

**Annual**  
**Report**  
**&**  
**Accounts**  
**2012 - 2013**

**Dhunseri Investments Limited**

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## DHUNSERI INVESTMENTS LIMITED

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### **BOARD OF DIRECTORS**

C. K. Dhanuka  
*Chairman of the Board*

A. Dhanuka

M. Dhanuka

B. D. Beriwalla

B. K. Biyani

P. L. Agarwal

A. K. Lohia

A. Garodia  
*(w.e.f. 13.08.2012)*

#### **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**

Tuesday, 13th August, 2013 at 10.30 A.M.  
at ‘KALAKUNJ’, Sangit Kala Mandir  
48, Shakespeare Sarani, Kolkata 700 017

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#### **TABLE OF CONTENTS**

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i) Notice	2	v) Balance Sheet	18
ii) Directors' Report	4	vi) Statement of Profit & Loss	19
iii) Report on Corporate Governance	7	vii) Cash Flow Statement	20
iv) Independent Auditors' Report	15	viii) Notes to the Financial Statements	21

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## **NOTICE**

NOTICE is hereby given that the 16th Annual General Meeting of the Members of DHUNSERI INVESTMENTS LIMITED will be held on Tuesday, the 13th day of August, 2013 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, 2013, Statement of Profit & Loss for the year ended 31st March, 2013 and the Cash Flow Statement for the year ended 31st March, 2013 and the Reports of the Directors' and Auditors' thereon.
2. To declare dividend.
3. To elect a director in place of Sri Mrigank Dhanuka who retires by rotation and being eligible offers himself for re-appointment.
4. To elect a director in place of Sri Brijesh Kumar Biyani who retires by rotation and being eligible offers himself for re-appointment.
5. To elect a director in place of Sri Basudeo Beriwalla who retires by rotation and being eligible offers himself for re-appointment.
6. To appoint Auditors and to fix their remuneration.
7. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution :  
To appoint a Director in place of Sri Adarsh Garodia, who was appointed as an Additional Director of the Company by the Board of Directors with effect from 13th August, 2012 under Section 260 of the Companies Act, 1956 (the Act) and who holds office upto the date of the forthcoming Annual General Meeting but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director under the provisions of Section 257 of the Act.

*Registered Office:*  
DHUNSERI HOUSE  
4A, Woodburn Park  
Kolkata 700 020  
22nd May, 2013

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

### **Notes :**

- (a) The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of the business under Item No 7 above and the relevant details of directors seeking re-appointment / appointment under Item Nos. 3 to 5 and 7 above as required by Clause 49 of the Listing Agreement entered into with the stock exchanges are 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 Thursday, 1st August, 2013 to Tuesday, 13th August, 2013 (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, 2013 to those members whose names are on the Company's Register of Members on Tuesday, 13th August, 2013. 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, 2013, as per details furnished by the depositories for this purpose. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandate to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company or the Registrars M/s. Maheshwari Datamatics Private Limited.
- (e) As required by SEBI's Circular No. CIR/MRD/DP/10/2013 dated March, 21, 2013; a NECS Mandate Form for registering mode of payment of dividend is enclosed. The Members are requested to complete and return the same to the Company at the earliest.
- (f) Pursuant to the provisions of Investor Education & Protection Fund ( Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on August 13, 2012 (i.e. date of the last Annual General Meeting) on the website of the Company ([www.dhunseriinvestments.com](http://www.dhunseriinvestments.com)) as also on the Ministry of Corporate Affairs website.
- (g) 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.
- (h) **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, Address, Folio, E-mail ID and number of equity shares held.

**NOTICE (Contd.)****Annexure to Notice**

As required by Section 173 of the Companies Act, 1956 (hereinafter referred to as 'the Act') the following Explanatory Statement sets out the material facts relating to the business mentioned under Item No. 7 of the accompanying Notice dated 22nd May, 2013.

**Item No. 7 :**

Sri Adarsh Garodia who was inducted as an Additional Director of the Company at the board meeting held on 13th August, 2012 holds office till the conclusion of this Annual General Meeting.

He is B.Com.(Hons) graduate from the University of Calcutta. He is also a Chartered Financial Analyst from the Institute of Chartered Financial Analyst of India.

Sri Adarsh Garodia is engaged in business and has acquired varied experience spanning over a decade from his business occupation including investment activities.

The Board considers it desirable to avail the services of Sri Adarsh Garodia as a Director of the Company and recommends his appointment for approval of the members.

None of the Directors except Sri Adarsh Garodia is interested in the Resolution at Item No.7.

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22nd May, 2013

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

**Details of Directors seeking re-appointment / appointment in forthcoming Annual General Meeting**

(In pursuance of Clause 49 of the Listing Agreement)

Name of Director	Sri. Mrigank Dhanuka	Sri Brijesh Kumar Biyani	Sri Basudeo Beriwala	Sri Adarsh Garodia
Date of Birth	12.08.1980	21.01.1952	10.08.1937	06.10.1976
Date of Appointment	27.11.2009	27.11.2009	11.08.2010	13.08.2012
Expertise in specific functional areas	Expertise in Business Management	Expertise in Corporate matters	Business	Business
Qualifications	B.Com.	PGDIE(NPC)-Chennai B.Tech.-IIT, Kharagpur	Graduate	B.Com.(Hons)
Directorship held in other public companies (excluding foreign companies)	Dhunseri Petrochem & Tea Ltd. Trimplex Investments Ltd. Naga Dhunseri Group Ltd. Mint Investments Ltd. Plenty Valley Intra Ltd.	Rice Lake Weighing Systems India Ltd.	Kaniska Engineering Industries Ltd. Rainbow Engineering Ltd. Bee Aar Enterprises Ltd.	NIL
Membership/ Chairmanship of Committees of other public companies (includes only Audit Committee and Shareholders'/Investors' Grievance Committee)	NIL	NIL	NIL	NIL
Number of Shares held in the Company	67,955	NIL	NIL	NIL

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22nd May, 2013

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, 2013.

**FINANCIAL RESULTS**

	<b>For the year ended 31.03.2013</b>	For the year ended 31.03.2012
	(₹ in Lac)	(₹ in Lac)
Profit before Depreciation & Taxation	748.41	843.92
Less : Depreciation (Net)	13.41	11.90
Provision for Taxation (Net)	40.84	55.61
Net Profit for the year	694.16	776.41
Add : Balance brought forward	204.02	280.35
	<b>898.18</b>	<b>1056.76</b>
The Directors recommend this amount to be appropriated as under :		
Transfer to NBFC Reserve Fund	138.83	155.28
Transfer to General Reserve	500.00	612.40
Proposed Dividend (@ 12.5%)	73.19	73.19
Tax on Dividend	12.44	11.87
Balance carried forward	173.72	204.02
	<b>898.18</b>	<b>1056.76</b>

**DIVIDEND**

The Directors recommend a dividend of ₹ 1.25 per equity share for the year ended 31st March, 2013.

**OPERATIONS**

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

**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 2012-13. The Company does not intend to invite or accept any public deposit during the financial year 2013-14.

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

### **DIRECTORS**

Sri Mrigank Dhanuka, Sri Brijesh Kumar Biyani and Sri Basudeo Beriwalla retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. The Board recommends their re-appointment.

Sri Amit Gupta ceased to be a director of the Company on conclusion of the 15th Annual General Meeting held on 13th August, 2012. The Board placed on record its appreciation of the valuable services rendered by Sri Amit Gupta as a director of the Company.

Sri Adarsh Garodia was appointed as an Additional Director of the Company at the Board Meeting held on 13th August, 2012. He holds office till the conclusion of this Annual General Meeting and is eligible for appointment as director of the Company. The Company has received a notice under Section 257 of the Companies Act, 1956 from a member proposing the appointment of Sri Adarsh Garodia as a director of the Company at this Annual General Meeting.

### **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 Practicing Company Secretary confirming compliance, is set out in the annexure forming part of this report.

### **AUDITORS**

M/s. Dhandhanania & 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,  
22nd May, 2013

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 31.03.2013</b>	Previous Year ended 31.03.2012
1. Electricity		
a) Purchased Units (Lac KWH)	<b>0.6604</b>	0.6360
Total Amount (₹ Lac)	<b>4.42</b>	3.72
Rate / Unit (₹ /KWH)	<b>6.69</b>	5.85
b) Own Generation		
i) Through Diesel Generator Units (Lac KWH)	<b>0.0029</b>	0.0027
Units per Ltr. of Diesel Oil	<b>0.8841</b>	0.9084
Cost/Unit (₹ /KWH)	<b>43.70</b>	42.07
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>25.86</b>	24.25
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 : ₹ 44.30 Lacs (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 endeavors to improve on these aspects on an ongoing basis.

### 2. BOARD OF DIRECTORS (BOARD)

#### a) Composition of Board

The Board 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. Garodia (w.e.f. 13.08.2012)	Non-Executive Independent If appointed as director at the ensuing Annual General Meeting, he shall be liable to retirement by rotation.

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

During the financial year 2012-2013, the Board met four times on the following dates :

28th May, 2012, 13th August, 2012; 9th November, 2012; and 12th February, 2013.

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 13.08.2012	* No. of Directorships in other Public Limited Companies	@ Other Committee Memberships	
				Member	Chairman
Sri C. K. Dhanuka	4	Yes	7	1	1
Smt. A. Dhanuka	4	Yes	4	-	-
Sri M. Dhanuka	2	No	5	-	-
Sri B. K. Biyani	3	No	1	-	-
Sri B. D. Beriwal	3	Yes	3	-	-
Sri P. L. Agarwal	3	No	7	3	1
Sri A. K. Lohia	3	Yes	3	-	-
Sri A. Garodia (w.e.f. 13.08.2012)	3	NA	-	-	-

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.



**c) Remuneration of Directors, sitting fees, salary, perquisites and commission**

Details of remuneration paid /payable to Directors :

(In ₹)

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*	10,000	-	-	10,000
Sri B. K. Biyani	15,000	-	-	15,000
Sri B. D. Beriwal	15,000	10,000	-	25,000
Sri P. L. Agarwal <sup>§</sup>	15,000	2,000	-	17,000
Sri A. K. Lohia	15,000	6,000	-	21,000
Sri A. Garodia	15,000	6,000	-	21,000
(w.e.f.13.08.2012)				
Sri C.K.Dhanuka <sup>@</sup>	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.

@ 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, 2013 :**

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 comprises of three Non-Executive Independent Directors viz Sri Basudeo Beriwal, Sri Ashok Kumar Lohia and Sri Adarsh Garodia 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 auditor and the fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to :
  - Matters required to be included in the Director's 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.

**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 28th May, 2012; 13th August, 2012; 9th November, 2012 and 12th February, 2013.

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	3
Smt. A. Dhanuka	4	4
Sri A. K. Lohia	4	3
Sri A. Garodia ®	2	2

® Appointed w.e.f. 13.08.2012

**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 Basudeo Beriwal, Sri Purushottam Lal Agarwal, Sri Adarsh Garodia (appointed w.e.f. 13.08.2012) and one Promoter Director Sri Chandra Kumar Dhanuka.

Sri Basudeo 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 13th August, 2012 and 12th February, 2013.

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	1
Sri A. Garodia <sup>@</sup>	1	1

<sup>@</sup> Appointed w.e.f. 13.08.2012

During the year one complaint was received from shareholders' / investors' which was resolved to the satisfaction of the complainant. 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 now 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 ( upto 12.02.2013)	Director
Smt. A. Dhanuka (w.e.f. 12.02.2013)	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: 20th April, 2012; 16th July, 2012; 18th October, 2012 and 29th January, 2013.

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	—
Smt. A. Dhanuka (w.e.f. 12.02.2013)	—	—

## 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
2011-12	Kalakunj, Sangit Kala Mandir 48, Shakespeare Sarani Kolkata 700 017	13th August, 2012	10.30 A. M.	None
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

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 2012-13.

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

The details of the Directors of the Company seeking re-appointment / 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 30 under "Notes annexed to and 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 market 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**

Tuesday, 13th August, 2013 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 Thursday. 1st August, 2013 to Tuesday, 13th August, 2013 (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, 2013.

**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 2013-14.

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 2012-13 :**

Period	BSE		NSE		BSE Sensex	
	High	Low	High	Low	High	Low
2012-13						
April	70.00	59.00	69.00	59.50	17664.10	17010.16
May	69.00	58.10	67.95	55.75	17432.33	15809.71
June	66.00	57.05	65.20	57.05	17448.48	15748.98
July	62.90	56.25	62.10	55.35	17631.19	16598.48
August	61.75	53.05	58.00	55.05	17972.54	17026.97
September	63.40	55.00	61.95	53.60	18869.94	17250.80
October	64.50	56.10	62.70	56.00	19137.29	18393.42
November	65.00	58.00	63.00	58.00	19372.70	18255.69
December	63.95	57.65	64.80	56.25	19612.18	19149.03
January	66.80	54.20	64.45	55.50	20203.66	19508.93
February	59.05	53.35	60.45	52.50	19966.69	18793.97
March	61.10	47.85	57.80	53.30	19754.66	18568.43

**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 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 31.03.2013**

Shareholding Pattern		
Category	No. of Shares held	Percentage (%)
Promoters	43,91,584	75.00
Financial Institutions, Mutual Funds, Banks & Insurance Companies	2,956	0.05
Bodies Corporate	6,55,778	11.20
Indian Public	7,95,361	13.58
NRI's & Others	9,769	0.17
	58,55,448	100.00

Distribution Schedule				
Range	Shareholders		Shares	
	No.	%	No.	%
1- 500	7,423	96.89	4,41,121	7.53
501 - 1000	115	1.50	85,073	1.45
1001 - 2000	52	0.68	74,267	1.27
2001 - 3000	23	0.30	55,589	0.95
3001 - 4000	5	0.07	16,603	0.28
4001 - 5000	8	0.10	36,343	0.63
5001 - 10000	12	0.16	91,301	1.56
10001 - and above	23	0.30	50,55,151	86.33
	7,661	100.00	58,55,448	100.00

k) **Dematerialisation of Shares and Liquidity**

As on 31st March, 2013, 96.01% of the Company's share capital representing 56,21,888 shares were held by 4235 shareholders in dematerialised form and the balance 3.99% of the Company's share capital representing 2,33,560 shares were held by 3426 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 2013-14 (Tentative)**

Board Meetings

Unaudited results for quarter ending June 30, 2013	- By 14th August, 2013
Unaudited results for quarter ending September 30, 2013	- By 14th November, 2013
Unaudited results for quarter ending December 31, 2013	- By 14th February 2014
Audited results for year ending March 31, 2014	- By 30th May, 2014
Annual General Meeting for the year ending 31st March, 2014	- August, 2014

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,  
22nd May, 2013

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, 2013 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,  
22nd May, 2013

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, 2013 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,  
22nd May, 2013

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## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF DHUNSERI INVESTMENTS LIMITED

#### Report on the Financial Statements

We have audited the accompanying financial statements of DHUNSERI INVESTMENTS LIMITED, "Dhunseri House," 4A, Woodburn Park, Kolkata-700 020 as at 31st March, 2013, which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the aforesaid financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with notes thereon give the information required under 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 the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Statement Profit and Loss , of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, 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 purpose of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;



- c) the Balance Sheet, Statement of Profit and 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 and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
- e) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

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

Place : Kolkata

Dated : 22nd May, 2013

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## **ANNEXURE TO INDEPENDENT AUDITORS' REPORT**

### **Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date**

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that :

- i. In respect of its fixed assets :
  - (a) The Company is maintaining proper records showing full particulars, including quantitative details and situations of fixed assets.
  - (b) The fixed assets have been physically verified by the management at reasonable intervals, and as certified to us, no material discrepancy was noticed on such verification.
  - (c) In our opinion and according to the information and explanation given to us, no substantial part of the fixed assets has been disposed off by the management during the year.
- ii. In respect of its inventories:
  - (a) The inventory of stores and spares has been physically verified by the management at regular intervals.
  - (b) In our opinion, the procedures of physical verification of inventory of stores and spares followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) In our opinion and on the basis of our examination of the inventory records, the Company is maintaining proper records of inventory of stores and spares. No discrepancy was noticed on such physical verification.
- iii. In respect of the loans, secured or unsecured, granted and / or taken by the Company to and / or from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956 :
  - (a) The Company has not granted loan secured or unsecured to companies, firms or other parties listed in the register maintained under Section 301 of the Act. Therefore, the provisions of the sub-clauses (b), (c) & (d) of clause 4(iii) of the Order are not applicable to the Company.
  - (b) The Company has not taken unsecured loan from companies, firms or other parties listed in the register maintained under Section 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.
- iv. 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 the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weakness in the aforesaid internal control system.
- v. In respect of the contract or arrangements referred to in Section 301 of the Companies Act, 1956 :

In our opinion and according to the information and explanation given to us, the Company has not entered into any contract or arrangements referred to in Section 301 of the Act during the year. Hence, a comment under clause v (a) and v (b) of the Order is not applicable.

- vi. The Company has not accepted any deposit from public within the meaning of Section 58A, 58AA or any other relevant provision of the Act and the rules framed there under.
- vii. In view of the adequacy of internal control systems commensurate with the size of the Company and nature of its business, the Company has no separate internal audit system.
- viii. 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.
- ix. In respect of statutory dues :
- (a) According to the information and explanations given to us and the records examined by us, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax and other material statutory dues applicable to it with appropriate authorities.
- (b) According to the information and explanation given to us, no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Income Tax, Wealth Tax, Service Tax, Sales Tax, Custom Duty, Excise Duty, Cess and other undisputed statutory dues were outstanding, at the year end, for a period more than six months from the date they became payable.
- x. The Company does not have accumulated losses as at 31st March, 2013. The Company has not incurred cash loss in the current financial year as well as in the immediately preceding financial year.
- xi. According to the records of the Company examined by us and the information and explanations given to us, there are no dues payable to Banks and Financial Institutions as at the Balance Sheet date.
- xii. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. So paragraph 4(xii) of the Order is not applicable to the Company.
- xiii. In our opinion, the Company is neither a chit fund nor a nidhi mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.
- xiv. The Company has maintained proper records of transactions and contracts entered into for purchase and investment in shares and securities during the year and proper entries have been made therein timely. All the shares and securities have been held by the company in its own name.
- xv. 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 and Financial Institutions during the year.
- xvi. In our opinion, and according to the information and explanations given to us, the Company has not availed any Term Loan during the year under audit. There is no outstanding term loan at the end of the year.
- xvii. On the basis of our overall examination of the Balance Sheet, the funds raised on short-term basis have not been used for long-term investments.
- xviii. During the year under audit, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act.
- xix. The Company has not issued any debentures and hence clause 4 (XIX) of the Companies (Auditor's Report) Order, 2004 is not applicable to the Company.
- xx. The Company has not raised any money by public issues during the year. So the paragraph 4(xx) of the Order is not applicable to the Company.
- xxi. 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 nor we have been informed of such case by the management, during the year.

PRABHAT KUMAR DHANDHANIA, FCA, *Partner*

Membership No. 052613

*For and on behalf of*

DHANDHANIA & ASSOCIATES

*Chartered Accountants*

Firm Regn No. 316052E

Place : Kolkata

Dated : 22nd May, 2013

**BALANCE SHEET**  
as at 31st March, 2013

(₹ in Lac)

Sl. No.	Particulars	Note No.	As at 31.03.2013	As at 31.03.2012
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>			
(1)	<b>Shareholders' Funds</b>			
	(a) Share Capital	2	585.54	585.54
	(b) Reserves and Surplus	3	17,820.03	17,211.50
(2)	<b>Non-Current Liabilities</b>			
	(a) Long-Term Borrowings	4	—	22.06
	(b) Deferred Tax Liabilities (Net)	5	12.68	5.11
	(c) Long-Term Provisions	6	109.45	75.72
(3)	<b>Current Liabilities</b>			
	(a) Trade Payables	7	1.90	3.47
	(b) Other Current Liabilities	8	8.15	9.24
	(c) Short-Term Provisions	9	89.39	88.62
	<b>TOTAL OF EQUITY AND LIABILITIES</b>		<b>18,627.14</b>	<b>18,001.26</b>
<b>II.</b>	<b>ASSETS</b>			
(1)	<b>Non-current Assets</b>			
	(a) Fixed Assets			
	(i) Tangible Assets	10	163.87	176.28
	(b) Non-Current Investments	11	17,556.59	17,360.42
	(c) Long-Term Loan and Advances	12	110.23	70.98
(2)	<b>Current Assets</b>			
	(a) Current Investments	13	686.60	192.02
	(b) Inventories		1.37	0.95
	(c) Trade Receivables	14	8.10	179.97
	(d) Cash and Cash Equivalents	15	90.93	18.22
	(e) Short-Term Loans and Advances	16	2.45	1.19
	(f) Other Current Assets	17	7.00	1.23
	<b>TOTAL OF ASSETS</b>		<b>18,627.14</b>	<b>18,001.26</b>
	<b>Significant Accounting Policies</b>	1		

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 & ASSOCIATES  
*Chartered Accountants*  
Firm Regn No. 316052E  
Place : Kolkata  
Dated : 22nd May, 2013

R. MAHADEVAN  
*Company Secretary*

For and on behalf of the Board of Directors  
C. K. DHANUKA  
*Chairman & Managing Director*

B. D. BERIWALA  
*Director*

**STATEMENT OF PROFIT AND LOSS**  
for the year ended 31st March, 2013

(₹ in Lac)

Sl. No.	Particulars	Note No.	For the year ended 31.03.2013	For the year ended 31.03.2012
I	Revenue from Operations	18	834.71	899.58
II	Other Income	19	1.15	20.38
III	<b>Total Revenue (I+II)</b>		<b>835.86</b>	<b>919.96</b>
IV	<b>Expenses:</b>			
	Employee Benefits Expense	20	40.10	35.01
	Finance Costs	21	3.24	1.86
	Depreciation and Amortization Expense	10	13.41	11.90
	Other Expenses	22	44.11	39.17
	<b>Total Expenses</b>		<b>100.86</b>	<b>87.94</b>
V	<b>Profit before Exceptional and Extraordinary Items and Tax (III-IV)</b>		<b>735.00</b>	<b>832.02</b>
VI	Exceptional Items		—	—
VII	<b>Profit before Extraordinary Items and Tax (V-VI)</b>		<b>735.00</b>	<b>832.02</b>
VIII	Extraordinary Items		—	—
IX	<b>Profit before Tax (VII-VIII)</b>		<b>735.00</b>	<b>832.02</b>
X	<b>Tax Expense:</b>			
	(1) Current Tax		37.50	66.36
	(2) Deferred Tax	5	7.57	9.34
	(3) Earlier year Tax Adjustments		(4.23)	(20.09)
XI	<b>Profit/(Loss) for the period from Continuing Operations</b>		<b>694.16</b>	<b>776.41</b>
XII	<b>Profit/(Loss) for the period</b>		<b>694.16</b>	<b>776.41</b>
XIII	<b>Earnings per Equity Share (Face Value Rs.10/- fully paid up)</b>			
	(1) Basic & Diluted		11.85	13.26
	<b>Significant Accounting Policies</b>	1		

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 : 22nd May, 2013

R. MAHADEVAN  
*Company Secretary*

For and on behalf of the Board of Directors

C. K. DHANUKA  
*Chairman & Managing Director*

B. D. BERIWALA  
*Director*

**CASH FLOW STATEMENT**  
 for the year ended 31st March, 2013

Sl No.	Particulars	For the year ended 31.03.2013	(₹ in Lac) For the year ended 31.03.2012
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit before Tax	735.00	832.02
	ADJUSTMENTS FOR :-		
	Depreciation	13.41	11.90
	(Profit) / Loss on Sale of Assets	—	0.02
	(Profit) / Loss on Sale of Investments	(174.32)	(272.95)
	Interest Paid	3.24	1.86
	Investment W/off	0.28	—
	<b>Operating Profit before Working Capital Changes</b>	<b>577.61</b>	<b>572.85</b>
	Adjustments for (Increase)/Decrease in Operating Assets :		
	Inventory	(0.42)	(0.22)
	Trade Receivable	171.87	(179.97)
	Short-Term Loans & Advances	(1.26)	(1.63)
	Long-Term Loans and Advances	(9.00)	(1.50)
	Other Current Assets	(5.77)	11.52
	Other Non-Current Assets	—	—
		<b>155.42</b>	<b>(171.80)</b>
	Adjustments for Increase/(Decrease) in Operating Liabilities :		
	Trade Payable	(1.57)	1.86
	Other Current Liabilities	2.56	3.67
	Short-Term Provision	0.20	1.10
	Long-Term Provision	1.52	0.71
	Cash Flow from Extraordinary Items	—	—
	<b>Cash Generated from Operations</b>	<b>735.74</b>	<b>408.39</b>
	Direct Tax (Paid) / Refund	(31.32)	(58.80)
	<b>Net Cash Flow from Operating Activities</b>	<b>704.42</b>	<b>349.59</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of Long-Term Investments	(1,782.79)	(2,617.00)
	Purchase of Current Investments	(1,627.08)	(1,325.00)
	Sale of Long-Term Investments	1,746.02	1,606.77
	Sale of Current Investments	1,147.15	1,151.31
	Purchase of Fixed Assets	(0.72)	(42.61)
	Capital Work in Progress	(0.28)	—
	Sale of Fixed Assets	—	1.68
	<b>Net Cash Flow from Investing Activities</b>	<b>(517.70)</b>	<b>(1,224.85)</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Auto Finance Loan received	—	24.84
	Auto Finance Loan refunded	(27.22)	(2.78)
	Interest Paid	(3.24)	(1.86)
	Dividend Paid	(71.68)	(90.73)
	Corporate Dividend Tax Paid	(11.87)	(12.16)
	<b>Net Cash Flow from Financing Activities</b>	<b>(114.01)</b>	<b>(82.69)</b>
	<b>NET INCREASE IN CASH &amp; CASH EQUIVALENT (A- B - C)</b>	<b>72.71</b>	<b>(957.95)</b>
	Opening Balances of Cash & Cash Equivalent	18.22	976.17
	Closing Balances of Cash & Cash Equivalent	90.93	18.22

- 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 &amp; ASSOCIATES

*Chartered Accountants*

Firm Regn No. 316052E

Place : Kolkata

Dated : 22nd May, 2013

For and on behalf of the Board of Directors

C. K. DHANUKA

*Chairman & Managing Director*

B. D. BERIWALA

*Director*

 R. MAHADEVAN  
*Company Secretary*

## NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS

### NOTE - 1

#### SIGNIFICANT ACCOUNTING POLICIES

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

The financial statements have been prepared in accordance with generally accepted accounting principles in India under historical cost convention on accrual and prudent basis. These financial statements have been prepared to comply in all material aspects with the applicable Accounting Standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and the other relevant provisions of the Companies Act, 1956.

The Company follows the prudential norms issued by Reserve Bank of India (as amended) for asset classification, income recognition and provisioning for bad and doubtful debts in respect of Loans granted / Investments made by it.

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 and is being accounted for as and when the delivery is affected.
- 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 provision 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 ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS**

(₹ in Lac)

<b>NOTE - 2</b>	<b>As at</b>	<b>As at</b>
<b>SHARE CAPITAL</b>	<b>31.03.2013</b>	<b>31.03.2012</b>
<b>Authorised</b>		
59,05,448 (Previous Year 59,05,448) Equity Shares of Rs 10/- each	<b>590.54</b>	590.54
<b>Issued, Subscribed &amp; Paid-up</b>		
58,55,448 (Previous Year 58,55,448) Equity Shares of Rs 10/- each	<b>585.54</b>	585.54
	<b>585.54</b>	585.54

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 & 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 shares is entitled to one vote per share held and dividend proposed by the Board of Directors subject to the approval of 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.

<b>Reconciliation of the number of shares outstanding</b>	<b>As at</b>	<b>As at</b>
	<b>31.03.2013</b>	<b>31.03.2012</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	2012-13		2011-12	
		Total No. of Shares	Holding (%)	Total No. of Shares	Holding (%)
1	Mint Investments Ltd	24,42,668	42	24,42,668	42
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

<b>NOTE - 3</b>	<b>As at</b>	<b>As at</b>
<b>RESERVES &amp; SURPLUS</b>	<b>31.03.2013</b>	<b>31.03.2012</b>
<b>General Reserve</b>		
As per last Account	<b>16,500.00</b>	15,887.60
Add : Transferred from the Statement of Profit & Loss	<b>500.00</b>	612.40
	<b>17,000.00</b>	16,500.00
<b>NBFC Reserve</b>		
As per last Account	<b>507.48</b>	352.20
Add : Transferred from the Statement of Profit & Loss	<b>138.83</b>	155.28
	<b>646.31</b>	507.48
<b>Surplus</b>		
<b>Statement of Profit and Loss</b>		
Balance at the beginning	<b>204.02</b>	280.35
Add : Net Profit after Tax transferred from Statement of Profit & Loss	<b>694.16</b>	776.41
	<b>898.18</b>	1,056.76
Proposed Dividend (@ Rs.1.25 per share; Previous Year Rs.1.25 per share)	<b>73.19</b>	73.19
Dividend Tax	<b>12.44</b>	11.87
Transferred to NBFC Reserve Fund	<b>138.83</b>	155.28
Transferred to General Reserve	<b>500.00</b>	612.40
Balance in Statement of Profit & Loss	<b>173.72</b>	204.02
	<b>17,820.03</b>	17,211.50



## NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS

(₹ in Lac)

<b>NOTE - 4</b>	<b>As at</b>		
<b>LONG-TERM BORROWINGS</b>	<b>31.03.2013</b>	<b>As at</b>	<b>31.03.2012</b>
Secured Loan	—		22.06
Auto Finance Loan - From HDFC Bank (Secured by hypothecation of Vehicle financed)	—		22.06
	<b>—</b>		<b>22.06</b>
<b>NOTE - 5</b>		Charge/(Release)	
<b>DEFERRED TAX LIABILITIES</b>		during the Year	
On Written Down Value of Fixed Assets	15.71	10.01	5.70
On Provision for Leave and Gratuity	(3.03)	(2.44)	(0.59)
Deferred Tax Assets / (Liabilities)	<b>12.68</b>	<b>7.57</b>	<b>5.11</b>
<b>NOTE - 6</b>			
<b>LONG-TERM PROVISIONS</b>			
Provision for Taxation	103.87		71.66
Provision for Gratuity	5.02		3.48
Provision for Leave Encashment	0.56		0.58
	<b>109.45</b>		<b>75.72</b>
<b>NOTE - 7</b>			
<b>TRADE PAYABLES</b>			
Trade Payables	1.90		3.47
	<b>1.90</b>		<b>3.47</b>
<b>NOTE - 8</b>			
<b>OTHER CURRENT LIABILITIES</b>			
Unpaid Dividend	4.10		2.59
(Not due for more than 7 years as on 31.03.2013)			
Current dues of Auto Finance Loan - From HDFC Bank	—		5.16
TDS Payable	0.12		0.03
Liabilities for Expenses	3.78		1.46
Proceeds of Fractional Shares Payable	0.15		—
	<b>8.15</b>		<b>9.24</b>
<b>NOTE - 9</b>			
<b>SHORT TERM PROVISIONS</b>			
Provision for Gratuity	2.94		2.75
Provision for Leave Encashment	0.82		0.81
Proposed Dividend	73.19		73.19
Tax on Dividend	12.44		11.87
	<b>89.39</b>		<b>88.62</b>

**NOTE - 10****FIXED ASSETS - Tangible Assets**

(₹ in Lac)

Particulars	Original Cost				Depreciation and Amortization				Net Book Value	
	As at 01.04.12	Additions during the period	Deductions/ during the period	As at 31.03.13	As at 01.04.12	For the period	Deductions during the period	As at 31.03.13	As at 31.03.13	As at 31.03.12
Lease Hold Land	37.62	—	—	37.62	4.12	0.45	—	4.57	33.05	33.50
Building	87.28	—	—	87.28	38.60	2.82	—	41.42	45.86	48.68
Plant & Machinery	92.47	—	—	92.47	50.43	4.33	—	54.76	37.71	42.04
Electrical Installation	19.05	0.24	—	19.29	12.38	1.01	—	13.39	5.90	6.67
Furniture & Fixture	6.45	—	—	6.45	4.36	0.30	—	4.66	1.79	2.09
Computer Data System	1.78	0.48	—	2.26	1.50	0.17	—	1.67	0.59	0.28
Vehicles	46.01	—	—	46.01	2.99	4.33	—	7.32	38.69	43.02
TOTAL	290.66	0.72	—	291.38	114.38	13.41	—	127.79	163.59	176.28
Capital Work in Progress									0.28	
TOTAL	290.66	0.72	—	291.38	114.38	13.41	—	127.79	163.87	176.28
Previous Year	252.41	42.62	4.37	290.66	105.15	11.90	2.67	114.38	176.28	



## NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS

## NOTE - 11

(₹ in Lac)

## NON-CURRENT INVESTMENTS

Particulars	Face Value (₹)	As at 31.03.2013		As at 31.3.2012	
		Nos.	Book Value	Nos.	Book Value
<b>Government/Trust Securities - Unquoted</b>					
National Saving Certificates			—	1.00	0.28
<b>Aggregate of Trust Securities Investment (Unquoted)</b>			—		0.28
<b>Trade Investments (Quoted)</b>					
<b>Investments in Equity Instruments</b>					
3M India Ltd.	10	—	—	6,271	256.09
Akzo Nobel India Ltd.	10	1,707	16.24		—
Bajaj Finance Ltd.	10	33,842	245.46	39,790	266.77
Blue Dart Express Ltd.	10	—	—	4,000	77.37
Divis Laboratories Ltd.	2	23,950	182.61	21,750	161.56
Godrej Properties Ltd.	10	11,557	74.47		
Gujrat Fluoro Chemicals Ltd.	1	204,169	314.72	204,169	314.72
Hatsun Agro Products Ltd.	1	—	—	6,949	9.36
Honda SIEL Power Products Ltd.	10	8,536	41.41		
ING Vysya Bank Ltd.	10	78,200	268.66	78,200	268.21
Jubilant Life Sciences Ltd.	1	—	—	70,000	135.54
Kirloskar Pneumatic Company Ltd.	10	—	—	35,708	172.32
Orient Cement Ltd.	1	196,000	93.19		
Orient Paper & Industries Ltd.	1	196,000	67.73		
Rallis India Ltd.	1	18,800	29.62		
Sesa Goa Ltd.	1	—	—	25,000	64.66
Tata Global Beverages Ltd.	1	37,846	45.87		
Torrent Pharmaceuticals Ltd.	5	49,761	307.38	14,498	87.78
West Coast Paper Mills Ltd.	2	—	—	87,720	61.38
<b>Aggregate of Equity Investments (Quoted)</b>			<b>1,687.36</b>		<b>1,875.76</b>
<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
Tectura Corporation	100	149,445	75.75	191,814	99.18
Woodlands Multy Speciality Hospital Ltd.	10	250	0.03	250	0.03
<b>Aggregate of Equity Investments (Unquoted)</b>			<b>81.29</b>		<b>104.78</b>
<b>Aggregate of Trade Investments</b>			<b>1,768.65</b>		<b>1,980.54</b>
<b>Others (Associates) Quoted</b>					
Dhunseri Petrochem & Tea Ltd.	10	124,38,778	15,709.91	119,89,052	15,206.14
<b>Aggregate of Other Investments - Quoted</b>			<b>15,709.91</b>		<b>15,206.14</b>
<b>Others (Associates) Unquoted</b>					
Madhuting Tea Private Ltd.	10	130,000	78.03	289,000	173.46
<b>Aggregate of Other Investments - Unquoted</b>			<b>78.03</b>		<b>173.46</b>
<b>Aggregate of Other Investments</b>			<b>15,787.94</b>		<b>15,379.60</b>
<b>Aggregate of Book Value</b>					
Quoted Investments			17,397.27		17,081.90
Unquoted Investments			159.32		278.52
			<b>17,556.59</b>		<b>17,360.42</b>
<b>Aggregate of Market Value</b>					
Quoted Investments			13,266.82		15,853.41

## NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS

(₹ in Lac)

	As at 31.03.2013	As at 31.03.2012
<b>NOTE - 12</b>		
<b>LONG-TERM LOANS &amp; ADVANCES</b>		
(Unsecured and considered good by the Management)		
Security Deposits	0.90	0.20
Advances to Group Company	—	2.13
Advances to Employees	—	0.08
Tax Deducted at Source	6.66	4.29
Income Tax Advances	92.15	64.28
Income Tax Receivable	10.52	—
	<u>110.23</u>	<u>70.98</u>

**NOTE - 13**  
**CURRENT INVESTMENTS**

Particulars	Nos.	As at 31.03.2013	Nos.	As at 31.03.2012
<b>Other Investments</b>				
<b>Investments in Mutual Funds</b>				
HDFC - Cash Management Fund	1,916,703.513	478.39	861,074.61	192.02
HDFC - Floating Rate Fund	1,081,123.153	208.21	—	—
<b>TOTAL</b>		<b>686.60</b>		192.02
<b>Aggregate of Market Value of Current Investment</b>				
Repurchase Value of Units of Mutual Funds		<b>708.54</b>		199.27

	As at 31.03.2013	As at 31.03.2012
<b>NOTE - 14</b>		
<b>TRADE RECEIVABLES</b>		
(Unsecured and considered good by the Management)		
Debts for a period exceeding six months	—	-
Other Debts	8.10	179.97
	<u>8.10</u>	<u>179.97</u>

**NOTE - 15**  
**CASH & CASH EQUIVALENTS**

Balances with Scheduled Banks:		
- On Current Accounts	85.93	9.92
- On Unpaid Dividend Accounts	4.10	2.59
- Cheque in hand	—	4.64
Cash in Hand	0.90	1.07
	<u>90.93</u>	<u>18.22</u>

**NOTE - 16**  
**SHORT-TERM LOANS & ADVANCES**

(Unsecured and considered good by the Management)		
Advance to Suppliers	0.33	1.07
Advance to Employees	2.12	0.12
	<u>2.45</u>	<u>1.19</u>

**NOTE - 17**  
**OTHER CURRENT ASSETS**

Rent Receivable	0.56	—
Prepaid Expenses	6.44	1.23
	<u>7.00</u>	<u>1.23</u>

## NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS

	(₹ in Lac)	
	For the year ended 31st March, 2013	For the year ended 31st March, 2012
<b>NOTE - 18</b>		
<b>REVENUE FROM OPERATIONS</b>		
<b>Income from Operations</b>		
Profit/(Loss) on Sale of Investments	174.32	272.95
Investments Written Off	(0.28)	—
Dividend Received	576.50	547.28
Tea Packing Charges Received	77.57	72.75
(Tax deducted at source Rs. 1.74; P.Y. Rs. 1.60)		
	<u>828.11</u>	<u>892.98</u>
<b>Other Operating Income</b>		
Rent Received	6.60	6.60
(Tax deducted at source Rs. 0.66; P.Y. Rs. 0.66)		
	<u>6.60</u>	<u>6.60</u>
<b>Total Operating Income</b>	<u>834.71</u>	<u>899.58</u>
<b>NOTE - 19</b>		
<b>OTHER INCOME</b>		
Interest Income	1.14	19.95
Miscellaneous Receipt	0.01	0.43
	<u>1.15</u>	<u>20.38</u>
<b>NOTE - 20</b>		
<b>EMPLOYEE BENEFITS EXPENSE</b>		
Salary and Exgratia	31.80	27.33
Bonus	1.57	1.24
Co's Contribution to Provident Fund & Other Fund	3.23	2.40
Gratuity	1.73	1.48
Leave Pay	0.33	0.47
Staff Welfare Expenses	1.44	2.09
	<u>40.10</u>	<u>35.01</u>
<b>NOTE - 21</b>		
<b>FINANCE COSTS</b>		
Interest on Auto Loan	3.24	1.86
	<u>3.24</u>	<u>1.86</u>
<b>NOTE - 22</b>		
<b>OTHER EXPENSES</b>		
Power & Fuel	5.05	4.16
Motor Vehicle Running Expenses	3.38	2.05
Building Maintenance	2.24	0.61
Repair & Maintenance - Plant & Machinery	3.06	2.36
Other Maintenance	7.70	6.71
Insurance Premium	1.62	0.55
Computer Software Charges	2.39	1.59
Professional Charges	2.64	4.61
Directors' Sitting Fees	1.49	1.58
Payment to Auditors		
- Audit Fees	0.28	0.28
- Certification Charges	0.22	0.34
- For Reimbursement of Expenses	0.01	0.04
Security Transaction Tax on Investment	3.16	4.95
Miscellaneous Expenses	10.87	9.34
	<u>44.11</u>	<u>39.17</u>

## NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS

(₹ in Lac)

## 23. Information required by the Non - Banking Financial Companies (Reserve Bank) Directions, 1977

## a) Capital Adequacy Ratio

Capital Adequacy Ratios are derived as per the guidelines issued by the RBI :

Particulars	March 31, 2013	March 31, 2012
Tier I Capital	4,449.53	4,017.18
Tier II Capital	—	—
Total Capital	4,449.53	4,017.18
Risk Weighted Assets	4,460.32	3,954.51
Minimum Capital Required	669.05	593.18
Capital Adequacy Ratios		
Tier I	99.76	101.58
Tier II	—	—
Total	99.76	101.58

The Company's Capital Fund as on March 31, 2013 are higher than the minimum required i.e. 15%.

## b) Maturity Patterns of Assets and Liabilities

Assets and Liabilities are classified in the maturity buckets as per the guidelines issued by the RBI as at 31st March, 2013 :

Sl. No.	Particulars	1 to 14 days	Over 14 days to 1 month	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months upto 6 months	Over 6 months Upto 1 year	Over 1 year Upto 3 years	Over 3 years Upto 5 years	Over 5 years	Total
<b>Capital &amp; Liabilities</b>											
1	Capital									585.54	585.54
2	Reserves & Surplus	—	—	—	—	—	—	—	—	17,820.03	17,820.03
3	Current Liabilities & Provisions	0.12	—	—	—	89.41	9.91	—	—	—	99.44
4	Others	—	—	—	—	—	12.68	103.87	5.58	—	122.13
	<b>Total</b>	0.12	—	—	—	89.41	22.59	103.87	5.58	18,405.57	18,627.14
<b>Assets</b>											
1	Cash	0.90	—	—	—	—	—	—	—	—	0.90
2	Balances with banks	90.03	—	—	—	—	—	—	—	—	90.03
3	Investments (Net of Provisions)	—	—	—	—	—	686.60	—	—	17,556.59	18,243.19
4	Fixed Assets (excluding assets on lease)	—	—	—	—	—	—	—	—	163.87	163.87
5	Interest and Other Income receivable	—	0.56	6.44	—	8.10	1.37	—	—	—	16.47
6	Others	—	—	—	—	—	2.45	110.23	—	—	112.68
	<b>Total</b>	90.93	0.56	6.44	—	8.10	690.42	110.23	—	17,720.46	18,627.14

## 24. Movement in Provisions held towards depreciation on investments

The Company is not holding any investment of such nature for which provision towards depreciation is to be maintained as on 31st March, 2013.

## 25. Asset Quality (Movement in NPAs)

The Company is not having any NPA's in the books as on 31st March, 2013.

**NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS****26. Details of exposure to real estate**

The Company has not made any direct and indirect exposure to real estate in 2012-13.

**27. Capital Commitment**

Capital Commitment net of advances Rs. 50 Lac (Previous year-Rs. Nil).

**28. Income in Foreign Currency**

(₹ in Lac)

Particulars	2012-13	2011-12
a) Sale of Shares and Securities	44.30	—
	44.30	—

In respect of Company's investment in M/s. Tectura Corporation, USA, the Company has received consideration of US\$ 80,000 i.e. Rs. 44.30 Lacs against the sale of 42,369 number of shares.

**29. 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 31.03.2013 is Rs. Nil (Previous Year Rs. 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.

**30. 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
Madhuting Tea Pvt. 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)

	2012-13	2011-12
a. Reimbursement of Expenses (Paid)	0.34	0.40
b. Reimbursement of Expenses (Received)	—	—
c. Rent Expenses	0.72	0.72
d. Other Income on account of Rent	6.60	6.60
e. Tea Packeting Charges Received	77.57	72.75
f. Balance Outstanding — Receivable on account of Tea Packeting Charges, Rent and Others	8.66	—
g. Dividend Paid to Shareholders	50.46	22.40
h. Dividend Received	548.48	526.80
i. Sitting Fees Paid	0.38	0.43
j. Repayment of advance from group company	1.96	—
k. Repurchase of shares	192.39	—

## NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS

(₹ in Lac)

## 31. Earning per Share has been computed as under :

	<u>2012-13</u>	<u>2011-12</u>
Profit/(Loss) after Tax	694.16	776.41
No. of Equity Shares	58,55,448	58,55,448
Earning per Share (Rs. 10 Paid up)	11.85	13.26

## 32. The Segment reporting as per Accounting Standard - 17

Particulars	Primary Segment (Investment in Shares)		Other Segment (Tea Packaging)	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
<b>SEGMENT REVENUE</b>				
Net Sale / Income from each Segment (including other operating income & other income)	751.64	840.35	84.22	79.61
<b>Total Revenue</b>	<b>751.64</b>	840.35	<b>84.22</b>	79.61
<b>SEGMENT RESULT</b>				
Profit / Loss before Tax for each Segment	723.02	810.99	15.22	22.89
Less : Interest Expense	3.24	1.86	—	—
Un-allocated Expenditure	—	—	—	—
<b>Total Profit before Tax</b>	<b>719.78</b>	809.13	<b>15.22</b>	22.89
<b>CAPITAL EMPLOYED</b>				
Segment Assets - Segment Liabilities				
Investment in Shares & Securities	18,164.04	17,592.42	—	—
Tea Packaging Unit	—	—	132.20	136.05
Un-allocated Assets	109.33	68.57	—	—
<b>Total</b>	<b>18,273.37</b>	17,660.99	<b>132.20</b>	136.05

- a) 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.
- b) Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segment and amount allocated on a reasonable basis.

## 33. Employee Benefit Obligation

- a) Defined Contribution Plans :

Contribution for Defined Contribution Plan amounting to Rs. 3.23 Lacs ( Previous year Rs. 2.40 Lacs) has been recognised as expenses and included in Note 20 "Contribution to Provident and Other Funds" in the Statement of Profit & Loss.

## NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS

## NOTE - 33 (Contd.)

## b) Defined Benefit Plans :

Reconciliation of opening and closing balances of Defined Benefit obligation :-

(₹ in Lac)

Particulars	2012 - 2013	
	Gratuity	Leave Encashment
	Unfunded	Unfunded
Defined Benefit obligation at the beginning of the period	6.23	1.39
Current Service Cost	0.45	0.07
Interest Cost	0.50	0.11
Benefits Payments	—	—
Actuarial (Gain) / Loss	0.79	(0.19)
Defined Benefit obligation at the end of year	7.96	1.38
Amount recognised in the Balance Sheet :		
Present Value of Defined Benefit	7.96	1.38
Amount recognised in Statement of Profit & Loss		
Current service cost	0.45	0.07
Interest Cost	0.50	0.11
Actuarial (Gain) / Loss	0.79	(0.19)
Total Expenses recognized in Statement of Profit & Loss	1.73	(0.01)
Actuarial Assumption :		
Mortality Table ( LIC )	94 - 96 Ultimate	94 - 96 Ultimate
Discount Rate (per annum)	8.00%	8.00%
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.

34. a) 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.

b) The Company has earned Profit / (Loss) on account of sale of investments as below :

(₹ in Lac)

Particulars	2012 - 13	2011 - 12
On Long Term Investments	174.32	350.37
On Short Term Investments	—	(77.42)
	174.32	272.95

35. Dividend Received includes :

(₹ in Lac)

Particulars	2012 - 13	2011 - 12
Long Term Investments	576.50	547.28
Short Term Investments	—	—
	576.50	547.28

36. 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) Directions, 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	Nil	Nil

## NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS

## NOTE - 36 (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 & TDS Rs.109.33 Lacs)	3.35
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	Nil
(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	686.60
(iv) Government Securities	Nil
(v) Others (please specify)	Nil
<b>Long Term Investments :</b>	
1. Quoted	
(i) Shares : (a) Equity	17,397.26
(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	159.32
(b) Preference	Nil
(ii) Debentures and Bonds	Nil
(iii) Units of Mutual Funds	Nil
(iv) Government Securities	Nil
(v) Others - Warrants	Nil



## NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS

## NOTE - 36 (Contd.)

(₹ in Lac)

5. Borrowers Group-wise classification of assets financed as in (2) and (3) above :			
Particulars	Secured	Unsecured	Total
1. Related Parties			
a) Subsidiaries	Nil	Nil	Nil
b) Companies in the same group	Nil	Nil	Nil
c) Other related parties	Nil	Nil	Nil
2. Other than related parties	Nil	3.35	3.35
<b>TOTAL</b>	<b>Nil</b>	<b>3.35</b>	<b>3.35</b>
6. Investor Group-wise classification of all Investments (current and long term) in shares and securities (both quoted and unquoted) :			
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	11,134.92	15,787.94	
c) Other related parties	Nil	Nil	
2. Other than related parties	3,016.80	2,455.25	
<b>TOTAL</b>	<b>14,151.72</b>	<b>18,243.19</b>	
7. Other Information :			
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

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

Signatories to Notes 1 to 37.

PRABHAT KUMAR DHANDHANIA, FCA, *Partner*

Membership No. 052613

*For and on behalf of*

DHANDHANIA & ASSOCIATES

*Chartered Accountants*

Firm Regn No. 316052E

Place : Kolkata

Dated : 22nd May, 2013

R. MAHADEVAN  
*Company Secretary*

For and on behalf of the Board of Directors

C. K. DHANUKA  
*Chairman & Managing Director*

B. D. BERIWALA  
*Director*

**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\* .....

Full Name of Member / Proxy .....

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 16TH ANNUAL GENERAL MEETING of the Company being held at 'Kala Kunj', 48, Shakespeare Sarani, Kolkata 700 017 on Tuesday, 13th August, 2013 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 of DHUNSERI INVESTMENTS LIMITED hereby appoint

.....of.....

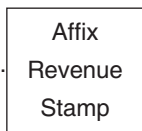
or failing him / her.....

of.....

as my/our proxy to attend and vote for me/us on my/our behalf at the 16TH ANNUAL GENERAL MEETING of the Company being held on Tuesday, the 13th August, 2013 and at any adjournment thereof.

As WITNESS my/our hand(s) this..... day of.....2013.

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 and the Proxy cannot speak at the meeting.

\* Applicable for Members holding shares in dematerialised form.

**DHUNSERI INVESTMENTS LIMITED**

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

**NECS MANDATE FORM**

**(Members are requested to complete, sign and return this Form to the Company along with a copy of the cheque leaf or cancelled cheque)**

**Dhunseri Investments Ltd.**

Dhunseri House  
4A, Woodburn Park  
Kolkata-700 020

Dear Sirs,

**Sub : Change in mode of payment of dividend etc. through NECS**

I hereby consent that the dividend payable by the Company on equity shares held by me / us be credited to my bank account through the National Electronic Clearing Service (NECS).

I give below my relevant particulars :

**Folio No :** .....

**Name of Sole/1st Shareholder :** .....

**Address :** .....

.....

**Telephone No(s) :** ..... **Mobile :** .....

**E-mail ID :** .....

**Bank Account No :** .....

**Type of Bank Account :** Savings  Current  Cash Credit  ( Please ✓ )

**Bank Name :** .....

**Bank Branch & Address :** .....

.....

**MICR No:**.....

**(9 digit-code number of the Bank and Branch appearing on the MICR cheque)**

I enclose a photocopy of the cheque / cancelled blank cheque).

I hereby declare that the particulars given above are correct and complete.

Date :.....

Encl : as above

.....

**Name & Signature of Sole /1st Shareholder**