General Meeting and dividend payment.

**c) Dividend Payment**

The dividend, if declared, shall be paid/credited on or after 14th August, 2012.

**d) Registered Office :** 'Dhunseri House', 4A, Woodburn Park, Kolkata 700 020

Phone No. : 2280-1950 (5 Lines)

Fax No. : 91 33 2287-8995/8350

E-mail : dhunseri@vsnl.com

Website : www.dhunseriinvestments.com

**e) Listing on Stock Exchanges**

The Company's shares are listed with the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The Company has paid the annual listing fees to the Stock Exchanges for the financial year 2012-13.

**f) i) Exchange Scrip Code :** BSE : Scrip Code : 533336

NSE : Symbol : DHUNINV

**ii) Demat ISIN Number for NSDL and CDSL :** INE 320L01011

**g) Stock Market Price data for the year 2011-12 :**

Period 2011-12	BSE		NSE		BSE Sensex	
	High	Low	High	Low	High	Low
April	103.00	71.00	103.50	68.00	19811.14	18976.19
May	86.00	60.10	86.00	55.50	19253.87	17786.13
June	74.85	67.00	75.00	66.00	18873.39	17314.38
July	79.95	70.00	84.60	70.50	19131.70	18131.86
August	83.95	65.00	87.80	62.50	18440.07	15765.53
September	97.95	70.05	95.00	67.00	17211.80	15801.01
October	80.50	73.15	77.00	73.60	17908.13	15745.43
November	77.85	66.00	73.95	67.10	17702.26	15478.69
December	75.10	59.65	70.00	60.05	17003.71	15135.86
January	73.25	59.00	69.75	56.20	17258.97	15358.02
February	75.00	65.00	72.10	64.25	18523.78	17061.55
March	72.65	60.40	70.75	60.45	18040.69	16920.61

**h) Registrars and Share Transfer Agents :** Maheshwari Datamatics Pvt. Ltd.  
6, Mangoe Lane, 2nd Floor, Kolkata 700 001  
Phone : 2243-5029, 2243-5809  
Fax : 91 33 2248-4787  
Email : mdpl@cal.vsnl.net.in

i) **Share Transfer System**

The Company's Registrars and Share Transfer Agents M/s. Maheshwari Datamatics Pvt. Ltd. after scrutiny and completion of all required formalities process the share transfers and thereafter return the scrips in the normal course within 15 to 20 days of its receipt, if the documents are found valid and complete in all respects.

Further, M/s. Maheshwari Datamatics Pvt. Ltd. also being the Company's Demat Registrars, the requests for dematerialisation of shares are processed and confirmation given by them to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services India Limited (CDSL) within 15 days.

j) **Shareholding Pattern and Distribution of Shares as on 31.03.2012**

Shareholding Pattern		
Category	No. of Shares held	Percentage (%)
Promoters	43,91,584	75.00
Financial Institutions, Mutual Funds, Banks & Insurance Companies	5,319	0.09
Bodies Corporate	7,33,948	12.54
Indian Public	7,13,301	12.18
NRI's & Others	11,296	0.19
	58,55,448	100.00

Distribution Schedule				
Range	Shareholders		Shares	
	No.	%	No.	%
1- 500	7,707	97.08	4,61,044	7.87
501 - 1000	114	1.43	82,955	1.42
1001 - 2000	49	0.62	68,235	1.17
2001 - 3000	21	0.26	50,857	0.87
3001 - 4000	5	0.06	16,603	0.28
4001 - 5000	6	0.08	27,477	0.47
5001 - 10000	15	0.19	1,17,584	2.01
10001 - and above	22	0.28	50,30,693	85.91
	7,939	100.00	58,55,448	100.00

k) **Dematerialisation of Shares and Liquidity**

As on 31st March, 2012, 95.87% of the Company's share capital representing 56,13,756 shares were held by 4,401 shareholders in dematerialised form and the balance 4.13% of the Company's share capital representing 2,41,692 shares were held by 3,538 shareholders in physical form.

l) **Insider Trading Regulation**

The Company has adopted a code of internal procedures for prevention of any unauthorised trading in the shares of the Company by insiders, as required under SEBI (Prohibition of Insider Trading) Regulations, 1992. The Company Secretary is the Compliance Officer for this purpose.

m) **Plant Location**

The Company's tea packeting factory is located at Jaipur, Rajasthan.

n) **Address for Investor Correspondence**

Shareholders can correspond at the Registered Office of the Company and/or at the Company's Registrar and Share Transfer Agents.

Shareholders holding shares in electronic mode should address all correspondence to their respective depository participants.

o) **Financial Calendar 2012-13 (Tentative)**

Board Meetings

Unaudited results for quarter ending June 30, 2012	- By 14th August, 2012
Unaudited results for quarter ending September 30, 2012	- By 14th November, 2012
Unaudited results for quarter ending December 31, 2012	- By 14th February, 2013
Audited results for year ending March 31, 2013	- By 30th May, 2013
Annual General Meeting for the year ending 31st March, 2013	- August, 2013

p) **Grievance Redressal Division / Compliance Officer**

Sri R.Mahadevan  
*Company Secretary and Compliance Officer*  
Dhunseri Investments Ltd.  
Dhunseri House, 4A, Woodburn Park, Kolkata 700 020  
Phone : (033) 2280-1950 (5 Lines)  
Fax : (033) 2287-8995/8350  
E-mail : dhunseri@vsnl.com

q) **Auditors' Certificate on Corporate Governance**

As required by Clause 49 of the Listing Agreement, a certificate from a Practising Company Secretary, confirming compliance with the conditions of Corporate Governance, is attached to the Directors' Report forming part of the Annual Report.

For and on behalf of the Board of Directors

Kolkata,  
28th May, 2012

C. K. DHANUKA  
*Chairman of the Board*

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**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

I confirm that the Company has in respect of the financial year ended 31st March, 2012 received from the members of the Board and the senior management personnel, a declaration of compliance with the Company's Code of Conduct.

For and on behalf of the Board of Directors

Kolkata,  
28th May, 2012

C. K. DHANUKA  
*Chairman of the Board*

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**CERTIFICATE ON CORPORATE GOVERNANCE**

TO THE MEMBERS OF  
DHUNSERI INVESTMENTS LIMITED

We have examined the compliance of conditions of Corporate Governance by Dhunseri Investments Limited for the year ended 31st March, 2012 as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges and the relevant records and documents maintained and also furnished to us by the Company.

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

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

On the basis of our review and according to the information and explanation given to us, we certify that the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges have been complied with by the Company.

For K. C. DHANUKA & CO.  
*Company Secretaries*

K. C. DHANUKA  
*Proprietor*  
FCS 2204  
C. P. No. 1247

Kolkata,  
28th May, 2012

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## AUDITORS' REPORT

TO THE MEMBERS OF

DHUNSERI INVESTMENTS LIMITED

1. We have audited the attached Balance Sheet of DHUNSERI INVESTMENTS LIMITED, Dhunseri House, 4A, Woodburn Park, Kolkata as at 31st March, 2012, the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 (the 'Act') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
4. Further to our comments in the Annexure referred to in the paragraph 3 above, we report that:
  - a. We have 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, (as amended) have been kept by the Company so far as appears from our examination of these books.
  - c. The Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.
  - d. In our opinion, the Balance Sheet, Statement of Profit & Loss and Cash Flow Statement of the Company have complied with the specified accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956, read with revised Schedule VI to the Companies Act, 1956.
  - e. On the basis of written representations received from the Directors and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2012 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
  - f. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid accounts read with notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - a) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2012; and
    - b) In the case of Statement of Profit & Loss, of the Profit for the year ended on that date.
    - c) In the case of the Cash Flow Statement, of the Cash Flows of the Company for the year ended on that date.

PRABHAT KUMAR DHANDHANIA, FCA, *Partner*  
Membership No: 052613  
*For and on behalf of*  
DHANDHANIA & ASSOCIATES  
*Chartered Accountants*  
Firm Regn No. 316052E

Place : Kolkata  
Dated : 28th day of May, 2012



## **ANNEXURE TO AUDITORS' REPORT**

Referred to in paragraph 3 of the Auditors' Report of even date to the members of DHUNSERI INVESTMENTS LIMITED on the Financial Statements for the year ended 31st March, 2012.

1. a) The Company is maintaining proper records showing full particulars, including quantitative details & situation of fixed assets.  
b) The fixed assets have been physically verified by the management at reasonable intervals, and as certified to us, no material discrepancies were noticed on such verification by the management.  
c) In our opinion and according to the information & explanations given to us, no substantial part of the fixed assets has been disposed off by the management during the year.
2. a) The inventory of shares and securities held in dematerialised form as well as in physical form and stores and spares have been physically verified by the management at regular intervals. In our opinion, frequency of physical verification is reasonable.  
b) In our opinion, the procedures for verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.  
c) On the basis of examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
3. a) The Company has not granted any loans secured or unsecured to any companies, firms or other parties covered in the register maintained under U/s 301 of the Act. Hence, comment under clause (iii) (b), (iii) (c), (iii) (d) of the Companies (Auditor's Report) (Amendment) Order, 2004 is not required.  
b) The Company has not taken any loan from companies, firms or other parties listed in the register maintained under U/s 301 of the Act. Therefore, the provisions of the sub-clauses (f) & (g) of clause 4(iii) of the Order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of shares, fixed assets and sale of shares, securities and goods including job work. Further, on the basis of our examination of books and records of the Company, and according to information and explanation given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
5. In respect of the contracts or arrangements referred to in Section 301 of the Companies Act, 1956 :  
a) In our opinion and according to the information and explanation given to us, the particulars of contracts or arrangements made, which need to be entered in the register to be maintained under that section have been so entered.  
b) In our opinion and according to the information and explanation given to us, the transactions made in pursuance of contracts or arrangements entered in the Register maintained under that section and exceeding the value of Rupees Five Lac in respect of each party during the year have been made at a price which appear reasonable as per information available with the Company.
6. The Company has not accepted any deposits from the public within the meaning of Section 58A, 58AA or any other relevant provisions of the Act and the rules framed there under.
7. In our opinion, the Company has an internal audit system commensurate with the size of the Company and the nature of its business.
8. Maintenance of the cost records prescribed by Central Government of India under clause (d) of sub-section (1) of Section 209 of the Act is not applicable to the Company.

**ANNEXURE TO AUDITORS' REPORT (Contd.)**

9. a) The Company is regular in depositing with appropriate authorities, undisputed statutory dues including Income Tax, Wealth Tax and other material statutory dues applicable to it. According to the information and explanation given to us, no undisputed amount payable in respect of Income Tax and other statutory dues were in arrears as at 31st March, 2012 for a period of more than six months from the date they became payable.
- b) According to the information and explanation given to us and the records examined by us, dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Excise Duty and Cess as at March 31, 2012, which have not been deposited on account of dispute is Nil.
10. The Company has no accumulated losses as at March 31, 2012 and it has not incurred cash losses in the current financial year as well as in the immediately preceding financial year.
11. According to the records of the Company examined by us and the information and explanations given to us, there are no dues payable to any financial institutions or banks or debenture holders as at the Balance Sheet date.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund / societies are not applicable to the Company.
14. The Company has maintained proper records of the transactions and contracts and timely entries have been made therein. All shares are being held by the Company in its own name.
15. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
16. According to the records of the Company examined by us and the information and explanations given to us, the Company has not taken any term loan during the year. Further, there is no outstanding term loan as at the Balance Sheet date.
17. On the basis of an overall examination of the Balance Sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on short-term basis, which have been used for long-term investment.
18. The Company has not made any preferential allotment of shares to the parties and companies covered in the register maintained under Section 301 of the Act during the year and hence, commenting under this clause is not required.
19. The Company has not issued any debentures and hence commenting under this clause is not required.
20. The Company has not raised any money by public issue during the year.
21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

PRABHAT KUMAR DHANDHANIA, FCA, *Partner*  
Membership No: 052613  
*For and on behalf of*  
DHANDHANIA & ASSOCIATES  
*Chartered Accountants*  
Firm Regn No. 316052E

Place : Kolkata

Dated : 28th day of May, 2012

**BALANCE SHEET**  
 as at 31st March, 2012

(₹ in Lac)

Sl No.	Particulars	Note No.	As at 31.03.2012	As at 31.03.2011
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>			
(1)	<b>Shareholders' Funds</b>			
	(a) Share Capital	2.01	585.54	585.54
	(b) Reserves and Surplus	2.02	17,211.50	16,520.15
(2)	<b>Non-Current Liabilities</b>			
	(a) Long-Term Borrowings	2.03	22.06	—
	(b) Deferred Tax Liabilities (Net)	2.04	5.11	—
	(c) Long-Term Provisions	2.05	148.91	306.83
(3)	<b>Current Liabilities</b>			
	(a) Trade Payables	2.06	3.47	1.61
	(b) Other Current Liabilities	2.07	9.24	23.12
	(c) Short-Term Provisions	2.05	15.43	14.62
	<b>TOTAL OF EQUITY AND LIABILITIES</b>		<b>18,001.26</b>	<b>17,451.87</b>
<b>II.</b>	<b>ASSETS</b>			
(1)	<b>Non-current Assets</b>			
	(a) Fixed Assets			
	(i) Tangible Assets	2.08	176.28	147.26
	(b) Non-Current Investments	2.09	17,360.42	16,095.58
	(c) Deferred Tax Assets (Net)	2.04	—	4.23
	(d) Long-Term Loan and Advances	2.10	70.98	217.72
(2)	<b>Current Assets</b>			
	(a) Current Investments	2.11	192.02	—
	(b) Inventories (Stores and Spares)		0.95	0.73
	(c) Trade Receivables	2.12	179.97	—
	(d) Cash and Cash Equivalents	2.13	18.22	976.17
	(e) Short-Term Loans and Advances	2.14	2.42	0.79
	(f) Other Current Assets	2.15	—	9.39
	<b>TOTAL OF ASSETS</b>		<b>18,001.26</b>	<b>17,451.87</b>
	<b>Singnificant Accounting Policies</b>	1		
	<b>Notes on Accounts</b>	2		

Notes referred to above form an integral part of the Balance Sheet.

As per our Report attached.

PRABHAT KUMAR DHANDHANIA, FCA, *Partner*

Membership No: 052613

*For and on behalf of*

DHANDHANIA &amp; ASSOCIATES

*Chartered Accountants*

Firm Regn No. 316052E

Place : Kolkata

Dated : 28th day of May, 2012

R. MAHADEVAN  
*Company Secretary*

For and on behalf of Board

C. K. DHANUKA

*Chairman*

ARUNA DHANUKA

M. DHANUKA

B. D. BERIWALA

P. L. AGARWAL

A. K. LOHIA

B. K. BIYANI

*Directors*

**STATEMENT OF PROFIT AND LOSS**  
**for the year ended 31st March, 2012**

(₹ in Lac)

Sl No.	Particulars	Note No.	For the year ended 31.03.2012	For the year ended 31.03.2011
I	Revenue from Operations	2.16	899.58	1,578.42
II	Other Income	2.17	20.38	8.81
III	<b>Total Revenue (I+II)</b>		<b>919.96</b>	<b>1,587.23</b>
IV	<b>Expenses:</b>			
	Employee Benefits Expense	2.18	35.01	22.87
	Finance Costs	2.19	1.95	0.03
	Depreciation and Amortization Expense	2.08	11.90	9.68
	Other Expenses	2.20	39.08	43.35
	<b>Total Expenses</b>		<b>87.94</b>	<b>75.93</b>
V	<b>Profit before Exceptional and Extraordinary Items and Tax (III-IV)</b>		<b>832.02</b>	<b>1,511.30</b>
VI	Exceptional Items		—	—
VII	<b>Profit before Extraordinary Items and Tax (V-VI)</b>		<b>832.02</b>	<b>1,511.30</b>
VIII	Extraordinary Items		—	—
IX	<b>Profit before Tax (VII-VIII)</b>		<b>832.02</b>	<b>1,511.30</b>
X	<b>Tax Expense:</b>			
	(1) Current Tax		66.36	225.00
	(2) Deferred Tax	2.04	9.34	(25.19)
	(3) Earlier year Tax Adjustments		(20.09)	0.09
XI	<b>Profit for the period from Continuing Operations</b>		<b>776.41</b>	<b>1,311.40</b>
XII	Profit from Discontinuing Operations		—	—
XIII	Tax Expense of Discontinuing Operations		—	—
XIV	<b>Profit from Discontinuing Operations (after tax)</b>		<b>—</b>	<b>—</b>
XV	<b>Profit for the Period</b>		<b>776.41</b>	<b>1,311.40</b>
XVI	<b>Earnings per Equity Share</b>			
	(1) Basic & Diluted		13.26	22.40
	<b>Significant Accounting Policies</b>	1		
	<b>Notes on Accounts</b>	2		

Notes referred to above form an integral part of the Statement of Profit & Loss.

As per our Report attached.

PRABHAT KUMAR DHANDHANIA, FCA, *Partner*  
 Membership No: 052613  
*For and on behalf of*  
 DHANDHANIA & ASSOCIATES  
*Chartered Accountants*  
 Firm Regn No. 316052E  
 Place : Kolkata  
 Dated : 28th day of May, 2012

R. MAHADEVAN  
*Company Secretary*

For and on behalf of Board  
 C. K. DHANUKA *Chairman*  
 ARUNA DHANUKA  
 M. DHANUKA  
 B. D. BERIWALA  
 P. L. AGARWAL  
 A. K. LOHIA  
 B. K. BIYANI *Directors*

## CASH FLOW STATEMENT

for the year ended 31st March, 2012

(₹ in Lac)

Sl No.	Particulars	For the year ended 31.03.2012	For the year ended 31.03.2011
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit before Tax	832.02	1,511.30
	ADJUSTMENTS FOR :-		
	Depreciation	11.90	9.68
	(Profit) / Loss on Sale of Assets	0.02	—
	(Profit) / Loss on Sale of Investments	(272.95)	(994.11)
	Interest Paid	1.86	—
	<b>Operating Profit before Working Capital Changes</b>	<b>572.85</b>	<b>526.87</b>
	Adjustments for (Increase)/Decrease in Operating Assets:		
	Inventory	(0.22)	(0.73)
	Trade Receivable	(179.97)	—
	Short-Term Loans & Advances	(1.63)	—
	Long-Term Loans and Advances	(1.50)	3.40
	Other Current Assets	11.52	(11.54)
	Other Non-current Assets	—	—
		<b>(171.80)</b>	<b>(8.87)</b>
		<b>401.05</b>	<b>518.00</b>
	Adjustments for (Increase)/Decrease in Operating Liabilities:		
	Trade Payable	1.86	1.61
	Other Current Liabilities	3.67	(2.52)
	Short-Term Provision	1.10	—
	Long-Term Provision	0.71	1.61
	Cash Flow from Extraordinary Items	—	—
	<b>CASH GENERATED FROM OPERATIONS</b>	<b>408.39</b>	<b>518.70</b>
	Direct Tax (Paid) / Refund	(58.80)	(189.66)
	<b>Net Cash Flow from Operating Activities</b>	<b>349.59</b>	<b>329.04</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of Long-Term Investments	(2,617.00)	(1,429.45)
	Purchase of Current Investments	(1,325.00)	—
	Sale of Long-Term Investments	1,606.77	4,137.42
	Sale of Current Investments	1,151.31	—
	Purchase of Fixed Assets	(42.61)	(19.42)
	Sale of Fixed Assets	1.68	—
	Payment as per Scheme of Arrangement	—	(1,998.69)
	<b>Net Cash Flow from Investing Activities</b>	<b>(1,224.85)</b>	<b>689.86</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Auto Finance Loan Received	24.84	—
	Auto Finance Loan Refunded	(2.78)	—
	Interest Paid	(1.86)	—
	Dividend Paid	(90.73)	(38.42)
	Corporate Dividend Tax Paid	(12.16)	(9.73)
	<b>Net Cash Flow from Financing Activities</b>	<b>(82.69)</b>	<b>(48.15)</b>
	<b>NET INCREASE IN CASH &amp; CASH EQUIVALENT(A+B-C)</b>	<b>(957.95)</b>	<b>970.75</b>
	Opening Balances of Cash & Cash Equivalent	976.17	5.42
	Closing Balances of Cash & Cash Equivalent	18.22	976.17

- Note:
- The above Cash Flow Statement has been prepared under the Indirect Method set out in Accounting Standard-3 (revised) issued by the Institute of Chartered Accountants of India.
  - Previous year's figures have been re-grouped and re-arranged wherever considered necessary.
  - This is the Cash Flow referred to in our report of even date.

PRABHAT KUMAR DHANDHANIA, FCA, *Partner*  
 Membership No: 052613  
*For and on behalf of*  
 DHANDHANIA & ASSOCIATES  
*Chartered Accountants*  
 Firm Regn No. 316052E  
 Place : Kolkata  
 Dated : 28th day of May, 2012

R. MAHADEVAN  
*Company Secretary*

For and on behalf of Board  
 C. K. DHANUKA *Chairman*  
 ARUNA DHANUKA  
 M. DHANUKA  
 B. D. BERIWALA  
 P. L. AGARWAL  
 A. K. LOHIA  
 B. K. BIYANI *Directors*

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## NOTES TO THE FINANCIAL STATEMENTS

### NOTE - 1

#### SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE FINANCIAL STATEMENTS

a) **Basis of Preparation of Financial Statements**

The financial statements are prepared under the historical cost convention in accordance with generally accepted accounting principles in India and the provisions of the Companies Act, 1956 as amended.

b) **Fixed Assets**

Fixed Assets are stated at cost less accumulated depreciation. Cost includes expenditure incurred in the acquisition and construction/installation and other related expenses.

c) **Depreciation**

Depreciation on fixed assets has been provided on Straight Line Method at the rates specified in Schedule XIV of the Companies Act, 1956. Assets costing below Rs.5,000/- each are fully depreciated in the year of addition. Lease-hold land is amortised over the effective period of lease.

d) **Investments**

Long Term Investments are stated at cost. Diminution in value thereof as determined which are not temporary in nature are adjusted therefrom and charged to revenue. Current Investments are valued at cost or net realizable value, whichever is lower.

e) **Inventories**

Stores & Spare parts are valued at cost. Cost calculated on FIFO basis.

f) **Use of Estimates**

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

g) **Employee Benefits**

Short term benefits are charged off at the undiscounted amount in the year in which the related service is rendered. Liabilities in respect of Defined Benefits plans namely retirement gratuities and encashment of unavailed leave are unfunded and calculated by an independent actuary at the year-end and provided for. Actuarial gains/ losses are recognised in the statement.

h) **Revenue Recognition**

- i) Profit/(Loss) on sale of investments is taken to Statement of Profit and Loss.
- ii) Dividend income is accounted for as and when right to receive dividend is established.
- iii) Interest Income is recognised on time proportion basis taking into account the amount outstanding and rate applicable.
- iv) Income arising on account of job work relating to packeting of Tea is accounted as and when bills are raised on the party after completion of the respective assignment.

i) **Taxes on Income**

- i) Current Tax is determined in accordance with the provisions of Income Tax Act, 1961.
- ii) Deferred Tax has been recognised for all timing differences, subject to consideration of prudence in respect of Deferred Tax Assets.
- iii) Tax credit is recognised in respect of Minimum Alternate Tax (MAT) as per the provisions of Section 115JAA of the Income Tax Act, 1961 based on the convincing evidence that the Company will pay normal Income-tax within statutory time frame and is reviewed at each Balance Sheet date.

j) **Leases**

Assets acquired on Finance Lease / Hire Charges are capitalised at the fair value of the lease assets. Equated monthly payments are apportioned between the finance charges and repayment of principal amount.

**NOTES TO THE FINANCIAL STATEMENTS****NOTE - 2****NOTES ON ACCOUNTS FORMING PART OF THE FINANCIAL STATEMENTS**

- a) The Company has entered into an agreement with Dhunseri Petrochem and Tea Limited w.e.f. 01.07.2010 for packeting of Teas on their behalf.
- b) Based on information from vendors / service providers regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 disclosures as required under Section 22 of the said Act are as follows :
- The principal amount and the interest due thereon remaining unpaid to any supplier as at 31.03.2012 is Nil (Previous Year Nil);
  - No interest was paid by the Company in terms of Section 16 of MSMED Act during the year;
  - There was no interest for delay in making payment beyond the appointed day;
  - There is no interest accrued and remaining unpaid beyond the appointed day;
  - No interest is remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to Micro, Small and Medium Enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the aforesaid Act.

**c) Related Party disclosure under Accounting Standard-18**

Name and nature of relationship with the Related Parties :

Related Parties	Relationship
Dhunseri Petrochem and Tea Ltd.	Associate / Group Company
Dhunseri Services Ltd.	Associate / Group Company
Mint Investments Ltd.	Associate / Group Company
Naga Dhunseri Group Ltd.	Associate / Group Company
Plenty Valley Intra Ltd.	Associate / Group Company
Sewbhagwan & Sons	Firm in which two Directors are Partners
Chandra Kumar Dhanuka	Key Managerial Personnel
Aruna Dhanuka	Key Managerial Personnel
Mrigank Dhanuka	Key Managerial Personnel

**Information about Related Party Transactions :***(₹ in Lac)*

	<b>2011-12</b>	<b>2010-11</b>
i) Reimbursement of Expenses (Paid)	<b>0.40</b>	136.51
ii) Reimbursement of Expenses (Received)	—	134.16
iii) Rent Expenses	<b>0.72</b>	0.54
iv) Other Income on account of Rent	<b>6.60</b>	4.95
v) Tea Packeting charges Received	<b>72.75</b>	57.00
vi) Paid outstanding balance on account of transactions carried on as per Scheme of Arrangement	—	1,998.69
vii) Dividend Paid to Shareholders	<b>22.40</b>	6.89
viii) Dividend Received	<b>526.80</b>	468.00
ix) Sitting Fees Paid	<b>0.43</b>	0.36
x) Balance outstanding - Receivable on account of Tea Packeting Charges, Rent and others	—	11.52

**NOTES TO THE FINANCIAL STATEMENTS****NOTE - 2 (Contd.)**

(₹ in Lac)

d) <b>Earning per Share has been computed as under :</b>	<b>2011-12</b>	<b>2010-11</b>
Profit/(Loss) after Tax	<b>776.41</b>	1,311.40
No. of Equity Shares	<b>58,55,448</b>	58,55,448
Earning per Share (Rs. 10 Paid up)	<b>13.26</b>	22.40

e) **The Segment reporting as per Accounting Standard - 17** (₹ in Lac)

Particulars	Primary Segment (Investment in Shares)		Other Segment (Tea Packaging)	
	31.03.2012	31.03.2011	31.03.2012	31.03.2011
<b>SEGMENT REVENUE</b>				
Net Sale / Income from each Segment (including other operating income & other income)	<b>840.35</b>	1,525.28	<b>79.61</b>	61.95
Total Revenue	<b>840.35</b>	1,525.28	<b>79.61</b>	61.95
<b>SEGMENT RESULT</b>				
Profit / Loss before Tax for each Segment	<b>810.99</b>	1,492.55	<b>22.89</b>	18.75
Less : Interest Expense	<b>1.86</b>	—	—	—
Un-allocated Expenditure	—	—	—	—
Total Profit before Tax	<b>809.13</b>	1,492.55	<b>22.89</b>	18.75
<b>CAPITAL EMPLOYED</b>				
Segment Assets - Segment Liabilities				
Investment in Shares & Securities	<b>17,592.42</b>	16,740.37	—	—
Tea Packaging Unit	—	—	<b>136.05</b>	150.64
Un-allocated Assets	<b>68.57</b>	214.68	—	—
Total	<b>17,660.99</b>	16,955.05	<b>136.05</b>	150.64

- i) The Company has disclosed business segment, as primary segment. Segments have been identified and reported taking into account the nature of business. The main business segment are 1) Investments in shares and securities 2) Other business segment consists of Tea Packaging.
- ii) Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segment and amount allocated on a reasonable basis.

f) **Employee Benefit Obligation**i) **Defined Contribution Plans :**

Contribution for Defined Contribution Plan amounting to Rs. 2.40 Lacs (Previous year Rs.1.42 Lacs) has been recognised as expenses and included in Note 2.18 "Contribution to Provident and Other Funds" in the Statement of Profit & Loss.

ii) **Defined Benefit Plans :**

Reconciliation of opening and closing balances of Defined Benefit obligation :

(₹ in Lac)

Particulars	2011 -2012	
	Gratuity Unfunded	Leave Encashment Unfunded
Defined benefit obligation at the beginning of the period	<b>4.89</b>	<b>0.91</b>
Current Service Cost	<b>0.36</b>	<b>0.08</b>
Interest Cost	<b>0.43</b>	<b>0.08</b>
Benefits / Payments	—	—
Actuarial (Gain) / Loss	<b>0.55</b>	<b>0.32</b>
Defined Benefit Obligation at the end of year	<b>6.23</b>	<b>1.39</b>
Amount recognised in the Balance Sheet :		
Present Value of Defined Benefit	<b>6.23</b>	<b>1.39</b>



**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE - 2 (Contd.)**

Reconciliation of opening and closing balances of Defined Benefit obligation : (₹ in Lac)

Particulars	2011 -2012	
	Gratuity Unfunded	Leave Encashment Unfunded
<b>Amount recognised in Statement of Profit &amp; Loss</b>		
Current Service Cost	0.36	0.07
Interest Cost	0.43	0.08
Actuarial (Gain) / Loss	0.55	0.32
Total Expenses recognized in Statement of Profit & Loss	1.34	0.47
<b>Actuarial Assumption :</b>		
Mortality Table (LIC)	94-96 Ultimate	94-96 Ultimate
Discount Rate (per annum)	8.75%	8.25%
Expected increase in salary (per annum)	5%	5%
Expected remaining working life of employees (years)	29	34

The present value of obligation for gratuity is determined based on actuarial valuation using the Projected Unit Credit Method. The estimates of future salary increase, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

The above information is certified by the actuary.

- g) i) Recognition in respect to fall in market price of certain quoted investments has not been done since these are long term strategic investments and decline in the market prices at year end do not represent permanent diminution in value of investments.

ii) The Company has earned Profit / (Loss) on account of sale of investments as below : (₹ in Lac)

Particulars	2011 - 12	2010 - 11
On Long Term Investments	350.37	259.20
On Short Term Investments	(77.42)	734.91
	<b>272.95</b>	994.11

h) Dividend Received includes : (₹ in Lac)

Particulars	2011 - 12	2010 - 11
Long Term Investments	547.28	493.90
Short Term Investments	—	28.46
	<b>547.28</b>	522.36

i) Schedule to the Balance Sheet of a non-deposit taking Non-Banking Financial Company as required in terms of paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Direction, 2007.

(₹ in Lac)

Liabilities Side	Amount Outstanding	Amount Overdue
1. Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid :		
a) Debentures : Secured	NIL	NIL
Unsecured	NIL	NIL
(Other than falling within the meaning of public deposits)		
b) Deferred Credits	NIL	NIL
c) Term Loans	NIL	NIL
d) Inter-Corporate Loans & Borrowings	NIL	NIL
e) Commercial Paper	NIL	NIL
f) Other Loans - Auto Loan	22.06	NIL

## NOTES TO THE FINANCIAL STATEMENTS

## NOTE - 2 (Contd.)

(₹ in Lac)

Assets Side	Amount Outstanding
2. Break-up of Loans & Advances including bills receivables [other than those included in (4) below] :	
a) Secured	—
b) Unsecured (excluding payment of Advance Taxes Rs.68.57 Lacs)	4.38
3. Break up of Leased Assets and Stock on hire and other assets counting towards Assets Finance Companies activities	
(i) Lease Assets including lease rentals under Sundry Debtors :	
(a) Financial Lease	Nil
(b) Operating Lease	33.50
(ii) Stock on hire including hire charges under Sundry Debtors :	
(a) Assets on Hire	Nil
(b) Repossessed Assets	Nil
(iii) Other loans counting towards AFC activities	
(a) Loans where assets have been repossessed	Nil
(b) Loans other than (a) above	Nil
4. Break-up of Investments :	
<b>Current Investments :</b>	
1. Quoted :	
(i) Shares : (a) Equity	
(b) Preference	
(ii) Debentures and Bonds	Nil
(iii) Units of Mutual Funds	Nil
(iv) Government Securities	Nil
(v) Others (please specify)	Nil
2. Unquoted :	
(i) Shares : (a) Equity	Nil
(b) Preference	Nil
(ii) Debentures and Bonds	Nil
(iii) Units of Mutual Funds	192.02
(iv) Government Securities	Nil
(v) Others (please specify)	Nil
<b>Long Term Investments :</b>	
1. Quoted	
(i) Shares : (a) Equity	17,081.90
(b) Preference	Nil
(ii) Debentures and Bonds	Nil
(iii) Units of Mutual Funds	Nil
(iv) Government Securities	Nil
(v) Others	Nil
2. Unquoted	
(i) Shares : (a) Equity	278.24
(b) Preference	Nil
(ii) Debentures and Bonds	Nil
(iii) Units of Mutual Funds	Nil
(iv) Government Securities	0.28
(v) Others - Warrants	Nil

## NOTES TO THE FINANCIAL STATEMENTS

## NOTE - 2 (Contd.)

5. Borrowers group-wise classification of assets financed as in (2) and (3) above :

(₹ in Lac)

Particulars	Secured	Unsecured	Total
1. Related Parties			
a) Subsidiaries	Nil	Nil	Nil
b) Companies in the same group	Nil	2.13	2.13
c) Other related parties	Nil	Nil	Nil
2. Other than related parties	Nil	35.75	35.75
TOTAL	Nil	37.88	37.88

6. Investor Group-wise classification of all Investments (current and long term) in shares and securities (both quoted and unquoted) :

(₹ in Lac)

Particulars	Market value/ Breakup or Fair Value or N A V	Book value (Net of Provisions)
1. Related Parties		
a) Subsidiaries	Nil	Nil
b) Companies in the same group	13,032.10	15,379.60
c) Other related parties	Nil	Nil
2. Other than related parties	3,020.58	2,172.84
TOTAL	16,052.68	17,552.44

7. Other Information :

(₹ in Lac)

i) Gross Non-Performing Assets	
a) Related Parties	Nil
b) Other than related parties	Nil
ii) Net Non-Performing Assets	
a) Related Parties	Nil
b) Other than related parties	Nil
iii) Assets acquired in satisfaction of debt	Nil

- j) Previous year's figures have been re-grouped and re-arranged wherever considered necessary.

PRABHAT KUMAR DHANDHANIA, FCA, *Partner*  
Membership No: 052613  
For and on behalf of  
DHANDHANIA & ASSOCIATES  
Chartered Accountants  
Firm Regn No. 316052E  
Place : Kolkata  
Dated : 28th day of May, 2012

R. MAHADEVAN  
*Company Secretary*

For and on behalf of Board  
C. K. DHANUKA *Chairman*  
ARUNA DHANUKA  
M. DHANUKA  
B. D. BERIWALA  
P. L. AGARWAL  
A. K. LOHIA  
B. K. BIYANI *Directors*

**NOTES FORMING PART OF BALANCE SHEET**

(₹ in Lac)

**NOTE - 2.01****SHARE CAPITAL****Authorised**

59,05,448 (Previous Year 59,05,448) Equity Share of Rs 10/- each

**Issued, Subscribed & Paid-up**

58,55,448 (Previous Year 58,55,448) Equity Shares of Rs 10/- each

<b>As at</b>	<b>As at</b>
<b>31.03.2012</b>	<b>31.03.2012</b>
<b>590.54</b>	<b>590.54</b>
<b>585.54</b>	<b>585.54</b>
<b>585.54</b>	<b>585.54</b>

During the period of five years immediately preceding the date of the Balance Sheet, the Company has allotted on 21.10.2010, 58,55,448 Equity Shares of Rs.10/- each fully paid-up to the Shareholders of Dhunseri Tea and Industries Limited(now known as Dhunseri Petrochem & Tea Limited) (DPTL), pursuant to the Scheme of Arrangement sanctioned by the Hon'ble High Court at Calcutta by an Order dated 06.05.2010, without payment being received in cash. As per the Scheme 50,000 equity shares of the Company held by DPTL aggregating to Rs. 5,00,000/- have been extinguished.

**Term / Rights attached to Equity Shares**

The Company has one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity share is entitled to one vote per share held and dividend proposed by the Board of Directors subject to the approval of the shareholders in the Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

**Reconciliation of the number of shares outstanding**

	<b>As at</b>	<b>As at</b>
	<b>31.03.2012</b>	<b>31.03.2011</b>
	<b>(Nos)</b>	<b>(Nos)</b>
Number of Shares at the beginning	<b>58,55,448</b>	58,55,448
Add: Shares issued during the year	—	—
Number of Shares at the closing	<b>58,55,448</b>	58,55,448

**Details of Shareholders holding more than 5% Shares**

Sl. No.	Name of the Shareholders	2011-12		2010-11	
		Total No. of Shares	Holding (%)	Total No. of Shares	Holding (%)
1	Mint Investments Ltd	24,42,668	42	5,43,845	9
2	Naga Dhunseri Group Ltd.	10,66,476	18	10,66,476	18
3	Plenty Valley Intra Ltd.	3,83,270	7	3,83,270	7
4	YVES Lombard Asset Management AG	—	—	18,97,527	32

**NOTE - 2.02****RESERVES & SURPLUS****General Reserve**

As per last Account	<b>15,887.60</b>	14,937.59
Add : Transferred from the Statement of Profit & Loss	<b>612.40</b>	950.01
	<b>16,500.00</b>	15,887.60

**NBFC Reserve**

As per last Account	<b>352.20</b>	89.89
Add : Transferred from the Statement of Profit & Loss	<b>155.28</b>	262.31
	<b>507.48</b>	352.20

**Surplus****Statement of Profit and Loss**

Balance at the Beginning	<b>280.35</b>	266.62
Add: Net Profit after Tax transferred from Statement of Profit & Loss	<b>776.41</b>	1,311.40
	<b>1,056.76</b>	1,578.02
Proposed Dividend (@ Rs.1.25 per Share; Previous Year Rs.1.25)	<b>73.19</b>	73.19
Dividend Tax	<b>11.87</b>	12.16
Transferred to NBFC Reserve Fund	<b>155.28</b>	262.31
Transferred to General Reserve	<b>612.40</b>	950.01
Balance in Statement of Profit & Loss	<b>204.02</b>	280.35
	<b>17,211.50</b>	16,520.15

**NOTES FORMING PART OF BALANCE SHEET**

(₹ in Lac)

<b>NOTE - 2.03</b>	<b>As at</b>	<b>As at</b>
<b>LONG TERM BORROWINGS</b>	<b>31.03.2012</b>	<b>31.03.2011</b>
Secured Loan	27.22	—
Auto Finance Loan - From HDFC Bank (Secured by hypothecation of Vehicle financed)		
<i>Out of which :</i>		
Payable in the next year to be shown as other Current Liabilities	5.16	—
	<u>22.06</u>	<u>—</u>

<b>NOTE - 2.04</b>	<b>Charge /(Release)</b>	
<b>DEFERRED TAX LIABILITIES</b>	<b>during the Year</b>	
On Written Down Value of Fixed Assets	5.70	9.76 (4.06)
On Provision for Gratuity	(0.44)	(0.31) (0.13)
On Provision for Earned Leave	(0.15)	(0.11) (0.04)
Deferred Tax Assets / (Liabilities)	<u>5.11</u>	<u>9.34</u> <u>(4.23)</u>

<b>NOTE - 2.05</b>	<b>As at</b>	<b>As at</b>
<b>LONG-TERM PROVISIONS</b>	<b>31.03.2012</b>	<b>31.03.2011</b>
Provision for Taxation	71.66	230.30
Proposed Dividend	73.19	73.19
Tax on Dividend	11.87	12.16
Provision for Gratuity	6.23	4.89
Provision for Leave Encashment	1.39	0.91
	<u>164.34</u>	<u>321.45</u>

<i>Out of which</i>		
<b>Short Term Provision</b>		
Provision for Gratuity	2.75	1.96
Provision for Leave Encashment	0.81	0.50
Tax on Dividend	11.87	12.16
	<u>15.43</u>	<u>14.62</u>
Long Term Provisions (Net)	<u>148.91</u>	<u>306.83</u>

<b>NOTE - 2.06</b>		
<b>TRADE PAYABLES</b>		
Payables for goods	3.47	1.61
	<u>3.47</u>	<u>1.61</u>

<b>NOTE - 2.07</b>		
<b>OTHER CURRENT LIABILITIES</b>		
Unpaid Dividend	2.59	20.13
Auto Finance Loan - From HDFC Bank	5.16	—
Taxes Payable	0.03	0.06
Liabilities for Expenses	1.46	2.93
Fractional Shares Payable	—	—
	<u>9.24</u>	<u>23.12</u>

## NOTES FORMING PART OF BALANCE SHEET

## NOTE - 2.08

## TANGIBLE ASSETS

(₹ in Lac)

Particulars	Original Cost				Depreciation and Amortization				Net Book Value	
	As at 01.04.11	Additions during the period	Deductions/ Retirement during the period	As at 31.03.12	As at 01.04.11	For the period	Deductions during the period	As at 31.03.12	As at 31.03.12	As at 31.03.11
Lease Hold Land	37.62	—	—	37.62	3.67	0.45	—	4.12	33.50	33.95
Building	87.28	—	—	87.28	35.78	2.82	—	38.60	48.68	51.50
Plant & Machinery	91.73	0.74	—	92.47	46.02	4.41	—	50.43	42.04	45.70
Electrical Installation	19.05	—	—	19.05	11.48	0.90	—	12.38	6.67	7.57
Furniture & Fixture	6.24	0.21	—	6.45	4.08	0.28	—	4.36	2.09	2.16
Computer Data System	1.76	0.02	—	1.78	1.36	0.14	—	1.50	0.28	0.41
Vehicles	8.73	41.65	4.37	46.01	2.76	2.90	2.67	2.99	43.02	5.97
<b>TOTAL</b>	<b>252.41</b>	<b>42.62</b>	<b>4.37</b>	<b>290.66</b>	<b>105.15</b>	<b>11.90</b>	<b>2.67</b>	<b>114.38</b>	<b>176.28</b>	<b>147.26</b>
Previous Year	232.98	19.43	—	252.41	95.47	9.68	—	105.15	147.26	

## NOTE - 2.09

## NON-CURRENT INVESTMENTS

Particulars	Face	As at 31.03.2012		As at 31.3.2011	
	Value (₹)	Nos.	Book Value	Nos.	Book Value
<b>Government/Trust Securities - Unquoted</b>					
National Saving Certificates			0.28		0.28
<b>Aggregate of Trust Securities Investment (Unquoted)</b>			0.28		0.28
<b>Trade Investments (Quoted)</b>					
<b>Investments in Equity Instruments</b>					
Escorts Ltd.	10	—	—	1,10,000	139.96
Gujrat Fluro Chemicals Ltd.	1	2,04,169	314.72	2,52,669	387.63
Larsen & Toubro Ltd.	2	—	—	12,000	99.87
Sesa Goa Ltd.	1	25,000	64.66	—	—
State Bank of Bikaner & Jaipur	10	—	—	7,340	31.50
Srtate Bank of India	10	—	—	3,300	74.19
State Bank of Travancore	10	—	—	6,900	35.97
West Coast Paper Mills Ltd.	2	87,720	61.38	87,720	61.38
Bajaj Finance Ltd.	10	39,790	266.77	—	—
Blue Dart Express Ltd.	10	4,000	77.37	—	—
Divis' Laboratories Ltd.	2	21,750	161.56	—	—
Hatsun Agro Products Ltd.	1	6,949	9.36	—	—
ING Vysya Bank Ltd.	10	78,200	268.21	—	—
Jubilant Life Sciences Ltd.	1	70,000	135.54	—	—
Kirloskar Pneumatic Com. Ltd.	10	35,708	172.32	—	—
Torrent Pharma Ltd.	5	14,498	87.78	—	—
3M India Ltd.	10	6,271	256.09	—	—
<b>Aggregate of Equity Investments (Quoted)</b>			1,875.76		830.50

## NOTES FORMING PART OF BALANCE SHEET

## NOTE - 2.09 (Contd.)

## NON-CURRENT INVESTMENTS

(₹ in Lac)

Particulars	Face	As at 31.03.2012		As at 31.3.2011	
	Value (₹)	Nos.	Book Value	Nos.	Book Value
<b>Trade Investments (Unquoted)</b>					
<b>Equity Shares</b>					
Assam Bengal Cereals Ltd.	10	2,630	0.26	2,630	0.26
Assam Hospital Ltd.	10	50,000	5.00	50,000	5.00
Assam Financial Corporation Ltd.	100	100	0.10	100	0.10
Assam Co-operative Apex Bank Ltd.	50	300	0.15	300	0.15
East India Planters Co-operative Ltd.	50	124	0.06	124	0.06
Tectura Corporation	100	1,91,814	99.18	1,91,814	99.18
Woodlands Mul. Spe. Hospital Ltd.	10	250	0.03	—	—
The East India Clinic Ltd. (Debentures)		—	—	—	0.03
(Equity Shares allotted in lieu of 5% Non-redeemable Debentures in East India Clinic Ltd.)					
<b>Aggregate of Equity Investments (Unquoted)</b>			<b>104.78</b>		<b>104.78</b>
<b>Aggregate of Trade Investments</b>			<b>1,980.54</b>		<b>935.28</b>
<b>Others (Associates) - Quoted</b>					
Dhunseri Petrochem & Tea Ltd.	10	1,19,89,052	15,206.14	1,17,06,702	14,859.91
<b>Aggregate of Other Investments-Quoted</b>			<b>15,206.14</b>		<b>14,859.91</b>
<b>Others (Associates) - Unquoted</b>					
Madhuting Tea Private Ltd.	10	2,89,000	173.46	5,00,000	300.11
<b>Aggregate of Other Investments - Unquoted</b>			<b>173.46</b>		<b>300.11</b>
<b>Aggregate of Other Investments</b>			<b>15,379.60</b>		<b>15,160.02</b>
<b>Aggregate of Book Value</b>					
Quoted Investments			<b>17,081.90</b>		15,690.41
Unquoted Investments			<b>278.52</b>		405.17
			<b>17,360.42</b>		16,095.58
<b>Aggregate of Market Value</b>					
Quoted Investments			<b>15,853.41</b>		19,789.59

## NOTE - 2.10

## LONG-TERM LOANS &amp; ADVANCES

(Unsecured and considered Good by the Management)

	As at	As at
	31.03.2012	31.03.2011
Advance to Group Company	2.13	2.13
Advances to Employees	0.08	0.20
Security Deposits	0.20	0.71
Tax Deducted at Source	4.29	2.68
Income Tax Advance	64.28	212.00
	<b>70.98</b>	<b>217.72</b>

## NOTE - 2.11

## CURRENT INVESTMENTS

Particulars	Units	As at 31.03.2012	Units	As at 31.03.2011
<b>Other Investments</b>				
<b>Investments in Mutual Funds</b>				
HDFC- Cash Management Fund	8,61,074.61	192.02	—	—
		<b>192.02</b>		<b>—</b>
<b>Aggregate of Market Value of Current Investment</b>				
Repurchase Value of Units of Mutual Fund		<b>199.27</b>		<b>—</b>

## NOTES FORMING PART OF BALANCE SHEET

	As at 31.03.2012	(₹ in Lac) As at 31.03.2011
<b>NOTE - 2.12</b>		
<b>TRADE RECEIVABLES</b>		
(Unsecured and considered Good by the Management)		
Debts for a period less than six months	179.97	—
	<u>179.97</u>	<u>—</u>
<b>NOTE - 2.13</b>		
<b>CASH &amp; CASH EQUIVALENTS</b>		
Balances with Scheduled Banks :		
- On Current Accounts	9.92	547.40
- On Unpaid Dividend Accounts	2.59	20.13
Fixed Deposit with Scheduled Bank	—	407.63
Cheque in Hand	4.64	—
Cash in Hand	1.07	1.01
	<u>18.22</u>	<u>976.17</u>
<b>NOTE - 2.14</b>		
<b>SHORT TERM LOANS &amp; ADVANCES</b>		
(Unsecured and considered Good by the Management)		
Advance	1.07	0.16
Advance to Employees	0.12	0.09
Prepaid Expenses	1.23	0.54
	<u>2.42</u>	<u>0.79</u>
<b>NOTE - 2.15</b>		
<b>OTHER CURRENT ASSETS</b>		
Tea Packeting Charges Receivable	—	5.40
Rent Receivable	—	0.55
Other Receivable	—	3.44
	<u>—</u>	<u>9.39</u>

## NOTES FORMING PART OF STATEMENT OF PROFIT &amp; LOSS

	For the year ended 31st March, 2012	For the year ended 31st March, 2011
<b>NOTE - 2.16</b>		
<b>REVENUE FROM OPERATIONS</b>		
<b>Income from Operations</b>		
Profit on Sale of Investments	272.95	994.11
Tea Packing Charges Received	72.75	57.00
(Tax deducted at Source ₹ 1.60; Previous year ₹ 1.24)	<u>345.70</u>	<u>1,051.11</u>
<b>Other Operating Income</b>		
Dividend Received	547.28	522.36
Rent Received	6.60	4.95
(Tax deducted at Source ₹ 0.66; Previous year ₹ 0.53)	<u>—</u>	<u>—</u>
Share Difference Loss	<u>553.88</u>	<u>527.31</u>
<b>Total Operating Income</b>	<u>899.58</u>	<u>1,578.42</u>
<b>NOTE - 2.17</b>		
<b>OTHER INCOME</b>		
Interest on Fixed Deposits	19.95	8.81
(Tax deducted at Source ₹ 2.00; Previous year ₹ 0.88)	<u>0.41</u>	<u>—</u>
Liabilities no longer required Written Back	0.02	—
Miscellaneous Receipt	<u>20.38</u>	<u>8.81</u>



## NOTES FORMING PART OF STATEMENT OF PROFIT &amp; LOSS

	For the year ended 31st March, 2012	For the year ended 31st March, 2011
( <i>₹ in Lac</i> )		
<b>NOTE - 2.18</b>		
<b>EMPLOYEE BENEFITS EXPENSE</b>		
Salary and Exgratia	27.33	18.79
Bonus	1.24	1.07
Co's Contribution to Provident Fund & Other Fund	2.40	1.42
Gratuity	1.48	0.61
Leave Pay	0.47	0.23
Staff Welfare Expenses	2.09	0.75
	<u>35.01</u>	<u>22.87</u>
<b>NOTE - 2.19</b>		
<b>FINANCE COSTS</b>		
Interest on Auto Loan	1.86	—
Bank Charges	0.09	0.03
	<u>1.95</u>	<u>0.03</u>
<b>NOTE - 2.20</b>		
<b>OTHER EXPENSES</b>		
Power & Fuel	4.16	3.13
Rent Paid	0.72	0.54
Building Maintenance	0.61	0.52
Repair & Maintenance - Plant & Machinery	2.36	1.50
Other Maintenance	6.71	4.65
Insurance Premium	0.55	—
Rates & Taxes	0.17	0.17
Directors' Sitting Fees	1.58	1.11
Payment to Auditors		
- Audit Fees	0.25	0.25
- Certification Charges	0.31	0.37
- For Reimbursement of Expenses	0.04	—
- On Account of Service Tax	0.06	0.06
Miscellaneous Expenses	21.56	31.05
	<u>39.08</u>	<u>43.35</u>

Signatories to Note No. 1 to 2.20

As per our Report attached.

PRABHAT KUMAR DHANDHANIA, FCA, *Partner*  
 Membership No: 052613  
*For and on behalf of*  
 DHANDHANIA & ASSOCIATES  
*Chartered Accountants*  
 Firm Regn No. 316052E  
 Place : Kolkata  
 Dated : 28th day of May, 2012

R. MAHADEVAN  
*Company Secretary*

For and on behalf of Board  
 C. K. DHANUKA *Chairman*  
 ARUNA DHANUKA  
 M. DHANUKA  
 B. D. BERIWALA  
 P. L. AGARWAL  
 A. K. LOHIA  
 B. K. BIYANI *Directors*

**DHUNSERI INVESTMENTS LIMITED**

Regd. Office : 4A, Woodburn Park, Kolkata 700 020

**ATTENDANCE SLIP**

Ledger Folio No. .... D.P. ID\* .....

No. of Shares held ..... Client ID\* .....

1. Full Name of Member / Proxy .....

2. If Proxy, full name of Member .....

I certify that I am a member / proxy for the member of the Company.

I hereby record my presence at the 15th Annual General Meeting of the Company being held at 'Kala Kunj', 48, Shakespeare Sarani, Kolkata 700 017 on Monday, 13th August, 2012 at 10.30 A.M.

Member's / Proxy's Name in block letters

Member's / Proxy's Signature

**Notes :**

1. Please sign this attendance slip and hand it over at the counter at the ENTRANCE OF THE MEETING HALL.

2. THIS ATTENDANCE SLIP IS VALID ONLY IN CASE SHARES ARE HELD ON DATE OF MEETING.

\* Applicable for Members holding shares in dematerialised form.



**DHUNSERI INVESTMENTS LIMITED**

Regd. Office : 4A, Woodburn Park, Kolkata 700 020

**PROXY**

Ledger Folio No. .... D.P. ID\* .....

No. of Shares held ..... Client ID\* .....

I/We.....

of.....

..... being a member/members of DHUNSERI INVESTMENTS LIMITED hereby appoint

.....of.....

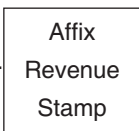
or failing him / her.....

of.....

as my/our proxy to attend and vote for me/us on my/our behalf at the 15TH ANNUAL GENERAL MEETING of the Company being held on Monday, the 13th August, 2012 and at any adjournment thereof.

As WITNESS my/our hand(s) this..... day of.....2012.

Signed by the said.....



**Notes :**

1. The Proxy need NOT be a member.

2. The Proxy Form signed across revenue stamp should reach the Company's Registered Office atleast 48 hours before the scheduled time of meeting.

3. Please fill in full particulars.

4. Company reserves the right to ask for identification of the Proxy. Proxy cannot speak at the meeting.

\* Applicable for Members holding shares in dematerialised form.