

Corporate Information

BOARD OF DIRECTORS

C.K. Dhanuka *Chairman of the Board*
A. Dhanuka
M. Dhanuka
B. D. Beriwal
P.L. Agarwal
S. K. Kejriwal
A. K. Lohia
B. K. Biyani

TEA PACKETING FACTORY

SP-534-A, Sitapura Industrial Area
Jaipur, Rajasthan

STOCK EXCHANGES (Listing Awaited)

Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers, Dalal Street
Mumbai - 400 001

COMPANY SECRETARY & CFO

R. Mahadevan

The National Stock Exchange of India Ltd.
Exchange Plaza, Bandra Kurla Complex
Bandra (E), Mumbai - 400 051

AUDITORS

Dhandhanias & Associates
Chartered Accountants

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

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

ANNUAL GENERAL MEETING

Monday, 20th September, 2010 at 10.30 a.m.
at 'Kalakunj', Sangit Kala Mandir,
48, Shakespeare Sarani,
Kolkata - 700 017

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NOTICE

NOTICE is hereby given that the next Annual General Meeting of the Members of DHUNSERI INVESTMENTS LIMITED (formerly known as D I Marketing Limited) will be held on Monday the 20th day of September, 2010 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 receive, consider and adopt the Profit & Loss Account for the year ended 31st March, 2010, the Balance Sheet as at that date and the Reports of the Directors' and Auditors' thereon.
2. To declare a dividend.
3. To elect a Director in place of Smt. Aruna Dhanuka who retires by rotation and is eligible for re-appointment.
4. To appoint Auditors and to fix their remuneration.
5. To appoint a Director in place of Sri Chandra Kumar Dhanuka, who was appointed an Additional Director of the Company by the Board of Directors with effect from 27th November, 2009 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.
6. To appoint a Director in place of Sri Mrigank Dhanuka, who was appointed an Additional Director of the Company by the Board of Directors with effect from 27th November, 2009 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.
7. To appoint a Director in place of Sri Brijesh Kumar Biyani, who was appointed an Additional Director of the Company by the Board of Directors with effect from 27th November, 2009 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.
8. To appoint a Director in place of Sri Basudeo Beriwal, who was appointed an Additional Director of the Company by the Board of Directors with effect from 11th August, 2010 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.
9. To appoint a Director in place of Sri Purushottam Lal Agarwal, who was appointed an Additional Director of the Company by the Board of Directors with effect from 11th August, 2010 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.
10. To appoint a Director in place of Sri Ashok Kumar Lohia, who was appointed an Additional Director of the Company by the Board of Directors with effect from 11th August, 2010 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.
11. To appoint a Director in place of Sri Suresh Kumar Kejriwal, who was appointed an Additional Director of the Company by the Board of Directors with effect from 11th August, 2010 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.
12. **Appointment of Sri. C.K. Dhanuka as Managing Director**

To consider and, if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:-

"RESOLVED that pursuant to the provisions of Section 269 and other applicable provisions, if any, of the Companies

NOTICE (Contd .)

Act, 1956 (the Act) as amended from time to time, the Company hereby approves of the appointment of Sri Chandra Kumar Dhanuka, as Managing Director with concurrent designation of Chief Executive Officer (CEO) for a period of 5 (five) years from 1st September, 2010 without any remuneration as per Agreement entered into with Sri Chandra Kumar Dhanuka subject to approval of the Members and as set out in the Explanatory Statement annexed to the Notice convening this meeting.

RESOLVED FURTHER that the Board be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

13. Appointment of M/s. Maheshwari Datamatics Pvt. Ltd. as Registrars & Share Transfer Agents for both physical and electronic registry services.

To consider and, if thought fit, to pass, with or without modification, the following resolution as a Special Resolution:-

"RESOLVED that pursuant to the provisions of Section 163(1) of the Companies Act, 1956 (the Act), the Register of Members, Index of Members, Register and Index of Debenture holders and copies of all Annual Returns under Sections 159 and 160 of the Act together with copies of the certificates and documents required to be annexed thereto pursuant to Sections 160 and 161 of the Act or any or more of them may, instead of being kept at the Registered Office of the Company, be kept at the Office of the Company's Registrar and Share Transfer Agents, Maheshwari Datamatics Private Limited at 6, Mangoe Lane, 2nd Floor, Kolkata-700 001."

Registered Office :

DHUNSERI HOUSE
4A, Woodburn Park
Kolkata-700 020
11th August, 2010

By Order of the Board

R. MAHADEVAN
Company Secretary

NOTES :

- (a) *The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of the business under item Nos. 5 to 13 above, are annexed hereto. The relevant details of directors seeking appointment / re-appointment under item Nos. 3 and 5 to 12 above, as required by Clause 49 of the Listing Agreement entered into with the Stock Exchanges are also 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 Tuesday, 14th September, 2010 to Monday, 20th September, 2010 (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 21st September, 2010 to those members whose names are on the Company's Register of Members on Monday, 20th September, 2010. 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 13th September, 2010, as per details furnished by the Depositories for this purpose.*
- (e) *Shareholders desiring any information as regards the Accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready at the meeting.*
- (f) *As per the provisions of the Companies Act, 1956, facility for making nominations is available to the shareholders in respect of the shares held by them. Nomination forms can be obtained from the Share Registrars of the Company.*

Registered Office :

DHUNSERI HOUSE
4A, Woodburn Park
Kolkata-700 020
11th August, 2010

By Order of the Board

R. MAHADEVAN
Company Secretary

ANNEXURE TO NOTICE

As required by Section 173 of the Companies Act, 1956 (hereinafter referred to as 'the Act') the following Explanatory Statements set out all material facts relating to the business mentioned under item Nos. 5 to 13 of the accompanying Notice dated 11th August, 2010.

1. **Item No. 5 :** Sri C.K.Dhanuka is the promoter of the Company and has varied business interests in Tea, Petrochemicals, Investments and ITes. Under his stewardship the Dhunseri Group has achieved a distinct position in the home front as one of the reputed manufacturers of quality teas which is sold under different brand names in North India. He ventured into Petrochemical business a decade ago, which today is a Rs.1150 crore company exporting its product throughout the world. The Group turnover is more than Rs.1200 crore.

Sri C.K. Dhanuka is the Executive Chairman of the flagship company Dhunseri Petrochem & Tea Limited (formerly Dhunseri Tea & Industries Ltd).

Sri C.K. Dhanuka, a B.Com graduate from St. Xavier's College, Calcutta had his initial training in tea blending, tasting and grading before he was inducted in the Board of the flagship company in 1973 and till recently was the Managing Director of the Company.

The Board considers it desirable that the Company should continue to avail itself of the services of Sri C.K.Dhanuka as a Director and accordingly commends the resolution at item No. 5 for approval of the Members.

None of the Directors except Sri C.K.Dhanuka, Smt. A.Dhanuka and Sri M.Dhanuka is interested in the Resolution at item No.5.

2. **Item No. 6 :** Sri Mrigank Dhanuka is the Vice Chairman & Executive Director of Dhunseri Petrochem & Tea Limited. He is also in the Board of other associate companies of the group. Sri M. Dhanuka had his initial training with the group companies and has gathered considerable experience in all areas of business particularly in Tea and Petrochemicals.

Sri M. Dhanuka is a B.Com (Hons) graduate from Calcutta University and is a director of the associate companies of the Group.

The Board considers it desirable that the Company should continue to avail itself of the services of Sri M.Dhanuka as a Director and accordingly commends the resolution at item No. 6 for approval of the Members.

None of the Directors except Sri M.Dhanuka, Sri C.K.Dhanuka and Smt. A. Dhanuka is interested in the Resolution at item No.6.

3. **Item No. 7 :** Sri Brijesh Kumar Biyani is the Executive Director (Corporate) of Dhunseri Petrochem & Tea Limited. He is also in the Board of other associate companies of the group.

Sri. B.K.Biyani is graduate in Chemical Engineering from IIT (Kharagpur) and also holds a Post Graduate Diploma in Industrial Engineering from National Productivity Council, Chennai.

He was with National Productivity Council from 1977 to 1980; S.B.Billimoria & Co. from 1980 to 1985 and with BOC (India) Ltd., from 1985 to 1990. From 1990 till 2003 he was with Usha Martin Group and held various positions in the Group, including that of Managing Director of Usha Beltron Ltd., from 1992 till 1998 and as Group Advisor from 1998 till 2003. From 2003 onwards he was with Sicpa India Ltd., and retired from there as Managing Director of the company.

Sri B. K. Biyani was inducted as a Director of the flagship company in 2006 and is presently its Executive Director (Corporate).

The Board considers it desirable that the Company should continue to avail itself of the services of Sri B.K. Biyani as a Director and accordingly commends the resolution at item No. 7 for approval of the Members.

None of the Directors other than Sri B.K.Biyani is interested in the Resolution at item No.7.

4. **Item No. 8 :** Sri Basudeo Beriwal was till recently a Director of the flagship company. Consequent upon the Scheme of Arrangement coming into effect and upon reconstitution, he was inducted as an Additional Director of the Company on 11th August, 2010.

Sri B.Beriwala is associated with the Tea Industry for more than three decades. His valuable advice and suggestions will be beneficial for the company.

The Board considers it desirable that the Company should continue to avail itself of the services of Sri Basudeo Beriwalla as a Director and accordingly commends the resolution at item No. 8 for approval of the Members.

None of the Directors other than Sri Basudeo Beriwalla is interested in the Resolution at item No.8.

5. **Item No.9 :** Sri Purushottam Lal Agarwal was till recently a Director of the flagship Company. Consequent upon the Scheme of Arrangement coming into effect and upon reconstitution, he was inducted as an Additional Director of the Company on 11th August, 2010.

Sri P.L.Agarwal is an eminent lawyer. He is a Bachelor of Commerce as well as Bachelor of Law and also an Attorney-at - Law. He is having experience of more than four decades in the field of law and his areas of expertise includes Commercial, Corporate Law, Real estates and Intellectual Property. He has been practising as an Advocate since 1965. He is a Partner of M/s. Khaitan & Co., Kolkata, Mumbai, New Delhi and Bangalore and also of Khaitan & Co. AOR, New Delhi.

The Board considers it desirable that the Company should continue to avail itself of the services of Sri P.L. Agarwal as a Director and accordingly commends the resolution at item No.9 for approval of the Members.

None of the Directors other than Sri P.L. Agarwal is interested in the Resolution at item No.9.

6. **Item No.10 :** Sri Ashok Kumar Lohia was till recently a Director of the flagship Company. Consequent upon the Scheme of Arrangement coming into effect and upon reconstitution, he was inducted as an Additional Director of the Company on 11th August, 2010.

Sri A.K. Lohia graduated in Commerce from St. Xavier's College in 1972. He represents the fifth generation of his family's Tea Business and is associated with the tea industry for over 30 years. His expert knowledge and varied experience will be of immense value to the Company.

The Board considers it desirable that the Company should continue to avail itself of the services of Sri A.K. Lohia as a Director and accordingly commends the resolution at item No. 10 for approval of the Members.

None of the Directors other than Sri A.K. Lohia is interested in the Resolution at item No. 10.

7. **Item No.11 :** Sri Suresh Kumar Kejriwal is a Practising Chartered Accountant and was inducted as an Additional Director of the Company on 11th August, 2010.

The Board considers it desirable that the Company should continue to avail itself of the services of Sri S.K. Kejriwal as a Director and accordingly commends the resolution at item No. 11 for approval of the Members.

None of the Directors other than Sri S.K. Kejriwal is interested in the Resolution at item No.11.

8. **Item No. 12 :** Sri C.K.Dhanuka is a Director of the Company since 27.11.2009. At the Board Meeting of the Company held on 11th August, 2010 he was appointed Managing Director with concurrent designation of Chief Executive Officer (CEO) for a period of 5 (five) years with effect from 1st September, 2010 without any remuneration, subject to the approval of the Members at the forthcoming Annual General Meeting.

Sri C.K Dhanuka was the Managing Director of Dhunseri Tea & Industries Limited, now known as Dhunseri Petrochem & Tea Ltd. (DPTL). Consequent upon the Scheme of Arrangement becoming effective, Sri C.K.Dhanuka was appointed as the Executive Chairman of DPTL at their Board Meeting held on 31st July, 2010 .

Sri C.K.Dhanuka is already drawing his remuneration from DPTL and shall not draw any remuneration from this Company.

An abstract of the Agreement between the Company and Sri C.K.Dhanuka is given below :

- i) Sri Chandra Kumar Dhanuka shall perform the duties and exercise the powers which from time to time may be assigned to or vested in him by the Directors of the Company.
- ii) The Managing Director & CEO shall hold the said office upto 31st August, 2015 commencing from 1st September, 2010.

- iii) The Managing Director & CEO shall devote so much of his time, energy, attention and abilities to the business of the Company as are necessary and shall obey and perform the orders from time to time of the Directors of the Company.
- iv) Notwithstanding the provisions contained in (ii) above the Managing Director & CEO shall be entitled to resign from his office at any time upon giving to the Company at least one month's notice in writing intimating such intention.
- v) The Managing Director & CEO shall during his tenure of office will not be entitled to any remuneration, perquisites or benefits.
- vi) The Managing Director & CEO so long as he functions as such shall not be paid any sitting fee for attending the meetings of the Board of Directors and Committees thereof from the date of his appointment. The office of the Managing Director is not liable to determination by retirement of directors by rotation.
- vii) The Managing Director & CEO shall be reimbursed out of the funds of the Company all expenses incurred by him for and on behalf of the Company including traveling, boarding & lodging and other expenses incurred by the Managing Director & CEO for the business of the Company, in and out of India.
- viii) The Managing Director & CEO shall not, so long as he functions as such become interested or otherwise concerned directly or indirectly through his relatives, in any selling agency of the Company in future without the prior approval of the Central Government.
- ix) The Managing Director & CEO shall be entitled to do all such things as under the Companies Act, 1956 may be done by the Managing Director & CEO of the Company managed by the Managing Director & CEO in such manner to such extent and subject to such condition as are prescribed in the said Act.

Memorandum of Interest : Except Sri C. K. Dhanuka, Smt. Aruna Dhanuka and Sri M. Dhanuka who may be deemed to be concerned or interested in the appointment, no other director of the Company is in any way concerned or interested in the Resolution at item No.12.

Inspection : A copy of the Agreement will be available for inspection of the members at the Registered Office of the Company on any working day between 11.00 a.m. and 1.00 p.m. except Saturdays and holidays and will also be available at the meeting.

This may be treated as an abstract of the terms of appointment of Sri C. K. Dhanuka as Managing Director under Section 302 of the Companies Act, 1956.

9. **Item No.13 :** The Company has appointed M/s. Maheshwari Datamatics Private Limited, 6, Mangoe Lane, 2nd Floor, Kolkata - 700 001 as its Registrars & Share Transfer Agents for both physical and electronic registry services, and the Member's Register, Index, Register and Index of Debenture holders, Annual Returns and other documents and papers or any or more of them as indicated in the body of the Resolution are to be kept and maintained by the said Registrars and Share Transfer Agents.

Pursuant to Section 163(1) of the Companies Act, 1956 a Special Resolution is required to be passed by the Members to accord approval for keeping documents of the Company at a place other than the Registered Office of the Company, hence the proposed Resolution is being placed before the Meeting for approval of the members. An advance copy of the proposed Resolution has been forwarded to the Registrar of Companies, West Bengal.

None of the Directors of the Company is interested in the Resolution at item No. 13.

Registered Office :

DHUNSERI HOUSE
4A, Woodburn Park
Kolkata-700 020
11th August, 2010

By Order of the Board

R. MAHADEVAN
Company Secretary

Details of Directors seeking appointment / re-appointment in forthcoming Annual General Meeting.
(In pursuance of Clause 49 of the Listing Agreement)

Name of Director	Smt.A. Dhanuka	Sri C.K. Dhanuka	Sri M. Dhanuka
Date of birth	05.09.1960	19.01.1954	12.08.1980
Date of Appointment	24.01.2001	27.11.2009	27.11.2009
Expertise in specific functional areas	Expertise in Investment Business	Industrialist with rich and varied experience	Expertise in Business Management
Qualifications	B. A.	B. Com	B.Com
Directorship held in other public companies (excluding foreign companies)	Naga Dhunseri Group Ltd. Mint Investments Ltd. Plenty Valley Intra Ltd.	Naga Dhunseri Group Ltd. Mint Investments Ltd. Dhunseri Petrochem & Tea Ltd.	Naga Dhunseri Group Ltd. Mint Investments Ltd . Dhunseri Petrochem & Tea Ltd
Membership / Chairmanship of committees of other public companies (includes only Audit Committee and Shareholders'/Investors' Grievance Committee)	NIL	Dhunseri Petrochem & Tea Ltd. Audit Committee - Member Shareholders'/Investors' Grievance Committee - Member	NIL
Shareholdings in the Company	46250	27750	67955
Name of Director	Sri B.K. Biyani	Sri B.D. Beriwal	Sri P.L. Agarwal
Date of birth	21.01.1952	18.10.1937	02.04.1942
Date of Appointment	27.11.2009	11.08.2010	11.08.2010
Expertise in specific functional areas	Expertise in Corporate Matters	Business	Expertise in Commercial, Corporate Law, Real Estate & Intellectual Property
Qualifications	PGDIE(NPC) - Chennai B.Tech (Chem) - IIT	Graduate	B.Com; L.LB; & Attorney-at-Law
Directorship held in other public companies (excluding foreign companies)	Dhunseri Petrochem & Tea Ltd. Ma Foi Consulting Solutions Ltd. Rice Lake Weighing Systems India Ltd.	Kaniska Engg. Industries Ltd. Rainbow Engg. Ltd. Bee Aar Enterprises Ltd.	Albert David Ltd. Dharampal Premchand Ltd. DIC India Ltd. Karamchand Thapar & Bros.(Coal Sales) Ltd. Rossell Tea Ltd. The Oadlabari Co. Ltd. Hiland Projects Ltd.
Membership/Chairmanship of committees of other public companies (includes only Audit Committee and Shareholders'/Investors' Grievance Committee)	NIL	NIL	DIC India Ltd. Shareholders'/Investors' Grievance Committee- Chairman
Shareholdings in the Company	NIL	NIL	NIL
Name of Director	Sri A. K. Lohia	Sri S. K. Kejriwal	
Date of birth	07.12.1952	08.12.1960	
Date of Appointment	11.08.2010	11.08.2010	
Expertise in specific functional areas	Business	Practising Chartered Accountant	
Qualifications	B. Com (Hons)	M. Com, F.C.A., AICWA	
Directorship held in other public companies (excluding foreign companies)	Maud Tea & Seed Co. Ltd. Bio Tea Estates Ltd. Nagri India Commercial Co. Ltd.	NIL	
Membership/Chairmanship of committees of other public companies (includes only Audit Committee and Shareholders'/Investors' Grievance Committee)	NIL	NIL	
Shareholdings in the Company	NIL	NIL	

DIRECTORS' REPORT

We have pleasure in presenting the Annual Report together with the Audited Accounts of your Company for the year ended 31st March, 2010.

FINANCIAL RESULTS :

	For the year ended 31.03.2010 (Rs. in lac)	For the year ended 31.03.2009 (Rs. in lac)
Profit before Depreciation & Taxation	484.84	0.23
Less : Depreciation (Net)	9.12	—
Provision for taxation (Net)	26.26	0.07
Net profit for the year	449.46	0.16
Add : Balance brought forward	0.33	0.17
The Directors recommend this amount to be appropriated as under :	449.79	0.33
Transfer to NBFC Fund	89.89	—
Transfer to General Reserve	25.00	—
Proposed dividend	58.55	—
Tax on dividend	9.73	—
Balance carried forward	266.62	0.33

Dividend :

The Directors recommend a dividend of Re.1.00 per equity share i.e @ 10 % for the year ended 31st March, 2010.

Operations :

The Company's income in its first year of operation being post demerger is Rs 485.36 lacs mainly comprising of dividend income.

The company is also engaged in tea packeting business. The domestic demand for packet tea is expected to pick-up and with this the volume of packeting business is also likely to increase in future.

Scheme of Arrangement :

The Scheme of Arrangement entailing the demerger of the Tea Packet Factory at Jaipur and the Investment Division of Dhunseri Tea & Industries Ltd. (DTIL) now known as Dhunseri Petrochem & Tea Limited (DPTL) was sanctioned by the Hon'ble High Court at Calcutta by an Order dated 6th May, 2010 and the certified copy of the High Court Order dated 25th June, 2010 which was received on 26th June, 2010 was filed on 1st July, 2010 with the Registrar of Companies whereupon the said Scheme became effective from the appointed date i.e. 1st April, 2009.

In compliance of the sanctioned Scheme of Arrangement, the following actions have been / are being taken by the Company :

- ❑ The name of the Company has been changed to Dhunseri Investments Limited as per the 'Fresh Certificate of Incorporation Consequent upon Change of Name', dated 16th July, 2010 issued by Government of India, Ministry of Corporate Affairs, Registrar of Companies, West Bengal.
- ❑ The Authorised Capital of the Company has been increased to Rs.5,90,54,480/- divided into 59,05,448 Equity Shares of Rs. 10/- each.
- ❑ The Company has allotted 58,55,448 new equity shares of Rs.10/- each fully paid-up on 21st July, 2010 to the

DIRECTORS' REPORT (Contd.)

members of DPTL as on record date 16.07.2010 fixed for the purpose by DPTL as required by the scheme in the ratio of one equity share of the Company for every two shares held in DPTL. With this allotment, the issued and paid-up capital of the Company has gone up to Rs. 5,85,54,480/-.

- ❑ As per the scheme the 50,000 equity shares of the Company held by DPTL aggregating to Rs.5,00,000/- have been extinguished.
- ❑ The despatch of physical share certificates to the allottees (holding shares of DPTL in physical form) will be completed by 19th August, 2010. The corporate action involving credit of dematerialised shares to the allottees (holding shares of DPTL in demat form) have since been completed by the depositories i.e. NSDL & CDSL.
- ❑ Necessary applications have also been made to Bombay Stock Exchange and National Stock Exchange seeking enlistment of 58,55,448 equity shares of the Company.
- ❑ As soon as the shares are listed and trading commenced at the respective stock exchanges the fractional shares aggregating to 1366 equity shares shall be sold and the net proceeds thereof will be distributed to the respective beneficiaries as per the scheme.
- ❑ The ISIN allotted by NSDL / CDSL for the Company's equity shares is INE320L01011.
- ❑ The Company is in the process of submitting necessary application to Reserve Bank of India for obtaining approval as a Non Banking Financial Company (NBFC).

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.

Public Deposits :

The Company did not invite nor accept any deposit from the public during the year 2009-10 nor does it intend to invite or accept any public deposit during the financial year 2010-11.

Directors :

Smt. Aruna Dhanuka retires by rotation at this Annual General Meeting and being eligible offer herself for re-appointment. The Board recommends her re-appointment.

During the year Sri N. L. Bhuwania and Sri Amit Gupta resigned from the Board w.e.f. 27.11.2009. The Board placed on record the valuable services rendered by them during their tenure of directorship.

During the year Sri C.K. Dhanuka, Sri M. Dhanuka and Sri B.K. Biyani were appointed as Additional Directors of the Company at the Board Meeting held on 27th November, 2009 and they shall hold office till the conclusion of this Annual General Meeting and are eligible for appointment as Directors of the Company. The Company has received notices under Section 257 of the Companies Act, 1956 from a member proposing their appointments as Directors of the Company at this Annual General Meeting.

DIRECTORS' REPORT (Contd.)

The Board of Directors of the Company at their meeting held on 11th August, 2010 appointed Sri Basudeo Beriwalla, Sri Purushottam Lal Agarwal, Sri Ashok Kumar Lohia and Sri Suresh Kumar Kejriwal as Additional Directors of the Company. They shall hold office till the conclusion of this Annual General Meeting and are eligible for appointment as Directors of the Company. The Company has received notices under Section 257 of the Companies Act, 1956 from a member proposing their appointments as Directors 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 co-operation 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 co-operation and support received from the shareholders of the Company.

For and on behalf of the Board of Directors

Place : Kolkata

Date : 11th Day of August, 2010

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

	Current Year Ended 31.03.2010	Previous Year Ended 31.03.2009
A. POWER & FUEL CONSUMPTION		
1. Electricity		
a) Purchased Units (Lakhs KWH)	0.6400	This being the first year of operation post demerger the previous year figure are not applicable.
Total Amount (Rs. lakhs)	# 3.16	
Rate / Unit (Rs. /KWH)	4.92	
b) Own Generation		
i) Through Diesel Generator Units (lakhs KWH)	0.0024	
Units per Ltr. of Diesel Oil	1,2757	
Cost/Unit (Rs. /KWH)	33.97	
ii) Through Gas Generator Units (lakhs KWH)	Nil	
Units per cu.m of Gas		
Cost / Unit (Rs. /KWH)		
2. Coal	Nil	
Quantity (Tonne)		
Total Cost (Rs. lakhs)		
Average Rate (Rs. / Tonne)		
3. Furnace Oil	Nil	
Quantity (lakhs Ltrs.)		
Total Cost (Rs. lakhs)		
Average Rate (Rs. / Ltr.)		
4. Gas	Nil	
Quantity (lakhs Cu.m)		
Total Cost (Rs. lakhs)		
Average Rate (Rs. / Cu.m)		
B. CONSUMPTION PER UNIT OF PRODUCTION		
Product - Tea Packeting	22.00	
Tea Packeting (lakh kgs.)	0.029	
Electricity (KWH)	0.0001	
Furnace Oil (Ltrs.)		
Coal (Kg.)		
Gas (Cu.m)		

The Company has entered into an agreement with Dhunseri Petrochem & Tea Ltd. (DPTL) for packeting of teas on their behalf from 1st July 2010. These expenses incurred by the company have been reimbursed by DPTL. Please also refer to note 2(g) in Schedule 9.

CORRIGENDUM

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 of cost of production.
- Imported Technology : Nil

FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Exchange Earnings	:	Rs. Nil	(Previous year Rs. Nil)
Foreign Exchange Outgo	:	Rs. Nil	(Previous year Rs. Nil)

CORPORATE GOVERNANCE :

In accordance with Clause 49 of the Listing Agreement with the Stock Exchanges:

1. Company's philosophy

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

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

2. Board of Directors (BOARD)

a) Composition of Board

As on 11th August, 2010, the Board was reconstituted which now comprises of four Non-Executive Independent Directors, one Non-Executive/Non-Independent Director, two Non-Executive Directors related to promoter and a Promoter Director, who is the Chairman of the Board. The number of Non-Executive Independent Directors is now half the total strength of the Board.

The composition of the Board :

Smt. A. Dhanuka	Non-Executive / Promoter Relative Liable to retirement by rotation
Sri C. K. Dhanuka	Promoter Director Not Liable to retirement by rotation as Managing Director w.e.f. 01.09.2010
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 S. K. Kejriwal	Non-Executive Independent 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 2009-2010, the Board met six times on the following dates :

25th June, 2009; 6th July, 2009; 26th August, 2009; 27th November, 2009, 15th December, 2009 and 9th March, 2010.

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 24.09.09	* No. of Directorships in other Public Ltd. Companies.	@ Other Committee Memberships	
				Member	Chairman
Smt. A. Dhanuka	6	Yes	3	—	—
Sri C. K. Dhanuka ¹	3	NA	4	2	—
Sri Mrigank Dhanuka ¹	3	NA	3	—	—
Sri B. K. Biyani ¹	3	NA	3	—	—
Sri B. D. Beriwal ²	NA	NA	3	—	—
Sri P. L. Agarwal ²	NA	NA	7	—	1
Sri A. K. Lohia ²	NA	NA	4	—	—
Sri S. K. Kejriwal ²	NA	NA	—	—	—
Sri N. L. Bhuwania #	Nil	No	—	—	—
Sri Amit Gupta #	3	No	—	—	—

The Board meetings have been held at the Company's Registered Office at Kolkata.

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

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

Resigned w.e.f. 27.11.2009

¹ w.e.f November 27, 2009

² w.e.f August 11, 2010

c) Remuneration of Directors, sitting fees, salary, perquisites and commissions

Details of remuneration paid/payable to Directors:

No sitting fees were paid to Directors for attending Board Meetings of the Company for the year 2009-10.

Sri C.K. Dhanuka appointed as Managing Director with concurrent designation of 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 subject to approval of the members at the ensuing Annual General Meeting.

Details of shares held by non-executive directors in the company as on 31st March, 2010:-

None of the other Directors except promoter directors hold any 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 being put on the Company's website www.dhunseritea.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 which was constituted on 11th August, 2010 comprises of four Member / Directors of which three are Non - Executive & Independent namely Sri Basudeo Beriwal, Sri Suresh Kumar Kejriwal and Sri Ashok Kumar Lohia and one Non - Executive Non - Independent Smt. Aruna Dhanuka.

Sri Basudeo Beriwal is the Chairman of the Audit Committee.

Powers of Audit Committee

- a) To investigate any activity within its terms of reference.
- b) To seek information from any employee.
- c) To obtain outside legal or other professional advice.
- d) 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:

- 1. 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.
- 2. 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.
- 3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- 4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to :
 - a. Matters required to be included in the 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 thereon.
- 9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- 10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- 11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
- 12. To review the functioning of the Whistle Blower mechanism, in case the same is existing.

12A. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.

13. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

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

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

Review of information by Audit Committee

The Audit Committee mandatorily reviews the following information:

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

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

No audit committee meetings were held during the year 2009-10.

4. Remuneration Committee

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

Sri C.K. Dhanuka was appointed as Managing Director with concurrent designation of 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 their meeting held on 11th August, 2010, subject to approval of the members at the ensuing Annual General Meeting. Sri C.K. Dhanuka holds 27750 shares of the Company which were allotted on 21.07.2010.

- (ii) Non-Executive Directors

The sitting fees for attending Board / Committee meetings of the Company are being paid to the Non-Executive Directors on and from 11th August, 2010. The Non-Executive Directors are not paid any commission. The Company pays Rs. 5000/- as sitting fees to each director for every board meeting attended and Rs. 2000/- 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 which was constituted on 11.08.2010 comprises of four Directors, of which three are Non-Executive Directors namely, Sri S. K. Kejriwal, Sri P.L. Agarwal and Sri Basudeo Beriwal and one Promoter Director Sri C. K. Dhanuka.

Sri S. K. Kejriwal 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.

No meetings of the Shareholders' / Investors' Grievance Committee were held during the year 2009-10.

During the year there were no complaints from shareholders.

6. Share Transfer Committee

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

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

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.

No meetings of the Share Transfer Committee were held during the year 2009-10.

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
2008 - 09	Dhunseri House 4A, Woodburn Park Kolkata - 700 020	24th September, 2009	11.00 a.m.	None
2007 - 08	Same as above	30th September, 2008	11.00 a.m.	None
2006 - 07	Same as above	27th September, 2007	11.00 a.m.	None

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

7.2 Postal Ballot and postal ballot process :

No resolution was put through postal ballot during the year 2009 - 10.

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

The details of the Directors of the Company seeking appointment / re-appointment are 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 the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large.
Transactions with related parties are disclosed in Note No. viii of Schedule 9 to the accounts 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 will certify to the Board with regard to review of the financial statement, compliance with the accounting standard, maintenance of the internal control for financial reporting, 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 Erthik Lipi. These results are also posted in the Company's website www.dhunseritea.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. The Company's business improved during the year under review because of favourable market condition resulting from partial global economic recovery and improved domestic economic condition. The management has to review its business policies constantly and take corrective steps to meet the challenges.

Opportunities and Threats

The Indian Economy is one of the fastest growing economy in the world today with immense potential and opportunities for growth and development in the coming years. However, the investment business is governed by the international markets and adverse situations in the international scenario is expected to rebound and affect the domestic investment market.

Risk and Concern

In view of the inherent risk involved in the Investment business, particularly under the present global economic uncertainty, the Management has to regularly monitor the changing market conditions and trends.

Outlook

In the present economic scenario involving global financial uncertainty the Management shuffles its Investment Portfolio to derive maximum benefit. The Company will have to be constantly vigilant of the changing economic scenario.

Internal Control System

The internal control system is commensurate with the size and nature of the business of the Company. The system is reviewed regularly to ensure effectiveness.

11. Shareholders' information

a) Annual General Meeting

Monday, 20th September, 2010 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 Tuesday, 14th September, 2010 to Monday, 20th September, 2010 (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 21st September, 2010.

d) Registered office : 'Dhunseri House', 4A, Woodburn Park, Kolkata – 700 020 Ph. No.: 2280-1950 (Five lines), Fax No. : 91 33 2287-8995 e-mail : dhunseri@vsnl.com

e) Listing on Stock Exchanges :

The Company's shares are being listed with the Bombay Stock Exchange Limited and National Stock Exchange of India Ltd. The Company has paid the initial listing fees to the Stock Exchanges.

- f) i) **Exchange Scrip Code :** NSE : (will be available on enlistment)
BSE : (will be available on enlistment)

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

g) **Stock market price data for the year 2009 - 10 :** Nil

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

i) **Share Transfer System**

The Company's Registrars and Share Transfer Agents M/s. Maheshwari Datamatics Pvt. Ltd. will process the share transfers and after completion of all required formalities, shall return the shares in the normal course within an average period of 15 to 20 days from the date of receipt, if the documents are 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 will be processed and confirmation will be 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 21. 07. 2010**

Shareholding Pattern		
Category	No. of Shares held	Percentage %
Promoters	43,91,584	75.00
Financial Institutions, Mutual Funds, Banks & Insurance Companies	6,311	0.11
Bodies Corporate	7,47,046	12.76
Indian Public	6,94,858	11.86
NRI's & Others	15,649	0.27
	58,55,448	100%

Distribution Schedule				
Range	Shareholders		Shares	
	No.	%	No.	%
1 – 500	8,170	97.03	4,99,711	8.53
501 – 1000	123	1.46	90,765	1.55
1001 – 2000	55	0.65	77,853	1.33
2001 – 3000	26	0.31	63,361	1.08
3001 – 4000	4	0.05	13,459	0.23
4001 – 5000	4	0.05	18,920	0.32
5001 – 10000	13	0.15	96,279	1.64
10001 – and above	25	0.30	49,95,100	85.32
	8,420	100%	58,55,448	100%

k) **Dematerialisation of shares and liquidity** : NIL (as on 31.03.2010)

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 plant is located at Jaipur, Rajasthan

o) **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.

p) **Financial Calendar 2010-11 (Tentative)**

Board Meetings

Unaudited results for quarter ending June 30, 2010	– Within middle of August, 2010
Unaudited results for quarter ending September 30, 2010	– Within middle of November, 2010
Unaudited results for quarter ending December 31, 2010	– Within middle of February 2011
Audited results for year ending March 31, 2011	– Last week of May, 2011

Annual General Meeting for the year ending 31st March, 2011 – July, 2011

q) **Grievance Redressal Division / Compliance Officer :**

Mr. 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 : 91-33-2287 8995
e-mail : dhunseri@vsnl.com

r) **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

Place : Kolkata

Date : 11th Day of August, 2010

C. K. DHANUKA
Chairman of the Board

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, 2010 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

Place : Kolkata

Date : 11th Day of August, 2010

C. K. DHANUKA
Chairman of the Board

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
DHUNSERI INVESTMENTS LIMITED
(Formerly DI Marketing Limited)

We have examined the compliance of conditions of Corporate Governance by Dhunseri Investments Limited (formerly DI Marketing Limited) for the year ended 31st March, 2010 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges with the relevant records and documents maintained by the Company and furnished to us.

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

Place : Kolkata

Dated : 11th day of August, 2010

AUDITORS' REPORT

TO THE MEMBERS OF
DHUNSERI INVESTMENTS LIMITED
(Formerly DI MARKETING LIMITED)

1. We have audited the attached Balance Sheet of DHUNSERI INVESTMENTS LIMITED (Formerly D I Marketing Limited), Dhunseri House, 4A, Woodburn Park, Kolkata as at 31st March, 2010, the Profit and Loss Account and the Cash Flow statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 (the 'Act') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
4. Further to our comments in the Annexure referred to in the paragraph 3 above, we report that :
 - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account, as required by law, (as amended) have been kept by the Company so far as appears from our examination of these books.
 - c. The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d. In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement of the Company have complied with the specified accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956, to the extent applicable.
 - e. On the basis of written representations received from the Directors and taken on record by the board of Directors, we report that none of the directors is disqualified as on 31st March, 2010 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
 - f. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid accounts read with notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
 - a) In the case of Balance Sheet of the State of Affairs of the Company as at 31st March, 2010; and
 - b) In the case of Profit & Loss Account, of the Profit for the year ended on that date.
 - c) In the case of the Cash Flow Statement, of the Cash Flows of the Company for the year ended on that date.

Prabhat Kumar Dhandhanian, FCA, Partner
Membership No.052613
For and on behalf of
DHANDHANIA & ASSOCIATES
Chartered Accountants
Firm Registration No.316052E

Place : Kolkata
Date : 11th Day of August, 2010

ANNEXURE TO AUDITORS' REPORT

Referred to in paragraph 3 of the Auditors' Report of even date to the members of 'DHUNSERI INVESTMENTS LIMITED (Formerly DI Marketing Limited)' on the Financial Statements for the year ended 31st March, 2010.

1.
 - a) The Company is maintaining proper records showing full particulars, including quantitative details & situation of fixed assets.
 - b) The fixed assets have been physically verified by the management at reasonable intervals, and no material discrepancies were noticed on such verification.
 - c) In our opinion and according to the information & explanations given to us no substantial part of the fixed assets has been disposed off by the Management during the year.
2. The company does not have inventory. Hence, clause ii (a), ii (b) and ii (c) is not applicable.
3.
 - a) The Company has not granted any loans secured or unsecured to any Companies, firms or other parties covered in the register maintained under Section 301 of the Act. Hence, comment under clause (iii) (b), (iii) (c), (iii) (d) of the Companies (Auditor's Report) (Amendment) Order, 2004 is not required.
 - e) The Company has not taken unsecured loan from Companies, firms or other parties covered in the register maintained under Section 301 of the Act. Hence, comment under clause (iii) (f), (iii) (g), of the Companies (Auditor's Report) (Amendment) Order, 2004 is not required.
4. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of shares, fixed assets and sale of shares. During the course of our audit no weakness has been noticed in the internal control system.
5.
 - a) In our opinion and according to the information and explanation given to us, the particulars of contracts or arrangements referred to in Section 301 of the act which need to be entered in the register to be maintained under that section have been so entered.
 - b) In our opinion and according to the information and explanation given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees Five Lac have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
6. The Company has not accepted any deposits from the public within the meaning of Section 58A, 58AA or any other relevant provisions of the Act and the rules framed thereunder.
7. In view of adequacy of internal control procedures commensurate with the size of the company and nature of its business, the company has no separate Internal Audit System during the year.
8. Maintenance of the cost records prescribed by Central Government of India under clause (d) of sub-section (1) of Section 209 of the Act is not applicable to the Company.
9.
 - a) The Company is regular in depositing with appropriate authorities, undisputed statutory dues including Income Tax, Wealth Tax and other material statutory dues applicable to it. According to the information and explanation given to us, no undisputed amount payable in respect of Income Tax and other statutory dues were in arrears as at 31st March, 2010 for a period of more than six months from the date they became payable.
 - b) According to the information and explanation given to us, there are no disputed dues outstanding as at 31.03.2010.

ANNEXURE TO AUDITORS' REPORT (Contd.)

10. The Company has no accumulated losses as at March 31, 2010 and it has not incurred cash loss in the current financial year and in the immediately preceding financial year.
11. According to the records of the Company examined by us and the information and explanations given to us, there are no dues payable to any financial institutions or banks or debenture holders as at the balance sheet date.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund / societies are not applicable to the Company.
14. The Company has maintained proper records of the transactions and contract and timely entries have been made therein. The Investments have been transferred in the name of the company on or before 17.07.2010 except the shares in physical mode which are in the process of transfer.
15. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
16. According to the records of the Company examined by us and the information and explanations given to us, the Company has not taken any term loan during the year. Further, there is no outstanding term loan as at the Balance Sheet date.
17. On the basis of an overall examination of the Balance Sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on short-term basis, which have been used for long-term investment.
18. The Company has not made any preferential allotment of shares to the parties and Companies covered in the register maintained under Section 301 of the Act during the year and hence, commenting under this clause is not required.
19. The Company has not issued any Debentures and hence commenting under this clause is not required.
20. The Company has not raised any money by public issue during the year.
21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.

Prabhat Kumar Dhandhanian, FCA, Partner

Membership No.052613

For and on behalf of

DHANDHANIA & ASSOCIATES

Chartered Accountants

Firm Registration No.316052E

Place : Kolkata

Date : 11th Day of August, 2010

BALANCE SHEET

as at 31st March, 2010

	Schedule	As at 31.03.2010	(Rs. in '000)	As at 31.03.2009
SOURCES OF FUNDS				
Shareholders' Funds :				
Share Capital	1	500.00		500.00
Share Capital Suspense	1A	58,054.48		—
Reserves and Surplus	2	1,529,410.19		32.74
Deferred Tax		2,096.27		—
		<u>1,590,060.94</u>		<u>532.74</u>
APPLICATION OF FUNDS				
Fixed Assets				
Gross Block	3	23,298.59	—	
Less : Depreciation		<u>9,547.35</u>	<u>—</u>	
Net Block		13,751.24		—
Investments	4	1,780,943.35		—
Current Assets, Loans and Advances				
Cash and Bank Balances	5	542.21	554.36	
Other Current Assets	6	32.00	31.24	
Loans and Advances	7	3,012.40	—	
		<u>3,586.61</u>	<u>585.60</u>	
Less : Current Liabilities and Provisions	8	<u>208,220.26</u>	<u>55.08</u>	
Net Current Assets		(204,633.65)		530.51
Miscellaneous Expenditure		—		2.23
		<u>1,590,060.94</u>		<u>532.74</u>
Significant Accounting Policies & Notes to Accounts	9			

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

This is the Balance Sheet referred to in our report of even date.

Prabhat Kumar Dhandhanian, FCA, Partner

Membership No.052613

For and on behalf of

DHANDHANIA & ASSOCIATES

Chartered Accountants

Firm Registration No.316052E

Place : Kolkata

Date : 11th Day of August, 2010

R. Mahadevan
Secretary

For and on behalf of Board

C. K. Dhanuka Chairman

Aruna Dhanuka

M. Dhanuka

B. D. Beriwal

P. L. Agarwal

S. K. Kejriwal

B. K. Biyani

Directors

PROFIT AND LOSS ACCOUNT
for the year ended 31st March, 2010

	Schedule	(Rs. in '000)	Year ended 31.03.2010	Year ended 31.03.2009
INCOME				
Profit on Sale of Investments			74.68	—
Dividend Received			48,435.85	—
Interest Received			25.01	40.43
			<u>48,535.54</u>	<u>40.43</u>
EXPENDITURE				
Rates & Taxes	6.20		10.15	
Bank Charges	3.02		—	
Professional Charges	1.10		1.43	
Audit Fee	27.58		3.31	
Loss on Sales of Fixed Assets	10.46		—	
Depreciation	912.18		—	
Preliminary Exps. Written off	2.23		962.77	2.22
			<u>47,572.77</u>	<u>23.32</u>
Profit/(Loss) before Tax				
Provision for Taxation				
Current Tax	530.00		7.21	
Deferred Tax	2,096.27		2,626.27	—
			<u>2,626.27</u>	<u>7.21</u>
Profit after Tax				
			44,946.50	16.11
Profit/(Loss) brought forward from previous year			32.74	16.63
Profit available for appropriation			<u>44,979.24</u>	<u>32.74</u>
Transfer to NBFC Fund			8,989.30	—
Proposed Dividend @ Re. 1/- per share			5,855.45	—
Dividend Distribution Tax			972.52	—
Transfer to General Reserve			2,500.00	—
Profit/(Loss) carried to Balance Sheet			<u>26,661.97</u>	<u>32.74</u>
			<u>44,979.24</u>	<u>32.74</u>
Basic and diluted Earnings per share				
(Face Value Rs. 10/- each)				
(Refer Note 2(ix) of Schedule 9)				
			7.68	0.32

Significant Accounting Policies
& Notes on Accounts

9

The schedule referred to above form an integral part of the Profit & Loss Account.
This is the Profit and Loss Account referred to in our report of even date.

Prabhat Kumar Dhandhanian, FCA, Partner

Membership No.052613

For and on behalf of

DHANDHANIA & ASSOCIATES

Chartered Accountants

Firm Registration No.316052E

Place : Kolkata

Date : 11th Day of August, 2010

R. Mahadevan
Secretary

For and on behalf of Board

C. K. Dhanuka Chairman

Aruna Dhanuka

M. Dhanuka

B. D. Beriwal

P. L. Agarwal

S. K. Kejriwal

B. K. Biyani

Directors

SCHEDULES FORMING PART OF ACCOUNTS

(Rs. in '000)		
	As at 31.03.2010	As at 31.03.2009
SCHEDULE - 1		
SHARE CAPITAL		
Authorised		
2,00,000 Equity Shares of Rs. 10/- each (Authorised Capital since increased to Rs. 5,90,54,480/-, refer not 2 (iv) schedule 9)	<u>2,000.00</u>	<u>2,000.00</u>
Issued, subscribed and Paid up		
50,000 Equity Shares of Rs. 10/- each	<u>500.00</u>	<u>500.00</u>

SCHEDULE - 1A

SHARE CAPITAL SUSPENSE

58,55,448 (Previous Year Nil) Equity Shares of Rs. 10/- each fully paid up to be issued pursuant to Scheme of Arrangement without payment being received in cash	58,554.48	—
Shares to be cancelled as per Scheme of Arrangement (50,000 Equity Shares of Rs. 10/- each fully paid)	(500.00)	—
	<u>58,054.48</u>	<u>—</u>

SCHEDULE - 2

RESERVES AND SURPLUS	Balance as on 01.04.2009	Addition	Deduction	Balance as on 31.03.2010
NBFC Fund	—	—	—	8,989.30
General Reserve	—	1,549,313.40	58,054.48	1,491,258.92
Add : Transfer from Profit and Loss account	—	2,500.00	—	2,500.00
	—	1,551,813.40	58,054.48	1,493,758.92
Balance in Profit and Loss account	—	—	—	26,661.97
	—	<u>1,551,813.40</u>	<u>58,054.48</u>	<u>1,529,410.19</u>

SCHEDULE - 3

PARTICULARS	GROSS BLOCK				DEPRECIATION					NET BLOCK	
	Opening as on 01-04-2009	Additions as per Scheme of Arrangement	Sale or Adjustment	Total Cost as on 31.03.2010	Upto 31-03- 2009	As per Scheme of Arrangement	During the Year	Sale or Adjustment	Total upto 31-03- 2010	As at 31-03- 2010	As at 31-03- 2009
LEASE HOLD LAND											
(Situating at Jaipur)	—	2,567.68	—	2,567.68	—	300.43	25.94	—	326.37	2,241.32	—
Buildings	—	8,672.68	—	8,672.68	—	3,017.50	280.19	—	3,297.68	5,374.99	—
Plant & Machinery	—	8,968.15	—	8,968.15	—	3,725.20	428.67	—	4,153.87	4,814.29	—
Electrical Installation	—	1,904.67	—	1,904.67	—	967.21	90.47	—	1,057.68	846.99	—
Furniture & Fixture	—	580.38	17.15	563.23	—	352.66	26.48	5.18	373.96	189.28	—
Computer Data System	—	145.16	—	145.16	—	110.55	11.00	—	121.55	23.61	—
Vehicles	—	477.02	—	477.02	—	166.80	49.44	—	216.24	260.77	—
Grand Total	—	23,315.74	17.15	23,298.59	—	8,640.35	912.18	5.18	9,547.35	13,751.24	—

Note : Additions in Gross block includes Rs. 40272 purchased during the year.

DHUNSERI INVESTMENTS LIMITED
(Formerly DI Marketing Limited)

SCHEDULE - 4

SCHEDULE - 4		(Rs. in '000)			
	Face Value (Rs.)	No. of Shares		Book Value	
		As at 31.03.2010	As at 31.03.2009	As at 31.03.2010	As at 31.03.2009
INVESTEMENTS					
A. Long Term Investment					
(Other than trade)					
In Government/ Trust Securities - Unquoted					
National Savings Certificates		—	—	28.45	—
(Deposited with Sales Tax Dept as Security)		—	—	28.45	—
In Equity Shares of Other Companies					
Quoted, fully paid up					
Dhampur Sugar Mills Limited	10	284,794	—	18,039.69	—
Electrosteel Casting Limited	1	887,500	—	42,680.67	—
Escorts Limited	10	110,000	—	13,996.06	—
Fortis Healthcare Limited	10	105,200	—	13,069.06	—
Gujarat Fluoro Chemicals Limited	1	150,000	—	22,682.05	—
ITC Limited	1	28,500	—	7,431.49	—
Jaiprakash Associates Limited	2	89,700	—	12,145.75	—
Jindal Steel & Power Limited **	1	26,000	—	—	—
Jindal Saw Limited	2	200,000	—	17,814.26	—
Larsen & Toubro Limited	2	12,000	—	9,986.80	—
Maruti Suzuki India Limited	5	13,000	—	18,808.37	—
Nectar Life Science Limited	1	150,000	—	4,687.84	—
Srei Infrastructure Finance Limited	10	70,000	—	4,978.69	—
South Asian Petrochem Ltd ***	10	117,067,020	—	1,485,990.72	—
Spicejet Limited	10	348,000	—	20,090.87	—
Shree Renuka Sugar Limited	1	47,000	—	85.86	—
State Bank of Bikaner & Jaipur	10	7,340	—	3,150.14	—
State Bank of Travancore	10	6,900	—	3,597.11	—
Sun Pharma Advance Research Company Limited	10	170,000	—	14,873.23	—
Torrent Power Limited	10	150,000	—	18,480.37	—
West Coast Paper Mills Limited	2	87,720	—	6,137.58	—
** Bonus Shares		120,010,674	—	1,738,726.61	—
In Equity Shares					
Unquoted, fully paid up					
Assam Bengal Cereals Ltd.	10	2,630	—	26.30	—
Assam Hospital Limited	10	50,000	—	500.00	—
Assam Financial Corporation Ltd.	100	100	—	10.05	—
Assam Co-Operative Apex Bank Ltd.	50	300	—	15.00	—
East India Planters Co-Operative Ltd.	50	124	—	6.20	—
Madhuting Tea Private Limited	1,000	5,000	—	30,010.50	—
Tectura Corporation (*)	100	179,265	—	9,917.74	—
5% Non-redeemable debenture stock					
1957 in The East India Clinic Limited		—		2.50	—
		237,419	—	40,488.29	—

SCHEDULE - 4 (Contd.)

	Face Value (Rs.)	No. of Shares		(Rs. in '000) Book Value	
		As at 31.03.2010	As at 31.03.2009	As at 31.03.2010	As at 31.03.2009
B. Current Investment					
In Mutual Fund					
HDFC Cash Management Fund- Treasury Advantage Plan - Retail		85,191	—	1,700.00	—
		<u>85,191</u>	<u>—</u>	<u>1,700.00</u>	<u>—</u>
Grand Total			<u>—</u>	<u>1,780,943.35</u>	<u>—</u>
Aggregate of Quoted Investments (Book Value)				1,738,726.61	—
Aggregate of Unquoted Investments (Book Value)				42,216.74	—
Aggregate of Quoted Investments (Market Value)				1,820,197.94	—

Pursuant to an agreement dated November 6, 2006 between (i) the Company along with certain other Companies (collectively the Sellers), (ii) Euroinfo Systems Pvt.Ltd. And (iii) Tectura Corporation, USA (the Buyer), 70,000 shares of Euroinfo Systems Pvt. Ltd. held by the Company were sold to Tectura Corporation subject to certain terms and conditions as mentioned in the agreement at the aggregate of following purchase price subject to clause (c) as below :

- 179.265 fully paid up, common stock of Tectura Corporation - these stocks are held in escrow at and shall be released after 3 years commencing from the closing date thereafter the company may elect to exercise their redemption option anytime at an agreed price and
- annual stock dividend in the form of Tectura Corporation's common stock after 24 and 36 months post closing. During the year Company has received common stock of Tectura Corporation in lieu of Dividend on completion of 24 months post closing in term of the above mention agreement.
- a price adjustment in the form of Tectura Corporation's common stock, if tangible net worth of Euroinfo Systems Pvt. Ltd. as on the date preceding the closing date is less than certain limits.

*** The Company merged with Dhunseri Petrochem and Tea Limited w.e.f. 01.07.2010 and consequently the company will receive one share of Dhunseri Petrochem and Tea Limited for every 10 Shares of South Asian Petrochem Limited held by the company.

	(Rs. in '000)	
	As at 31.03.2010	As at 31.03.2009
SCHEDULE - 5		
CASH & BANK BALANCES		
Cash in hand	4.26	0.40
Fixed Deposits with Banks	—	550.94
Balances with Scheduled Banks		
On Current Accounts	537.95	3.02
	<u>542.21</u>	<u>554.36</u>

SCHEDULE - 6

OTHER CURRENT ASSETS :

Tax Deducted at Source Receivables	32.00	29.21
	<u>32.00</u>	<u>29.21</u>

SCHEDULE - 7

LOANS AND ADVANCES

Income Tax Advance	2,502.04	2.04
Other Advance	510.36	—
	<u>3,012.40</u>	<u>2.04</u>

SCHEDULE - 8

	(Rs. in '000)	
	As at 31.03.2010	As at 31.03.2009
CURRENT LIABILITIES & PROVISIONS		
A. Current Liabilities		
Creditor for Advances (DPTL)	199,868.89	0.30
Liabilities For Expenses	550.60	32.50
	<u>200,419.49</u>	<u>32.80</u>
B. Provisions		
Proposed Dividend	5,855.45	—
Tax on Dividend	972.52	
For Retirement & Other Employee Benefits	420.52	—
For Taxation	552.28	22.28
	<u>7,800.77</u>	<u>22.28</u>
Total	<u>208,220.26</u>	<u>55.08</u>

SCHEDULE - 9

NOTES ON ACCOUNTS AND SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2010

1. SIGNIFICANT ACCOUNTING POLICIES :

a) CONVENTION

The accounts have been prepared to comply in all material respects with applicable accounting principles in India, the applicable accounting standards notified under Section 211(3C) of the Companies Act, 1956 and other relevant provisions of the said Act.

b) BASIS OF ACCOUNTING

The financial statement have been prepared in accordance with Historical Cost convention. All expenses and income unless specifically stated to be otherwise have been accounted for on accrual basis.

c) 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.

d) 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. Leasehold land is amortised over the effective period of lease.

e) 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, if any, are valued at lower of cost and fair value of such investments.

f) EMPLOYEE BENEFITS

Short term benefits are charged off at the undiscounted amount in the year in which the related service is rendered. However there are no employees in the current year and hence no such amount has been debited in the current year.

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 of Profit and Loss Account.

g) REVENUE RECOGNITION

- i) Profit/(Loss) on sale of investments is taken to Profit and Loss Account.
- ii) Dividend income is accounted for on receipt basis.
- iii) 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.

SCHEDULE - 9 (Contd.)

h) 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.

i) LEASES

- a) Assets acquired under leases where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalised at the inception of the leases at the lower of the fair value or the present value of minimum lease payment and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.
- b) Assets acquired on lease where a significant portion of the risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to Profit and Loss Account on accrual basis.

2. NOTES ON ACCOUNTS

- i. The name of the Company has been changed from DI Marketing Limited to Dhunseri Investments Limited w.e.f. 16.07.2010 after receipt of fresh certificate of Incorporation consequent on change of name from the Registrar of Companies, West Bengal.
- ii. Transfer of Demerged Undertaking of Jaipur Packet Factory and Investment Division of Dhunseri Tea & Industries Limited (DTIL) (now Dhunseri Petrochem and Tea Limited) to Dhunseri Investments Limited (Formerly DI Marketing Limited)(DIML) :
 - a) Pursuant to Scheme of Arrangement (the Scheme) approved by the Shareholders and sanctioned by the Hon'ble High Court of Calcutta vide its order dated 6th May, 2010, Jaipur Packet Factory and Investment division of DTIL has been transferred to DIML with effect from 1st April, 2009 (the Appointed Date) and accordingly the Scheme has been given effect to in these accounts.
 - b) In accordance with the Scheme, 5,855,448 Equity Shares of Rs. 10/- each fully paid up and ranking pari passu with existing Equity Shares have been issued by the DIML to the equity shareholders of DTIL in the ratio of 1 (One) Equity Share of Rs. 10/- each fully paid up of DIML for every 2 (Two) Equity Shares of Rs. 10/- each fully paid up held by them in the capital of DTIL on 21.07.2010.
 - c) All existing shares held by DTIL in Dhunseri Investments Limited (Formerly DI Marketing Limited) i.e. 50,000 Equity Shares of Rs. 10/- each stands cancelled without any further act or deed on 21st July, 2010.
 - d) Statement of Assets and Liabilities incorporated from DTIL as on April 01, 2009 :

Particulars	(Rs in '000)	
Assets		
Fixed Assets		146,350.00
Investment		15,337,080.00
Current Assets, Loan and Advances		
Inventories	27,900.00	
Cash and Bank Balances	30.00	
Loan and Advances	1,210.00	
	29,140.00	
Less : Current Liabilities	19,440.00	
Net Current Assets		9,700.00
Total Assets		15,493,130.00

SCHEDULE - 9 (Contd.)

- e) As per the scheme of arrangement, Dhunseri Tea and Industries Limited (now Dhunseri Petrochem and Tea Limited) carried on the business in trust till the scheme of arrangement is approved. Accordingly, Dhunseri Tea and Industries Limited carried on the transactions of Investment in Shares in their own name from 01.04.2009, which have been transferred to the company on or before 17th July 2010.
- f) Land situated at Jaipur which is transferred to the company alongwith Building, Plant and Machinery and Net Current Assets, as per Scheme of arrangement is yet to be registered in the name of the company.
- g) The company has entered into an agreement with Dhunseri Petrochem and Tea Limited w.e.f 01.07.2010 for packeting of Teas on their behalf. Till such time, Dhunseri Petrochem and Tea Limited, has reimbursed all the expenditure incurred for packeting of teas.
- iii) The company is in the process of getting it registered as Non Banking Financial Company with Reserve Bank of India.
- iv) The company has increased the authorized capital from Rs. 20.00 Lac to Rs. 590.54 Lac divided into 59,05,448 Equity Shares of Rs.10/- each and necessary form have been filed with the Registrar of Companies, West Bengal.
- v) The company is in the process of listing of its shares in Bombay Stock Exchange and National Stock Exchange.
- vi) Based on information from vendors / service providers regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and 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 31.03.2010 is Nil (Previous Year Nil) ;
 - No interest was paid by the company in terms of Section 16 of MSMED Act during the year ;
 - There was no interest for delay in making payment beyond the appointed day ;
 - There is no interest accrued and remaining unpaid beyond the appointed day ;
 - No interest is remaining due and payable even in the succeeding years, 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.
- vii) The major components of the Deferred Tax Assets / Liabilities based on the tax effect of timing differences, as at 31st March, 2010 are as under : (Rs in 000)

Particulars	As on 31st March, 2010	As on 31st March, 2009
– On Depreciation	2,096.27	–

viii) Related Party disclosure under Accounting Standard - 18

Name and nature of relationship of the Related Parties :

Related Party

Relationship

Dhunseri Tea and Industries Ltd.(Now Dhunseri Petrochem and Tea Ltd.)	Associate / Group Companies
---	-----------------------------

Information about Related Party Transactions :

	<u>2009-10</u>	<u>2008-09</u>
a. Transfer of Inventory and Advances	29,110.00	–
b. Transfer of Current Liabilities	19,440.00	–
c. Balance payable as at 31.03.2010 (On account of transactions carried in trust on behalf of company as per scheme of arrangement)	199,868.89	–
ix) Earning per Share has been computed as under :	<u>2009-10</u>	<u>2008-09</u>
Profit/(Loss) after Tax (Rs. in '000)	44,946.50	16.11
Weighted Average No. of Ordinary Shares (Nos.)	5,855,448	5,000
Earning per Share (Rs. 10 Paid up)	7.68	3.22

SCHEDULE - 9 (Contd.)

- x) The Company is engaged mainly in the business of Trading and Investment in Shares .Hence, there is no other reportable segment as per AS – 17 on “Segment Reporting” as issued by ICAI.
- xi) Figures have been rounded off in thousands.
- xii) Previous Year’s figures have been re-grouped / re-arranged wherever considered necessary.
- xiii) 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.

(Figures in Rs. ‘000)

Particulars		
LIABILITIES SIDE	Amount Outstanding (Rs.)	Amount Overdue (Rs.)
1. Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid :		
a) Debentures : Secured	—	—
Unsecured	—	—
(Other than falling within the meaning of public deposits)		
b) Deferred Credits	—	—
c) Term Loans	—	—
d) Inter-corporate Loans & Borrowings	—	—
e) Commercial Paper	—	—
f) Other Loans (Specify nature)	—	—

Particulars	
ASSETS SIDE	Amount Outstanding (Rs.)
2. Break-up of Loans & Advances including Bills Receivables [Other than those included in (4) below] :	
a) Secured	—
b) Unsecured	510.36
3. Break-up of Leased Assets and Stock on hire and other Assets counting towards AFC activities :	
i) Lease Assets including Lease Rentals under Sundry Debtors	
a) Financial Lease	—
b) Operating Lease	—
ii) Stock on Hire including Hire Charges under Sundry Debtors	
a) Assets on Hire	—
b) Repossessed Assets	—
iii) Other Loans counting towards AFC activities	
a) Loans where Assets have been repossessed	—
b) Loans other than (a) above	—

SCHEDULE - 9 (Contd.)

4.	Break-up of Investments :	
	Current Investments :	
1.	Quoted :	
	i) Shares : a) Equity	—
	b) Preference	—
	ii) Debentures and Bonds	—
	iii) Units of Mutual Funds	1,700.00
	iv) Government Securities	—
	v) Others (please specify)	—
2.	Unquoted :	
	i) Shares : a) Equity	—
	b) Preference	—
	ii) Debentures and Bonds	—
	iii) Units of Mutual Funds	—
	iv) Government Securities	—
	v) Others (please specify)	—
	Long Term Investments :	
1.	Quoted :	
	i) Shares : a) Equity	1,738,726.61
	b) Preference	—
	ii) Debentures and Bonds	—
	iii) Units of Mutual Funds	—
	iv) Government Securities	28.45
	v) Others - Detachable Warrants	—
2.	Unquoted :	
	i) Shares : a) Equity	40,485.79
	b) Preference	—
	ii) Debentures and Bonds	2.50
	iii) Units of Mutual Funds	—
	iv) Government Securities	—
	v) Others - Detachable Warrants	—

5. Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances :

Category	Amount net of Provisions		Total
	Secured	Unsecured	
1. Related Parties			
a) Subsidiaries	—	—	—
b) Companies in the same group	—	—	—
c) Other Related Parties	—	—	—
2. Other than Related Parties	—	510.36	510.36
Total	—	510.36	510.36

SCHEDULE - 9 (Contd.)

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

(Figures in Rs. '000)

Category	Market Value / Breakup or Fair Value or NAV	Book Value (Net of Provisions)
1. Related Parties		
a) Subsidiaries	—	—
b) Companies in the same group		
Quoted : Shares	1,469,191.10	1,485,990.72
Debentures	—	—
Un-quoted : Shares	—	—
c) Other Related Parties		
Quoted : Shares	—	—
Un-quoted : Shares	—	—
Units	—	—
2. Other than Related Parties		
Quoted : Shares	351,006.84	252,735.89
Debentures	(1,468,840)	
Un-quoted : Shares		40,488.29
Un-quoted : Government Securities / Trust Securities	—	28.45
Un-quoted : Preference Shares	—	—
Un-quoted : Mutual Fund Units	—	1,700.00
Total	351.36	1,780,943.35

7. Other Information :

Particulars	Amount (Rs.)
i) Gross Non-Performing Assets	
a) Related Parties	—
b) Other than Related Parties	—
ii) Net Non-Performing Assets	
a) Related Parties	—
b) Other than Related Parties	—
iii) Assets acquired in satisfaction of debt	—

Signatures to Schedule '1 to 9'

Prabhat Kumar Dhandhanian, FCA, Partner
Membership No.052613

For and on behalf of
DHANDHANIA & ASSOCIATES
Chartered Accountants
Firm Registration No.316052E

Place : Kolkata

Date : 11th Day of August, 2010

R. Mahadevan
Secretary

For and on behalf of Board
C. K. Dhanuka Chairman
Aruna Dhanuka
M. Dhanuka
B. D. Beriwal
P. L. Agarwal
S. K. Kejriwal
B. K. Biyani
Directors

CASH FLOW STATEMENT

for the year ended 31st March, 2010

	(Rs. In '000)	
	2009 - 2010	
A) Cash Flow from Operating Activities		
Net profit before tax and extraordinary items		47,572.77
<i>Adjust for</i>		
Dividend Received	(48,435.85)	
Depreciation	912.18	
Interest Received	(25.01)	
Profit on sale of investments	(74.68)	
Preliminary Expenses Written off	2.23	
Loss on Sales of Fixed Assets	10.47	(47,610.66)
Operating Profit before Working Capital Changes		(37.89)
<i>Adjust for</i>		
(Increase) / Decrease in Inventory	2,789.99	
(Increase) in Other Current Assets	(0.76)	
(Increase) / Decrease in Loans & Advances	(389.36)	
Increase / (Decrease) in Current Liabilities	199,111.30	201,511.17
Cash Generated from Operating Activities		201,473.28
Taxes Paid		(2,500.00)
Net Cash from Operating Activities		198,973.28
B) Cash Flow from Investing Activities		
Purchase of Investments	(430,959.30)	
Sale of Investments	183,548.79	
Dividend Received	48,435.85	
Purchase of Fixed Assets	(40.27)	
Sales of Fixed Assets	1.50	(199,013.43)
Cash From Investing Activities		(199,013.43)
C) Cash Flow from Financing Activities		
Interest Received (Net of Brokerage)		25.01
Cash From Financing Activities		25.01
Net Increase in Cash & Cash Equivalent (A+B+C)		(15.14)
Opening Balance of Cash & Cash Equivalent		557.35
Closing Balance of Cash & Cash Equivalent		542.21

Notes :

This is the cash flow referred to in our report of even date annexed thereto.

Previous year figures have not been given as the cash flow was not applicable in that year.

As per scheme of arrangement, Dhunseri Tea and Industries Limited (Now Dhunseri Petrochem and Tea Limited) carried on business in trust and the same has been considered in cash flow.

Prabhat Kumar Dhandhanian, FCA, Partner

Membership No.052613

For and on behalf of

DHANDHANIA & ASSOCIATES

Chartered Accountants

Firm Registration No.316052E

Place : Kolkata

Date : 11th Day of August, 2010

R. Mahadevan
Secretary

For and on behalf of Board

C. K. Dhanuka Chairman

Aruna Dhanuka

M. Dhanuka

B. D. Beriwal

P. L. Agarwal

S. K. Kejriwal

B. K. Biyani

Directors

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

1) Registration Details	
Registration No.(CIN)	U15491WB1997PLC082808
State Code	21
Balance Sheet Date	31.03.2010
2) Capital Raised during the year (Amount in Rs. '000)	
Public Issue	Nil
Rights Issue	Nil
Bonus Issue	Nil
Private Placement	Nil
3) Position of Mobilisation and Deployment of Funds (Amount in Rs. '000)	
Total Liabilities	1,590,060.94
Total Assets	1,590,060.94
4) Sources of Funds	
Paid-up Capital	500.00
Reserves & Surplus	1,529,410.19
Secured Loans	Nil
Unsecured Loans	Nil
5) Application of Funds	
Net Fixed Assets	13,751.24
Investments	1,780,943.35
Net Current Assets	(204,633.65)
Misc. Expenditure	Nil
Accumulated Losses	Nil
6) Performance of the Company (Amount in Rs. '000)	
Turnover & Other Income	48,535.54
Total Expenditure	962.77
Profit/(Loss) before tax	47,572.77
Profit/(Loss) after tax	44,946.50
Earning per share	7.68
Dividend rate %	10%
7) Generic name of Principal Products / Services of the Company	
(As per monetary terms)	
Item Code No. (ITC CODE)	Not Applicable
Product Description	Investment Company

For and on behalf of the Board of Directors

Place : Kolkata
Date : 11th Day of August, 2010

R. Mahadevan
Secretary

C. K. DHANUKA
Chairman of the Board