



QUALITY OF TEA.

QUALITY OF BUSINESS.



DHUNSERI TEA & INDUSTRIES LIMITED

ANNUAL REPORT, 2014-15

Forward-looking statement

In this annual report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions.

We have tried, wherever possible, to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion on future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions.

Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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At Dhunseri Tea, there is just one management philosophy we believe in.

That the quality of our tea produce gets reflected in the quality of our business.

The year 2014-15 was one in which this conviction was tested. Indian tea realisations declined by an average ₹0.53 per kilogram, resulting in a decline in profits for most tea companies.

Dhunseri Tea was an exception. Its Indian tea operations reported a 31.86% increase in PAT in 2014-15.

The Company's
contrarian
response was
dictated by a
one-word strategy.
Quality.



Dhunseri Tea & Industries Limited.

Among the top ten tea producers in India with ten tea estates and one packaging factory. The Company also owns two tea estates in Africa. The Company produces around 1% of the total tea production of Assam, one of the prime tea-growing areas in the world.

Background

The Dhunseri Group has been engaged in the business of planting, manufacturing and selling tea in India for over six decades.

Following the demerger of the tea division in 2014-15, the two tea estates in Malawi, Africa i.e. Kawalazi Estate Company Limited and Makandi Tea & Coffee Estates Limited were vested with the Company. Subsequently, the Company has emerged as a pure-play entity in the tea sector with a keen emphasis on production and sale of tea from estates located in India and Malawi (Africa). The Company is also engaged in commercial production and sale of macadamia nuts from its Malawian tea estates.



Malawi tea estate

Our location

The Company owns ten tea estates in Assam (India) and two tea estates in Africa and a tea packaging and blending unit located in Jaipur, Rajasthan. The Company markets its tea produced in Assam within India and the tea and macadamia nuts produced in Africa is sold to more than nine countries.

Accreditations and awards

Dhunseri Tea is respected as a quality-focused tea producer. This has translated into enduring relationships with prestigious customers (traders and institutions).

The Company's emphasis on quality has been validated through certifications like ISO 22000:2005 (Food Safety), RFA, PPC (Plant Protection Code), Trustea certification, FAIRTRADE and HACCP, among others.



“At Dhunseri Tea, we are in a business where land being a finite resource, there is an unrelenting pressure to increase revenues and profits. There is only one way to make this happen: improve yield and quality of tea.”

Mr. C. K. Dhanuka, Chairman, analyses the 2014-15 performance of the Company and its prospects



At Dhunseri Tea, there is one growth strategy, one overarching de-risking approach and one management mantra.

Make a better quality of tea.

We have made this approach central to our existence for a number of reasons.

One, we believe that better quality generates better realisations and that a quality-driven approach increases margin and profitability.

Two, we believe that the production of quality tea is about building our brand to sustain future business operations.

Three, a focus on quality also generates customer loyalty, provides resilience to the operations of the Company.

Four, the manufacture of quality tea ensures a competitive advantage for the business.

Five, we are convinced that a quality emphasis represents the most effective de-risking strategy for a business with finite resources.

The transition

Earlier, the business was India-centric, growing tea in only one Indian state. Now, with two tea estates in Malawi (Africa), we have doubled our output and also de-risked the Company from an excessive dependence on one geographical area.

The offshore operations of our Company also include the production of macadamia nuts.

Strengthening our processes

Although climate plays an important role in the plantation operations of the Company, we attempted to counter the downsides within our control. We did so by providing better irrigation facilities at our tea estates, by effectively controlling costs, efficiently utilising our manpower to increase our yield per hectare. We are constantly revamping our marketing and distribution strategies with a view to strengthen and secure the business over the long-term.

Outlook

At Dhunseri Tea, we are optimistic of our prospects.

Tea continues to be a common man's drink and is the most affordable beverage in the country. The increase in disposable incomes has generated a growing preference for quality teas. The vast Indian rural market is opening up and will be the largest potential market in coming years, leading to an increased demand for quality tea.

In view of these realities, we are optimistic of enhancing revenues, margin and shareholder value continuously in the coming years.

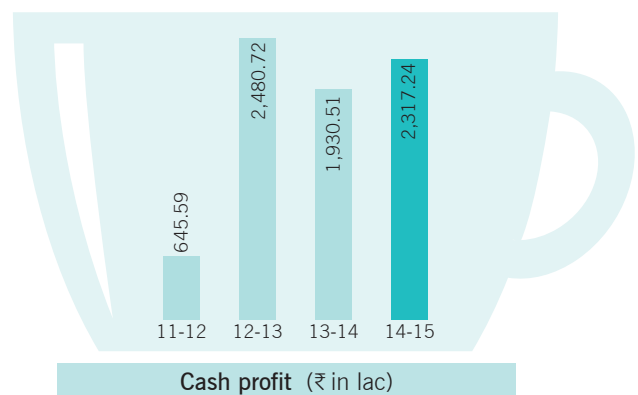
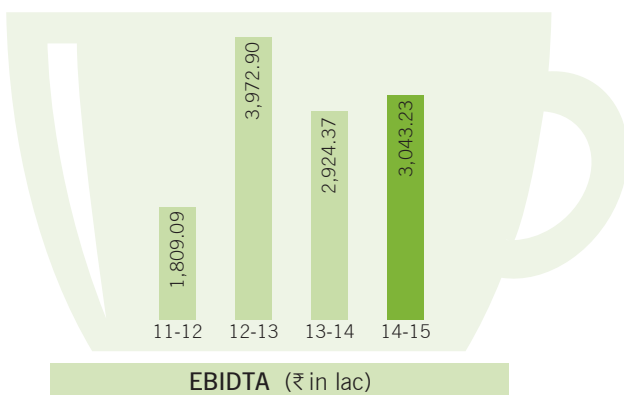
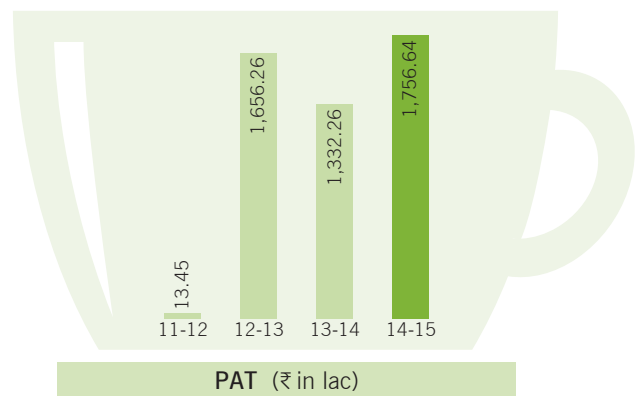
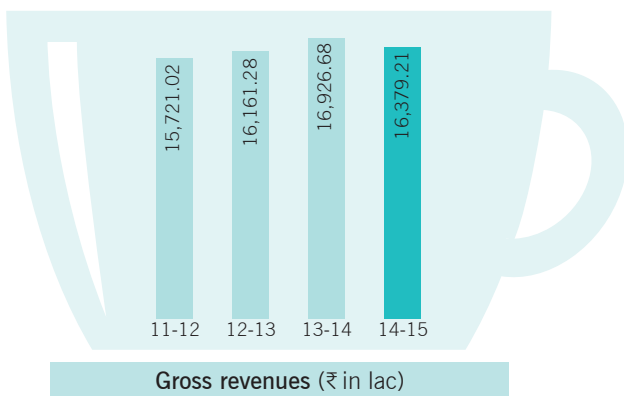
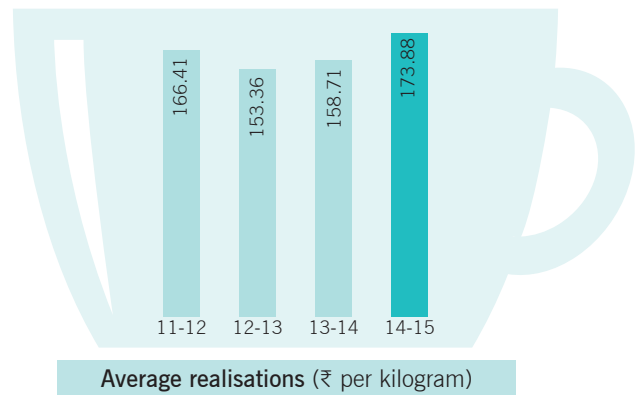
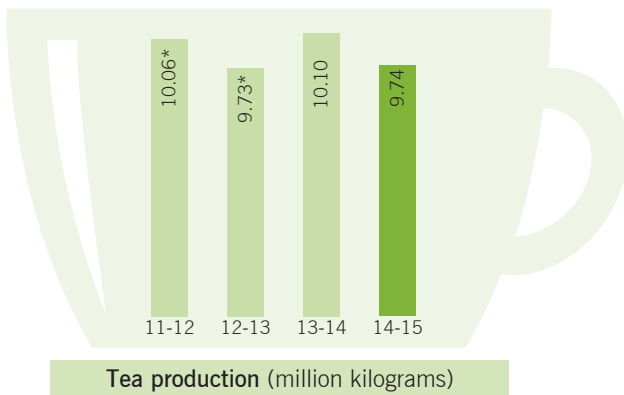
C. K. Dhanuka,
Chairman

How we performed over the years



“Almost all quality improvement comes via simplification of design, manufacturing...layout, processes and procedures.”

Tom Peters



* Excludes Bought leaf factories / tea estate disinvested

Our strengths



“Quality is the result of a carefully constructed cultural environment. It has to be the fabric of the organisation, not part of the fabric.” *Philip Crosby*

Corporate

Status: Dhunseri Tea is among the top ten tea producers in India and has been in this business for over six decades.

Knowledge: The Company directly

employs about 5,153 people in India, more than 50% of whom are women, engaged in tea plucking in its estates in Assam, a significant competitive

strength at a time when availability of male workers are on a decline.

The employee strength in Malawi estates is about 9,703.

Product

Product mix: The Company produces both CTC and orthodox tea varieties with an objective to meet the customer needs and optimise realisations depending on demand and supply.

Marketing: The Company's strategy is to increase progressively the sale of tea marketed directly through strategic and private contracts in domestic and international markets, with a view to generating higher realisations.

Brand: The Company invested in three brands marketed through a select state, representing value addition and forward integration. These brands generated higher per kilo realisations than average non-packaged realisations.

Relationship: All our customers have been associated with the Company for the past few decades; the Company's quality teas generated realisations at least 15% higher than the Assam average.

Standards and Accreditation: The Company produces premium quality teas in full compliance with international MRL and food safety standards. The certifications bestowed upon the Company comprise FAIRTRADE, Rainforest Alliance, Hazard Analysis Critical Control Point (HACCP), Trustea and ISO 22000:2005 (Food Safety) certifications extending across a number of tea estates.

Plantation

Location: The tea estates of the Company are located in Assam, a prime geographical location for tea production. The tropical climatic condition lends Assam tea a unique malty taste, a feature for which Assam tea is well-known. The other tea estates of the Company are located in Malawi (Africa). The region is conducive because of minimal pest infestation and favourable weather for tea cultivation.

Economies-of-scale: The Company has grown its business from a presence in one country a few years ago to a presence in two; from 3,026 hectares of gardens in 2004-05 to 5,701 hectares in 2014-15

and from an output of about 10 million kilograms in 2004-05 to about 18.24 million kilograms in 2014-15.

Factories: The Company's 12 tea estates located in Assam and Malawi are reinforced with tea processing units, making it possible to process fresh tea, retaining its aroma, colour and flavour.

Other assets: The Company possesses a tea estate land bank of about 4,528 hectares (India and Malawi combined), of which 1,439 hectares are presently used for macadamia plantation and generated ₹28 crore in revenues (2014-15).

Irrigation: The management has increased the proportion of irrigated areas in the Company's tea gardens from about 40% to 80% during the last two years, strengthening climatic de-risking.

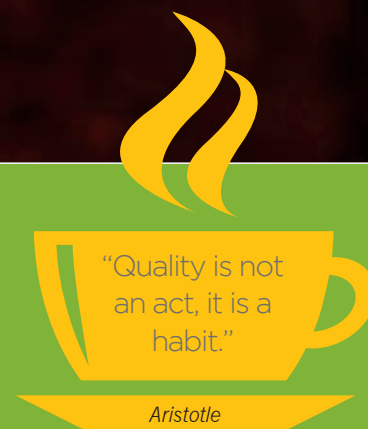
Replanting: The Company uproots about 2.5% to 3% of its total area under tea annually.

Geographical diversification: The Company has widened its presence from one country to two, reinforcing geographic de-risking.

Prioritising
quality
over quantity



AT DHUNSERI TEA, WE WERE FACED WITH A TEMPTING PROPOSITION A FEW YEARS AGO. MAXIMISE PRODUCTION AND BEING RECOGNISED AS A LARGE VOLUME PLAYER WITH AVERAGE REALISATIONS OR EMERGE AS A QUALITY PRODUCER INSTEAD.



We started focusing on producing better quality tea instead of large volumes with a view to increasing realisation per kilogram.

The strategy was validated: quality tea moved faster as well as resisted price decline during a glut than the volume-driven varieties.

The benefits of this conscious sectoral positioning are evident:

- The Company reported average realisations of ₹173.88 per kilogram from its Assam gardens in 2014-15, which was about 15% higher than the


prevailing Assam average.

- The Company reported an average EBIDTA of ₹37.20 per kilogram in 2014-15, which was 16% higher than the previous year.

Result: Dhunseri Tea has moulded its identity from being a cyclical to an all-weather tea producer (the peak season being April to November in India and December to February in Malawi) and positioned itself firmly on the apex of the industry pyramid in terms of quality, profitability and sustainability.

Quality
is derived from
procedural discipline





AT DHUNSERI TEA, QUALITY IS NOT SOMETHING WE PRACTISE IN A COUPLE OF OUR FACTORIES OR AT A PARTICULAR STAGE OF THE PRODUCTION PROCESS. WE INVEST IN IT CONSISTENTLY THROUGHOUT THE ENTIRE PROCESS.



At Dhunseri Tea, we do not just focus on growing tea; we focus on exactly how our teas will taste, smell, feel and look while responding to distinct customer niches.

Over the last few years, the Company increased manufacturing capacity to offset peak load pressure by introducing cutting-edge machinery. Besides, our processing schedule is structured to process the day's tea

plucking at proximate factories to protect the unique tea characteristics and ensure garden freshness.

At Dhunseri Tea, we responded to the need for augmented product quality through a seven day plucking cycle, which addresses 70% of the Company's peak season plucking, resulting in an enhanced collection of quality leaf.

At Dhunseri Tea, we invested in best-in-class technologies across our factories to retain the quality and freshness of the made tea.

Consequently our Indian tea customers continued to buy from us leading to repeat offtake.



Tea segment review

Vision

Dhunseri Tea aims to achieve global eminence through its quality.

Strategy

- Enhancing tea quality
- Augmenting production in our Malawian estates
- Focusing on branded tea business

Our brands



Overview

Dhunseri Tea, with an aggregate tea production capacity of 22 million kilograms across 12 tea estates (two countries), is one of the largest tea producers in the world.

The Company accounts for nearly 0.40% of the total tea produced in the world and 0.82% of tea produced in India. Around 60% of the Company's

tea revenue accrues from India.

Dhunseri Tea has plantations in Assam (India) and Malawi (Africa). Six tea estates of the Company are located in Upper Assam (South bank) and four in Lower Assam (North bank). These estates possess a cumulative production capacity of 12 million kilograms.

The Company's two estates in Malawi

are located in the hills of Makandi and Kawalazi with a cumulative production capacity of 10 million kilograms.

The Company's packaged tea brands (Lal Ghora, Kala Ghora and Bahipookri) are preferred by customers across the State of Rajasthan. Dhunseri is the leader in the branded tea segment in Rajasthan.

Key developments, 2014-15

Operational

- Achieved tea production of 9.74 million kilograms in 2014-15 in India as against 10.10 million kilograms in 2013-14. The decline was on account of adverse weather conditions and the closure of bought leaf production. The Company's tea production capacity in Africa was 8.50 million kilograms in 2014-15 as against 8.81 million kilograms in 2013-14.
- Increased production of macadamia from 0.47 million kilograms in 2013-14 to 0.61 million kilograms in 2014-15.

- Planting of clonal tea varieties is being done to boost quality at the estates in Malawi.
- Achieved a yield of around 5,200 kilograms per hectare in Kawalazi and around 3,000 kilograms per hectare in Makandi. In India, the average yield stood at 2,047 kilograms per hectare in 2014-15.
- Uprooting and replanting is a continuous process at Dhunseri, replacing old bushes (to the extent of 2.5% to 3% of the garden area) with high-quality clonal varieties. The average age of its

bushes is around 55 years. In the next ten years the average age of the bushes are expected to be brought down to below 50 years.

- Invested ₹1.00 crore in automated equipment (plucking, pruning, ploughing and tractor mounted spraying vehicles among others) across all its Assam tea estates to mitigate the shortage of workers and timely completion of pruning by using pruning machines. Invested about ₹5.68 crore towards strengthening the technology and irrigational quotient in Malawi and India.



As part of the Company policy, we uproot and replant at least 2% to 3% of our plants every year (both in India and Malawi).



- Installed drip irrigation facilities in both Malawian tea estates; almost 95% of the Kawalazi estate is covered by irrigation and in Makandi, about 5% is covered due to low water availability. At Kawalazi, 25% of the area under macadamia is covered under irrigation, which is expected to increase to 100% over the next three years.

- We have started scaling up the production of macadamia nuts in our tea estates in Africa with the objective to revamp our extant business model. From 1,322 hectares at the time of the acquisition of the estates in 2012, the Company has increased the area under macadamia to 1,439 hectares.

Financial

- Tea revenue remained almost steady in 2014-15. Malawi tea revenue accounted for 38% of the Company's revenue in 2014-15.

- Achieved a ROI of around 16% in only the second full year of operations in Malawi.

- Enhanced average realisations in India by nearly 10% - from ₹159.60 per kilogram in 2013-14 to ₹173.88 per kilogram in 2014-15; achieved average realisations of \$1.5 per kilogram in Africa.

- Enhanced macadamia revenues from ₹18 crore in 2013-14 to ₹28 crore in 2014-15.

Marketing

- Maintained leadership (market share 8%) in the branded tea segment in Rajasthan through the Lal Ghora, Kala Ghora and Bahipookri brands.

- Generated 37% of the Indian revenues through branded teas; revenues from branded teas increased by 5% in 2014-15.

- Gap assessment for Trustea certification has been completed and its work is in progress. The certification is expected to be received for all gardens in 2015.

- We already have accreditations such as FAIRTRADE, Rainforest Alliance and HACCP certifications for the Malawian estates.

- Invested ₹1.31 crore in advertising and branding packaged tea.

- Ms. Hema Malini continues to be our brand ambassador for all our packet tea brands.

- The Company took on lease the entire tea packaging factory in Jaipur and also increased the dealer network.

- Focused on furthering the visibility and popularity of all our branded packet teas in Rajasthan.

Road ahead

At Dhunseri Tea, the outlook appears optimistic.

A focused improvement in quality is expected to generate better realisations. The Company is investing in automation to optimise labour costs and make use of machine to reduce dependence of manual workers during FY 2015-16.

The two Malawian estates cover an area of around 12,344 hectares, out of which the planted area is around 4,726 hectares. Another 3,000 hectares is still available for plantation.

The Company intends to plant additional 250 hectares over the next three years to its existing macadamia plantation of around 1,439 hectares.

The Company also intends to plant another 100 hectares of tea in the next two years. It also intends to increase the proportion of irrigated land in the macadamia plantations at Kawalazi and Makandi.

The Company plans to launch a new premium brand (Dhunseri Gold) in Rajasthan with the objective to raise market share, realisations and profits.

Management discussion and analysis



Review of the India economy

The latest estimates of national income (Source: Central Statistics Office) indicate that the economy's growth revival, which commenced in 2013-14, gained vigour in 2014-15. A more robust economic performance than was earlier indicated emerged on the back of an updated base year, wider coverage of goods and services, and the inclusion of tax data to estimate economic activity. Real growth in India was previously estimated as a change in volume but the new series estimates value-addition at each stage.

Growth: The economy was estimated

to grow by 7.4% in 2014-15 (6.9% in 2013-14). However, the annual growth rate of GDP was seen to improve to 7.5% in the last quarter of 2014 (as per revised figures) as against 6.4% in the last quarter of 2013 (as per revised rates). India is possibly the fastest growing major economy, having surpassed the \$2.1-trillion mark on the back of a better performance from its manufacturing sector and rising public expenditure. The prevailing economic scenario could catapult India towards double-digit growth across the medium-term (Source: *Economic Survey 2015*).

Inflation: Control on price rise continued and a remarkable fall in inflation was noted, with the wholesale price index falling to a five-year low of 0.11 in December 2014, in contrast to 6.40 in December, 2013. With this trend continuing, WPI was -0.39 as on January, 2015 as compared to 5.03 in January, 2014. Food inflation reported a fall from 9.66% in April, 2014 to 4.78% in December 2014. Retail inflation moderated to a low of 5% in Q3 of 2014-15 after having remained at 9-10% for two years.

Tea industry overview

Tea is one of the most popular beverages globally, with the major producers being India, China, Kenya, Sri Lanka, Turkey and Vietnam. The global tea market is expected to reach \$47.20 billion by 2020, growing at a CAGR of 2.8% from 2014 to 2020. (Source: <http://www.transparencymarketresearch.com>)

The industry underwent a substantial deceleration compared to the 2008-2014 period, when the industry grew annually at 10%. Currently, green tea (unfermented) accounts for 43.2% of the global demand while the remaining market share is divided between black tea (fermented or partly fermented) at

29.8% and tea concentrates, extracts and essences (27.0%). China, India, Japan, Sri Lanka and the United States represent the largest tea markets while the strongest annual growth has been projected to occur in Morocco (20.2%), Panama (15.4%), Bolivia (12.8%), Rwanda (12.1%) and Ethiopia (10.4%) over the next five years. (Source: <http://www.marketresearchreports.com>)

Tea: Supply and demand

('000 tonnes)

	2012	2013	2014	2015	2016
Production	4,785	5,064	5,197	5,302	5,466
Consumption	4,627	4,842	5,051	5,302	5,563
Balance	13	222	146	0	-97

Source: FAO, The Economist Intelligence Unit

Geographically, India and China are expected to experience strong growth in the forecast period, while the UK and the US are expected to report moderate growth in tea consumption compared to other countries.



India is the second largest producer, second largest consumer and the fourth largest tea exporter with a 23% share of global production, a 12% share of global tea exports with a per capita consumption of about 725 grams (2013-14 figures). India exports its tea to more than 60 countries. Russia, the UK, the UAE, Iran and the CIS countries are the major markets. The Asia-Pacific region dominates the global market and accounts for 40% of the total tea demand. The tea industry is one of India's largest employers with over 35 lakh workers employed in over 1,500 tea estates an almost 72% of the country's tea sector being organised. (Source: www.financialexpress.com)

Production: All-India tea production declined to 1,185 million kilograms in 2014 from 1,200 million kilograms in 2013. Tea output in Assam declined

by nearly 10% in 2014 due to scanty rainfall and a sharp rise in temperatures, affecting crop output by 60 million kilograms. The output in the first seven months of 2014-15 from the Eastern Indian states – Assam, West Bengal and others – dropped to 779.49 million kilograms from 797.48 million kilograms during the corresponding period. (Source: <http://www.indiatea.org>)

Consumption: Tea consumption in India reported a marginal decline in 2014 by nearly 1.5% – from 926 million kilograms in 2013 to 912 million kilograms in 2014. However, over the last decade, domestic consumption increased from 760 million kilograms in 2005 to 912 million kilograms in 2014.

Exports: Tea exports came under pressure in 2014 due to a reduction in incentives by 2% for bulk consignments

by the government as more than 90% of the tea exports are in bulk form. The decline in global tea prices from ₹92.25 per kilogram during the first quarter of 2014 to ₹83.58 per kilogram in the corresponding period of 2015 moderated exports. Total exports for 2014 stood at 201 million kilograms after sustaining a decline of 8.2% from 219 million kilograms in 2013. (Source: <http://www.indiatea.org>)

Imports: Total tea imports in 2014-15 remained almost at the same level as 2013-14. During the period of April to November, imports stood at 14.57 million kilograms, an increase of 2% from 14.25 million kilograms during the same period in 2013-14. However, the cost per kilogram increased 6% during the same period -from ₹127.90 per kilogram in 2013-14 to ₹135.64 in 2014-15. (Source: <http://www.indiatea.org>)

Reasons for optimism in the industry

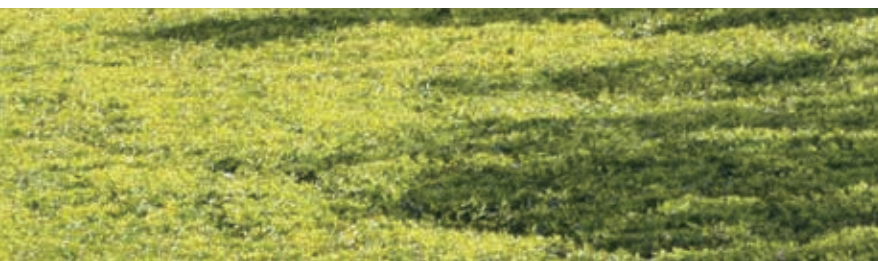
Preference: India is the world's second largest tea consumer, accounting for nearly 25% of the global tea production. Tea is consumed in 90% of Indian homes. Over the years, tea has become integral to the country's culture. The government declared tea as a 'National Beverage' from April, 2013.

Health benefits: Tea helps combat cardiac ailments, controls cholesterol, protects the skin, keeps cancer at bay, strengthens bones and contains no calories, fat or salt. The increasing awareness of health advantages

associated with the intake of tea (especially organic, white and green) is a demand driver.

Emerging consumer demand: Drinking habits and lifestyles have changed; people are willing to pay more for quality tea. Increasing consumer need for quality, branding and active promotions have helped evolve the market from unbranded to branded products. Besides, tea variants (iced tea, flavoured tea) address the growing demands of youth.

Low per capita consumption: Although tea is a popular beverage in India, it suffers from a low per capita consumption compared to other countries - 725 grams annually, which is far below countries like Ireland (1.90 kilograms), Russia (1 kilogram), Chile (1.24 kilograms), Turkey (2 kilograms), Egypt (1.15 kilograms) and Pakistan (1.1 kilograms). This highlights attractive headroom for growth. (Source: www.indiatea.org)



The Asia-Pacific region dominates the global market and accounts for 40% of the total tea demand.

Industry outlook

With rainfall predicted to remain erratic between October and March, irrigation and comprehensive waste water management in tea plantations

are becoming increasingly important. The Indian Tea Association expects export realisations to improve because of a global shortfall of nearly 8 million

kilograms being seen in January 2015 and expectation of higher prices.

Segment-wise or product-wise performance

Unfavourable weather and pest attacks affected the Company's crop in 2014-15. Dhunseri's Indian tea production also declined from 10.10 million kilograms to

9.74 million kilograms tea due to the sale of its bought leaf processing units. The production in Malawi also declined from 8.81 million kilograms in 2013-14

to 8.5 million kilograms in 2014-15. The average tea realisations per kilogram has increased by 9.55% in India and has declined by 14% in Africa.

Risks and concerns

In any business, risks and opportunities are inseparable components. The Company's Directors and management keep this in mind while taking decisions to ensure that stakeholders are not

adversely affected. The Company's Risk Management Committee, comprising various departmental heads, meets regularly to identify processes which are exposed to risks, determines mitigation

strategies to counter these risks and closely monitor their implementation. These have been discussed in detail in the risk management section of this Annual Report.

Internal control system and their adequacy

The Company implemented internal control systems to ensure that all assets are safeguarded and protected against

losses and all transactions are recorded and reported correctly. The internal control system is commensurate with

the size and nature of the Company's business. The systems are regularly reviewed for effectiveness.

Discussion on financial performance with respect to operational performance

This has been covered in the Director's Report specifically under the section on financial results and operations.

Material developments on the human resources/industrial relations front, including number of people employed

The Company emphasises on training and development of personnel to derive optimum results. The Company strives

to maintain healthy industrial relations across locations and employees. The number of people employed by the

Company in India as on March 31, 2015 was 5,153.

Managing risks at Dhunseri



Risk, which is the manifestation of business uncertainty affecting corporate performance and prospects, is an integral part of businesses.

As a proactive enterprise, Dhunseri strengthened its systems-based approach to risk management.

This disciplined approach, along with centrally-issued policies, divisionally-evolved procedures and timely execution of proactive counter-measures, has strengthened Dhunseri Tea's business continuity. The Company's senior management reviews the risk management framework routinely to address emerging challenges.

Dependence risk

An overt dependence on a single cyclical business could affect viability during industry troughs.

Response: The Company acquired tea estates in Africa where the tea season is from October to March whereas the same in India is from March to September. The Company thus produces tea all-year round, helping counter the seasonal nature of the business. The acquisition helped the Company extend to the production of macadamia nuts (value-added), protecting the Company from cyclical nature of tea industry.

Result: Revenue from the sale of macadamia nuts grew by 55% in comparison to the previous year.

Industry risk

A downward price trend could affect prospects.

Response: The Company invested in the production of quality teas.

Result: Tea production in 2014 declined by about 3%, whereas realisation was significantly higher.

Quality risk

The Company's reputation is dependent on tea quality. Any diminution in quality can affect brand, realisations and earnings.

Response: The Company continues to focus on producing quality teas. In the last couple of years, the Company disinvested its bought leaf factories in India and focused on quality tea production. The Company implemented prudent production practices, invested in a water treatment plant, acquired stringent certifications, installed cutting-edge automation, ensured compliance with set norms and specialised fine plucking processes.

Result: The Company's focus on quality helped to enhance overall quality standards.



"Quality is never an accident; it is always the result of high intention, sincere effort, intelligent direction and skillful execution; it represents the wise choice of many alternatives."

William A. Foster

Climatic risk

Adverse climatic conditions could hamper tea production.

Response: The Company widened its presence from one country to two. Moreover, the Company countered drought by irrigating its tea estates in India and in Africa, ensuring sufficient water supply for bush growth.

Result: Achieved a yield of around 5,200 kilograms per hectare in Kawalazi and around 3,000 kilograms per hectare in Makandi.

Client concentration risk

Client attrition could affect profitability.

Response: Of the Company's total Indian sales, almost 30% is raked in through packaged tea sales and the rest through the auction and direct sales. With the Malawi acquisition, the Company forayed into the African market, commencing exports to North and South African countries, European countries, the UK, Russia, Pakistan and the Middle East, among others. Macadamia nuts are exported to the US and Japan as well as European and South East Asian countries.

Result: Almost 80% of the exports were conducted through relationship-based agreements, safeguarding the Company from client attrition.

Pest risk

Pest management, which can affect productivity, is a major challenge.

Response: The Company enforced a rigorous garden discipline to address pest attacks through the use of PPC-prescribed chemicals. This responsible use of chemicals strengthened the Company's brand. Keeping pest attack in mind, the Company strategically acquired tea estates in Africa where there is negligible pest problem.

Result: Even as tea gardens in Assam were affected by pests, resulting in crop loss, the volume loss in Dhunseri tea gardens, were contained, due to effective measures initiated by the Company.

Labour risk

The industry is labour-intensive and marked by rising costs and probable shortage.

Response: To mitigate the labour problem, the Company began to invest in automation for plucking, pruning and ploughing. Now all the uprooting is being done by backhoe payloaders and 50% of the pruning is done through machinery. The Company invested in a machine (shear) plucking system in each of its Malawi estates.

Result: The Company has decided to graduate to automation at its tea estates and this will be implemented in a phase manner.



Directors' Report

Dear members

We have pleasure in presenting the 18th Annual Report together with the Audited Financial Statements of the Company for the year ended 31st March, 2015.

1. Financial Results

(₹ in Lakhs)

Particulars	STANDALONE Accounting year ended 31/03/2015	CONSOLIDATED Accounting year ended 31/03/2015
1 Income from Operations		
a Net Sales / Income from Operations	16,379.21	26,754.58
b Other Operating Income	42.71	42.71
Total Income from Operations	16,421.92	26,797.29
2 Expenses		
a Cost of Materials Consumed	3,397.29	3,397.29
b Changes in Inventories of finished goods and stock in trade	(320.62)	(8.75)
c Employee Benefits Expense	4,644.42	5,762.53
d Depreciation expense	612.36	979.88
e Freight, Delivery & Selling Expenses	896.70	1,400.30
f Power & Fuel	1,774.50	3,000.31
g Other Expenses	3,283.94	9,001.72
Total Expenses	14,288.59	23,533.28
3 Profit from Operations before Other Income, Finance costs and Exceptional items (1-2)	2,133.33	3,264.01
4 Other Income	297.54	778.69
5 Profit from Ordinary activities before Finance costs and Exceptional items (3+4)	2,430.87	4,042.70
6 Finance costs	358.98	818.57
7 Profit from Ordinary activities after Finance costs but before Exceptional items (5-6)	2,071.89	3,224.13
8 Exceptional items	-	-
9 Profit from Ordinary Activities before Tax (7 - 8)	2,071.89	3,224.13

Particulars	STANDALONE Accounting year ended 31/03/2015	CONSOLIDATED Accounting year ended 31/03/2015
10 Tax Expense :		
Current Year	435.00	435.00
Adjustment for earlier years	(67.99)	(67.99)
Deferred Tax	(51.76)	26.27
11 Net Profit from Ordinary Activities after Tax (9 - 10)	1,756.64	2,830.85
12 Extraordinary Items (net of tax expense)	-	-
13 Net Profit for the period (11 - 12)	1,756.64	2,830.85
14 Paid up Equity Share Capital (Face Value ₹ 10/- per share)	700.50	700.50
15 Earnings per share (of ₹ 10/- each) (not annualised):		
(a) Basic (₹)	25.08	40.41
(b) Diluted (₹)	25.08	40.41

*The previous year figures are not comparable and hence have not been provided.

2. Dividend

The Directors recommend a dividend of ₹ 7.50 per equity share i.e. @ 75% for the financial year ended 31st March, 2015 subject to approval of the shareholders at the ensuing Annual General Meeting. The dividend on equity shares, if approved by the members would involve a cash outflow of ₹ 632.32 lakhs including dividend tax.

3. Transfer to reserves

The Company proposes to transfer ₹ 500.00 lakhs to the general reserve out of the amount available for appropriation and an amount of ₹ 624.52 lakhs is proposed to be retained in the Profit and Loss Account.

4. Operations

The total tea manufacturing and sales in respect of the Indian operations for the year under review was 9.74 mn kg. and

9.35 mn kg. as against 10.10 mn kg. and 10.59 mn kg. respectively in the previous year. The production for the year under review was less due to adverse weather conditions. The sales in terms of volume were less by about 12% and the realisations were more by about 9.55% for the year under review in comparison to the previous year.

The total tea manufacturing and sales in respect of the African operations for the year under review was about 8.50 mn kg. and 9.15 mn kg. as against 8.81 mn kg. and 8.19 mn kg. respectively in the previous year. The production of tea for the year under review was less due to late arrival of monsoon which impacted the production in the fourth quarter. The tea sales in terms of volume were more by about 12% and the average realisation was less by about 14% in comparison to the previous year.

The production and sale of macadamia in terms of volume was about 0.61 mn kg. and 0.60 mn kg. as against 0.47 mn kg. and



0.43 mn kg respectively in the previous year. The production and sale of macadamia in terms of volume was more by about 30% and 40% respectively in comparison to the previous year. The average realisation was also more by about 8% for the year under review in comparison to the previous year.

5. Subsidiary Companies

The Company has following three wholly owned subsidiaries as on March 31, 2015 :

- i) Dhunseri Petrochem & Tea Pte Ltd (DPTPL)
- ii) Makandi Tea & Coffee Estates Ltd (MTCEL)
- iii) Kawalazi Estate Company Ltd (KECL)

Upon demerger of the Tea Division of erstwhile Dhunseri Petrochem & Tea Limited in favour of the Company as per the Scheme of Arrangement sanctioned by the Hon'ble High Court at Calcutta, the above subsidiaries are vested with the Company.

The entire share capital of the subsidiaries i.e. MTCEL and KECL are held by DPTPL and that of DPTPL are held by the Company, making them 100% wholly owned subsidiaries of the Company.

There has been no material change in the nature of the business of the subsidiaries.

There are no associate companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act").

Pursuant to provisions of Section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's subsidiaries in Form AOC-1 is attached to the financial statements of the Company.

Pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiaries, are available on the Company's website: www.dhunseritea.com.

6. Scheme of Arrangement

The scheme of arrangement which inter-alia provided for the demerger of the tea division of erstwhile Dhunseri Petrochem & Tea Limited to the Company, was sanctioned by the Hon'ble High Court at Calcutta by an Order dated 7th August, 2014.

The said scheme became effective from the appointed date i.e. 1st April, 2014 and the Reports and Accounts for the year ended 31st March, 2015 also contains the merged figures of the operations of all these Companies.

In terms of the scheme the Company had issued and allotted 70,04,951 equity shares of ₹10/- each on 22.09.2015 to the shareholders of erstwhile Dhunseri Petrochem & Tea Limited (DPTL), credited as fully paid up, in the ratio of 1 equity share of ₹10/- each fully paid up of the Company for every 5 equity shares of ₹10/- each fully paid up and held by them in DPTL as on the record date i.e. 19th September, 2014. The entire 50,000 equity shares of ₹10/- each fully paid up of the Company, which was held by DPTL as on 01.04.2014 stood cancelled upon issue and allotment of the aforesaid new equity shares by the Company.

All the required action have been taken by the Company in terms of the Scheme of Arrangement sanctioned by the Hon'ble High Court at Calcutta by its Order dated 07.08.2014.

7. Listing

The equity shares of the Company was listed and admitted to trading on the exchanges i.e. BSE and NSE with effect from 20th January, 2015.

8. Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013 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 profit and loss of the Company 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, 2013 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;
- (v) that they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;
- (vi) that they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

The work performed by the internal auditor, statutory auditor and secretarial auditor and the reviews performed by management and the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2014-15.

9. Directors & Key Managerial Personnel

Mr. Bharat Bajoria was appointed as an Additional Director of the Company at the Board Meeting held on 19th May, 2014. At the 17th AGM held on 8th September, 2014 he was appointed as an Independent Director of the Company to hold office for five consecutive years w.e.f. the date of the said AGM.

To enable the restructuring of the Board, Mr. K. K. Tibrewalla and Mr. P. C. Dhandhanania resigned from the directorship of the Company on 9th September, 2014. Mr. Rajiv Kumar Sharma and Mr. Basudeo Beriwalla were appointed as directors of the Company in the said casual vacancies with effect from 9th September, 2014. Mr. Rajiv Kumar Sharma shall hold office only so long as the vacating director would have held the same if no vacancy had occurred and shall be eligible for reappointment.

Mr. Mrigank Dhanuka, who was appointed as a director of the Company on 1st February, 2014, in a casual vacancy, retires by rotation at the ensuing 18th Annual General Meeting, and being eligible offers himself for reappointment. The Board recommends his reappointment.

Mr. Chandra Kumar Dhanuka who was appointed in a casual vacancy, as a director of the Company on 1st, February, 2014, was subsequently appointed as the Managing Director of the Company, by the Board at its meeting held on 9th September, 2014 for a period of five years w.e.f. 9th September, 2014 on terms and conditions and subject to the approval of the members at the ensuing 18th AGM of the Company.

Ms. Nandini Khaitan, and Mr. Ashok Kumar Lohia were appointed as Additional Directors of the Company at the Board Meeting held on 9th September, 2014.

The Companies Act, 2013 provides for appointment of independent directors. Sub-section (10) of Section 149 of the Companies Act, 2013 provides that independent directors shall hold office for a term of upto five consecutive years on the Board of a company and shall be eligible for re-appointment on passing a special resolution by the shareholders of the company.

Sub-section (11) states that no independent director shall hold office for more than two consecutive terms but such independent director shall be eligible for appointment after the expiration of three years of ceasing to become an independent director.

Section 149 (13) states that the provisions of sub-sections (6) and (7) of Section 152 in respect of retirement of directors by rotation shall not be applicable to the appointment of independent directors.

Mr. Basudeo Beriwalla, Ms. Nandini Khaitan and Mr. Ashok Kumar Lohia, who were inducted as non-executive directors of the Company at the Board Meeting held on 9th September, 2014, are now proposed to be appointed as independent directors of the Company for a term of five consecutive years w.e.f. 9th September, 2014 subject to members approval at the ensuing 18th AGM. The Board of Directors recommend their appointment.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Act and Clause 49 of the Listing Agreement with the Stock Exchanges.

The Board of Directors at their meeting held on 9th September, 2014 appointed Mr. R. Mahadevan as Company Secretary & Compliance Officer and Mrs. Bhavana Khemka as, Chief Financial Officer of the Company with effect from that date.

The Board of Directors at their meeting held on 6th February, 2015 appointed Mr. P. C. Dhandhanania as the Chief Executive Officer of the Company with effect from that date.

10. Number of Meetings of the Board

The Board met five times during the financial year 2014-15. The details have been provided in the Corporate Governance Report in terms of Clause 49 of the listing agreement, which is annexed to this Report.

11. Board evaluation

The Company is yet to initiate necessary steps with regard to annual evaluation of the performances of the Board, its committees and individual directors. It is proposed to carry out the annual performance evaluation of the Board, its committees and individual directors after the completion of one year from the date of the constitution of the Board / Committees etc.



12. Policy on Directors' appointment and remuneration and other details

The Company's policy on Directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report, which forms part of the Directors' Report.

13. Internal financial control systems and their adequacy

The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis, which forms part of this report.

14. Audit committee

The details pertaining to composition of audit committee are included in the Corporate Governance Report, which forms part of this report.

15. Auditors

Pursuant to the provisions of Section 139 of the Act and the rules framed thereunder, M/s. Lovelock & Lewes, Chartered Accountants, were appointed as Statutory Auditors of the Company for a period of five years at the 17th Annual General Meeting (AGM) of the Company held on 8th September, 2014, subject to ratification of their appointment at every AGM. Their appointment for the year 2015-16 is required to be ratified by the shareholders at the ensuing 18th AGM of the Company.

16. Auditors' report and Secretarial auditors' report

The auditors' report and secretarial auditors' report does not contain any qualifications, reservations or adverse remarks and have been annexed to the report.

17. Risk management

The Board of the Company has formed a risk management committee to frame, implement and monitor the risk management plan for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The audit committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The development and implementation of risk management policy has been covered in the Management Discussion and Analysis, which forms part of this report.

18. Particulars of loans, guarantees and investments

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

19. Transactions with Related Parties

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

Your Directors draw attention of the members to Note 32 to the financial statement which sets out related party disclosures.

20. Management's Discussion and Analysis Report

Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, is presented in a separate section forming part of the Annual Report.

21. Corporate Social Responsibility

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in Annexure I of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The policy is available on the Company's website: www.dhunseritea.com.

22. Extract of annual return

As provided under Section 92(3) of the Act, an extract of annual return is given in Annexure II in the prescribed Form MGT-9, which forms part of this report.

23. Particulars of employees

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Non-executive Directors			Ratio to median remuneration*
1.	Mr. Mrigank Dhanuka	#	-
2.	Mr. R. K. Sharma	(w.e.f. 09.09.2014)	-
3.	Mr. Bharat Bajoria	(w.e.f. 09.09.2014)	-
4.	Mr. Basudeo Beriwalla	(w.e.f. 09.09.2014)	-
5.	Ms. Nandini Khaitan	(w.e.f. 09.09.2014)	-
6.	Mr. Ashok Kumar Lohia	(w.e.f. 09.09.2014)	-
Executive directors			
1.	Mr. C. K. Dhanuka	(w.e.f. 09.09.2014)	-

* Since this information is for part of the year, the same is not comparable.

Sitting fees for attending Board / Committee Meetings are being paid to the Non-Executive Directors on and from 24.11.2014.

- b. The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary				% increase in remuneration in the financial year*
1	Mr. C. K. Dhanuka	Managing Director	(w.e.f. 09.09.2014)	-
2.	Mr. Mrigank Dhanuka		#	-
3.	Mr. Bharat Bajoria		(w.e.f. 09.09.2014)	-
4.	Mr. Basudeo Beriwalla		(w.e.f. 09.09.2014)	-
5.	Ms. Nandini Khaitan		(w.e.f. 09.09.2014)	-
6.	Mr. Ashok Kumar Lohia		(w.e.f. 09.09.2014)	-
7.	Mr. R. K. Sharma		(w.e.f. 09.09.2014)	-
8.	Mr. P. C. Dhandhanian	Chief Executive Officer	(w.e.f.06.02.2015)	-
9.	Ms. Bhavna Khemka	Chief Financial Officer	(w.e.f.09.09.2014)	-
10.	Mr. R. Mahadevan	Company Secretary	(w.e.f. 09.09.2014)	-

* Since this information is for part of the year, the same is not comparable

Sitting fee for attending Board / Committee Meetings are being paid to the Non-Executive Directors on and from 24.11.2014.

- c. The percentage increase in the median remuneration of employees in the financial year: 8.07%

- d. The number of permanent employees on the rolls of Company: 5153

- e. The explanation on the relationship between average increase in remuneration and Company performance:

On an average, employees received an annual increase of about 7 % . The individual increments varied from about 6% to 8%, based on individual performance.

The increase in remuneration is in line with the market trends. In order to ensure that remuneration reflects Company performance, the same is also linked to organisation performance apart from an individual's performance.



f. Comparison of the remuneration of the Key Managerial Personnel (KMP) against the performance of the Company:

Aggregate remuneration of KMP in Financial Year 2015 (₹ lakhs)	103.25
Revenue (₹ lakhs)	16379
Remuneration of KMPs (as % of revenue)	0.63
Profit before Tax (PBT) (₹ lakhs)	2072
Remuneration of KMP (as % of PBT)	4.98

g. Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year:

Particulars	March 31, 2015	March 31, 2014 *	% Change
Market Capitalisation (₹ lakhs)	14402.18	-	-
Price Earnings Ratio	8.20	-	-

* The equity shares of the Company were listed and trading commenced w.e.f. 20.01.2015. Since this information is for part of the year, the same is not comparable.

h. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average annual increase was around 7%. However, during the course of the year, the total increase is approximately 8%, after accounting for promotions and other event based compensation revisions.

Increase in the managerial remuneration for the year : Since this information is for part of the year, the same is not comparable.

i. Comparison of each remuneration of the key managerial personnel against the performance of the Company:

(₹ in lakhs)

	Mr. C. K. Dhanuka Managing Director	Mr. P. C. Dhandhanian Chief Executive Officer	Ms. Bhavana Khemka Chief Financial Officer	Mr. R. Mahadevan Company Secretary*
Remuneration in FY15	72.24	17.30	8.94	4.77
Revenue	16,379			
Remuneration as % of revenue	0.44	0.11	0.05	0.03
Profit before Tax (PBT)	2,072			
Remuneration (as % of PBT)	3.49	0.83	0.43	0.23

*Appointed w.e.f. 09.09.2014

j. The key parameters for any variable component of remuneration availed by the directors:

There is no variable component of remuneration availed by non-executive directors of the Company. They are entitled to only sitting fees for attending Board / Committee Meetings.

k. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: None.

l. Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company affirms remuneration is as per the remuneration policy of the Company.

m. The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is set out in Annexure IV forming part of this report.

24. Disclosure requirements

As per Clause 49 of the listing agreements entered into with the stock exchanges, Corporate Governance Report with Auditors' Certificate thereon and Management Discussion and Analysis are attached, which form part of this report.

Details of the familiarisation programme of the independent directors are available on the Company's website (<http://dhunseritea.com/wp-content/uploads/2015/06/Familiarisation-Programme-of-Independent-Directors.pdf>).

Policy for determining material subsidiaries of the Company is available on the Company's website (<http://dhunseritea.com/wp-content/uploads/2015/03/policy-for-determining-material-subsiary.pdf>).

Policy on dealing with related party transactions is available on the Company's website (<http://dhunseritea.com/wp-content/uploads/2015/04/Related-party-transaction-policy.pdf>).

The Company has formulated and published a Whistle Blower Policy to provide Vigil Mechanism for employees including directors of the Company to report genuine concerns. The provisions of this policy are in line with the provisions of the Section 177(9) of the Act and the revised Clause 49 of the Listing Agreements with stock exchanges and the said policy is available on the Company's website (<http://dhunseritea.com/wp-content/uploads/2015/03/vigil-mechanism.pdf>).

25. Deposits from public

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

26. State of Company's affairs

The present state of the Company's affairs is progressive enough viz-a-viz the industry and there is no any development which could result in an adverse situation for the Company in the near future. There is neither any change in the nature of business of the Company nor any significant and material orders were passed by any regulator or court or tribunals impacting the going concern status affecting the Company's operation in future.

27. Material changes and commitments, if any, affecting the financial position of the Company

There are no such material changes and commitments which have occurred between the end of the financial year of the

Company to which the financial statements relate and the date of the report.

28. 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 given in Annexure III which forms part of this report.

29. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has set up Internal Complaints Committee (ICC) under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. There were no complaints received and /or disposed off during 2014-15.

30. Green Initiatives

As part of our green initiative, the electronic copies of this Annual Report including the Notice of the 18th AGM are sent to all members whose email addresses are registered with the Company / Depository Participant(s). For members who have not registered their email addresses, physical copies of this Annual Report including the Notice of the 18th AGM are sent by permitted mode.

The Company is providing e-voting facility to all its members to enable them to cast their votes electronically on all resolutions set forth in the Notice. This is pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014. The instructions for e-voting is provided in Note 10 annexed to the Notice.

31. Acknowledgement

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

For and on behalf of the Board of Directors

Kolkata,
29th May, 2015

C.K.Dhanuka
Chairman



Annexure I

ANNUAL REPORT ON CSR ACTIVITIES

1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:

The Company carries out various CSR activities across the country through Dhanuka Dhunseri Foundation (DDF)

DDF was established in 1972 and focuses on four major philanthropic areas:

- Promoting education by building schools and colleges and providing assistance for their maintenance.
- Empowering the girl child through education and other initiatives.
- Improving healthcare by distributing free medicines and setting up dispensaries and providing assistance to charitable hospitals.
- Focusing on community development through donations.

The Company regularly provides financial assistance in association with various organisations to carry out CSR activities in these areas.

The CSR amount of ₹ 20 lakhs has been paid to DDF engaged in building a new girls hostel in Kolkata to accommodate 400 girls with a built-up area of 70,000 sq. ft. The building plans have been sanctioned by Kolkata Municipal Corporation and the construction work has already started which is expected to be completed by FY 2015-16.

2. The composition of the CSR committee: The Company has a CSR Committee comprising of Mr. Basudeo Beriwal as

Chairman of the Committee, Mr. Chandra Kumar Dhanuka, Managing Director and Ms. Nandini Khaitan, Director of the Company.

3. Average net profit of the Company for last three financial years for the purpose of computation of CSR: ₹990.81 lakhs

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): ₹ 19.82 lakhs

5. Details of CSR spent during the financial year:

- Total amount to be spent for the financial year: ₹ 20 lakhs
- Amount unspent: Nil
- Manner in which the amount spent during the financial year: **As per details given below**

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report: None

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company. We hereby declare that implementation and monitoring of the CSR policy are in compliance with CSR objectives and policy of the Company.

P. C. Dhandhan
Chief Executive Officer

Basudeo Beriwal
Chairman CSR Committee

Sr. No.	CSR Project or Activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken.	Amount Outlay (budget) project or programs wise (₹)	Amount spent on the projects or programs Subheads: (1) Direct Expenditure (2) Overheads (₹)	Cumulative Expenditure upto the reporting period (₹)	Amount Spent: Direct or through implementing agency
1	Empowering girl child thorough education	Construction of Girls Hostel	Diamond Harbour Road Behala (Kolkata)	20,00,000	20,00,000	20,00,000	Direct through Dhanuka Dhunseri Foundation (DDF)

Annexure II

FORM NO. MGT-9 EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2015
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. Registration and other details

(i) CIN	:	L15500WB1997PLC085661
(ii) Registration Date	:	07/10/97
(iii) Name of the Company	:	DHUNSERI TEA & INDUSTRIES LIMITED (Formerly Dhunseri Services Ltd.)
(iv) Category/Sub-Category of the Company	:	Company having Share Capital
(v) Address of the Registered Office and contact details	:	"DHUNSERI HOUSE", 4A, WOODBURN PARK, KOLKATA - 700 020 Tel: 91 033 2280 1950, Fax: 91 033 2287 8350/9274 Email: mail@dhuseritea.com Website: www.dhunseritea.com
(vi) Whether listed company	:	YES
(vii) Name, Address and Contact Details of Registrar and Transfer Agent, if any	:	MAHESHWARI DATAMATICS PVT. LTD. 6, MANGOE LANE, 2ND FLOOR, KOLKATA - 700 001 Tel: 91 033 2243 5029/5809, Fax: 91 033 2248 4787 Email: mdpldc@yahoo.com Website: www.mdpl.in

II. Principal Business Activities of the Company

All the business activities contribution 10% or more of the total turnover of the Company shall be stated

Sl No.	Name and Description of main products/services	NIC Code of the product/ service	% to total turnover of the company
1	Growing of Tea	1271	65
2	Manufacture of Tea	1079	25
3	Tea Processing & Blending	10791	10

III. Particulars of Holdings, Subsidiary and Associate Companies

All the business activities contribution 10% or more of the total turnover of the Company shall be stated

Sl No.	Name and Address of the Company	CIN/GLN	% of Shares Held	Applicable Section
1	Dhunseri Petrochem & Tea Pte Ltd. 80, Raffles Place, UOB Plaza1, # 26-01, Singapore 048624	201136419H	100%	2(87)
2.	Kawalazi Estate Co. Ltd.* Kawalazi Estate, Nkkatabay, Malawi	2135 *	*	2(87)
3.	Makandi Tea & Coffee Estate Ltd.* Thunga Office, Twelve Mile Turnoff, Malawi	2868 *	*	2(87)

* The entire share capital of the companies listed in 2 & 3 above are held by Dhunseri Petrochem & Tea Pte Ltd.



IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No of Shares held at the beginning of the year [As on 01-April-2014] (See note 1)				No of Shares held at the end of the year [As on 31-March-2015] (See note 2)				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) Indian									
a) Individual/ HUF	0	0	0	0.0000	181476	0	181476	2.5907	2.5907
b) Central Govt									
c) State Govt(s)									
d) Bodies Corporates	0	50,000	50,000	100.0000	3772647	0	3772647	53.8569	53.8569
e) Banks/FI									
f) Any other									
Sub-total (A)(1)	0	50,000	50,000	100.0000	3954123	0	3954123	56.4475	56.4475
(2) Foreign									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corp.	0	0	0	0.0000	759010	0	759010	10.8353	10.8353
d) Banks/FI									
e) Any other									
Sub-total (A)(2)	0	0	0	0.0000	759010	0	759010	10.8353	10.8353
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	0	50,000	50,000	100.0000	4713133	0	4713133	67.2829	67.2829
B. PUBLIC SHAREHOLDING									
1. Institutions									
a) Mutual Funds	0	0	0	0.0000	240	0	240	0.0034	0.0034
b) Banks/FI	0	0	0	0.0000	183494	413	183907	2.6254	2.6254
c) Central Govt	0	0	0	0.0000	200	0	200	0.0029	0.0029
d) State Govt(s)						35	35	0.0005	0.0005
e) Venture Capital Funds									
f) Insurance Companies	0	0	0	0.0000	436221	0	436221	6.2273	6.2273
g) FIIs	0	0	0	0.0000	0	0	0	0.0000	0.0000
h) Foreign Venture Capital Funds									
i) Others (specify) Overseas Corporate Body	0	0	0	0.0000	461728	0	461728	6.5915	6.5915
Sub-total(B)(1)	0	0	0	0.0000	1081883	448	1082331	15.4509	15.4509

Category of Shareholders	No of Shares held at the beginning of the year [As on 01-April-2014] (See note 1)				No of Shares held at the end of the year [As on 31-March-2015] (See note 2)				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corporates									
i) Indian	0	0	0	0.0000	201392	2298	203690	2.9078	2.9078
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	0	0	0	0.0000	845487	83348	928835	13.2597	13.2597
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	0	0	0	0.0000	57726	0	57726	0.8241	0.8241
c) Others (Specify)									
Non Resident Indians	0	0	0	0.0000	16177	1618	17795	0.2540	0.2540
Qualified Foreign Investor									
Custodian of Enemy Property	0	0	0	0.0000	0	221	221	0.0032	0.0032
Foreign Nationals	0	0	0	0.0000	0	266	266	0.0038	0.0038
Clearing Members	0	0	0	0.0000	823	0	823	0.0117	0.0117
Trusts	0	0	0	0.0000	100	31	131	0.0019	0.0019
Foreign Bodies-D R									
Sub-total (B) (2)	0	0	0	0.0000	1121705	87782	1209487	17.2662	17.2662
Total Public Shareholding (B)= (B)(1)+ (B) (2)	0	0	0	0.0000	2203588	88230	2291818	32.7171	32.7171
C. SHARES HELD BY CUSTODIAN FOR GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	50,000	50,000	100.0000	6916721	88230	7004951	100.0000	100.0000

Note -

- As on 1st April, 2014 the entire equity share capital of M/s. Dhunseri Tea & Industries Ltd. comprising of 50,000 equity shares of ₹ 10/- each fully paid-up held by Dhunseri Petrochem & Tea Ltd. (DPTL) were cancelled as per the Scheme of Arrangement (inter-alia providing for demerger of the Tea Division of DPTL) sanctioned by Hon'ble High Court at Calcutta by an Order dated 7th August, 2014.
- On demerger of the Tea Division of DPTL, one equity share of ₹ 10/- each fully paid-up (aggregating to 70,04,951 equity shares) was allotted on 22.09.2014 by the Company for every five equity shares of ₹ 10/- each fully paid-up held by the members of DPTL as per the Scheme of Arrangement sanctioned by Hon'ble High Court at Calcutta by an Order dated 7th August, 2014.



ii) Shareholding of Promoters

Sl No	Category of Shareholders	Shareholding at the beginning of the year (See note 1)			Shareholding at the end of the year (See note 2)			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Dhunseri Petrochem & Tea Ltd.	50000	100.0000	0.0000	0	0.0000	0.0000	0.0000
2	Dhunseri Investments Ltd.	0	0.0000	0.0000	2487755	35.5142	0.0000	35.5142
3	Yves Lombard Asset Management AG	0	0.0000	0.0000	759010	10.8353	0.0000	10.8353
4	Naga Dhunseri Group Limited	0	0.0000	0.0000	615751	8.7902	0.0000	8.7902
5	Plenty Valley Intra Limited	0	0.0000	0.0000	306091	4.3696	0.0000	4.3696
6	Mint Investments Limited	0	0.0000	0.0000	287225	4.1003	0.0000	4.1003
7	Chandra Kumar Dhanuka Karta of Shankarlal Chandra Kumar (HUF)	0	0.0000	0.0000	80000	1.1420	0.0000	1.1420
8	Chandra Kumar Dhanuka C/o Mrigank Dhanuka Trust	0	0.0000	0.0000	28000	0.3997	0.0000	0.3997
9	Chandra Kumar Dhanuka C/o Shree Shaligram Trust	0	0.0000	0.0000	9400	0.1342	0.0000	0.1342
10	Chandra Kumar Dhanuka C/o Sew Bhagwan & Sons	0	0.0000	0.0000	886	0.0126	0.0000	0.0126
11	Chandra Kumar Dhanuka	0	0.0000	0.0000	9104	0.1300	0.0000	0.1300
12	Mrigank Dhanuka	0	0.0000	0.0000	23184	0.3310	0.0000	0.3310
13	Mrigank Dhanuka C/o Aman Dhanuka Trust	0	0.0000	0.0000	8000	0.1142	0.0000	0.1142
14	Trimplex Investments Limited	0	0.0000	0.0000	57625	0.8226	0.0000	0.8226
15	Madhuting Tea Private Limited	0	0.0000	0.0000	18200	0.2598	0.0000	0.2598
16	Aruna Dhanuka	0	0.0000	0.0000	16502	0.2356	0.0000	0.2356
17	Tarulika Khaitan C/o Tarugre Trust	0	0.0000	0.0000	4000	0.0571	0.0000	0.0571
18	Tarulika Khaitan	0	0.0000	0.0000	2400	0.0343	0.0000	0.0343
	Total	50000	0.0000	0.0000	4713133	67.2829	0.0000	67.2829

- As on 1st April, 2014 the entire equity share capital of M/s. Dhunseri Tea & Industries Ltd. comprising of 50,000 equity shares of ₹ 10/- each fully paid-up held by Dhunseri Petrochem & Tea Ltd. (DPTL) were cancelled as per the Scheme of Arrangement (inter-alia providing for demerger of the Tea Division of DPTL) sanctioned by Hon'ble High Court at Calcutta by an Order dated 7th August, 2014.
- On demerger of the Tea Division of DPTL, one equity share of ₹ 10/- each fully paid-up (aggregating to 70,04,951 equity shares) was allotted on 22.09.2014 by the Company for every five equity shares of ₹ 10/- each fully paid-up held by the members of DPTL as per the Scheme of Arrangement sanctioned by Hon'ble High Court at Calcutta by an Order dated 7th August, 2014.

iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl No	Category of Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	DHUNSERI PETROCHEM & TEA LTD.				
	As on 01.04.2014	50000	100.0000		
	Allotment /Acquire/ Sold during the year (See note 1)	50000	100.0000		
	At the end of the year			0	0.0000
2	YVES LOMBARD ASSET MANAGEMENT AG				
	As on 01.04.2014	0	0.0000		
	Allotment /Acquire/ Sold during the year (See note 2)	0	0.0000	759010	10.8353
	At the end of the year			759010	10.8353
3	DHUNSERI INVESTMENTS LIMITED				
	As on 01.04.2014	0	0.0000		
	Allotment /Acquire/ Sold during the year (See note 2)	0	0.0000	2487755	35.5142
	At the end of the year			2487755	35.5142
4	NAGA DHUNSERI GROUP LIMITED				
	As on 01.04.2014	0	0.0000		
	Allotment /Acquire/ Sold during the year (See note 2)	0	0.0000	615751	8.7902
	At the end of the year			615751	8.7902
5	PLENTY VALLEY INTRA LIMITED				
	As on 01.04.2014	0	0.0000		
	Allotment /Acquire/ Sold during the year (See note 2)	0	0.0000	306091	4.3696
	At the end of the year			306091	4.3696
6	TRIMPLEX INVESTMENTS LIMITED				
	As on 01.04.2014	0	0.0000		
	Allotment /Acquire/ Sold during the year (See note 2)	0	0.0000	57625	0.8226
	At the end of the year			57625	0.8226
7	MADHUTING TEA PRIVATE LIMITED				
	As on 01.04.2014	0	0.0000		
	Allotment /Acquire/ Sold during the year (See note 2)	0	0.0000	18200	0.2598
	At the end of the year			18200	0.2598
8	MINT INVESTMENTS LIMITED				
	As on 01.04.2014	0	0.0000		
	Allotment /Acquire/ Sold during the year (See note 2)	0	0.0000	287225	4.1003
	At the end of the year			287225	4.1003
9	CHANDRA KUMAR DHANUKA KARTA OF SHANKARLAL CHANDRA KUMAR (HUF)				
	As on 01.04.2014	0	0.0000		
	Allotment /Acquire/ Sold during the year (See note 2)	0	0.0000	80000	1.1420
	At the end of the year			80000	1.1420
10	CHANDRA KUMAR DHANUKA				
	As on 01.04.2014	0	0.0000		
	Allotment /Acquire/ Sold during the year (See note 2)	0	0.0000	9104	0.1300
	At the end of the year	0	0.0000	9104	0.1300



Sl No	Category of Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
11	CHANDRA KUMAR DHANUKA C/o MRIGANK DHANUKA TRUST				
	As on 01.04.2014	0	0.0000		
	Allotment /Acquire/ Sold during the year (See note 2)	0	0.0000	28000	0.3997
	At the end of the year			28000	0.3997
12	CHANDRA KUMAR DHANUKA C/o SHREE SHALIGRAM TRUST				
	As on 01.04.2014	0	0.0000		
	Allotment /Acquire/ Sold during the year (See note 2)	0	0.0000	9400	0.1342
	At the end of the year			9400	0.1342
13	CHANDRA KUMAR DHANUKA C/o SEW BHAGWAN & SONS				
	As on 01.04.2014	0	0.0000		
	Allotment /Acquire/ Sold during the year (See note 2)	0	0.0000	886	0.0126
	At the end of the year			886	0.0126
14	MRIGANK DHANUKA				
	As on 01.04.2014	0	0.0000		
	Allotment /Acquire/ Sold during the year (See note 2)	0	0.0000	23184	0.3310
	At the end of the year			23184	0.3310
15	MRIGANK DHANUKA C/o AMAN DHANUKA TRUST				
	As on 01.04.2014	0	0.0000		
	Allotment /Acquire/ Sold during the year (See note 2)	0	0.0000	8000	0.1142
	At the end of the year			8000	0.1142
16	ARUNA DHANUKA				
	As on 01.04.2014	0	0.0000		
	Allotment /Acquire/ Sold during the year (See note 2)	0	0.0000	16502	0.2356
	At the end of the year			16502	0.2356
17	TARULIKA KHAITAN C/o TARUGREVE TRUST				
	As on 01.04.2014	0	0.0000		
	Allotment /Acquire/ Sold during the year (See note 2)	0	0.0000	4000	0.0571
	At the end of the year			4000	0.0571
18	TARULIKA KHAITAN				
	As on 01.04.2014	0	0.0000		
	Allotment /Acquire/ Sold during the year (See note 2)	0	0.0000	2400	0.0343
	At the end of the year			2400	0.0343

Note 1. As on 1st April, 2014 the entire equity share capital of M/s. Dhunseri Tea & Industries Ltd. comprising of 50,000 equity shares of ₹ 10/- each fully paid-up held by Dhunseri Petrochem & Tea Ltd. (DPTL) were cancelled as per the Scheme of Arrangement (inter-alia providing for demerger of the Tea Division of DPTL) sanctioned by Hon'ble High Court at Calcutta by an Order dated 7th August, 2014.

Note 2. On demerger of the Tea Division of DPTL, one equity share of ₹ 10/- each fully paid-up (aggregating to 70,04,951 equity shares) was allotted on 22.09.2014 by the Company for every five equity shares of ₹ 10/- each fully paid-up held by the members of DPTL as per the Scheme of Arrangement sanctioned by Hon'ble High Court at Calcutta by an Order dated 7th August, 2014.

Note 3. There is no change in the Promoters shareholding as on 31.03.2015.

iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl No	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	GENERAL INSURANCE CORPORATION OF INDIA				
	At the beginning of the year	0	0.0000	144000	2.0557
	At the end of the year			144000	2.0557
2	HDFC SECURITIES LTD.				
	At the beginning of the year	0	0.0000	1309	0.0187
	As on 06/02/2015 - Transfer			447	0.0064
	As on 13/02/2015 - Transfer			80	0.0011
	As on 20/02/2015 - Transfer			40	0.0006
	As on 27/02/2015 - Transfer			13060	0.1864
	As on 06/03/2015 - Transfer			348	0.0050
	As on 27/03/2015 - Transfer			1120	0.0160
	At the end of the year			10	0.0001
3	LIFE INSURANCE CORPORATION OF INDIA				
	At the beginning of the year	0	0.0000	68605	0.9794
	At the end of the year			68605	0.9794
4	LATIN MANHARLAL SECURITIES PVT. LTD.				
	At the beginning of the year	0	0.0000	2140	0.0305
	As on 30/01/2015 - Transfer			1358	0.0194
	As on 06/02/2015 - Transfer			1350	0.0193
	As on 13/02/2015 - Transfer			1200	0.0171
	As on 20/02/2015 - Transfer			1160	0.0166
	As on 27/02/2015 - Transfer			1080	0.0154
	As on 06/03/2015 - Transfer			1060	0.0151
	As on 13/03/2015 - Transfer			9115	0.1301
	As on 20/03/2015 - Transfer			13586	0.1939
	As on 27/03/2015 - Transfer			800	0.0114
	At the end of the year			800	0.0114
5	NIRMAL BANG FINANCIAL SERVICES PRIVATE LIMITED				
	At the beginning of the year	0	0.0000	10378	0.1482
	As on 06/02/2015 - Transfer			10078	0.1439
	As on 13/02/2015 - Transfer			10058	0.1436
	As on 27/02/2015			0	
	At the end of the year			0	
6	THE NEW INDIA ASSURANCE COMPANY LIMITED				
	At the beginning of the year	0	0.0000	188236	2.6872
	At the end of the year			188236	2.6872
7	PARAM CAPITAL RESEARCH PRIVATE LIMITED				
	At the beginning of the year			35000	0.4996
	At the end of the year			35000	0.4996



SI No	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
8	UNITED INDIA INSURANCE COMPANY LIMITED				
	At the beginning of the year	0	0.0000	35380	0.5051
	At the end of the year			35380	0.5051
9	VENTURA SECURITIES LIMITED				
	At the beginning of the year	0	0.0000	0	0.0000
	As on 30/01/2015 - Transfer			10000	0.1428
	As on 06/02/2015 - Transfer			10599	0.1513
	As on 13/02/2015 - Transfer			10050	0.1435
	As on 20/02/2015 - Transfer			5175	0.0739
	As on 27/02/2015 - Transfer			4751	0.0678
	As on 13/03/2015 - Transfer			4568	0.0652
	As on 20/03/2015 - Transfer			3052	0.0436
	As on 27/03/2015			0	
	At the end of the year			0	
10	WEST BENGAL INDUSTRIAL DEVELOPMENT CORPORATION LTD				
	At the beginning of the year	0	0.0000	183000	2.6124
	At the end of the year			183000	2.6124
11	MASTER CAPITAL SERVICES LTD				
	At the beginning of the year	0	0.0000	13748	0.1963
	As on 30/01/2015 - Transfer			1023	0.0146
	As on 27/02/2015 - Transfer			923	0.0132
	As on 06/03/2015 - Transfer			653	0.0093
	As on 13/03/2015 - Transfer			646	0.0092
	As on 27/03/2015 - Transfer			640	0.0091
	At the end of the year			640	0.0091
12	MAVERICK SHARE BROKERS LIMITED				
	At the beginning of the year	0	0.0000	460	0.0066
	As on 13/02/2015 - Transfer			960	0.0137
	As on 20/02/2015 - Transfer			460	0.0066
	As on 06/03/2015 - Transfer			18611	0.2657
	As on 20/03/2015 - Transfer			18211	0.2600
	At the end of the year			18211	0.2600
13	PRAVIN BABUBHAI SHAH				
	At the beginning of the year	0	0.0000	13000	0.1856
	As on 27/02/2015			0	
	At the end of the year			0	
14	KIRAN CHANDULAL MEHTA				
	At the beginning of the year	0	0.0000	0	0.0000
	As on 06/02/2015 - Transfer			4400	0.0628
	As on 13/02/2015 - Transfer			9400	0.1342
	As on 27/02/2015 - Transfer			10618	0.1516
	As on 27/03/2015 - Transfer			9618	0.1373
	At the end of the year			9618	0.1373

Sl No	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
15	ASHA MUKUL AGRAWAL				
	At the beginning of the year	0	0.0000	0	0.0000
	As on 13/02/2015 - Transfer			15259	0.2178
	As on 20/02/2015 - Transfer			22708	0.3242
	At the end of the year			22708	0.3242
16	LINCOLN P COELHO				
	At the beginning of the year	0	0.0000	0	0.0000
	As on 27/02/2015 - Transfer			9665	0.1380
	As on 06/03/2015 - Transfer			11011	0.1572
	As on 27/03/2015 - Transfer			25000	0.3569
	At the end of the year			25000	0.3569
17	INTERNATIONAL FINANCE CORPORATION				
	At the beginning of the year	0	0.0000	461728	6.5915
	At the end of the year			461728	6.5915

Note: As on 01.04.2014 no shares were held by the top 10 shareholders. The Company allotted 70,04,951 equity shares of ₹10/- each fully paid up on 22.09.2014 as per the Scheme of Arrangement (inter-alia providing for demerger of the Tea Division of DPTL) sanctioned by Hon'ble High Court at Calcutta by an Order dated 7th August, 2014 and the shares were acquired and / or sold by the top 10 shareholders subsequent to enlistment of the securities with the stock exchanges w.e.f. 20.01.2015.

v) Shareholding of Directors and Key Managerial Personnel : *

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl No	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	CHANDRA KUMAR DHANUKA				
	At the beginning of the year	0	0.0000	9104	0.1300
	At the end of the year 31.03.2015	0	0.0000	9104	0.1300
2	MRIGANK DHANUKA				
	At the beginning of the year	0	0.0000	23184	0.3310
	At the end of the year 31.03.2015	0	0.0000	23184	0.3310
3	RAJIV KUMAR SHARMA				
	At the beginning of the year	0	0.0000	100	0.0000
	At the end of the year 31.03.2015	0	0.0000	100	0.0000
4	R MAHADEVAN				
	At the beginning of the year	0	0.0000	6	0.0000
	At the end of the year 31.03.2015	0	0.0000	6	0.0000

As on 01.04.2014, no shares were held by the directors and key managerial personnels. The shares were allotted by the Company on 22.09.2014 as per the Scheme of Arrangement sanctioned by the Hon'ble High Court at Calcutta by an Order dated 07.08.2014.



V. Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	1649.26	2702.00	-	4351.26
(ii) Interest due but not paid	0.00	0.00	-	0.00
(iii) Interest accrued but not due	0.00	9.80	-	9.80
Total (i + ii + iii)	1649.26	2711.80	-	4361.06
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction	(380.75)	(435.34)	-	(816.09)
Net Change	(380.75)	(435.34)	-	(816.09)
Indebtedness at the end of the financial year				
(i) Principal Amount	1268.51	2267.97	-	3536.48
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	8.49	-	8.49
Total (i + ii + iii)	1268.51	2276.46	-	3544.97

VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time directors and/or Manager

Sl. No.	Particulars of Remuneration	Total Amount (in ₹)
		Mr. C. K. Dhanuka*
1.	Gross Salary	
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	5,05,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	16,58,889
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	
2.	Stock Option	
3.	Sweat Equity	
4.	Commission - as % of profit	49,00,000
	- others specify	
5.	Others, please specify #	1,60,415
	Total (A)	72,24,304
	Ceiling as per the Act	5% of profit under Section 198 of the Companies Act, 2013

* Appointed as Managing Director of the Company for 5 years w.e.f. 9th September, 2014 subject to approval of the members at the ensuing Annual General Meeting.

Includes Companies contribution to Provident Fund, Superannuation Fund & Gratuity Fund.

B. Remuneration to other Directors

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount (in ₹)
		Mr. B Bajoria*	Mr. B D Beriwalas	Mr. A K Lohia#	Ms. N Khaitan#	
1.	Independent Directors					
	Fee for attending board meetings	10,000	10,000	20,000	10,000	50,000
	Fee for attending committee meetings	5,000	10,000	15,000	5,000	35,000
	Commission	—	—	—	—	—
	Others, please specify	—	—	—	—	—
	Total (1)	15,000	20,000	35,000	15,000	85,000
2.	Other Non-Executive Director	Mr. M. Dhanuka@	Mr. R. K. Sharma\$			
	Fee for attending board meetings	20,000	20,000			40,000
	Fee for attending committee meetings	—	—			
	Commission	—	—			
	Others, please specify	—	—			
	Total (2)	20,000	20,000			40,000
	Total B = (1+2)	—				1,25,000
	Total Managerial Remuneration					1,25,000
	Overall Ceiling as per the Act					

Note: Sitting fees for attending Board/Committee Meetings are being paid w.e.f. 24.11.2014

@ Appointed as Director in casual vacancy w.e.f. 1st February, 2014

* Appointed as Director w.e.f. 19th May, 2014

Appointed as Additional Director w.e.f. 9th September, 2014

\$ Appointed as Director in casual vacancy w.e.f. 9th September, 2014

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount (in ₹)
		Mr. P C Dhandhanias Chief Exutive Officer	Mrs. B Khemka Chief Financial Officer	Mr. R Mahadevan* Company Secretary	
1.	Gross salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	16,50,769	8,06,400	3,67,920	28,25,089
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	39,600	—	57,288	96,888
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	—	—	—	—
2.	Stock Option	—	—	—	—
3.	Sweat Equity	—	—	—	—
4.	Commision - as % of profit	—	—	—	—
	- others specify	—	—	—	—
5.	Others, please specify#	3,39,200	87,840	51,669	4,78,709
	Total	20,29,569	8,94,240	4,76,877	34,00,686

* Appointed w.e.f. 09.09.2014

Including Company's contribution to Provident Fund, Gratuity Fund & Superannuation Fund (where applicable)



VII. Penalties/Punishment/Compounding of Offences :

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give details)
A. Company					
Penalty					
Punishment			None		
Compounding					
B. Directors					
Penalty					
Punishment			None		
Compounding					
C. Other Officers in Default					
Penalty					
Punishment			None		
Compounding					

Annexure III

Information pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March, 2015.

A. Conservation of Energy:

i) Steps taken or impact on conservation of energy:

Phased replacement of old Generator sets with fuel efficient new Generator sets resulted in more KWH per litre of diesel at Bahipookri & Hatijan Tea Estates. It has helped to contain the cost at Hatijan Tea Estate.

Condensed Bulbs has been replaced with CFL Bulbs to reduce the energy consumption in all Factories.

Coal saver has been installed in coal-fired heaters for maintaining the temperature and optimising the consumption of coal.

Supply of high calorific value coal from North-East Coalfields (Marghereta) with less ash content has been supplied to maintain the temperature and also reduction in coal consumption.

Automatic Voltage Regulator has been installed at Dhunseri Tea Estate to utilise efficiently the grid supply as there had been serious problem of low voltage supply for the past 2 years due to severe drought in Assam.

The energy conservation measures have resulted in saving of about 4% in both gas and electricity consumption. It is expected that there will be further saving in coal consumption during the year 2015-16.

ii) Steps taken by the Company for using alternate sources of energy:

Efficient gas burners had been installed at Khagorijan which has resulted in bringing down the consumption of gas and it is being considered for other gardens in South Bank during the year.

iii) Capital investment on energy conservation equipment:

During the year the company had invested an amount of about ₹ 275.92 lakhs towards capital equipment comprising of energy efficient electric motors, sprinklers, generator sets, electrical installations etc mainly for irrigation purposes at the tea estates.

B. Technology Absorption:

(i) The efforts made towards technology absorption:

Indigenously developed technologies for the improvement of production both in field and factory were adopted and required modifications and innovations were done on continuous basis.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

Garden has used JCB machines for uprooting tea bushes with better results in both quality and speed of work and reducing the involvement of manual workers without increasing the overall cost of uprooting and replanting. Pruning machines were used for cutting bushes resulting in 50% saving in manpower. This will be implemented in all the gardens in season 2015.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

(a) The details of technology imported: Nil

(b) The year of import: Nil

(c) Whether the technology been fully absorbed: Not applicable

(d) If not fully absorbed, areas where absorption has not taken place and the reasons therefor: Not applicable.

(iv) The expenditure incurred on Research and Development:

The Company subscribes to Tea Research Associations, which does R & D work for its tea industries and their expert advice is also being obtained through visits by their Advisory Officers to the garden from time to time.

Gramin Krishi Unnayan Prakalpa is implemented for agricultural development as well as overall improvement of socio-economic development of the area through various tea associations.

C. Foreign Exchange earnings and outgo:

Earnings in foreign exchange: ₹ 51.79 lakhs

Foreign exchange outgo: ₹ 14.02 lakhs



Annexure IV

DETAILS PERTAINING TO EMPLOYEES AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT 2013

Statement of Particulars of Employees Pursuant to Provisions of Section 197(12) of the Companies Act 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Employed throughout the Financial Year 2014-15 : None

Employed for a part of the Financial Year 2014-15

Name	Age	Qualification	Designation	Date of Commencement of employment / Experience (Years)
Mr. C. K. Dhanuka	61	B. Com	Managing Director	40 years

Gross Remuneration	Previous Employment	Previous Designation
₹ 72,24,304	NA	Executive Chairman, Dhunseri Petrochem Limited

SECRETARIAL AUDIT REPORT

For the Financial Year ended 31st Day of March, 2015

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Dhunseri Tea & Industries Limited

We have conducted the **Secretarial Audit** of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Dhunseri Tea & Industries Limited** (hereinafter called “the Company”). The Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, and authorised representatives during the conduct of **Secretarial Audit**, we hereby report that in our opinion the Company has, during the audit period covering the financial year ended **31st March, 2015** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended **31st March, 2015** according to the provisions of:

- I. The Companies Act, 2013(the Act)and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

IV. Consequent to the enlistment of the Securities of the Company with the stock exchanges w.e.f. 20.01.2015 the following Regulations (as amended from time to time) and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 became applicable:-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;

V. The following **Industry Specific** laws:

- a. Tea Act, 1953
- b. The Tea Waste (Control) Order,1959
- c. The Tea Warehouse (Licensing) Order 1989
- d. The Tea (Marketing) Control Order, 1984
- e. Tea (Distribution and Export) Control Order, 2005

We have also examined compliance with the applicable clauses of the following:

- (i) The Listing Agreements entered into by the Company with **Bombay Stock Exchange Limited & National Stock Exchange of India Limited**.

During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above.



We further report that:

The Board of Directors of the Company is **duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Woman Director**. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and Listing Agreement.

Adequate Notice is given to all Directors to schedule the Board Meetings. Agenda and detailed Notes on Agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines as also represented by the management.

We further report that during the audit period:

An Order dated **07.08.2014** which was passed by the **Hon'ble High Court at Calcutta**, sanctioning the Scheme of Arrangement, inter-alia providing for the **demerger** of the Tea Division of Dhunseri Petrochem & Tea Limited to the Company, became **effective from 01.09.2014**.

The Equity shares of the Company was **listed and admitted to dealings** on the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited w.e.f. **20.01.2015**.

For K. Arun & Co
Company Secretaries

Place: Kolkata
Date: 18.05.2015

Arani Guha
Partner
C.P. No.: 9573



Corporate Governance

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

1. Company's philosophy

The Company's philosophy is based on transparency, accountability and integrity in all its dealings without compromising on any of its obligations. It seeks to ensure all regulatory compliances, fair play, justice and enhancement of long-term shareholder value.

The Company shall constantly endeavour to improve upon all these aspects on an ongoing basis.

2. Board of Directors (Board)

a) Composition of Board

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

The composition of the Board:

Mr. C. K. Dhanuka	Promoter Director Appointed as Managing Director w.e.f. 09.09.2014. Not liable to retirement by rotation
Mr. M. Dhanuka	Promoter Relative Non-Executive / Non-Independent Director Liable to retirement by rotation
Mr. R. K.Sharma	Non-Executive / Non-Independent Director Liable to retirement by rotation
Mr. B. D. Beriwalla *	Non-Executive Independent Director Not liable to retirement by rotation
Mr. B. Bajoria #	Non-Executive Independent Director Not liable to retirement by rotation
Mr. A. K. Lohia*	Non-Executive Independent Director Not liable to retirement by rotation
Ms. N. Khaitan*	Non-Executive Independent Director Not liable to retirement by rotation

Appointed as an Independent Director of the Company at the 17th AGM held on 08.09.2014 for a term of five (5) consecutive years and not liable to retirement by rotation.

* The appointment as Independent Directors of the Company is subject to approval of members at the ensuing 18th AGM.



b) Attendance of Directors at Board Meetings and at the 17th AGM and other directorships / committee memberships held

During the financial year 2014-15, the Board met five times on the following dates:

19th May, 2014, 14th August, 2014; 9th September, 2014; 24th November, 2014 and 6th February, 2015.

The attendance and number of other directorships /committee memberships of the directors of the Company are given below:

Name of Director	No. of Board meetings attended	Whether attended last AGM on 08.09.2014	Number of Directorships in other Companies	Other Committee Memberships @	
				Member	Chairman
Mr. C. K. Dhanuka	5	Yes	9	3	1
Mr. M. Dhanuka	5	Yes	7	2	-
Mr. R. K. Sharma*	3	No	2	-	-
Mr. B. D. Beriwalla*	2	No	4	-	2
Mr. B. Bajoria#	3	No	7	2	-
Mr. A. K. Lohia*	3	No	4	1	-
Ms. N. Khaitan*	1	No	9	-	-
Mr. P. C. Dhandhanias	1	Yes	-	-	-
Mr. K. K. Tibrewalla\$	2	Yes	-	-	-

Appointed as an Independent Director at the 17th AGM held on 08.09.2014.

* Appointed as director of the Company w.e.f. 09.09.2014.

\$ Resigned w.e.f. 09.09.2014

@ Only the memberships /chairmanships of Audit Committee and Stakeholders Relationship Committee have been considered.

The Board Meetings were all held at the Registered Office of the Company.

Number of directorships includes alternative directorships and directorships in public companies (not exceeding 10 in number) as well as directorships in private companies (if any) which are either holding or subsidiary company of a public company.

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

i) Details of remuneration paid /payable to Executive Director:

Name of Director	Salary	Perquisites	Other Benefits	Commission	Total (in ₹)
Mr.C.K.Dhanuka#	5,05,000	16,58,889	1,60,415	49,00,000	72,24,304

Mr. C.K. Dhanuka was appointed Managing Director of the Company, for a period of five years w.e.f. 9th September, 2014 at the Board meeting held on 9th September, 2014 on terms and conditions subject to members approval at the ensuing 18th Annual General Meeting of the Company being held on Friday, 14th August, 2015.

Mr. C.K. Dhanuka holds 9,104 shares of the Company which was allotted on 22.09.2014 on demerger of the Tea Division of erstwhile Dhunseri Petrochem & Tea Limited as per the Scheme of Arrangement sanctioned by the Hon'ble High Court at Calcutta by an Order dated 07.08.2014.

ii) Details of remuneration paid /payable to Non-Executive Directors:

Name of Director	Sitting Fees		Salary Perquisites & Commission	Total (in ₹)
	Board Meeting	Committee Meeting		
Mr. M. Dhanuka*	20,000	-	-	20,000
Mr. R. K. Sharma	20,000	-	-	20,000
Mr. B. D. Beriwalla	10,000	10,000	-	20,000
Mr. B. Bajoria	10,000	5,000	-	15,000
Mr. A. K. Lohia	20,000	15,000	-	35,000
Ms. N. Khaitan#	10,000	5,000	-	15,000

Note: Sitting fees for attending board / committee meetings is being paid to Non-Executive Directors on and from 24.11.2014.

* Mr. M. Dhanuka is related to Mr C.K. Dhanuka.

Paid to Khaitan & Co. LLP.

Details of shares held by non-executive directors in the Company as on 31st March, 2015

Mr. M. Dhanuka holds 23,184 shares and Mr. R.K.Sharma holds 100 shares.

No other non-executive director holds any shares in the Company.

d) Code of Conduct for Directors and Senior Management

The Board of Directors at their meeting held on 9th September, 2014 adopted the code of conduct for the board members and senior management personnel of the Company. The code is put up on the Company's website www.dhunseritea.com.

The Code has been circulated to the members of the board and the senior management and they have all affirmed their compliance with the code.

A declaration to this effect is appearing along with the report.

3. Audit Committee

The Audit Committee comprises of three Independent Directors viz Mr. Basudeo Beriwalla, Mr. Bharat Bajoria and Mr. Ashok Kumar Lohia and one Non-Independent Director viz Mr. C. K. Dhanuka.

Mr. Basudeo Beriwalla is the Chairman of the Audit Committee.

Powers of Audit Committee

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

Role of Audit Committee

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

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - 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 utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
6. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
8. Discussion with internal auditors any significant findings and follow up there on.
9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
12. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
- 12A. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
13. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Review of information by Audit Committee

The Audit Committee mandatorily reviews the following information:

1. Management discussion and analysis of financial condition and results of operations.

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

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

The Audit Committee met twice during the year i.e. on 24th November 2014 and 6th February, 2015.

The attendance of the directors at the Audit Committee Meetings is summarised below:-

Name	No. of meetings held	No. of meetings attended
Mr. Basudeo Beriwal	2	1
Mr. C. K. Dhanuka	2	2
Mr. A. K. Lohia	2	2
Mr. B. Bajoria	2	1

4. Nomination & Remuneration Committee

The Nomination & Remuneration Committee comprises of three Independent Directors viz Mr. Basudeo Beriwal, Ms.N. Khaitan and Mr.Ashok Kumar Lohia and one Non-Independent Director viz Mr.C.K.Dhanuka.

Mr. Basudeo Beriwal is the Chairman of the Committee. The Committee met once during the year on 6th February, 2015.

The attendance of the directors at the Nomination & Remuneration Committee Meeting is summarised below:-

Name	No. of meetings held	No. of meetings attended
Mr. Basudeo Beriwal	1	-
Mr. C. K. Dhanuka	1	1
Mr. A. K. Lohia	1	1
Ms. N. Khaitan	1	-

The terms of reference of the Nomination & Remuneration Committee inter-alia include the following:

- i) They shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out the evaluation of every director's performance.
- ii) They shall formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees.
- iii) Devising a policy on board diversity.

While formulating the above policy the Committee shall inter-alia ensure the following:-

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration of directors, key managerial personnel and senior management involves a balance between a fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

The role of Nomination and Remuneration Committee is as follows:

- Determine/recommend the criteria for appointment of Executive, Non-Executive and Independent Directors to the Board;
- Determine/recommend the criteria for qualifications, positive attributes and independence of Director;
- Identify candidates who are qualified to become Directors and who may be appointed in the Management Committee and recommend to the Board their appointment and removal;
- Review and determine all elements of remuneration package of all the Executive Directors, i.e. salary, benefits, bonuses, stock options, pension etc;
- Review and determine fixed component and performance linked incentives for Directors, along with the performance criteria;
- Determine policy on service contracts, notice period, severance fees for Directors and Senior Management;
- Formulate criteria and carryout evaluation of each Director's performance of the Board as a whole.

Evaluation Policy

The Nomination and Remuneration Committee approved an evaluation policy which provides for the evaluation of the Board, the Committees of the Board and individual Directors including Chairman of the Board. The policy provides for the evaluation to be carried out on an annual basis. The evaluation process is to focus on the functioning of the Board and its Committees, their composition, experience and competencies, attendance and other related issues with a view to initiate such action plan to improve their overall performance.

Separate Meeting of Independent Director

The Company is yet to initiate necessary steps with regard to annual evaluation of the performances of the Board, its Committees and individual directors. It is proposed to carry out the annual performance evaluation of the Board, its Committees and individual directors after the completion of one year from the date of the constitution of the Board / Committees etc.

Familiarisation Programme for Independent Directors:

The Chief Executive Officer, the Chief Financial Officer and the Company Secretary are jointly authorized for ensuring appropriate induction and training programmes for the directors including independent directors of the Company as and when requested by them for understanding any specific project, activity or process of the Company. The management provides such information and training either at the meeting of the Board of Directors or otherwise.

Remuneration Policy:

The policy is to provide market competitive compensation / reward which drives performance culture and salary increases are based on performance rating, business affordability and market competitiveness. The remuneration generally comprises of fixed element including bonus payouts and is subject to review at regular intervals.

Non-Executive Directors

The Non-Executive Directors are paid ₹ 10,000/- each as sitting fees for attending Board Meetings and ₹ 5,000/- each as sitting fees for attending the Audit Committee / Stakeholders Relationship Committee / Nomination & Remuneration Committee / Corporate Social Responsibility Committee and Independent Directors Meetings.

No sitting fee is paid to directors for attending any 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. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee comprises of two Independent Directors viz Mr. Basudeo Beriwal and Ms. N. Khaitan and one Non-Independent Director viz Mr. C. K. Dhanuka. Mr. Basudeo Beriwal is the Chairman of the Committee.

The Committee met once during the year on 16th January, 2015.

The attendance of the directors at the Corporate Social Responsibility Committee meeting is summarised below:-

Name	No. of meetings held	No. of meetings attended
Mr. Basudeo Beriwal	1	1
Mr. C. K. Dhanuka	1	1
Ms. N. Khaitan	1	1

The terms of reference of the Corporate Social Responsibility Committee inter-alia include the following:

- The committee shall formulate and recommend to the Board a CSR policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII.
- The Committee shall recommend the amount of expenditure to be incurred on the above CSR activities; and
- Monitor the said CSR policy from time to time.

6. Stakeholders Relationship Committee

The Stakeholders Relationship Committee comprises of two Non-executive Independent Directors viz., Mr. Basudeo Beriwal and Mr. A. K. Lohia and one Non-Independent Director viz., Mr. C. K. Dhanuka.

Mr. Basudeo Beriwal is the Chairman of the Committee.

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

No Stakeholders Relationship Committee meeting was held during the year.

The terms of reference of the Stakeholders Relationship Committee inter-alia include the following:

- Review the process and mechanism for redressal of investor grievance and to suggest measures for improving the same.
- Review and resolve the pending investors complaints,

if any, relating to transfer of shares, non-receipt of share certificate(s), non-receipt of interest

- Dividend warrants, non-receipt of annual report and any other grievance /complaints with Company or any officer of the Company arising out of in discharge of his duties.
- Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolve them.
- Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 as amended from time to time.

For the quarter ended 31st, March, 2015 since enlistment of the securities of the Company with the Stock Exchanges on 20th January, 2015, there were no complaints received by the Company. All valid requests for share transfers etc. received during the quarter ended 31st March, 2015 were acted upon by the Company and no such transfers etc. are pending.

7. Risk Management Committee

A Risk Management Committee was constituted by the Board at its meeting held on 9th September, 2014 comprising of the following directors:

- Mr. C. K. Dhanuka - Chairman
- Mr. M. Dhanuka - Director
- Mr. R. K. Sharma - Director

Mr. C. K. Dhanuka is the Chairman of the Committee.

The Committee met once during the year i.e. on 26th March, 2015.

The attendance of the directors at the Risk Management Committee meeting is summarised below:-

Name	No. of meetings held	No. of meetings attended
Mr. C. K. Dhanuka	1	1
Mr. M. Dhanuka	1	-
Mr. R. K. Sharma	1	1

The Charter for Risk Management inter-alia includes assessment, monitoring and mitigation of risks involved in production, marketing, sales, purchase, finance, accounting, insurance and

8. Share Transfer Committee

The Share Transfer Committee comprises of the following directors of the Company:

- i) Mr. C. K. Dhanuka - Chairman
- ii) Mr. M. Dhanuka - Director
- iii) Mr. R. K. Sharma - Director

Mr. C. K. Dhanuka is the Chairman of the Committee.

The Committee met once during the year i.e. on 31st March, 2015.

The attendance of the directors at the Share Transfer Committee meeting is summarised below:-

Name	No. of meetings held	No. of meetings attended
Mr. C. K. Dhanuka	1	1
Mr. M. Dhanuka	1	-
Mr. R. K. Sharma	1	1

The Committee is authorised to deal with as well as accord approval and / or ratify the following matters :-

- i) Share Transfers
- ii) De-materialisation / Re-materialisation of shares(s).
- iii) Sub-division /Consolidation /Transmission of share(s).
- iv) Deletion of member(s) name on demise.
- v) Issue of Duplicate Share Certificate(s)
- vi) Other related matters.

The scrutiny and other formalities relating to share transfer etc. are undertaken by the Registrars & Share Transfer Agents of the Company viz., M/s. Maheshwari Datamatics Private Limited.

9.1 General Body Meetings

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

Year	Location	Date	Time	Details of Special Resolution
2013-14	DHUNSERI HOUSE 4A, Woodburn Park, Kolkata-700020	8th September, 2014	4.00 p.m.	# Yes Under Section 163(1) of the Companies Act, 1956
2012-13	-do-	16th September, 2013	11.30 a.m.	None
2011-12	-do-	28th September, 2012	11.30 a.m.	None

Details of Special Resolution passed at the 17th AGM held on 08.09.2014

“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-700001.”

In addition to the above, the following Special Resolutions were also passed at the EGM held on 3rd February, 2014.



i) Change of Name:

“RESOLVED THAT subject to approval of the Central Government pursuant to section 21 of the Companies Act, 1956 the name of the Company be changed from “DHUNSERI SERVICES LIMITED” to “DHUNSERI TEA & INDUSTRIES LIMITED”.

ii) Alteration of the Memorandum of Association:

“RESOLVED THAT the objects Clause III of the Memorandum of Association of the Company be and is hereby altered by substituting the Main objects under Clause III sub point (A) with the following clauses:

(A) THE MAIN OBJECTS OF THE COMPANY ARE:

1. To acquire by lease, grant, assignment, transfer or otherwise any tea gardens or plantations, land and premises in India or elsewhere from any person or persons, syndicate or Corporation, or Company, Government or Municipality, and to perform and fulfill the conditions thereof.
2. To carry on the business of planters, growers and manufacturers of tea, coffee, cinchona, cocoa and other natural products of any kind, ship-owners, bankers, engineers and merchants in all their branches, and any other business which can conveniently be carried on in connection with such business or any of them, including the purchasing and selling of timber, and the manufacture and sale of tea boxes and other articles, and the clearing, planting, irrigation and cultivation of lands, the making of roads, railways, tramways, canals and aqueducts for the development of the Company's property, and the convenient carrying on of its business.
3. To buy, sell trade and deal in tea, coffee and other plants and seed and rice and other food and requisites for labourers and others employed on estates, and generally to trade and deal in any way in the production, manufacture and purchase and sale of tea, coffee and other products, whether in the raw or manufactured state or any other goods produce, wares, merchandise, articles and things of any kind and to lay out, construct, take upon lease or otherwise acquire, convert, alter, modify, equip, maintain and work tea plantations and tea factories at any place or places in India or elsewhere with the necessary works, buildings, erection, machinery, implements and articles required for the same”.

iii) Adoption of new Articles of Association:

“RESOLVED THAT pursuant to the provisions of Section 31

and all other applicable provisions, if any, of the Companies Act, 1956 the regulations contained in the printed document submitted before this meeting and duly initialed by the Chairman of the Meeting for the purpose of identification be and is hereby approved and adopted as the new Articles of Association of the Company in substitution for and to the exclusion of the existing Articles of Association.”

9.2 Postal ballot and postal ballot process:

No resolution was put through postal ballot during the year.

9.3. 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'

10. Disclosures

- a) There are no materially significant related party transactions made by the Company with its Promoters, Directors or their relatives, or the management, or subsidiaries etc. that may have potential conflict with the interests of the Company at large.

Transactions with related parties are disclosed in Note 32 under 'Notes annexed to and forming part of financial statements' in the Annual Report.

The policy has been uploaded in the Company's website: <http://dhunseritea.com/wp-content/uploads/2015/04/Related-party-transaction-policy.pdf>

- b) During the year, 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.
- c) The Company has adopted a vigil mechanism / whistle blower policy and no personnel is being denied access to the Audit Committee.

The policy has been uploaded on the Company's website: <http://dhunseritea.com/wp-content/uploads/2015/03/vigil-mechanism.pdf>

- d) The Company has adopted all the mandatory requirements as recommended by Clause 49 of the Listing Agreement with stock exchanges.

- e) There are no pecuniary relationships or transactions with Non-Executive Independent Directors other than those, if any, disclosed in this report.
- f) The Company has formulated a policy for determining 'material' subsidiaries and such policy has been disclosed on the Company's website: <http://dhunseritea.com/wp-content/uploads/2015/03/policy-for-determining-material-subsidiary.pdf>

11. CEO and CFO Certification

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

12. Means of Communication

The quarterly and annual results of the Company are generally published in Business Standard as well as in Arthik Lipi. The results are also posted in the Company's websites www.dhunseritea.com.

13. Management Discussion and Analysis Report

Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

14. Shareholders' Information

a) Annual General Meeting

Friday, 14th August, 2015 at 10.30 a.m. at Kalakunj, 48, Shakespeare Sarani, Kolkata-700017.

b) Book Closure

The Register of Members and Share Transfer Register will remain closed from Wednesday, 5th August, 2015 to Friday, 14th August, 2015 (both days inclusive) on account of dividend payment and the ensuing 18th Annual General Meeting.

c) E-voting

The e-voting period commences at 9.00 a.m. on Tuesday, 11th

August, 2015 and ends at 5.00 p.m. on Thursday, 13th August, 2015. During this period, members of the Company holding shares on the cut-off date i.e. 7th August, 2015, either in physical form or in dematerialised form, may cast their vote electronically. Members may send the duly completed Ballot Form (enclosed with the Notice of AGM) so as to reach the Scrutiniser Mr. Kailash Chandra Dhanuka, at the Registered Office of the Company, not later than Thursday, 13th August, 2015. The e-voting module shall be disabled by NSDL for voting thereafter. Once the e-voting on a resolution is cast by the Member, the member shall not be allowed to change it subsequently.

The facility for physical voting shall also be made available at the AGM and the Members attending the AGM who have not cast their vote by remote e-voting or through Ballot Form shall be eligible to vote at the AGM.

d) Dividend payment

The dividend, if declared, shall be paid /credited on or after 19th August, 2015.

e) Registered office

'Dhunseri House',
4A, Woodburn Park,
Kolkata – 700020
CIN : L15500WB1997PLC085661
Ph. No.: 2280-1950 (five lines)
Fax No. 91 33 2287-8995/8350
Email: mail@dhunseritea.com
Website: www.dhunseritea.com

f) Listing on Stock Exchanges

The Company's shares are listed with the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The Company has paid the annual listing fees to the Stock Exchanges for the financial year 2015-16.

g) i) Exchange Scrip Code

BSE: Scrip Code: 538902
NSE: Symbol: DTIL

ii) Demat ISIN number for NSDL and CDSL

INE341R01014



h) Stock market price data for the year 2014-15:

Period 2014 – 15	BSE		NSE		BSE Sensex	
	High	Low	High	Low	High	Low
April	-	-	-	-	-	-
May	-	-	-	-	-	-
June	-	-	-	-	-	-
July	-	-	-	-	-	-
August	-	-	-	-	-	-
September	-	-	-	-	-	-
October	-	-	-	-	-	-
November	-	-	-	-	-	-
December	-	-	-	-	-	-
January	271.85	203.00	271.60	202.85	29844.16	26776.12
February	286.00	191.55	289.70	102.70	29560.32	28044.49
March	254.00	190.50	263.00	190.95	30024.74	27248.45

Note: The equity shares of the Company got listed with BSE & NSE and trading commenced on the Stock Exchanges w.e.f. 20th January, 2015.

i) 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

j) Share Transfer System

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

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

k) Shareholding pattern and distribution of shares as on 31.03.2015

Shareholding pattern			Distribution schedule				
Category	No. of shares held	Percentage %	Range	Shareholders		Shares	
				No.	%	No.	%
Promoters	4713133	67.28	1- 500	23145	98.60	658307	9.40
Financial Institutions, MutualFunds, Banks & Insurance Companies	620368	8.86	501 – 1000	173	0.74	129641	1.85
			1001 – 2000	72	0.31	100967	1.44
			2001 – 3000	23	0.10	55279	0.80
			3001 – 4000	13	0.05	46085	0.65
Bodies Corporate	203690	2.91	4001 – 5000	9	0.04	40964	0.58
Central/State Government	235	-	5001 – 10000	13	0.05	103536	1.48
Indian public	986561	14.08	1000 & above	26	0.11	5870172	83.80
NRI's & Others	480964	6.87	Total	23474	100.00	7004951	100.00
Total	7004951	100.00					

l) Dematerialisation of shares and liquidity

As on 31st March, 2015, 98.74% of the company's share capital representing 69,16,721 shares were held by 20,287 shareholders in dematerialised form and the balance 1.26 % of the company's share capital representing 88,230 shares were held by 3,187 shareholders in physical form.

m) Insider trading regulation

The Company has adopted a code of internal procedure 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.

n) Plant location

The Company's tea packet factory 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 2015-16 (Tentative)

Board meetings

Unaudited results for quarter ending June 30, 2015
- By 14th August, 2015.

Unaudited results for quarter ending September 30, 2015
- By 14th November, 2015

Unaudited results for quarter ending December 31, 2015
- By 14th February 2016

Audited results for year ending March 31, 2016
- By 30th May, 2016

Annual General Meeting for the year ending 31st March, 2016 - August, 2016

q) Grievance Redressal Division / Compliance Officer

Mr. R. Mahadevan
Company Secretary and Compliance Officer
Dhunseri Tea & Industries Ltd.
"Dhunseri House, 4A, Woodburn Park, Kolkata - 700 020
Phone – (033) 2280-1950 (5 lines)
Fax – (033) 2287-8995/8350
E-mail: investors@dhunseritea.com

r) Report on Corporate Governance

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

For and on behalf of the Board of Directors

Kolkata,
29th May, 2015

C. K. Dhanuka
Chairman

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, 2015 received from the members of the Board and the senior management personnel, a declaration of compliance with the Company's Code of Conduct.

Kolkata,
29th May, 2015

P.C.Dhandhan
Chief Executive Officer



AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of **Dhunseri Tea & Industries Limited**

We have examined the compliance of conditions of Corporate Governance by Dhunseri Tea & Industries Limited, for the year ended March 31, 2015, as stipulated in Clause 49 of the Listing Agreement(s) of the said Company with stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements.

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

For and on behalf of

Lovelock & Lewes

Firm Registration No.: 301056E

Chartered Accountants

Pradip Law

Partner

Membership No: 51790

Place: Kolkata

Date: May 29, 2015

Standalone Financial Statements



Independent Auditors' Report

To
The Members of
Dhunseri Tea & Industries Limited

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of Dhunseri Tea & Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.

5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, and its profit and its cash flows for the year ended on that date.

Other Matter

9. The standalone financial statements of the Company as at March 31, 2014 and for the year then ended were audited by another firm of chartered accountants under the Companies Act, 1956 who, vide their report dated August 14, 2014, expressed an unmodified opinion on those financial statements.

Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by 'the Companies (Auditor's Report) Order, 2015', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), 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 3 and 4 of the Order.
11. As required by Section 143 (3) of the Act, we report that:
- (a) We have sought and 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 have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- (e) On the basis of the written representations received from the directors as on March 31, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2015 on its financial position in its standalone financial statements- Refer Note 21.
 - ii. The Company did not have any long-term contracts for which there were material foreseeable losses as at March 31, 2015. The Company did not have any long-term derivative contracts as at March 31, 2015.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2015.

For **Lovelock & Lewes**
 Firm Registration Number: 301056E
Chartered Accountants

Pradip Law
Partner

Place: Kolkata
 Date: May 29, 2015.

Membership Number 51790



Annexure to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Dhunseri Tea & Industries Limited on the standalone financial statements as of and for the year ended March 31, 2015

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
(b) The fixed assets of the Company are physically verified by the Management according to a phased programme designed to cover all items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- ii. (a) The inventory excluding stocks with third parties has been physically verified by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.
(b) In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a) and (iii)(b) of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods. The Company's operations do not involve sale of services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act, for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, deposit linked insurance, professional tax though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including employees' state insurance, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities except for dues in respect of income tax. The extent of arrears of statutory dues in respect of income tax outstanding as on March 31, 2015 for a period of more than six months from the date they became payable are as follows:

Name of the statute	Nature of dues	Amount (₹ In Lakhs)	Period to which the amount relates
Income-tax Act 1961	Agricultural Income Tax	2.44	Assessment Year 2008-09
Income-tax Act 1961	Central Income Tax	0.72	Assessment Year 2008-09

- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess which have not been deposited on account of any dispute as at March 31, 2015. The particulars of dues of income tax, as at March 31, 2015 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ In Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Income-tax Act 1961	Income Tax	77.77	2008-09	Supreme Court

- c) The amount required to be transferred to Investor Education and Protection Fund has been transferred within the stipulated time in accordance with the provisions of the Companies Act, 1956 and the rules made thereunder.
- viii. The Company has no accumulated losses as at March 31, 2015 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- ix. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
- x. 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. Accordingly, the provisions of Clause 3(x) of the order are not applicable to the Company.
- xi. In our opinion, and according to the information and explanations given to us, the term loans have been applied on an overall basis, for the purposes for which they were obtained.
- xii. 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 material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

For **Lovelock & Lewes**
Firm Registration Number: 301056E
Chartered Accountants

Pradip Law
Partner
Place: Kolkata
Date: May 29, 2015. Membership Number 51790



Balance Sheet as at 31st March, 2015

(All amounts in ₹ lakhs unless otherwise indicated)

Particulars	Note	As at 31.03.2015	As at 31.03.2014
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share capital	2	700.50	5.00
Reserves and surplus	3	43,215.73	0.20
		43,916.23	5.20
Non-current Liabilities			
Long-term borrowings	4	21.43	-
Deferred tax liabilities (Net)	5	804.61	-
Other Long-term liabilities	6	84.22	-
Long-term provisions	7	29.37	0.02
		939.63	0.02
Current Liabilities			
Short-term borrowings	8	3,101.11	-
Trade payables	9	1,048.05	0.33
Other current liabilities	10	1,255.53	-
Short-term provisions	11	910.12	0.09
		6,314.81	0.42
Total		51,170.67	5.64
ASSETS			
Non-current Assets			
Fixed assets			
Tangible assets	12	35,129.29	-
Capital work-in-progress		4.25	-
Non-current investments	13	6,934.09	-
Long-term loans and advances	14	239.77	0.02
		42,307.40	0.02
Current Assets			
Current investments	15	1,628.79	-
Inventories	16	1,683.87	-
Trade receivables	17	2,426.16	-
Cash and bank balances	18	1,389.23	4.84
Short-term loans and advances	19	1,639.33	0.08
Other current assets	20	95.89	0.70
		8,863.27	5.62
Total		51,170.67	5.64

This is the Balance Sheet referred to in our Report of even date.
The notes are an integral part of these financial statements

For **Lovelock & Lewes**
Firm Registration No. 301056E
Chartered Accountants

Bhavana Khemka
Chief Financial officer

For and on behalf of the Board
C. K. Dhanuka
Managing Director

Pradip Law
Partner
Membership No. 51790

R. Mahadevan
Company Secretary

Basudeo Beriwal
Director

Place : Kolkata
Date : May 29, 2015

Statement of Profit and Loss for the year ended 31st March, 2015

(All amounts in ₹ lakhs unless otherwise indicated)

Particulars	Note	Year ended 31.03.2015	Year ended 31.03.2014
Revenue from Operations	23	16,421.92	-
Other Income	24	297.54	0.77
Total Revenue		16,719.46	0.77
EXPENSES			
Cost of materials consumed	25	3,397.29	-
Changes in inventories of finished goods	26	(320.62)	-
Employee benefits expense	27	4,644.42	-
Finance costs	28	358.98	-
Depreciation expense	37	612.36	-
Other expenses	29	5,955.14	0.27
Total Expenses		14,647.57	0.27
Profit before tax		2,071.89	0.50
Tax expense:			
Current Tax			
For current year		435.00	0.09
Adjustment for earlier years		(67.99)	-
Deferred tax		(51.76)	-
Profit for the year after tax		1,756.64	0.41
Earnings per Equity Share [Nominal value per share: ₹10/- each]			
(1) Basic (₹)	31	25.08	0.82
(2) Diluted (₹)	31	25.08	0.82

This is the Statement of Profit and Loss referred to in our Report of even date.

The notes are an integral part of these financial statements

For **Lovelock & Lewes**
Firm Registration No. 301056E
Chartered Accountants

Bhavana Khemka
Chief Financial officer

For and on behalf of the Board
C. K. Dhanuka
Managing Director

Pradip Law
Partner
Membership No. 51790

R. Mahadevan
Company Secretary

Basudeo Beriwal
Director

Place : Kolkata
Date : May 29, 2015



Notes to Financial Statements for the year ended 31st March, 2015

Note 1 SIGNIFICANT ACCOUNTING POLICIES

a) Basis for preparation

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis except for certain tangible fixed assets which are being carried at revalued amounts. Pursuant to Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules 2006, as amended] and other relevant provisions of the Companies Act, 2013 (the Act).

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act.

b) Tangible Assets

Tangible assets are stated at cost net of accumulated depreciation and accumulated impairment losses if any except in case of Freehold Land and Leasehold Land and Estate Development which are carried at revalued amount. Cost comprises cost of acquisition/construction and subsequent improvement thereto including taxes and duties, freight and other incidental expenses relating to acquisition and installation. Expenditure incurred towards estate development during the first year is capitalized and the expenses incurred thereafter in subsequent years and cost of replanting in existing areas are charged to revenue.

c) Depreciation

Depreciation has been provided on straight-line method at the rates determined based on the estimated useful lives of the tangible assets where applicable, specified in Schedule II to the Act and in keeping with other provisions of the said Schedule.

d) Impairment

An impairment loss is recognized, where applicable, when the recoverable amount of an asset (i.e. higher of the asset's net selling price and value in use) is less than its carrying amount.

e) Investments

Current investments are carried at the lower of cost and fair value. Long-term investments are carried at cost and provision is recorded to recognize, any decline, other than temporary, in the carrying amount of such investment. Investment acquired in exchange of another is carried at cost determined with reference to the fair value of investment given up.

Investment Property represent investment in land that are not intended to be occupied substantially for use by, or in the operations of, the Company. Investment properties are carried at cost.

f) Inventories

Inventories are valued at the lower of cost, computed on a weighted average basis, and estimated net realizable value. Provision is made for obsolescence wherever considered necessary. Cost comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

g) Employee Benefits

(i) Short term Employee Benefits:

The undiscounted amount of Short-term Employee Benefits expected to be paid in exchange for the services rendered by employees is recognized during the period when the employee renders the service.

Notes to Financial Statements (contd.) for the year ended 31st March, 2015

(ii) Post Employment Benefits Plans:

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognized as expenses for the year.

For Defined Benefit Plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognized in full in the Statement of Profit and Loss for the period in which they occur. Past service cost is recognized immediately to the extent that the benefits are already vested, and otherwise is amortized on straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of any economic benefit available in the form of refunds from the plan or reductions in future contributions to the plan.

(iii) Other Long-Term Employee Benefits (unfunded):

The cost of providing long-term employee benefits is determined using Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date. Actuarial gains and losses and past service cost are recognized immediately in the Statement of Profit and Loss for the period in which they occur. Other long-term employee benefit obligation recognized in the Balance Sheet represents the present value of related obligation.

h) Foreign currency transactions

Transactions in foreign currency are recorded at daily exchange rates prevailing on the date of the transaction. Monetary items denominated in foreign currency are restated at the year-end at the exchange rate prevailing on the Balance Sheet date. Foreign currency non-monetary items carried in terms of historical cost are reported using the exchange rate on the date of transactions. Exchange differences arising on restatement or settlement are recognized in the Statement of Profit and Loss.

i) Revenue recognition

Sales are recognized upon transfer of substantial risk and rewards of ownership in the goods to the buyers as per the terms of the contract and net of trade discounts, sales tax, etc. where applicable. Other items of the revenue are accounted for on accrual basis.

j) Other Income

Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend income is recognized when the right to receive dividend is established.

Other items are accounted for on accrual basis.

k) Borrowing costs

Borrowing costs attributable to the acquisition, construction or production of qualifying assets (i.e. assets that necessarily take substantial period or time to get ready for their intended use or sale) are added to the cost of those assets. All other borrowing costs are recognized in Statement of Profit and Loss in the period in which they are incurred.

l) Taxes on income

Current tax in respect of taxable income for the year is recognized based on applicable tax rate and laws.

Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods and is measured using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets in respect of carried forward losses and/or unabsorbed depreciation are recognized only when it is virtually certain and in other cases where there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax



Notes to Financial Statements (contd.) for the year ended 31st March, 2015

assets can be realized. Deferred tax assets are reviewed at each Balance Sheet date to re-assess realization. Current tax assets and current tax liabilities are offset when there is legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is legally enforceable right to set off assets and liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

m) Leases

Leases where a significant portion of the risk and rewards of ownership are retained by the lessor are classified as operating lease. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of lease.

n) Government Grants

- (i) Government grants of the nature of promoters' contribution are credited to Capital Reserve.
- (ii) Government grants related to specific fixed assets are deducted from gross values of related assets in arriving at their book values.
- (iii) Government grants related to revenue are recognized on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with their related costs.

o) Provisions and Contingent Liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made.

Contingent Liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or reliable estimate of the amount cannot be made.

p) Use of Estimates

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

Notes to Financial Statements (contd.) for the year ended 31st March, 2015

(All amounts in ₹ lakhs unless otherwise indicated)

	As at 31.03.2015	As at 31.03.2014
Note 2 SHARE CAPITAL		
Authorised		
7,500,000 (Previous Year 50,000) Equity Shares of ₹10/- each	750.00	5.00
Issued, Subscribed and Fully Paid up		
7,004,951 (Previous Year 50,000) Equity Shares of ₹10/- each	700.50	5.00

(a) Reconciliation of number of shares

	As at 31.03.2015		As at 31.03.2014	
	No. of Shares	Amount	No. of Shares	Amount
Balance as at the beginning of the year	50,000	5.00	50,000	5.00
Less Shares cancelled as per the Scheme of Arrangement (Refer Note 41)	50,000	5.00	-	-
Add Shares allotted as per the Scheme of Arrangement (Refer Note 41)	7,004,951	700.50	-	-
Balance as at the end of the year	7,004,951	700.50	50,000	5.00

- (b) The Company has one class of equity share having a par value of ₹10/- each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in the case of interim dividend. In the event of liquidation the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) List of shareholders holding more than 5% of Issued, Subscribed and Paid-up share.

	As at 31.03.2015	As at 31.03.2014
Dhunseri Investments Limited	2,487,755	-
	35.51%	-
Naga Dhuseri Group Limited	615,751	-
	8.79%	-
Yves Lombard Asset Management A G	759,010	-
	10.84%	-
International Finance Corporation	461,728	-
	6.59%	-
Dhunseri Petrochem & Tea Limited	-	50,000
	-	100.00%



Notes to Financial Statements (contd.) for the year ended 31st March, 2015

(All amounts in ₹ lakhs unless otherwise indicated)

	As at 31.03.2015	As at 31.03.2014
Note 3 RESERVES AND SURPLUS		
General Reserve #		
Balance as at the beginning of the year	-	-
Add: Amount arisen pursuant to Scheme of Arrangement (Refer Note 41)	13,253.22	-
Add: Transfer from surplus in Statement of Profit & Loss	500.00	-
Balance as at the end of the year	13,753.22	-
Revaluation Reserve		
Balance as at the beginning of the year	-	-
Add: During the year (Refer Note 40)	28,837.99	-
Balance as at the end of the year	28,837.99	-
Surplus in Statement of Profit and Loss		
Balance as at the beginning of the year	0.20	(0.21)
Add: Profit for the year	1,756.64	0.41
Less: Appropriations		
Transfer to General Reserve	500.00	-
Proposed Dividend on Equity Shares for the year	525.37	-
Dividend Distribution Tax	106.95	-
Balance as at the end of the year	624.52	0.20
	43,215.73	0.20

General Reserve is a free reserve not meant for meeting any specific liability, contingency or commitment.

Note 4 LONG-TERM BORROWINGS

Secured		
Term Loans		
From Banks	11.58	-
From other parties	9.85	-
	21.43	-

Sl. No.	Nature of Security	Terms of Repayment
(a)	Term Loan from Banks amounting to ₹400 lakhs (Previous Year Nil) is secured by way of first pari-passu charge on certain Fixed Assets of the Company (including Capital work in progress & equitable mortgage on the tea estates) along with the working capital bankers and further by any other security as may be stipulated by the Bank.	Repayable in 19 Quarterly installments commencing from second quarter of the year ended 31.03.2012.
(b)	Term Loans (Auto Loans) from bank and other parties amounting to ₹35.38 lakhs (Previous Year Nil) are secured by hypothecation of respective vehicles.	Equated Monthly Installments beginning from the month subsequent to taking of the Loans.
(c)	Figures indicated in (a) to (b) above includes current maturities of respective borrowings which have been presented in Note 10.	

Notes to Financial Statements (contd.) for the year ended 31st March, 2015

(All amounts in ₹ lakhs unless otherwise indicated)

	As at 31.03.2015	As at 31.03.2014
Note 5 DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Liability		
Depreciation	830.30	-
	830.30	-
Deferred Tax Asset		
Items allowable for tax purposes on payment	25.69	-
	25.69	-
Net Deferred Tax Liabilities	804.61#	-

After considering liability transferred pursuant to Scheme of Arrangement ₹856.37 lakhs (Previous Year Nil) (Refer Note 41)

Note 6 OTHER LONG TERM LIABILITIES

Security Deposits	50.00	-
Lease Equalisation Account	34.22	-
	84.22	-

Note 7 LONG TERM PROVISIONS

Provision for employee benefits		
Provision for Leave Encashment	29.37	-
Provision for Central Income Tax	-	0.02
	29.37	0.02

Note 8 SHORT TERM BORROWINGS

Secured		
Loan repayable on demand from Banks	833.14	-
	833.14	-
Unsecured		
Other Loans from Banks	2,267.97	-
	2,267.97	-
	3,101.11	-

Nature of Security

Loans repayable on demand from Banks are secured by a first hypothecation charge on the current assets of the Company, viz. stock of raw materials, stock-in-process, semi finished and finished goods, stores and spares not relating to plant and machinery, bills receivable, book debts and all other movables, both present and future, wherever situated. Secured by a first hypothecation charge on the movable fixed assets of the Company and equitable mortgage over the immovable properties by deposit of title deeds of tea estates.



Notes to Financial Statements (contd.) for the year ended 31st March, 2015

(All amounts in ₹ lakhs unless otherwise indicated)

	As at 31.03.2015	As at 31.03.2014
Note 9 TRADE PAYABLES		
Total outstanding dues of Micro and Small Enterprises [Refer (a) below]	-	-
Total outstanding dues of creditors other than Micro and Small Enterprises	1,048.05	0.33
	1,048.05	0.33

(a) Based on the information available with the Company there are no amounts payable under Micro, Small and Medium Enterprise Development Act, 2006.

Note 10 OTHER CURRENT LIABILITIES

Current Maturities of Long-term debts (Refer Note 4)	413.95	-
Interest accrued but not due on borrowings	8.49	-
Amount due to a related party	7.44	-
Liability for Capital Goods	27.09	-
Statutory Dues	135.39	-
Unpaid Dividends [Refer (a) below]	9.07	-
Advance From Customers	13.82	-
Employee Benefits	640.28	-
	1,255.53	-

(a) There are no amounts due for payment to the Investor Education and Protection Fund under Section 205C of the Companies Act, 1956.

Note 11 SHORT TERM PROVISIONS

Provision for Employee Benefits		
Provision for Leave Encashment	17.08	-
Provision for Gratuity	203.59	-
Others		
Provision for Central Income Tax [(Net of Advance Tax of ₹352.59 lakhs) (Previous Year Nil)]	57.13	0.09
Provision for Proposed Dividend	525.37	-
Provision for Tax on Dividend	106.95	-
	910.12	0.09

Notes to Financial Statements (contd.) for the year ended 31st March, 2015

Note 12 TANGIBLE ASSETS

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at 31.03.2014	Assets Taken over pursuant to Scheme of Arrangement (Refer Note 41)	Amount added on Revaluation (Refer Note 40)	Additions	Disposal	As at 31.03.2015	Total up to 31.03.2015	As at 31.03.2015
Freehold Land	-	383.73	1,179.13	-	1.00	1561.86	-	1561.86
Leasehold Land and Estate Development	-	1,073.08	27,658.86	-	-	28,731.94	-	28,731.94
Buildings (Refer (a) below)	-	3,155.54	-	39.81	-	3,195.35	195.57	2,101.43
Plant and Equipment	-	5,678.20	-	422.75	-	6,100.95	292.50	2,177.08
Office Equipment	-	22.81	-	-	-	22.81	8.95	13.86
Furniture and Fixtures	-	539.94	-	6.88	-	546.82	59.27	297.90
Vehicles	-	667.91	-	36.19	-	704.10	65.02	245.22
Total	-	11,521.21	28,837.99	505.63	1.00	40,863.83	612.36	35,129.29
Previous Year	-	-	-	-	-	-	-	-

(a) Gross Block and Accumulated Depreciation includes building on rented land amounting to ₹521.80 lakhs (Previous Year Nil) and ₹48.83 lakhs (Previous Year Nil) respectively.



Notes to Financial Statements (contd.) for the year ended 31st March, 2015

(All amounts in ₹ lakhs unless otherwise indicated)

		As at 31.03.2015	As at 31.03.2015	As at 31.03.2014
Note 13 NON-CURRENT INVESTMENTS (valued at cost unless otherwise stated)				
LONG TERM				
Other than Trade Investments				
Investment Property				
Freehold Land (Refer Note 43)			736.70	-
Trade Investments				
In Equity Instruments-Unquoted Fully Paid-up	Face Value	No. of Shares		
Investment in Subsidiary				
Dhunseri Petrochem & Tea Pte Ltd.	US\$ 1	11,180,816	6,197.39	-
			6,934.09	-

Note 14 LONG TERM LOANS AND ADVANCES

Unsecured, considered good				
Capital Advances			0.20	-
Security Deposits				
With Related Party			61.50	-
With Others			178.07	-
MAT Credit Entitlement			-	0.02
			239.77	0.02

Note 15 CURRENT INVESTMENTS

Current Investments-other than Trade (Unquoted) (Valued at cost or market value whichever is lower)				
Investments in Mutual Funds	Face Value	No. of Units as at 31.03.2015		
HDFC FMP 370D April 2014-Regular Growth	₹10	16,284,150	1,628.42	-
HDFC Top 200 Fund-Growth	₹10	147	0.37	-
			1,628.79	-

Notes to Financial Statements (contd.) for the year ended 31st March, 2015

(All amounts in ₹ lakhs unless otherwise indicated)

	As at 31.03.2015	As at 31.03.2014
Note 16 INVENTORIES (At lower of cost and net realisable value)		
Finished goods [(includes in transit ₹135.67 lakhs) Previous Year Nil]	762.88	-
Stores and spares including packing materials (includes in transit ₹29.09 lakhs) (Previous Year Nil)	920.99	-
	1,683.87	-

Note 17 TRADE RECEIVABLES

Unsecured, considered good		
Outstanding for a period exceeding 6 months from the date they are due for payment	5.25	-
Other debts	2,420.91	-
	2,426.16	-

Note 18 CASH AND BANK BALANCES

Cash and Cash Equivalents		
Balances with Banks		
Current Accounts	675.71	0.09
Cash Credit Accounts	685.12	-
Unpaid Dividend Accounts (Refer (a) below)	9.07	-
Cash on hand	14.58	-
	1,384.48	0.09
Other bank balances		
Fixed Deposits (with maturity greater than 3 months but less than 12 months)	4.75	4.75
	4.75	4.75
	1,389.23	4.84

(a) Earmarked for payment of Dividend

Note 19 SHORT-TERM LOANS AND ADVANCES

Unsecured, considered good		
Loans and advances to a related party (Refer Note 32)	619.10	-
Deposit with Government Authorities	3.94	-
Deposit with National Bank for Agriculture and Rural Development	294.21	-
Others		
Loans to Staff	18.73	-
Loan to a party*	12.00	-
Advance to Suppliers/Service Providers	412.40	-
Prepaid Expenses	172.16	-
Advance Agricultural Income Tax [(net of provision for tax ₹316.55 lakhs) (Previous Year Nil)]	106.79	0.08
	1,639.33	0.08

*Loan given for business purpose to the party and carries an interest @10.5% p.a.



Notes to Financial Statements (contd.) for the year ended 31st March, 2015

(All amounts in ₹ lakhs unless otherwise indicated)

	As at 31.03.2015	As at 31.03.2014
Note 20 OTHER CURRENT ASSETS		
Unsecured, considered good		
Interest accrued on Deposits	54.98	0.70
Receivables against sale of assets	40.91	-
	95.89	0.70

Note 21 CONTINGENT LIABILITIES

(a) Claims against the Company not acknowledged as debts		
Income Tax-matter under dispute	77.77	-
It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.		
(b) The Company does not expect any reimbursements in respect of the above contingent liabilities.		

Note 22 PROPOSED DIVIDEND

On Equity Shares of ₹10 each		
(a) Amount of dividend proposed for the year	525.37	-
(b) Dividend per Equity Share (₹)	7.50	-

(All amounts in ₹ lakhs unless otherwise indicated)

	Year ended 31.03.2015	Year ended 31.03.2014
Note 23 REVENUE FROM OPERATIONS		
Sale of Products		
Tea	10,315.05	-
Packet Tea	6,064.16	-
Other Operating Revenues		
Tea Subsidy-Orthodox	15.11	-
Tea Subsidy-Replantation	27.60	-
	16,421.92	-

Notes to Financial Statements (contd.) for the year ended 31st March, 2015

(All amounts in ₹ lakhs unless otherwise indicated)

	Year ended 31.03.2015	Year ended 31.03.2014
Note 24 OTHER INCOME		
Interest Income	149.38	0.47
Profit on Sale of Current Investments	128.42	-
Rent Received	3.16	-
Liabilities no longer required written back	2.21	0.30
Insurance Claim	5.17	-
Miscellaneous Income	9.20	-
	297.54	0.77

Note 25 COST OF MATERIALS CONSUMED

Raw Materials		
Green leaf (All indigenous)-purchased and consumed	3,397.29	-
	3,397.29	-

Note 26 CHANGES IN INVENTORIES OF FINISHED GOODS

(Increase)/Decrease in Stock		
Stock at the end of year		
Finished Goods - Tea	762.88	-
Stocks acquired as per the Scheme of Arrangement (Note No 41)		
Finished Goods - Tea	442.26	-
Net (Increase)/Decrease in Stock	(320.62)	-

Note 27 EMPLOYEE BENEFITS EXPENSES

Salaries and Wages	3,827.32	-
Contribution to provident and other funds	531.94	-
Staff welfare expenses	285.16	-
	4,644.42	-

Note 28 FINANCE COSTS

Interest expense	339.98	-
Other borrowing costs	19.00	-
	358.98	-



Notes to Financial Statements (contd.) for the year ended 31st March, 2015

(All amounts in ₹ lakhs unless otherwise indicated)

	Year ended 31.03.2015	Year ended 31.03.2014
Note 29 OTHER EXPENSES		
Consumption of stores and spare parts including Packing Material (all indigenous)	1,419.02	-
Power and fuel	1,774.50	-
Rent	162.51	-
Repairs and Maintenance		
Plant and Machinery	204.89	-
Buildings	70.30	-
Others	361.07	-
Insurance	46.56	-
Rates and Taxes	106.50	0.17
Freight, delivery and shipping charges	374.47	-
Brokerage and commission on sales	157.16	-
Other Selling Expenses	234.20	-
Net loss on foreign currency transactions/translations	88.90	-
Cess on Tea	147.86	-
Job Charges	76.45	-
Advertisements	130.87	-
Travelling and Conveyance	145.08	-
Expenditure towards Corporate Social Responsibility activities	20.00	-
Miscellaneous Expenses (Refer (a) below)	434.80	0.10
	5,955.14	0.27
(a) Includes Auditors' remuneration paid/payable for the year as follows:		
Audit Fees	15.00	0.07
For other matters (Certificates, etc.)	10.00	-
Reimbursement of expenses [excluding service tax 0.02 lakhs (Previous Year Nil)]	0.60	-
	25.60	0.07

Notes to Financial Statements (contd.) for the year ended 31st March, 2015

Note 30 EMPLOYEE BENEFIT OBLIGATIONS

Gratuity (Funded)

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. As per the scheme, the Gratuity Trust Fund make payment to vested employees at retirement, death/disability, withdrawal of an amount based on the respective employee's eligible salary for specified number of days depending upon the tenure of service subject to a maximum limit of ₹10 lakhs. Vesting occurs upon completion of five years of service. Liability with regard to the aforesaid gratuity plan is determined by actuarial valuation as set out in Note 1(g)(ii) above, based upon which the Company makes annual contributions for Gratuity to the Trust Fund.

(a) Change in Defined Benefit Obligation during the year ended 31st March 2015

(All amounts in ₹ lakhs unless otherwise indicated)

	31st March 2015 Funded	31st March 2014 Funded
Present value of Defined Benefit Obligation as at 1st April, 2014- Taken over as per the Scheme of Arrangement (Refer Note 41)	1,216.32	-
Acquisition Cost	10.34	-
Current Service Cost	68.54	-
Interest Cost	120.00	-
Benefits Paid **	(122.28)	-
Actuarial (gain)/loss on Obligation	157.32	-
Present value of Defined Benefit Obligation as at 31st March, 2015	1,450.24	-

(b) Change in Fair Value of Assets during the year ended 31st March 2015

Fair Value of Plan Assets as at 1st April, 2014- Taken over as per the Scheme of Arrangement (Refer Note 41)	1,148.10	-
Expected Return on Plan Assets	107.99	-
Contributions Made	83.04	-
Benefits Paid **	(122.28)	-
Actuarial gain / (loss) on Plan Assets	29.80	-
Fair value of Plan Assets as at 31st March, 2015	1,246.65	-

(c) Net(Asset)/Liability recognised in the Balance Sheet as at 31st March 2015

Present Value of the Defined Benefit Obligation	1,450.24	-
Fair value of Plan assets	1,246.65	-
Net (Asset)/Liability recognised in the Balance Sheet	203.59	-

** includes ₹10 lakhs yet to be transferred from LIC Fund to Transferee Company.

(d) Expense recognised in the Statement of Profit and Loss for the year ended 31st March, 2015

Current Service Cost	68.54	-
Interest Cost	120.00	-
Expected return on plan assets	(107.99)	-
Net actuarial (gain)/loss recognised during the year on defined benefit obligations	112.70	-
Actuarial (Losses)/Gains on Plan Assets		
Total Expense/(Income) in the Statement of Profit and Loss (in Note 27- Employee benefits expense under the head "Contribution to Provident and Other Funds")	193.25	-



Notes to Financial Statements (contd.) for the year ended 31st March, 2015

Note 30 EMPLOYEE BENEFIT OBLIGATIONS (contd.)

(e) Major Categories of Plan Assets as a percentage of total plans as at 31st March, 2015

(All amounts in ₹ lakhs unless otherwise indicated)

	31st March 2015 Funded	31st March 2014 Funded
Investment with Private Insurance Companies	32.53%	-
Administered by Life Insurance Corporation of India	57.24%	-
Investment in Mutual Fund	0.71%	-
Special Deposits and Bonds	6.48%	-
Others including Bank Balances	3.04%	-

(f) Experience adjustments

Defined Benefit Obligation	1,450.24	-
Fair value of Plan Assets	1,246.65	-
Status Surplus/(Deficit)	(203.59)	-
Experience adjustments on Plan Liabilities Gain/(Loss)	26.71	-
Experience adjustments on Plan Assets Gain/(Loss)	29.80	-

(g) Actuarial Assumptions

Mortality Table	Indian Assured Lives Mortality (2006-08) ultimate
Discount rate	8.00%
Salary Escalation rate	5.00%
Expected Return on Plan Assets	9.00%

(h) Actual Return on Plan Assets

137.79 lakhs -

- (i) The estimate of future salary increase considered in actuarial valuation takes into account factors like inflation, seniority, promotion and other relevant factors. The expected return on plan assets is determined after taking into consideration composition of plan assets held, assessed risk, historical results on plan assets, the Company's policy for plan asset management and other relevant factors.
- (j) Contribution for Defined Contribution Plan comprising ₹6.32 lakhs (Previous Year Nil) on account of the Company's contribution to Superannuation Fund and ₹318.40 lakhs (Previous Year Nil) on account of the Company's contribution to Provident funds has been recognised as an expense and included in Note 27 - Employee benefits expenses under the head "Contribution to provident and other funds" in the Statement of Profit and Loss.

Notes to Financial Statements (contd.) for the year ended 31st March, 2015

	Year ended 31.03.2015	Year ended 31.03.2014
Note 31 EARNINGS PER EQUITY SHARE		
1. Basic		
(a) Earnings attributable to equity shareholders (₹ in lakhs)	1,756.64	0.41
(b) Weighted Average number of Ordinary Shares outstanding during the year	7,004,951	50,000
(c) Earning per share		
-Basic (a/b) (in ₹)	25.08	0.82
2. Diluted		
(a) Dilutive potential Ordinary Shares	-	-
(b) Diluted Earnings per share [same as in 1 (c) above] (in ₹)	25.08	0.82

Note 32 DISCLOSURE OF RELATED PARTIES AND RELATED PARTY TRANSACTIONS IN KEEPING WITH ACCOUNTING STANDARD 18

Names of related parties and description of relationship:

Where control exists

(A) Subsidiary Company:

- (1) Dhunseri Petrochem & Tea Pte Ltd.

(B) Subsidiaries of Dhunseri Petrochem & Tea Pte Ltd.

- (2) Makandi Tea & Coffee Estates Ltd.
(3) Kawalazi Estate Company Ltd.

Others

(C) Group Companies (i.e. Companies in which Key Management Personnel is able to exercise significant influence):

- (4) Naga Dhunseri Group Limited
(5) Trimplex Investments Limited
(6) Mint Investments Limited
(7) Dhunseri Investments Limited
(8) Dhunseri Petrochem Limited

(D) Key Management Personnel

- (9) Mr. C.K.Dhanuka

(E) Relative of Key Management Personnel

- (10) Mr Mrigank Dhanuka

(All amounts in ₹ lakhs unless otherwise indicated)

	Year ended 31.03.2015	Year ended 31.03.2014
Nature of Transactions/Balances		
A. Subsidiary Company		
Dhunseri Petrochem & Tea Pte. Ltd.		
Investment in Shares [Pursuant to the Scheme of Arrangement (Refer Note 41)]	6,197.39	-
Loan Receivable*	619.10	-
Interest Receivable	40.06	-
Interest Income	51.79	-



Notes to Financial Statements (contd.) for the year ended 31st March, 2015

Note 32 DISCLOSURE OF RELATED PARTIES AND RELATED PARTY TRANSACTIONS IN KEEPING WITH ACCOUNTING STANDARD 18 (contd.)

(All amounts in ₹ lakhs unless otherwise indicated)

	Year ended 31.03.2015	Year ended 31.03.2014
B. Group Companies		
Dhunseri Petrochem Limited		
Receivable/(Payable)	(7.44)	-
For transactions pursuant to the Scheme of Arrangement (Refer Note 41)		
Trimplex Investments Limited		
Rent and Service Charges	93.73	-
Receivable/(Payable)	61.50	-
Naga Dhunseri Group Limited		
Rent Paid	29.06	-
Mint Investments Limited		
Rent and Service Charges	37.37	-
Dhunseri Investments Limited		
Rent Paid	12.60	-
Job Charges	76.45	-
C. Key Management Personnel		
Mr. C.K. Dhanuka		
Remuneration	72.24	-
Rent Received	0.60	-
Receivable/(Payable)	(74.00)	-
D. Relative of Key Management Personnel		
Mr. M. Dhanuka		
Rent Received	0.60	-
Receivable/(Payable)	(25.00)	-
Director Fees	0.20	-

*Loan given for business purpose and carries an interest @ 8.6% p.a.

Note 33 EXPENDITURE IN FOREIGN CURRENCY

Reimbursement of Stamp Duty	14.02	-
Travelling Expenses	11.18	-

Note 34 EARNINGS IN FOREIGN CURRENCY

Interest	51.79	-
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Note 35

Research and Development Expenditure charged to revenue	12.00	-
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Notes to Financial Statements (contd.) for the year ended 31st March, 2015

Note 36 SEGMENT REPORTING

The Company is engaged in the integrated process of growing, harvesting and sale of tea and operates in the domestic market. Accordingly the Company is a single segment in accordance with Accounting Standard.

Note 37 DEPRECIATION

Depreciation for the year amounting to ₹612.36 lakhs (Previous Year Nil) includes a one time charge of ₹85.76 lakhs (Previous Year Nil) on account of Net Depreciable value of assets whose useful remaining lives were Nil as on 1st April, 2014 consequent to the decision of the Company to adopt the useful lives specified in Schedule II to the Companies Act, 2013 with effect from that date.

Note 38 DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSURES

Foreign Currency Exposure that are not hedged by a derivative instrument or otherwise -

Loan Taken ₹1,267.97 lakhs (Previous Year Nil)

Loan Given ₹619.10 lakhs (Previous Year Nil)

Interest Receivable ₹40.06 lakhs (Previous Year Nil)

Note 39 LEASE OBLIGATION

Operating Lease

The Company has taken various office premises, factory premises and residential accommodation for employees under operating cancellable lease arrangements having tenures ranging between 5 and 9 years. There is no specific obligation for renewal of these agreements. Lease rent for the period amounts to ₹133.45 lacs (Previous Year Nil) debited to the Statement of Profit and Loss.

Note 40 REVALUATION

Freehold Land and Leasehold Land & Estate Development located at the ten tea estates of the Company have been revalued on April 1, 2014 by Ernst & Young LLP, independent valuer on the bases as set out below:

Freehold Land-Market Method

Leasehold Land & Estate Development (Tea Plantation) - Combination of Market Method and Depreciated Replacement Cost Method.

The resultant increase in Net Book Value by ₹28837.99 lakhs, has been credited to the Revaluation Reserve included under Reserves and Surplus (Note 3).

Note 41 SCHEME OF ARRANGEMENT

Pursuant to the Scheme of Arrangement (the Scheme), duly sanctioned by the Hon'ble High Court at Calcutta at the hearing held on 7th August, 2014, the Tea Division of Dhunseri Petrochem & Tea Limited (DPTL) engaged in the business of cultivation, production and marketing of tea, together with all its assets, liabilities etc. has been transferred as a going concern by way of demerger to the Company, with effect from the appointed date i.e. 1st April, 2014. Upon filing of the certified copy of the Court Order with the Registrar of Companies on 1st September 2014, the Scheme has become operative on and from the said date.

Accordingly the assets and liabilities of the Tea Division as recorded in the books of account of DPTL as on 1st April, 2014 with changes in values consequent to revaluation, as it was appearing in the books of DPTL, being ignored, amounting to ₹20,614.87 lakhs and ₹6,661.15 lakhs respectively have been recognized in the books of the Company.

As per the Scheme the Company in consideration of the demerger and transfer of the Tea Division from DPTL issued and allotted to the members of DPTL one equity share of ₹10 each in the Company, credited as fully paid up for every 5 equity shares of ₹10 each held by them in DPTL. Accordingly 7,004,951 equity shares have been issued during the year.

The difference between the assets and liabilities amounting to ₹13,953.72 lakhs recorded above as reduced by the aggregate face value of shares amounting to ₹700.50 lakhs allotted by the Company was taken to General Reserve. (Refer Note 3)

Further in terms of the Scheme the Company's 50,000 equity shares of ₹10 each fully paid up outstanding as at 1st April, 2014 were cancelled upon the issue of new equity shares to the shareholders of DPTL.



Notes to Financial Statements (contd.) for the year ended 31st March, 2015

Note 42

Pending completion of relevant formalities, certain assets and liabilities acquired pursuant to the Scheme of Arrangement as referred to in Note 41, remain included in the books of the Company under the name of the Transferor Company

Note 43

Freehold Land included under Note 13 includes 6.25 Hectares of land declared as Private Forest under the provisions of the Maharashtra Private Forest (Acquisition) Act, 1975, out of a total of 12.92 Hectares (Previous Year Nil)

Note 44

Previous Year figures have been regrouped and rearranged wherever necessary.

For **Lovelock & Lewes**
Firm Registration No. 301056E
Chartered Accountants

Pradip Law
Partner
Membership No. 51790

Place : Kolkata
Date : May 29, 2015

Bhavana Khemka
Chief Financial officer

R. Mahadevan
Company Secretary

For and on behalf of the Board
C. K. Dhanuka
Managing Director

Basudeo Beriwal
Director

Cash Flow Statement for the year ended 31st March, 2015

(All amounts in ₹ lakhs unless otherwise indicated)

Particulars	Year ended 31.03.2015	Year ended 31.03.2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	2,071.89	0.50
Adjustments for:		
Interest Income	(149.38)	(0.47)
Profit on sale of Investments	(128.42)	-
Finance Cost	358.98	-
Depreciation	612.36	-
Liabilities no longer required written back	(2.21)	(0.30)
Unrealized Foreign Exchange Loss	13.47	-
Operating Profit before Working Capital Changes	2,776.69	(0.27)
Adjustments for:		
Trade and other receivables	(909.77)	(0.02)
Inventories	(295.35)	-
Trade payables and other liabilities	778.22	0.25
Cash from/(used in) operations	2,349.79	(0.04)
Direct Taxes Paid	(420.01)	(0.09)
Net Cash from/(used in) Operating Activities	1,929.78	(0.13)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(419.97)	-
Disposal of Fixed Assets	1.00	-
Receipt of maturity proceeds of Fixed Deposit with bank	900.00	-
Purchase of Current Investments	(1,628.42)	-
Sale of Current Investments	1,628.42	-
Purchase of Investment Property	(631.10)	-
Interest received	115.13	0.05
Realisation of Loan from a party	15.00	-
Net Cash (used in)/from Investing Activities	(19.94)	0.05



Cash Flow Statement for the year ended 31st March, 2015

(All amounts in ₹ lakhs unless otherwise indicated)

Particulars	Year ended 31.03.2015	Year ended 31.03.2014
C. CASH FLOW FROM FINANCING ACTIVITIES		
- Repayment of Long term borrowing	(412.59)	-
- Proceeds of Short term borrowings	4,982.29	-
- Repayment of Short term borrowing	(5,402.50)	-
- Interest paid	(360.29)	-
- Dividend paid	(1.93)	-
Net Cash used in Financing Activities	(1,195.02)	-
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	714.82	(0.08)
Cash and Cash Equivalents (Opening balance)	0.09	0.17
Add Cash and Cash Equivalents acquired pursuant to the Scheme of Arrangement (Refer Note 41)	669.57	-
Cash and Cash Equivalents (Closing balance) (Refer Note 18)	1,384.48	0.09

- 1 The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on Cash Flow Statements issued by The Institute of Chartered Accountants of India.
- 2 The Notes referred to above form an integral part of the Cash Flow Statement.
- 3 Previous year's figures have been regrouped/rearranged wherever necessary.

This is the Cash Flow Statement referred to in our report of even date.

For **Lovelock & Lewes**
Firm Registration No. 301056E
Chartered Accountants

Bhavana Khemka
Chief Financial officer

For and on behalf of the Board
C. K. Dhanuka
Managing Director

Pradip Law
Partner
Membership No. 51790

R. Mahadevan
Company Secretary

Basudeo Beriwal
Director

Place : Kolkata
Date : May 29, 2015

Consolidated Financial Statements



Independent Auditor's Report

To
The Members of
Dhunseri Tea & Industries Limited

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of Dhunseri Tea & Industries Limited ("hereinafter referred to as the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"); (refer Note 1A(i) to the attached consolidated financial statements), comprising of the consolidated Balance Sheet as at March 31, 2015, the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Financial Statements").

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of Consolidated Financial Statements. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.
6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 8 of the Other Matter paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

7. In our opinion and to the best of our information and according

to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group as at March 31, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matter

8. We did not audit the financial statements/financial information of three subsidiaries whose financial statements/ financial information reflect total assets of ₹14,246.73 Lakhs and net assets of ₹3,954.26 Lakhs as at March 31, 2015, total revenue of ₹10,902.41 Lakhs, net profit of ₹1,074.21 Lakhs and net cash flows amounting to ₹176.01 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act insofar as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company (there being no subsidiary company incorporated in India) (Refer Note 1A(i) to the consolidated financial statements), we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
10. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law maintained by the Holding Company, including relevant records relating to preparation of the aforesaid

consolidated financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company.

- (c) The Consolidated Balance Sheet, the Consolidated Profit and Loss Statement, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company including relevant records relating to the preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2015 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact, if any, of pending litigations as at March 31, 2015 on the consolidated financial position of the Group – Refer Note 22A to the consolidated financial statements.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts as at March 31, 2015.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2015.

For **Lovelock & Lewes**
Firm Registration Number: 301056E
Chartered Accountants

Pradip Law
Partner
Place: Kolkata
Date: May 29, 2015. Membership Number 51790



Annexure to Independent Auditors' Report

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Dhunseri Tea & Industries Limited on the consolidated financial statements as of and for the year ended March 31, 2015

- i. (a) The Holding Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets of the Holding Company are physically verified by the Management of the Holding Company according to a phased programme designed to cover all items over a period of three years which, in our opinion, is reasonable having regard to the size of the Holding Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets have been physically verified by the Management of the Holding Company during the year and no material discrepancies have been noticed on such verification.
- ii. (a) The inventory excluding stocks with third parties has been physically verified by the Management of the Holding Company during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion, the procedures of physical verification of inventory followed by the Management of the Holding Company are reasonable and adequate in relation to the size of the Holding Company and the nature of its business.
- (c) On the basis of our examination of the inventory records, in our opinion, the Holding Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. The Holding Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a) and (iii)(b) of the said Order are not applicable to the Holding Company.
- iv. In our opinion, and according to the information and

explanations given to us, there is an adequate internal control system commensurate with the size of the Holding Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods. The Holding Company's operations do not involve sale of services. Further, on the basis of our examination of the books and records of the Holding Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.

- v. The Holding Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act, for any of the products of the Holding Company.
- vii. (a) According to the information and explanations given to us and the records of the Holding Company examined by us, in our opinion, the Holding Company is generally regular in depositing undisputed statutory dues in respect of provident fund, deposit linked insurance, professional tax though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including employees' state insurance, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities except for dues in respect of income tax. The extent of arrears of statutory dues in respect of income tax outstanding as on March 31, 2015 for a period of more than six months from the date they became payable are as follows:

Name of the statute	Nature of dues	Amount (₹ In Lakhs)	Period to which the amount relates
Income-tax Act 1961	Agricultural Income Tax	2.44	Assessment Year 2008-09
Income-tax Act 1961	Central Income Tax	0.72	Assessment Year 2008-09

- (b) According to the information and explanations given to us and the records of the Holding Company examined by us, there are no dues of sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess which have not been deposited on account of any dispute as at March 31, 2015. The particulars of dues of income tax, as at March 31, 2015 which have not been deposited on account of a dispute, is as follows:

Name of the statute	Nature of dues	Amount (₹ Crores)	Period to which the amount relates	Forum where the dispute is pending
Income-tax Act, 1961	Income Tax	77.77	2008-09	Supreme Court

- c) The amount required to be transferred to Investor Education and Protection Fund by the Holding Company has been transferred within the stipulated time in accordance with the provisions of the Companies Act, 1956 and the rules made thereunder.
- viii. The Holding Company has no accumulated losses as at March 31, 2015 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- ix. According to the records of the Holding Company examined by us and the information and explanation given to us, the Holding Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
- x. In our opinion, and according to the information and explanations given to us, the Holding Company has not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of Clause 3(x) of the Order are not applicable to the Holding Company.
- xi. In our opinion, and according to the information and explanations given to us, the term loans obtained by the Holding Company have been applied on an overall basis, for the purposes for which they were obtained.
- xii. During the course of our examination of the books and records of the Holding 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 material fraud on or by the Holding Company, noticed or reported during the year, nor have we been informed of any such case by the Management of Holding Company.

For **Lovelock & Lewes**
Firm Registration Number: 301056E
Chartered Accountants

Pradip Law
Partner
Place: Kolkata
Date: May 29, 2015. Membership Number 51790



Consolidated Balance Sheet as at 31st March, 2015

(All amounts in ₹ lakhs unless otherwise indicated)

Particulars	Note	As at 31.03.2015
EQUITY AND LIABILITIES		
Shareholders' Fund		
Share capital	2	700.50
Reserves and surplus	3	40,319.27
		41,019.77
Non-current Liabilities		
Long-term borrowings	4	4,698.21
Deferred tax liabilities (Net)	5	1,664.69
Other Long-term liabilities	6	84.22
Long-term provisions	7	218.15
		6,665.27
Current Liabilities		
Short-term borrowings	8	5,259.33
Trade payables	9	2,033.77
Other current liabilities	10	2,664.20
Short-term provisions	11	924.34
		10,881.64
Total		58,566.68
ASSETS		
Non-Current Assets		
Fixed assets		
Tangible assets	12	44,701.73
Intangible assets	13	1,743.23
Capital work-in-progress		4.25
Non-current investments	14	736.70
Long-term loans and advances	15	239.77
		47,425.68
Current Assets		
Current investments	16	1,628.79
Inventories	17	3,331.55
Trade receivables	18	3,239.32
Cash and bank balances	19	1,565.24
Short-term loans and advances	20	1,314.43
Other current assets	21	61.67
		11,141.00
Total		58,566.68

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

The notes are an integral part of these financial statements

For **Lovelock & Lewes**
Firm Registration No. 301056E
Chartered Accountants

Bhavana Khemka
Chief Financial officer

For and on behalf of the Board
C. K. Dhanuka
Managing Director

Pradip Law
Partner
Membership No. 51790

R. Mahadevan
Company Secretary

Basudeo Beriwal
Director

Place : Kolkata
Date : May 29, 2015

Consolidated Statement of Profit and Loss for the year ended 31st March, 2015

(All amounts in ₹ lakhs unless otherwise indicated)

Particulars	Note	Year ended 31.03.2015
Revenue from Operations	24	26,797.29
Other Income	25	778.69
Total Revenue		27,575.98
EXPENSES		
Cost of materials consumed	26	3,397.29
Changes in inventories of finished goods	27	(8.75)
Employee benefits expense	28	5,762.53
Finance costs	29	818.57
Depreciation expense	37	979.88
Other expenses	30	13,402.33
Total Expenses		24,351.85
Profit before tax		3,224.13
Tax expense:		
Current Tax		
For current year		435.00
Adjustment for earlier years		(67.99)
Deferred tax		26.27
Profit for the year after Tax		2,830.85
Earnings per Equity Share: [Nominal value per share: ₹10/- each]		
(1) Basic (₹)	32	40.41
(2) Diluted (₹)	32	40.41

This is the Consolidated Statement of Profit and Loss referred to in our Report of even date.

The notes are an integral part of these financial statements

For **Lovelock & Lewes**
 Firm Registration No. 301056E
Chartered Accountants

Bhavana Khemka
Chief Financial officer

For and on behalf of the Board
C. K. Dhanuka
Managing Director

Pradip Law
Partner
 Membership No. 51790

R. Mahadevan
Company Secretary

Basudeo Beriwal
Director

Place : Kolkata
 Date : May 29, 2015



Notes to Consolidated Financial Statements for the year ended 31st March, 2015

Note 1 GROUP STRUCTURE AND SIGNIFICANT ACCOUNTING POLICIES

A GROUP STRUCTURE

- (i) The Consolidated Financial Statements of the Company pertain to Dhunseri Tea & Industries Limited (the Parent Company) and its subsidiaries, (the Group) the details of which is given below :

Name of the Companies	Category	Country of Incorporation	Proportion of Ownership Interest
			31.03.2015
Dhunseri Petrochem and Tea Pte Limited (DPTPL)	Subsidiary	Singapore	100.00%
Makandi Tea and Coffee Estates Limited (MTCEL) [@]	Subsidiary	Malawi	100.00%
Kawalazi Estate Company Limited (KECL) [@]	Subsidiary	Malawi	100.00%

@ Represents subsidiary of DPTPL

- (ii) The reporting date of DPTPL and each of its subsidiaries is 31st December, which is three months prior to the reporting date of these Consolidated Financial Statements. The financial statements of DPTPL have been consolidated as of the reporting date i.e. 31st December 2014 with significant transactions of next three months, if any.
- (iii) Pursuant to the Scheme of Arrangement referred to in Note 36, the entire controlling interest in DPTPL has been transferred to the Parent Company with effect from 1st April, 2014.

B SIGNIFICANT ACCOUNTING POLICIES

a) Basis for preparation

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis for certain tangible fixed assets of the Parent Company which are being carried at revalued amounts. Pursuant to Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules 2006, as amended] and other relevant provisions of the Companies Act, 2013 (the Act).

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Act.

b) Fixed Assets

(i) Tangible Assets

Tangible assets are stated at cost net of accumulated depreciation and accumulated impairment losses if any except in case of Freehold Land and Leasehold Land and Estate Development of the Parent Company which are carried at revalued amounts. Cost comprises cost of acquisition/construction and subsequent improvement thereto including taxes and duties, freight and other incidental expenses relating to acquisition and installation.

Expenditure incurred towards estate development during the first year is capitalised and the expenses incurred thereafter in subsequent years and cost of replanting in existing areas are charged to revenue.

(ii) Intangible Assets

Intangible assets are stated at cost net of accumulated amortisation and accumulated impairment losses, if any.

Intangible asset is recognised if it is probable that future economic benefits will flow to the Company. Such asset is initially recognised at cost. Subsequent expenditure on such asset is recognised as expense when incurred unless it is probable that

Notes to Consolidated Financial Statements (contd.) for the year ended 31st March, 2015

the expenditure will enhance its future economic benefits.

c) Depreciation

Depreciation has been provided using the straight-line method at the rate determined based on the estimated useful lives of the tangible assets where applicable, specified in schedule II to the Act and in keeping with other provisions of the said schedule.

In case of certain subsidiaries :

The assets are depreciated on the straight line basis at rates estimated to reduce to anticipated residual values over expected useful lives as set out below:

Vehicles	3-5 years
Furniture and Fixtures	3-7 years
Plant and Equipment	4-25 years
Buildings	6-25 years

d) Impairment

An impairment loss is recognised, where applicable, when the recoverable amount of an asset (i.e. higher of the assets' net selling price and value in use) is less than its carrying amount.

e) Investments

Current investments are carried at the lower of cost and fair value. Long-term investments are carried at cost and provision is recorded to recognise, any decline, other than temporary, in the carrying value of such investment. Investment acquired in exchange of another is carried at cost determined with reference to the fair value of investment given up.

Investment Property represent investment in land that are not intended to be occupied substantially for use by, or in the operations of, the Group. Investment properties are carried at cost.

f) Inventories

Inventories are valued at the lower of cost, computed on a weighted average basis (except in the case of one subsidiary where it is computed on First-in First-out basis), and estimated net realisable value. Provision is made for obsolescence wherever considered necessary. Cost comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

g) Employee Benefits

(i) Short term Employee Benefits:

The undiscounted amount of Short-term Employee Benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the service.

(ii) Post Employment Benefits Plans:

Contributions under Defined Contributions Plans payable in keeping with the related schemes are recognised as expenses for the year.

For Defined Benefits Plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss for the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on straight line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of any economic benefit available in the form of refunds from the plan or reductions in future contributions to the plan.



Notes to Consolidated Financial Statements (*contd.*) for the year ended 31st March, 2015

(iii) Other Long-Term Employee Benefits (unfunded):

The cost of providing long term employee benefits is determined using Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date. Actuarial gains and losses and past service cost are recognised immediately in the Statement of Profit and Loss for the period in which they occur. Other long term employee benefit obligation recognised in the Balance Sheet represents the present value of related obligation.

h) Foreign Currency Transactions

Transactions in foreign currency are recorded at daily exchange rates prevailing on the date of the transaction. Monetary items denominated in foreign currency are restated at the year-end at the exchange rate prevailing on the Balance Sheet date. Foreign currency non-monetary items carried in terms of historical cost are reported using the exchange rate on the date of transactions. Exchange differences arising on restatement or settlement are recognized in the Statement of Profit and Loss.

i) Revenue recognition

Sales are recognised upon transfer of substantial risk and rewards of ownership in the goods to the buyers as per the terms of the Contract and net of trade discounts, sales tax etc., where applicable.

Other items of the revenue are accounted for on accrual basis.

j) Other Income

Interest income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend income is recognised when the right to receive dividend is established.

Other items are accounted for on accrual basis.

k) Borrowing costs

Borrowing costs attributable to the acquisition, construction or production of qualifying assets (i.e assets that necessarily take substantial period of time to get ready for their intended use or sale) are added to the cost of those assets. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

l) Taxes on income

Current tax in respect of taxable income for the year is recognised based on applicable tax rate and laws.

Deferred tax is recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods and is measured using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets in respect of carried forward losses and/or unabsorbed depreciation are recognised only when it is virtually certain and in other cases where there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets are reviewed at each Balance Sheet date to re-assess realisation. Current tax assets and current tax liabilities are offset when there is legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is legally enforceable right to set off assets and liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

m) Leases

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of lease.

n) Government Grants

(i) Government grants of the nature of promoters' contribution are credited to Capital Reserve.

Notes to Consolidated Financial Statements (contd.) for the year ended 31st March, 2015

- (ii) Government grants related to specific fixed assets are deducted from gross values of related assets in arriving at their book values.
- (iii) Government grants related to revenue are recognized on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with their related costs.

o) Provisions and Contingent Liabilities

Provisions are recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made.

Contingent Liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or reliable estimate of the amount cannot be made.

p) Derivative instruments

The Group uses derivative financial instruments such as forward exchange contracts, interest rate swaps, etc. to hedge its risks associated with foreign currency fluctuations relating to the underlying transactions, highly probable forecast transactions and firm commitments.

In respect of Forward Exchange Contracts entered into to hedge an existing asset/liability the premium or discount arising at the inception of such contracts is amortised as expense or income over the life of the contract. Exchange differences on such a contract are recognised in the Statement of Profit and Loss in the reporting period in which the exchange rates change.

Derivative contracts (other than Forward Exchange contracts covered under Accounting Standard 11 on "The Effects of changes in Foreign Exchange Rates") outstanding as at the Balance Sheet date are marked to market and the losses, if any, are recognised in the Statement of Profit and Loss and gains are ignored in accordance with the Announcement of the Institute of Chartered Accountants of India on 'Accounting for derivatives' issued in March, 2008.

Any profit or loss arising on cancellation or renewal of derivative instruments are recognised as income or as expense in the Statement of Profit and Loss for the period.

q) Use of Estimates

The preparation of financial statements requires use of estimates and assumptions to be made that affect the reported amounts of assets, liabilities and disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenue and expenses during the period. Difference between actual amount and estimates are recognised in the period in which the results are known / materialized.

(r) Consolidation

The financial statements of the Parent Company and its subsidiaries have been combined on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses, after adjustments / elimination of inter-company balances, transactions including unrealised profits on inventories etc, if any.

The consolidated financial statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances in all material respect and are presented to the extent possible, in the same manner as the Parent Company's separate financial statements.

The translation of the functional currencies into Indian Rupees (reporting currency) of foreign subsidiaries (non integral foreign operations) is performed for assets and liabilities using closing exchange rates at the Balance Sheet date and for revenues, costs and expenses using average rates prevailing during the period. The resultant exchange difference arising out of such transactions is recognised as part of equity (Foreign Exchange Translation Reserve) by the Parent Company until the disposal of Investment.

The excess of cost to the Parent Company of its investment in the subsidiaries over the Parent's portion of equity of the subsidiaries at the dates they became subsidiaries is recognised in the financial statements as Goodwill.



Notes to Consolidated Financial Statements (contd.) for the year ended 31st March, 2015

(All amounts in ₹ lakhs unless otherwise indicated)

	As at 31.03.2015
Note 2 SHARE CAPITAL	
Authorised	
7,500,000 Equity Shares of ₹10/- each	750.00
Issued, Subscribed and Fully Paid up	
7,004,951 Equity Shares of ₹10/- each	700.50
	700.50

(a) Reconciliation of number of shares

	As at 31.03.2015	
	No. of Shares	Amount
Balance as at the beginning of the year	50,000	5.00
Less: Shares cancelled as per the Scheme of Arrangement (Refer Note 36)	50,000	5.00
Add: Shares allotted as per the Scheme of Arrangement (Refer Note 36)	7,004,951	700.50
Balance as at the end of the year	7,004,951	700.50

- (b) The Parent Company has one class of equity share having a par value of ₹10/- each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in the case of interim dividend. In the event of liquidation the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Notes to Consolidated Financial Statements (contd.) for the year ended 31st March, 2015

(All amounts in ₹ lakhs unless otherwise indicated)

	As at 31.03.2015
Note 3 RESERVES AND SURPLUS	
General Reserve #	
Balance as at the beginning of the year	-
Add: Amount arisen pursuant to Scheme of Arrangement (Refer Note 36)	13,253.22
Add: Transfer from the Surplus in Statement of Profit and Loss	500.00
Balance as at the end of the year	13,753.22
Revaluation Reserve	
Balance as at the beginning of the year	-
Add: Addition during the year (Refer Note 39)	28,837.99
Balance as at the end of the year	28,837.99
Foreign Exchange Translation Reserve	
[Refer note 1(B)(r)]	
Balance as at the beginning of the year	-
Add Amount arisen consequent upon the Scheme of Arrangement (Refer Note 36)	(3,869.02)
Add: Arisen during the year	(211.26)
Balance as at the end of the year	(4,080.28)
Surplus in Statement of Profit and Loss	
Balance as at the beginning of the year	0.20
Add Amount arisen consequent upon the Scheme of Arrangement (Refer Note 36)	109.61
Add: Profit for the year	2,830.85
Less: Appropriations	
Transfer to General Reserve	500.00
Proposed dividend on Equity Shares for the year	525.37
Dividend Distribution Tax	106.95
Balance as at the end of the year	1,808.34
	40,319.27

General Reserve is a free reserve not meant for meeting any specific liability, contingency or commitment.

Note 4 LONG-TERM BORROWINGS

Secured	
Term Loans	
From banks	4,688.36
From other parties	9.85
	4,698.21



Notes to Consolidated Financial Statements (contd.) for the year ended 31st March, 2015

(All amounts in ₹ lakhs unless otherwise indicated)

	As at 31.03.2015
Note 5 DEFERRED TAX LIABILITIES (NET)	
Deferred Tax Liabilities	
Depreciation	1,846.27
Others	156.35
	2,002.62
Deferred Tax Asset	
Items allowable for tax purposes on payment	147.26
Tax losses #	190.67
	337.93
Net Deferred Tax Liabilities@	1,664.69

Expected to be realised against future taxable income

@ After considering net liability transferred pursuant to Scheme of Arrangement ₹1716.22 lakhs (Refer Note 36). Deferred Tax Charge /(Credit) for the year excludes exchange gain of ₹77.80 lakhs on account of re-statement of year end deferred tax assets and liabilities

Note 6 OTHER LONG TERM LIABILITIES

Security Deposits	50.00
Lease Equalisation Account	34.22
	84.22

Note 7 LONG TERM PROVISIONS

Provision for employee benefits	
Provision for Leave Encashment	48.47
Provision for pension and gratuity under defined contributory schemes	169.68
	218.15

Note 8 SHORT TERM BORROWINGS

Secured	
Loan repayable on demand from Banks	2,991.36
	2,991.36
Unsecured	
Other Loans from Banks	2,267.97
	2,267.97
	5,259.33

Notes to Consolidated Financial Statements (contd.) for the year ended 31st March, 2015

(All amounts in ₹ lakhs unless otherwise indicated)

	As at 31.03.2015
Note 9 TRADE PAYABLES	
Trade payables	2,033.77
	2,033.77

Note 10 OTHER CURRENT LIABILITIES

Current Maturities of Long-term debts	1,583.14
Interest accrued but not due on borrowings	110.54
Amount due to a related party	7.44
Unpaid Dividends	9.07
Advance from Customers	13.82
Employee Benefits	640.28
Liability for Capital Goods	27.09
Statutory Dues	149.57
Derivative Liability	82.43
Others	40.82
	2,664.20

Note 11 SHORT TERM PROVISIONS

Provision for Employee Benefits	
Provision for Gratuity	203.59
Provision for Leave Encashment	17.51
Provision for Gratuity under contributory scheme	9.95
	231.05
Others	
Provision for Income Tax	60.97
Provision for Proposed Dividend	525.37
Provision for Tax on Dividend	106.95
	693.29
	924.34



Notes to Consolidated Financial Statements (contd.) for the year ended 31st March, 2015

Note 12 TANGIBLE ASSETS

Particulars	GROSS BLOCK							DEPRECIATION					NET BLOCK	
	As at 31.03.2014	Assets Taken over pursuant to Scheme of Arrangement (Refer Note 36)	Amount Added on Revaluation (Refer Note 39)	Additions	Disposal	Other Adjustment	As at 31.03.2015	As at 31.03.2014	Assets Taken over pursuant to Scheme of Arrangement (Refer Note 36)	For the year	Disposal	Other Adjustment	As at 31.03.2015	As at 31.03.2015
Freehold Land	-	821.05	1,179.13	135.75	(1.00)	(49.12)	2,085.81	-	-	-	-	-	-	2,085.81
Leasehold Land & Estate Development	-	6,135.92	27,658.86	787.87	-	(508.18)	34,074.47	-	-	-	-	-	-	34,074.47
Buildings (Refer (a) below)	-	4,672.73	-	162.18	-	(143.51)	4,691.40	-	1,064.91	251.41	-	(19.03)	1,297.29	3,394.11
Plant and Equipment	-	8,172.56	-	937.88	-	(260.18)	8,850.26	-	4,006.19	547.67	-	(52.82)	4,501.04	4,349.22
Furniture and Fixtures	-	601.63	-	17.39	-	(6.26)	612.76	-	223.76	66.47	-	(3.58)	286.65	326.11
Vehicles	-	1,039.83	-	88.06	-	(36.89)	1,091.00	-	550.87	108.35	-	(17.23)	641.99	449.01
Office Equipment	-	56.17	-	-	-	(2.95)	53.22	-	26.23	5.98	-	(1.99)	30.22	23.00
	-	21,499.89	28,837.99	2,129.13	(1.00)	(1,007.09)	51,458.92	-	5,871.96	979.88	-	(94.65)	6,757.19	44,701.73

(a) Gross Block and Accumulated depreciation include building on rented land amounting to ₹521.80 lakhs and ₹48.83 lakhs respectively.

Note 13 INTANGIBLE ASSETS

Particulars	GROSS BLOCK						DEPRECIATION				NET BLOCK			
	As at 31.03.2014	Assets Taken over pursuant to Scheme of Arrangement (Refer Note 36)	Amount Added on Revaluation (Refer Note 39)	Additions	Disposal	Other Adjustment	As at 31.03.2015	As at 31.03.2014	Assets Taken over pursuant to Scheme of Arrangement (Refer Note 36)	For the year	Disposal	Other Adjustment	As at 31.03.2015	As at 31.03.2015
Goodwill arising on consolidation	-	1,743.23	-	-	-	-	1,743.23	-	-	-	-	-	-	1,743.23
	-	1,743.23	-	-	-	-	1,743.23	-	-	-	-	-	-	1,743.23

Notes to Consolidated Financial Statements (contd.) for the year ended 31st March, 2015

(All amounts in ₹ lakhs unless otherwise indicated)

	As at 31.03.2015
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Note 14 NON-CURRENT INVESTMENTS (Valued at cost)

LONG TERM	
Other than Trade Investments	
Investment Property	
Freehold Land (Refer Note 43)	736.70
	736.70

Note 15 LONG TERM LOANS AND ADVANCES

Unsecured, considered good	
Capital Advances	0.20
Security Deposits	
With Related Party	61.50
With Others	178.07
	239.77

Note 16 CURRENT INVESTMENTS

Current Investments - other than Trade (Valued at cost or market value whichever is lower)	
Units in Mutual Funds-Unquoted	1,628.79
	1,628.79

Note 17 INVENTORIES

(At lower of cost and net realisable value)	
Finished goods (includes in transit ₹135.67 lakhs)	1,179.68
Stores and spares including packing materials [(includes in transit ₹29.09 lakhs)]	2,151.87
	3,331.55

Note 18 TRADE RECEIVABLE

Unsecured, considered good	
Outstanding for a period exceeding 6 months from the date they are due for payment	5.25
Other debts	3,234.07
	3,239.32



Notes to Consolidated Financial Statements (contd.) for the year ended 31st March, 2015

(All amounts in ₹ lakhs unless otherwise indicated)

	As at 31.03.2015
Note 19 CASH AND BANK BALANCES	
Cash and Cash Equivalents	
Balances with Banks	
Current Accounts	847.07
Cash Credit Accounts	685.82
Unpaid Dividend Account (Refer (a) below)	9.07
Fixed Deposit	1.11
Cash on hand	17.42
	1,560.49
Other Bank Balances	
Fixed Deposits (with maturity greater than 3 months but less than 12 months)	4.75
	4.75
	1,565.24

(a) Earmarked for payment of Dividend

Note 20 SHORT-TERM LOANS AND ADVANCES

Unsecured, considered good	
Deposits with Government Authorities	3.94
Deposit with National Bank for Agriculture and Rural Development	294.21
Others:	
Loans to Staff	49.11
Loans to Party*	12.00
Advance to Suppliers/Service Providers	412.40
Prepaid Expenses	375.13
Advance Income Tax	167.64
	1,314.43

*Loan given for business purpose to the party and carries an interest @10.5% p.a.

Note 21 OTHER CURRENT ASSETS

Unsecured, considered good	
Interest accrued on Deposits	20.76
Receivables against sale of assets	40.91
	61.67

Notes to Consolidated Financial Statements (contd.) for the year ended 31st March, 2015

(All amounts in ₹ lakhs unless otherwise indicated)

	As at 31.03.2015
Note 22	
A - CONTINGENT LIABILITIES	
(a) Claims against the Company not acknowledged as debts	
(i) Income Tax-matter under dispute	77.77
(ii) Cases which are pending in the courts of Malawi	8.89
(b) Bank Guarantee given for employees	36.92
It is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.	
(c) The Group does not expect any reimbursements in respect of the above contingent liabilities.	

B - OTHER COMMITMENTS

In accordance with the Share Purchase Agreement dated 27th July 2012 entered into between Dhunseri Petrochem and Tea Pte. Ltd (DPTPL) and the sellers of the subsidiaries, Kawalazi Estate Company Limited and Makandi Tea and Coffee Estate Limited, DPTPL had agreed to pay performance payout to the seller amounting to ₹3,166.58 lakhs if the subsidiaries achieve certain milestones results based on average production targets from the end of second anniversary and third anniversary of the closing date.

The agreed performance payout is payable within 30 days following the third anniversary after closing date. As on the closing date of the current financial year the said milestone results have not been achieved.

Note 23 PROPOSED DIVIDEND

On Equity Shares of ₹10 each	
(i) Amount of dividend proposed for the year by the Parent Company	525.37
(ii) Dividend per Equity Share (₹)	7.50

Note 24 REVENUE FROM OPERATIONS

Sale of Products	
Tea	17,933.93
Packet Tea	6,064.16
Macadamia Nuts	2,735.80
Other Operating Revenues	
Sale of Green Leaf	20.69
Tea Subsidy - Orthodox	15.11
Tea Subsidy - Replantation	27.60
	26,797.29



Notes to Consolidated Financial Statements (contd.) for the year ended 31st March, 2015

(All amounts in ₹ lakhs unless otherwise indicated)

	Year ended 31.03.2015
Note 25 OTHER INCOME	
Interest Income	103.84
Profit on Sale of Current Investments	128.42
Liabilities no longer required written back	2.21
Rent Received	3.16
Insurance Claim	6.76
Consultation Fee	488.22
Miscellaneous Income	46.08
	778.69

Note 26 COST OF MATERIALS CONSUMED

Raw Materials	
Green Leaf (All indigenous - purchased and consumed)	3,397.29
Total	3,397.29

Note 27 CHANGES IN INVENTORIES OF FINISHED GOODS

(Increase)/Decrease in Stock	
Stock at the end of year	
Finished Goods	1,179.68
	1,179.68
Stocks acquired as per Scheme of Arrangement (Note 36)	
Finished Goods	1,170.93
	1,170.93
Net (Increase)/Decrease in Stock	(8.75)

Note 28 EMPLOYEE BENEFITS EXPENSES

Salaries and Wages	4,721.05
Contribution to provident and other funds	655.65
Staff welfare expenses	385.83
	5,762.53

Note 29 FINANCE COSTS

Interest expense	679.74
Other borrowing costs	138.83
	818.57

Notes to Consolidated Financial Statements (contd.) for the year ended 31st March, 2015

(All amounts in ₹ lakhs unless otherwise indicated)

	Year ended 31.03.2015
Note 30 OTHER EXPENSES	
Consumption of stores and spare parts including Packing Material (all indigenous)	4,836.13
Power & Fuel	3,000.31
Rent	175.17
Repairs and Maintenance	
Plant & Machinery	464.05
Buildings	117.27
Others	441.91
Insurance	149.37
Rates and Taxes	106.50
Freight, delivery and shipping charges	1,108.79
Brokerage and commission on sales	291.51
Other Selling Expenses	234.20
Net loss on foreign currency transactions/translations	184.25
Inventory of Raw Materials written off	7.87
Cess on Tea	197.90
Job Charges	76.45
Advertisements	130.87
Travelling and Conveyance	223.27
Expenditure towards Corporate Social Responsibility activities	20.00
Miscellaneous Expenses	1,636.51
	13,402.33



Notes to Consolidated Financial Statements (contd.) for the year ended 31st March, 2015

Note 31 EMPLOYEE BENEFIT OBLIGATIONS

I. Gratuity (Funded)

The Parent Company provides for gratuity, a defined benefit retirement plan covering eligible employees. As per the scheme, the Gratuity Trust Fund make payment to vested employees at retirement, death/disability, withdrawal of an amount based on the respective employee's eligible salary for specified number of days depending upon the tenure of service subject to a maximum limit of ₹10 lakhs. Vesting occurs upon completion of five years of service. Liability with regard to the aforesaid gratuity plan is determined by actuarial valuation as set out in Note 1(g)(ii) above, based upon which the Parent Company makes annual contributions for Gratuity to the Trust Fund.

(a) Change in Defined Benefit Obligation during the year ended 31st March 2015

(All amounts in ₹ lakhs unless otherwise indicated)

	31st March 2015 Funded
Present value of Defined Benefit Obligation as at 1st April, 2014- Taken over as per the Scheme of Arrangement (Refer Note 36)	1,216.32
Acquisition Cost	10.34
Current Service Cost	68.54
Interest Cost	120.00
Benefits Paid**	(122.28)
Actuarial (gain)/loss on Obligation	157.32
Present value of Defined Benefit Obligation as at 31st March, 2015	1,450.24

(b) Change in Fair Value of Assets during the year ended 31st March 2015

Fair Value of Plan Assets as at 1st April, 2014-Taken over as per the Scheme of Arrangement (Refer Note 36)	1,148.10
Expected Return on Plan Assets	107.99
Contributions Made	83.04
Benefits Paid**	(122.28)
Actuarial gain / (loss) on Plan Assets	29.80
Fair value of Plan Assets as at 31st March, 2015	1,246.65

(c) Net(Asset)/Liability recognised in the Balance Sheet as at 31st March 2015

Present Value of the Defined Benefit Obligation	1,450.24
Fair value of Plan assets	1,246.65
Net (Asset)/Liability recognised in the Balance Sheet	203.59

** includes ₹10 lakhs yet to be transferred from LIC Fund to the Transferee Company.

(d) Expense recognised in the Statement of Profit and Loss for the year ended 31st March, 2015

Current Service Cost	68.54
Interest Cost	120.00
Expected return on plan assets	(107.99)
Net actuarial (gain)/loss recognised during the year on defined benefit obligations	112.70
Actuarial (Losses)/Gains on Plan Assets	
Total Expense/(Income) in the Statement of Profit and Loss	193.25
(in Note 28- Employee benefits expense under the head "Contribution to Provident and Other Funds")	

Notes to Consolidated Financial Statements (contd.) for the year ended 31st March, 2015

Note 31 EMPLOYEE BENEFIT OBLIGATIONS (contd.)

(e) Major Categories of Plan Assets as a percentage of total plans as at 31st March, 2015

(All amounts in ₹ lakhs unless otherwise indicated)

	31st March 2015 Funded
Investment with Private Insurance Companies	32.53%
Administered by Life Insurance Corporation of India	57.24%
Investment in Mutual Fund	0.71%
Special Deposits and Bonds	6.48%
Others including Bank Balances	3.04%

(f) Experience adjustments

Defined Benefit Obligation	1,450.24
Fair value of Plan Assets	1,246.65
Status Surplus/(Deficit)	(203.59)
Experience adjustments on Plan Liabilities Gain/(Loss)	26.71
Experience adjustments on Plan Assets Gain/(Loss)	29.80

(g) Actuarial Assumptions

Particulars	Year ended 31st March 2015
Mortality Table	Indian Assured Lives Mortality (2006-08) ultimate
Discount rate	8.00%
Salary Escalation rate	5.00%
Expected Return on Plan Assets	9.00%

(h) Actual Return on Plan Assets

137.79 lakhs

(i) The estimate of future salary increase considered in actuarial valuation takes into account factors like inflation, seniority, promotion and other relevant factors. The expected return on plan assets is determined after taking into consideration composition of plan assets held, assessed risk, historical results on plan assets, the Group's policy for plan asset management and other relevant factors.

(j) Contribution to Defined Contributions Plans debited to the Statement of Profit and Loss under the head Contribution to provident and other funds/schemes (Note 28) comprise the following:

Particulars	Year ended 31st March 2015
Super Annuation Fund	6.32
Provident Fund	318.40
Social Insurance pension fund and defined contributory Gratuity scheme	137.68
	462.40



Notes to Consolidated Financial Statements (contd.) for the year ended 31st March, 2015

(All amounts in ₹ lakhs unless otherwise indicated)

	Year ended 31.03.2015
Note 32 EARNINGS PER EQUITY SHARE	
1. Basic	
(a) Earnings attributable to equity shareholders (₹ In lakhs)	2,830.85
(b) Weighted Average number of Ordinary Shares outstanding during the year	7,004,951
(c) Earning per share	
-Basic (a/b) (in ₹)	40.41
2. Diluted	
(a) Dilutive potential Equity Shares	-
(b) Diluted Earnings per share [same as in 1 (c) above] (in ₹)	40.41

Note 33 DISCLOSURE OF RELATED PARTIES AND RELATED PARTY TRANSACTIONS IN KEEPING WITH ACCOUNTING STANDARD 18

Names of related parties and description of relationship:

(A) Group Companies (i.e. Companies in which Key Management Personnel is able to exercise significant influence):

- (1) Naga Dhunseri Group Limited
- (2) Trimplex Investments Limited
- (3) Mint Investments Limited
- (4) Dhunseri Investments Limited
- (5) Dhunseri Petrochem Limited

(B) Key Management Personnel

- (6) Mr. C.K.Dhanuka

(C) Relative of Key Management Personnel

- (7) Mr Mrigank Dhanuka

	Year ended 31.03.2015
Nature of Transactions/Balances	
A. Group Companies	
Dhunseri Petrochem Limited	
Receivable/(Payable)	(7.44)
For transactions pursuant to the Scheme of Arrangement (Refer Note 36)	
Trimplex Investments Limited	
Rent and Service Charges	93.73
Receivable/(Payable)	61.50
Naga Dhunseri Group Limited	
Rent Paid	29.06
Mint Investments Limited	
Rent and Service Charges	37.37
Dhunseri Investments Limited	

Notes to Consolidated Financial Statements (contd.) for the year ended 31st March, 2015

Note 33 DISCLOSURE OF RELATED PARTIES AND RELATED PARTY TRANSACTIONS IN KEEPING WITH ACCOUNTING STANDARD 18 (contd.)

(All amounts in ₹ lakhs unless otherwise indicated)

	Year ended 31.03.2015
Rent Paid	12.60
Job Charges	76.45
B. Key Management Personnel	
Mr. C.K. Dhanuka	
Remuneration	72.24
Rent Received	0.60
Receivable/(Payable)	(74.00)
C. Relative of Key Management Personnel	
Mr. M. Dhanuka	
Rent Received	0.60
Receivable/(Payable)	(25.00)
Director Fees	0.20

Note 34

Research and Development Expenditure charged to revenue	12.00
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Note 35 LEASE OBLIGATION

Operating Lease

The Company has taken various office premises, factory premises and residential accommodation for employees under operating cancellable lease arrangements having tenures ranging between 5 and 9 years. There is no specific obligation for renewal of these agreements. Lease rent for the period amounts to ₹133.45 lakhs debited to the Statement of Profit and Loss.

Note 36 SCHEME OF ARRANGEMENT

Pursuant to the Scheme of Arrangement (the Scheme), duly sanctioned by the Hon'ble High Court at Calcutta at the hearing held on 7th August, 2014, the Tea Division of Dhunseri Petrochem & Tea Limited (DPTL) engaged in the business of cultivation, production and marketing of tea, together with all its assets, liabilities etc. including its investment in subsidiaries engaged in cultivation of Tea, Coffee and Macadamia Nuts and other Plantation business has been transferred as a going concern by way of demerger to the Parent Company, with effect from the appointed date i.e. 1st April, 2014. Upon filing of the certified copy of the Court Order with the Registrar of Companies on 1st September 2014, the Scheme has become operative on and from the said date.

Accordingly the assets and liabilities of the Tea Division as recorded in the books of account of DPTL as on 1st April, 2014 with changes in values consequent to revaluation, as it was appearing in the books of DPTL, being ignored, amounting to ₹20,614.87 lakhs and ₹6,661.15 lakhs respectively have been recognized in the books of the Parent Company.

As per the Scheme the Parent Company in consideration of the demerger and transfer of the Tea Division from DPTL issued and allotted to the members of DPTL one equity share of ₹10 each in the Company, credited as fully paid up for every 5 equity shares of ₹10 each held by them in DPTL. Accordingly 7,004,951 equity shares have been issued during the year.

The difference between the assets and liabilities amounting to ₹13,953.72 lakhs recorded above as reduced by the aggregate face value of shares amounting to ₹700.50 lakhs allotted by the Parent Company was taken to General Reserve. (Refer Note 3)

"Further in terms of the Scheme the Parent Company's 50,000 equity shares of ₹10 each fully paid up outstanding as at 1st April, 2014 were cancelled upon the issue of new equity shares to the shareholders of DPTL.



Notes to Consolidated Financial Statements (contd.) for the year ended 31st March, 2015

Note 37 DEPRECIATION

Depreciation for the year amounting to ₹979.88 lakhs includes a one time charge of ₹85.76 lakhs on account of Net Depreciable value of assets whose useful remaining lives were Nil as on 1st April, 2014 consequent to the decision of the Parent Company to adopt the useful lives specified in Schedule II to the Companies Act 2013 with effect from that date.

Note 38

Following items, to the extent indicated have been measured and recognised on the basis of different accounting policies applied by certain subsidiary companies, as compared to those applied by the Parent Company. It is not practicable to use uniform accounting policies in preparing the consolidated financial statements. Had the accounting policies of the Parent Company been applied, the impact thereof on the expenditure for the year and the year-end carrying amounts of the assets is not ascertainable at this stage.

	Note	Year ended 31.03.2015
Inventories	17	868.13
Accumulated Depreciation	12	1,022.66
Depreciation	12	367.52

Note 39 REVALUATION

Freehold Land and Leasehold Land & Estate Development located at the ten tea estates of the Parent Company have been revalued on April 1, 2014 by Ernst & Young LLP, independent valuer on the bases as set out below:

Freehold Land-Market Method

Leasehold Land & Estate Development (Tea Plantation) - Combination of Market Method and Depreciated Replacement Cost Method.

The resultant increase in Net Book Value by ₹28,837.99 lakhs, has been credited to the Revaluation Reserve included under Reserves and Surplus (Note 3).

Note 40

Additional information pursuant to the requirement of schedule III to the act relating to enterprises considered in Consolidated Financial Statement as set out below:

(₹ in lakhs)

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Loss	Amount
1	2	3	4	5
Parent				
Dhunseri Tea & Industries Limited	90.36	37,065.51	62.05	1,756.64
Subsidiaries				
Foreign				
Dhunseri Petrochem & Tea Pte.Ltd	(9.33)	(3,828.59)	19.93	564.26
Makandi Tea and Coffee Estates Limited	8.18	3,357.44	15.86	448.86
Kawalazi Estate Company Limited	10.79	4,425.41	2.16	61.09
	100.00	@41,019.77	100.00	@2,830.85

@ The above figures are after adjustment of Inter Company balances and transaction.

Notes to Consolidated Financial Statements (contd.) for the year ended 31st March, 2015

Note 41 SEGMENT REPORTING

The Group is primarily engaged in business of cultivation manufacture and sale of tes across various geographical locations with different political and economic environment, risks and return etc. and accordingly Geographical segments has been considered by the Group as primary reporting format.

Primary Reporting Segment-Geographical Segment

(₹ in lakhs)

Particulars	2014-15				
	India	Malawi	Segment Total	Unallocated	Total Enterprise
Segment Revenue-Sales to External Customers	16,379.21	10,354.68	26,733.89	-	26,733.89
Less: Inter-Segment Revenue	-	-	-	-	-
Total Segment	16,379.21	10,354.68	26,733.89	-	26,733.89
Operating Revenue	42.71	20.69	63.40	-	63.40
Segment Revenue-Total	16,421.92	10,375.37	26,797.29	-	26,797.29
Segment Result	2,153.07	1,657.37	3,810.44	(979.59)	2,830.85
Total carrying amount of Segment Assets	40,425.69	14,009.86	54,435.55	4,131.13	58,566.68
Total amount of Segment Liabilities	2,206.32	1,239.88	3,446.21	14,100.70	17,546.91
Total cost incurred during the year to acquire segment assets	482.75	1,312.39	1,795.14	-	1,795.14
Total amount of depreciation	612.36	367.52	979.88	-	979.88
Total amount of significant non-cash expenses	-	7.87	7.87	-	7.87

The Group does not have any Secondary Segment.

Note 42

Pending completion of relevant formalities, certain assets and liabilities acquired by the Parent Company pursuant to the Scheme of Arrangement as referred to in Note 36, remain included in the books of the Company under the name of Transferor Company.

Note 43

Freehold Land included under Note 14 includes 6.25 Hectares of land declared as Private Forest under the provisions of the Maharashtra Private Forest (Acquisition) Act, 1975, out of a total of 12.92 Hectares.

Note 44

The Previous Year figures have not been presented as the Consolidated Financial Statements have been prepared for the first time.

For Lovelock & Lewes
Firm Registration No. 301056E
Chartered Accountants

Bhavana Khemka
Chief Financial officer

For and on behalf of the Board
C. K. Dhanuka
Managing Director

Pradip Law
Partner
Membership No. 51790

R. Mahadevan
Company Secretary

Basudeo Beriwal
Director

Place : Kolkata
Date : May 29, 2015



Consolidated Cash Flow Statement for the year ended 31st March, 2015

(All amounts in ₹ lakhs unless otherwise indicated)

Particulars	Year ended 31.03.2015
A. CASH FLOW FROM OPERATING ACTIVITIES	
Profit before taxation	3224.13
Adjustments for:	
Interest Income	(103.84)
Profit on sale of Current Investments	(128.42)
Finance Cost	818.57
Depreciation	979.88
Liabilities no longer required written back	(2.21)
Unrealized Foreign Exchange Loss	645.07
Inventory written off	7.87
Operating Profit before Working Capital Changes	5,441.05
Adjustments for:	
Trade and other receivables	(1,090.63)
Inventories	(91.38)
Trade payables and other liabilities	689.18
Cash generated from operations	4,948.22
Direct Taxes Paid	(433.12)
Net Cash from Operating Activities	4,515.10
B. CASH FLOW FROM INVESTING ACTIVITIES	
Purchase of fixed assets	(1,732.35)
Disposal of Fixed Assets	1.00
Receipt of maturity proceeds of Fixed Deposit with bank	900.00
Purchase of Current Investments	(1,628.42)
Sale of Current Investments	1,628.42
Purchase of Investment Property	(631.10)
Interest received	103.11
Realisation of Loan from a party	15.00
Net Cash used in Investing Activities	(1,344.34)

Consolidated Cash Flow Statement (contd.) for the year ended 31st March, 2015

(All amounts in ₹ lakhs unless otherwise indicated)

Particulars	Year ended 31.03.2015
C. CASH FLOW FROM FINANCING ACTIVITIES	
Repayment of Long term borrowings	(932.13)
Repayment of Short term borrowings	(5,712.50)
Proceeds of Short term borrowings	4,950.44
Dividend paid	(1.93)
Interest paid	(717.83)
Net Cash used in Financing Activities	(2,413.95)
D. Exchange Difference on Translation of Foreign Currency Cash and Cash Equivalents	(5.44)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C+D)	751.37
Cash and Cash Equivalents (Opening balance)	0.09
Add Cash and Cash Equivalents acquired pursuant to the Scheme of Arrangement (Refer Note 36)	809.03
Cash and Cash Equivalents (Closing balance) (Refer Note 19)	1,560.49

- 1 The above Consolidated Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on Cash Flow Statements issued by The Institute of Chartered Accountants of India.
- 2 The Notes referred to above form an integral part of the Consolidated Cash Flow Statement.
- 3 The previous year figures have not been presented as the Consolidated Financial Statements have been prepared for the first time.

This is the Consolidated Cash Flow Statement referred to in our report of even date.

For **Lovelock & Lewes**
Firm Registration No. 301056E
Chartered Accountants

Bhavana Khemka
Chief Financial officer

For and on behalf of the Board
C. K. Dhanuka
Managing Director

Pradip Law
Partner
Membership No. 51790

R. Mahadevan
Company Secretary

Basudeo Beriwal
Director

Place : Kolkata
Date : May 29, 2015



DETAILS OF SUBSIDIARY COMPANIES FORMING PART OF CONSOLIDATED ACCOUNTS

Sl. No.	Name of the Subsidiary Company	Reporting Period	Reporting Currency	Exchange Rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	% of Shareholding	Country
1	DHUNSERI PETROCHEM & TEA PTE.LTD	31.12.2014	USD	1.0000	111.81	10.19	227.91	227.91	-	14.44	9.55	(0.07)	9.62	-	100	Singapore
2	MAKANDI TEA AND COFFEE ESTATES LTD	31.12.2014	MALAWI KWACHA	63.3315	6,197.39	645.17	14,433.61	14,433.61	-	881.53	582.77	(4.56)	587.32	-	100	Singapore
				463.076	138.62	26,998.12	46,097.76	46,097.76	-	38,866.03	3,842.68	682.78	3,159.90	-		Malawi
			USD	1.0000	0.52	58.08	99.55	99.55	-	94.39	8.98	1.70	7.32	-		Malawi
			INR	63.3315	32.82	3,678.48	6,304.45	6,304.45	-	5,760.15	548.04	101.19	446.85	-		Malawi
3	KAWALAZI ESTATE COMPANY LIMITED	31.12.2014	MALAWI KWACHA	463.076	339.84	29,431.20	46,906.18	46,906.18	-	35,302.94	467.94	(125.57)	593.51	-		Malawi
			USD	1.0000	1.27	63.02	101.29	101.29	-	85.73	0.69	(0.30)	1.00	-		Malawi
			INR	63.3315	80.45	3,991.11	6,415.01	6,415.01	-	5,232.08	42.21	(18.61)	60.82	-		Malawi

For and on behalf of the Board
C. K. Dhanuka
Managing Director

Bhavana Khemka
Chief Financial officer

Basudeo Beriwal
Director

R. Mahadevan
Company Secretary

Place : Kolkata
Date : May 29, 2015



DHUNSERI TEA & INDUSTRIES LIMITED

(Formerly known as Dhunseri Services Limited)

CIN:L15500WB1997PLC085661

Regd. Office: Dhunseri House, 4A, Woodburn Park, Kolkata-700020

Phone: 2280-1950(5 Lines); Fax: 91-33-2287 8350 / 9274

Website: www.dhunseritea.com • E-mail: mail@dhunseritea.com

NOTICE

NOTICE is hereby given that the 18th Annual General Meeting (AGM) of the Members of DHUNSERI TEA & INDUSTRIES LIMITED will be held on Friday, the 14th day of August, 2015 at 'Kala Kunj', Sangit Kala Mandir Trust, 48, Shakespeare Sarani, Kolkata 700017 at 10.30 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Financial Statements (including audited Consolidated Financial Statements) for the financial year ended 31st March, 2015 and the Reports of the Directors' and Auditors' thereon.
2. To declare a dividend of ₹7.50 per equity share for the financial year ended 31st March, 2015.
3. To appoint a director in place of Mr. Mrigank Dhanuka (DIN 00005666) who retires by rotation and being eligible offers himself for re-appointment.
4. To ratify the appointment of M/s. Lovelock & Lewes, Chartered Accountants, Kolkata (Firm Registration No.301056E) as approved by the Members at the 17th Annual General Meeting as Statutory Auditors' of the Company, to hold office until the conclusion of 22nd Annual General Meeting, and that the Board of Directors be and are hereby authorised to fix their remuneration as recommended by the audit committee for the financial year ending 31st March, 2016.

SPECIAL BUSINESS:

5. To appoint Mr. Chandra Kumar Dhanuka (DIN: 00005684) as Managing Director and in this regard, 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 Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the appointment of Mr. Chandra Kumar Dhanuka (DIN: 00005684) as Managing Director of the Company, for a

period of 5 (five) years with effect from 9th September, 2014, on the terms and conditions including remuneration as contained in the agreement entered into between the Company and Mr.Chandra Kumar Dhanuka, and also set out in the Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said appointment and / or remuneration as it may deem fit and as may be acceptable to Mr. Chandra Kumar Dhanuka, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

RESOLVED further that in case of no profits or inadequacy of profits in any financial year minimum remuneration as specified in the aforesaid agreement shall be paid to Mr.Chandra Kumar Dhanuka.

RESOLVED further that the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. To appoint Mr.Basudeo Beriwal (DIN: 00118319) as an Independent Director and in this regard, 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 Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder read with Schedule IV to the Act, Mr. Basudeo Beriwal (DIN 00118319), appointed in the casual vacancy as a non-executive director of the Company by the Board with effect from 9th September, 2014 and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company, to hold office for a term upto five consecutive years commencing from 9th September, 2014, not liable to retire by rotation."

7. To appoint Ms. Nandini Khaitan (DIN: 06941351) as an

Independent Director and in this regard, 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 Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules framed thereunder, read with Schedule IV of the said Act, Ms. Nandini Khaitan (DIN : 06941351), appointed as an Additional Director of the Company by the Board with effect from 9th September, 2014 under Section 161 of the Companies Act, 2013 and who holds office till the conclusion of the ensuing AGM and who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company, to hold office for a term upto five consecutive years commencing from 9th September, 2014, not liable to retire by rotation.”

8. To appoint Mr. Ashok Kumar Lohia (DIN: 00132070) as an Independent Director and in this regard, 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 Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules framed thereunder, read with Schedule IV of the said Act, Mr. Ashok Kumar Lohia (DIN : 00132070), appointed as an Additional Director of the Company by the Board with effect from 9th September, 2014 under Section 161 of the Companies Act, 2013 and who holds office till the conclusion of the ensuing AGM and who has submitted a declaration that he meets the criteria

for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company, to hold office for a term upto five consecutive years commencing from 9th September, 2014, not liable to retire by rotation.”

9. To ratify the remuneration of the Cost Auditor for the financial year ending 31st March, 2016 and in this regard 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 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, the remuneration payable to M/s. Mani & Co, Cost Accountants (Firm Registration No. 000004), appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2016, amounting to ₹1.50 lac (Rupees One lac and fifty thousand only) as also the payment of service tax as applicable and re-imbursement of out of pocket expenses incurred in connection with the aforesaid audit, be and is hereby ratified and confirmed.”

By Order of the Board
For **DHUNSERI TEA & INDUSTRIES LIMITED**

R. MAHADEVAN
Company Secretary
& Compliance Officer

Kolkata,
29th May, 2015

NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the 18th Annual General Meeting is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Pursuant to Section 105 of the Companies Act, 2013, a person can act as a Proxy on behalf of not more than fifty members holding in aggregate, not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company may appoint a single person as Proxy, who shall not act as a Proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A

Proxy Form is annexed hereto. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.

3. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 5th August, 2015 to Friday, 14th August, 2015 (both days inclusive).
4. The Dividend for the financial year ended 31st March, 2015, as recommended by the Board, if approved at the AGM, will be paid on or after Wednesday, 19th August, 2015 to those Members whose name appears in the Register of Members of the Company as on 14th August, 2015.
5. Members holding shares in demat form are hereby informed that bank particulars registered with their respective Depository Participants, with whom they maintain their demat accounts, will be used by the Company for the payment of dividend. The Company or its Registrar cannot act on any request received directly from the Members

holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participants of the Members. Members holding shares in demat form are requested to intimate any change in their address and / or bank mandate immediately to their Depository Participants.

6. Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to the Company's Registrar & Share Transfer Agent M/s. Maheshwari Datamatics Private Limited, 6 Mangoe Lane, 2nd Floor, Kolkata-700001.
7. The details of Directors seeking appointment/re-appointment under Item Nos. 5, 6, 7 and 8 of this Notice are annexed hereto.
8. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their email address either with the Company or with the Depository Participant(s). Members who have not registered their email address with the Company can now register the same by submitting their email address either to the Company Secretary or to M/s Maheshwari Datamatics Pvt. Ltd. Members holding shares in demat form are requested to register their email address with their Depository Participant(s) only. Members of the Company who have registered their email address are also entitled to receive such communication in physical form, upon request.
9. The Notice of AGM, Annual Report and Admission Slip etc. are being sent in electronic mode to Members whose email address are registered with the Company or the Depository Participant(s), unless the Members have registered their request for the hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Admission Slip etc. are being sent to those Members who have not registered their email address with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Admission Slip etc. in electronic mode are requested to print the Admission Slip and submit a duly filled in Admission Slip at the Registration Counter at the AGM. The Admission slip shall also be made available at the venue of the meeting.
10. Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Clause 35B of the Listing Agreement, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Friday, 7th August, 2015, i.e. the cut-off date, are entitled to vote on the Resolutions set

forth in this Notice.

Members who do not have access to e-voting facility may complete and send the Ballot Form enclosed with the Notice of the AGM, so as to reach the Scrutinizer, Mr. Kailash Chandra Dhanuka, (FCS-2204; CP-1247), Practising Company Secretary, at the Registered office of the Company, not later than Thursday, 13th August, 2015. The instructions for filling the Ballot Form are given on the Form.

The members may cast their votes on electronic voting system from a place other than the venue of the meeting (remote e-voting). The remote e-voting period will commence at 9.00 a.m. on Tuesday, 11th August, 2015 and will end at 5.00 p.m. on Thursday, 13th August, 2015. In addition, the facility for physical voting shall also be made available at the AGM and the Members attending the AGM who have not cast their vote by remote e-voting or through Ballot form, shall be eligible to vote at the AGM. The Company has appointed Mr. Kailash Chandra Dhanuka (FCS-2204; CP-1247), Practising Company Secretary, to act as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner. The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given hereinafter.

PROCEDURE FOR REMOTE E-VOTING:

- I. The Company has entered into an arrangement with National Securities Depository Limited (NSDL) for facilitating remote e-voting for AGM. The instructions for remote e-voting are as under:
 - (a) In case of Members receiving an e-mail from NSDL:
 - (i) Open the PDF file 'DTIL e-Voting.pdf', using your Client ID / Folio No. as password. The PDF file contains your User ID and Password for e-voting. Please note that the Password provided in PDF is an 'Initial Password'.
 - (ii) Launch an internet browser and open <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - Login.
 - (iv) Insert 'User ID' and 'Initial Password' as noted in step (i) above and click on 'Login'.
 - (v) Password change menu will appear. Change the Password with a new Password of your choice with minimum 8 digits/characters or combination thereof. Please keep a note of the new Password. It is strongly recommended not to share your Password with any person and take utmost care to keep it confidential.
 - (vi) Home page of e-voting will open. Click on e-Voting - Active Voting Cycles.
 - (vii) Select 'EVEN' of Dhunseri Tea & Industries Limited.
 - (viii) Now you are ready for e-voting as 'Cast Vote'

page opens.

- (ix) Cast your vote by selecting appropriate option and click on 'Submit'. Click on 'Confirm' when prompted.
 - (x) Upon confirmation, the message 'Vote cast successfully' will be displayed.
 - (xi) Once you have confirmed your vote on the resolution, you cannot modify your vote.
 - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority Letter, along with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer by an e-mail at dhanuka419@yahoo.co.in with a copy marked to evoting@nsdl.co.in.
- (b) In case of Shareholders receiving physical copy of the Notice of AGM and Admission Slip
- (i) Initial Password is provided, as follows, at the bottom of the Admission Slip.

(E-Voting Event Number)	USER ID	PASSWORD
102190	-	-

- (ii) Please follow all steps from Sr. No. (i) to Sr. No. (xii) mentioned above, to cast vote.

- II. In case of any queries, you may refer to the 'Frequently Asked Questions' (FAQs) and 'e-voting user manual' available in the downloads section of NSDL's e-voting website <https://evoting.nsdl.com> or call on toll free number: 1800-222-990.
- III. The voting rights shall be as per the number of equity shares held by the Member(s) as on Friday, 7th August, 2015, being the cut off date. Members are eligible to cast vote electronically only if they are holding shares as on that date.
- IV. Members who have acquired shares after the despatch of the Annual Report and before the book closure may obtain the user ID and Password by sending a request at evoting@nsdl.co.in or mdpldc@yahoo.com. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you have forgotten your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no. 1800-222-990.
- V. The results of the electronic voting shall be declared after the AGM. The results along with the Scrutinizer's Report, shall also be placed on the Company's website www.dhunseritea.com and on the website of NSDL

www.evoting.nsdl.com immediately after the results are declared. The Company shall simultaneously forward the result to BSE and NSE also where the shares of the Company are listed.

- 11. In case of joint holders, attending the meeting, only such joint holder who is higher in the order of names, will be entitled to vote at the Meeting.
- 12. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which Directors are interested under Section 189 of Companies Act, 2013, will be available for inspection at the Annual General Meeting.
- 13. The unpaid and unclaimed dividend accounts of the Tea Division of erstwhile Dhunseri Petrochem & Tea Limited for the years 2007-08 and 2008-09 which were transferred to the Company upon demerger of the tea division is available on the Company's website www.dhunseritea.com.
- 14. Members are requested to note that as per Section 205A of the Companies Act, 1956, dividends not encashed / claimed within seven years from the date of declaration will be transferred to the Investor Education and Protection Fund (IEPF). After transfer of the said amount to IEPF, no claims in this respect shall lie against IEPF or the Company.
- 15. Members are requested to contact either the Company Secretary or M/s. Maheshwari Datamatics Private Limited for encashing the unclaimed dividends standing to the credit of their account.
- 16. Members may communicate either with the Company Secretary or with the Company's Registrar and Share Transfer Agent for redressal of queries.
- 17. The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details either to the Company Secretary or to M/s. Maheshwari Datamatics Private Limited.
- 18. For convenience of the Members and proper conduct of the meeting, entry to the meeting venue will be regulated by Admission Slip, which is enclosed with this Annual Report. Members are requested to sign at the place provided on the Admission Slip and hand it over at the Registration Counter at the venue.
- 19. Members desiring any information relating to the accounts are requested to write to the Company Secretary well in advance so as to enable the management to keep the information ready.

**Details of Directors seeking appointment / re-appointment at the 18th Annual General Meeting
(Information pursuant to Clause 49 of the Listing Agreement)**

Name of Director	Mr. C. K. Dhanuka	Mr. B. D. Beriwalla	Ms. Nandini Khaitan	Mr. A.K.Lohia	Mr. M. Dhanuka
Date of Birth	19.01.1954	18.10.1937	15.02.1980	07.12.1952	12.08.1980
Date of Appointment	01.02.2014	09.09.2014	09.09.2014	09.09.2014	01.02.2014
Expertise in specific Functional areas	Industrialist / Entrepreneur having varied experience. Expertise in manufacturing, blending and tea tasting; Petrochemical and Investment Business	Business Expertise in Tea business having been associated with the Tea Industry for several decades.	Specializing in litigation and dispute resolution with over ten years of experience. Having vast experience in representing clients in various forums, in particular the Supreme Court of India, the Bombay High Court and the Calcutta High Court and qualified to practice in the State of New York.	Business Expertise in tea manufacturing, blending and tea tasting.	Promoter relative. Business. Having varied experience in Petrochemical and Tea.
Qualifications	B.Com.	Graduate	LLM from Columbia Law School, New York	B.Com(Hons)	B.Com(Hons)
Directorship held in other companies	Dhunseri Petrochem Ltd-Executive Chairman; Dhunseri Investments Ltd-Chairman ; Naga Dhunseri Group Ltd-Chairman; Mint Investments Ltd-Chairman; Plenty Valley Intra Ltd-Chairman; Dhunseri Infrastructure Ltd-Chairman; Trimplex Investments Ltd-Chairman; Madhuting Tea Pvt. Ltd-Chairman; Jatayu Estate Pvt. Ltd-Chairman; Egyptian Indian Polyester Co. SAE-Director; Dhunseri Petrochem & Tea Pte Ltd-Director; Makandi Tea & Coffee Estates Ltd-Director; Kawalazi Estate Company Ltd-Director; ABC Tea Workers Welfare Services-Director; CESC Ltd-Director	Kaniska Engineering Industries Ltd – Director; Rainbow Engineering Ltd-Director; Bee Aar Enterprises Ltd-Director Dhunseri Investments Ltd-Director	Williamson Financial Services Ltd-Director; International Conveyors Ltd-Director; Haldia Energy Ltd-Additional Director; CESC Infrastructure Ltd-Additional Director; Spencer's Retail Ltd-Additional Director; GMMCO Ltd- Director; XPRO India Ltd—Additional Director; McNally Bharat Engineering Co. Ltd-Additional Director; Integrated Coal Mining Ltd-Additional Director	Bio Tea Estates Ltd. Nagri Farm Tea Co. Ltd. East India Commercial Co. Ltd. Dhunseri Investments Ltd. - Director Senairam (India) Pvt. Ltd. - Director Sycotta Tea Co. Pvt. Ltd. - Managing Director Chamong Tea Exports Pvt. Ltd. - Director B. D. Estates Pvt. Ltd. - Director Chiabadi Resorts Pvt. Ltd. - Director	Dhunseri Petrochem Ltd-Vice Chairman & Managing Director; Dhunseri Investments Ltd-Managing Director; Naga Dhunseri Group Ltd-Director;. Mint Investments Ltd-Director; Plenty Valley Intra Ltd-Director; Dhunseri Infrastructure Ltd-Director; Trimplex Investments Ltd-Director Madhuting Tea Pvt. Ltd-Director; Jatayu Estate Pvt. Ltd-Director; Egyptian Indian Polyester Co. SAE-Director; Dhunseri Petrochem & Tea Pte Ltd-Director; Makandi Tea & Coffee Estates Ltd-Director; Kawalazi Estate Company Ltd- Director

Membership/ Chairmanship of Committees in other Public companies	Dhunseri Petrochem Ltd – Audit Committee-Member; Stakeholders Relationship Committee-Member; Nomination & Remuneration Committee-Chairman; Corporate Social Responsibility Committee –Member Share Transfer Committee-Chairman Investment Committee-Chairman Corporate Governance Committee-Member Dhunseri Investments Ltd- Stakeholders Relationship Committee- Member; Nomination & Remuneration Committee-Member; Risk Management Committee-Member Share Transfer Committee-Chairman Investment Committee-Chairman CESC Ltd- Audit Committee-Chairman; Nomination & Remuneration Committee-Member	Dhunseri Investments Ltd- Audit Committee-Chairman; Nomination & Remuneration Committee-Chairman; Stakeholders Relationship Committee- Chairman; Risk Management Committee-Chairman.	NIL	Dhunseri Investments Ltd- Audit Committee-Member	Dhunseri Petrochem Ltd – Share Transfer Committee-Member Investment Committee-Member Naga Dhunseri Group Ltd – Stakeholders Relationship Committee-Member; Dhunseri Investments Ltd- Nomination & Remuneration Committee-Member Risk Management Committee-Member Plenty Valley Intra Ltd- Stakeholders Relationship Committee-Member
Shareholdings in the Company	9,104	NIL	NIL	Nil	23,184

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013

Item No. 5

The Board of Directors at their meeting held on 9th September, 2014 appointed Mr. Chandra Kumar Dhanuka as the Managing Director of the Company for a period of five years commencing from 9th September, 2014, subject to approval of the Members of the Company at the ensuing 18th Annual General Meeting. The remuneration payable to Mr.Chandra Kumar Dhanuka as per the agreement entered into between the Company and Mr.Chandra Kumar Dhanuka is within the limits prescribed in Schedule V of the Companies Act, 2013 and is given below:

i) Salary :

₹75,000 (Rupees Seventy Five Thousand Only) per month in the grade of ₹75,000 – 5,000 – 95,000

ii) Perquisites:

In addition to salary, the Managing Director shall be entitled to the following perquisites:

- (a) Housing: Rent Free Furnished Accommodation or in lieu thereof House Rent Allowance at 50% of the salary.

Where accommodation is provided by the Company, the expenditure on Gas, Electricity, Water, Furnishings and other Utilities to be borne/reimbursed by the Company shall be evaluated as per the provisions of the Income Tax Act, 1961 and in the absence of any such provision, the perquisites shall be evaluated at actual cost.

- (b) Medical Reimbursement: The reimbursement of actual medical expenses incurred by self and family of the Managing Director.

- (c) Leave Travel Concession: For self and family once in a year.

- (d) Club Fees: Fees of clubs subject to a maximum of two clubs.

- (e) Credit Cards: Entry and renewal fees to be reimbursed/ paid by company. All expenses for official purposes to be reimbursed/ paid by the Company at actuals.

- (f) Leave: As per Rules of the Company applicable to Senior Executives.

- (g) Personal Accident Insurance: Premium not to exceed ₹12,000/- per annum.

- (h) Car: Facility of Company Car with driver.

- (i) Telephone: The Company shall provide and maintain a telephone at the residence and shall also provide all

mobile phone facilities. Personal long distance calls will be treated as perquisites.

- iii) **Commission:** Such amount of commission based on the net profits of the Company in a particular year, subject to a maximum of 2.5 % of the net profits of the company.

iv) Other Benefits:

In addition to the above perquisites, the Managing Director shall also be entitled to the following benefits, which shall not be included in the computation of ceiling on remuneration specified above:

- (a) **Provident Fund:** Company's Contribution towards Provident Fund at the rate of 12% of the salary or such rate prescribed as per Employees' Provident Fund and Miscellaneous Provisions Act, 1952.

- (b) **Superannuation Fund:** Company's contribution subject to a maximum of 15% of the salary for every completed year of service.

- (c) **Gratuity:** As per the Payment of Gratuity Act, 1972.

- (d) **Leave Encashment:** At the end of the tenure.

v) Minimum Remuneration:

The Managing Director shall be entitled to a minimum remuneration by way of salary and perquisites as specified above in the event of loss or inadequacy of profits in any year.

The Board recommends the Ordinary Resolution set out at Item No. 5 for approval of the Members.

None of the Directors or Key Managerial Personnel and their relatives except Mr.Chandra Kumar Dhanuka and Mr. Mrigank Dhanuka is concerned or interested, in this Resolution.

The Agreement referred above in respect to the Resolution at Item No.5 of the accompanying Notice will be open for inspection by the Members at the Registered Office of the Company between hours of 10.00 a.m. and 12.00 noon on any working day except Saturday.

A brief profile of Mr.Chandra Kumar Dhanuka is included as an annexure to this Notice as per requirements of Clause 49 IV (G) (i) of the listing agreement.

Item Nos. 6, 7 & 8

Mr. Basudeo Beriwalla, Ms. Nandini Khaitan and Mr. Ashok Kumar Lohia, who were appointed by the Board as Non-Executive (Independent) Directors of the Company at the board meeting

held on 9th September, 2014 are proposed to be appointed as Independent Directors of the Company, for a term of five years w.e.f. the date of their initial appointment i.e. 9th September, 2014, pursuant to the provisions of Sections 149, 152 and other applicable provisions and the Rules made thereunder read with Schedule IV to the Companies Act, 2013.

The Company has also received from them (i) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that they are not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and (ii) a declaration to the effect that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

The approval is sought from the members for the appointment of aforesaid independent directors for a term of five consecutive years w.e.f. 9th September, 2014 at the ensuing 18th AGM pursuant to Section 149 and other applicable provisions of the Companies Act, 2013. They shall not be liable to retire by rotation.

In the opinion of the Board of Directors, the respective directors, i.e. Mr. Basudeo Beriwal, Ms. Nandini Khaitan and Mr. Ashok Kumar Lohia who are proposed to be appointed as Independent Directors, fulfil the conditions specified in the Act and Rules made thereunder and they are independent of the Management.

The Board considers that their continued association as independent directors would be of immense benefit to the Company and it is desirable to avail their services as Independent Directors.

None of the Directors or Key Managerial Personnel and their relatives, except Mr. Basudeo Beriwal, Ms. Nandini Khaitan and Mr. Ashok Kumar Lohia, to whom the resolution relates, is

concerned or interested in the resolutions.

The Board recommends the Ordinary Resolutions set out at Item Nos. 6, 7 and 8 for approval of members.

Item No. 9

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. Mani & Co, Cost Accountants, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2016. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Members of the Company. Accordingly, consent of the Members is sought to ratify the remuneration payable to the Cost Auditors.

None of the Directors or Key Managerial Personnel and their relatives, are concerned or interested in this Resolution.

The Board recommends the Ordinary Resolution set out at Item No. 9 for approval of the Members.

By Order of the Board
For **DHUNSERI TEA & INDUSTRIES LIMITED**

R. MAHADEVAN
Company Secretary
& Compliance Officer

Kolkata,
29th May, 2015



DHUNSERI TEA & INDUSTRIES LIMITED

(Formerly known as Dhunseri Services Limited)

CIN:L15500WB1997PLC085661

Regd. Office: Dhunseri House, 4A, Woodburn Park, Kolkata-700020

Phone: 2280-1950(5 Lines); Fax: 91-33-2287 8350 / 9274

Website: www.dhunseritea.com • E-mail: mail@dhunseritea.com

BALLOT FORM

IN RESPECT OF ITEMS OF BUSINESS SET FORTH IN THE NOTICE DATED 29TH MAY, 2015 CONVENING THE 18TH ANNUAL GENERAL MEETING OF THE COMPANY.

I do hereby cast my vote(s) with regard to the resolution(s) stated below by casting my vote(s) FOR / AGAINST the resolution(s) in the appropriate column and appending my signature (as per the specimen in the Company's record) therefor.

Resolution Number	Description	Type of Resolution	Option (✓)		No. of shares
			For	Against	
1	Adoption of the Audited Financial Statements for the financial year ended 31st March, 2015 and the Reports of the Directors' and Auditors' thereon.	Ordinary			
2	Declaration of dividend of ₹7.50 per equity share for the financial year ended 31st March, 2015.	Ordinary			
3.	Appointment of Mr. Mrigank Dhanuka (DIN 00005666) as a director of the Company who retires by rotation and being eligible offers himself for re-appointment.	Ordinary			
4	Ratification of the appointment of M/s. Lovelock & Lewes, Chartered Accountants, (Firm Registration No.301056E) as Statutory Auditor of the Company and to authorise the Board to fix their remuneration for the financial year ending 31st March, 2016.	Ordinary			
5	Appointment of Mr.Chandra Kumar Dhanuka (DIN:00005684) as Managing Director of the Company for five years w.e.f. 9th September, 2014 on terms and conditions as specified in the agreement entered into between Mr.C.K.Dhanuka and the Company, subject to approval of the members.	Ordinary			
6.	Appointment of Mr.Basudeo Beriwal (DIN: 00118319) as an Independent Director of the Company for a period of five years with effect from 9th September,2014.	Ordinary			
7	Appointment of Ms.Nandini Khaitan (DIN: 06941351) as an Independent Director of the Company for a period of five years with effect from 9th September,2014.	Ordinary			
8	Appointment of Mr.Ashok Kumar Lohia (DIN: 00132070) as an Independent Director of the Company for a period of five years with effect from 9th September,2014.	Ordinary			
9	Ratification of the remuneration of ₹1,50,000 for the Cost Auditor, M/s. Mani & Co. to conduct the cost audit for the financial year ending 31st March, 2016	Ordinary			

Folio No../DP ID No. & Client ID No. : _____

Name of the Member : _____

No. of Shares held : _____

Place : _____

Date : _____

Signature of Member

(Please read the Instructions given on the reverse of this form)

Instructions:

1. A Member may submit the completed and signed Ballot Form in a sealed envelope (addressed to The Scrutinizer, Mr. Kailash Chandra Dhanuka), at the Registered Office of the Company, not later than Thursday, 13th August, 2015,
2. The Company will not be responsible, if the said envelope containing the Ballot Form is lost in transit.
3. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutinizer on the validity of the forms will be final.
4. In the event a member casts votes through both the process i.e. e-voting and ballot form, the e-voting votes cast by the member will be considered and the ballot form would be ignored.
5. The right of voting by Ballot Form shall not be exercised by a Proxy.
6. There will be only one ballot form for every Folio/DP id/ Client id irrespective of the number of joint holders.
7. The ballot form shall be signed by the first named shareholder and in his/her absence by the next named Shareholder.
8. Where the ballot form has been signed by the authorized representative of the body corporate/Trust/ Society, etc., a certified copy of the relevant resolution/board resolution to vote should accompany the Ballot Form.

Corporate Information

Dhunseri Tea & Industries Limited

(Formerly known as Dhunseri Services Limited)

Board of Directors:

C. K. Dhanuka
Chairman
Managing Director

M. Dhanuka
R. K. Sharma
B. D. Beriwala
B. Bajoria
N. Khaitan
A. K. Lohia

Chief Executive Officer

P. C. Dhandhanian

Chief Financial Officer

Bhavana Khemka

Company Secretary & Compliance Officer

R. Mahadevan

Statutory Auditor

Lovelock & Lewes,
Chartered Accountants

Secretarial Auditor

K. Arun & Co.
Company Secretaries

Bankers

State Bank of India
Bank of Baroda
Punjab National Bank
United Bank of India
Development Credit Bank

Registered Office

"Dhunseri House",
4A, Woodburn Park, Kolkata-700020.
Phone: 2280-1950 (5 Lines)
Fax: 91-33-2287 8350/9274
E-mail: mail@dhunseritea.com
Website: www.dhunseritea.com
CIN: L15500WB1997PLC085661

Tea Estates

Bahadur Tea Estate,
P.O. Tinsukia, Assam, Pin: 786125
Bahipookri Tea Estate,
P.O. Mazbat, Assam, Pin: 784507
Bettybari Tea Estate,
P.O. Mazbat, Assam, Pin: 784507
Dhunseri Tea Estate,
P.O. Mazbat, Assam, Pin: 784507
Dilli Tea Estate,
P.O. Parbatpur, Assam, Pin: 786623
Hatijan Tea Estate,
P.O. Hoogrijan, Assam, Pin: 786601
Khagorijan Tea Estate,
P.O. Sepekhati, Assam, Pin: 786592
Khetojan Tea Estate,
P.O. Tinsukia, Assam, Pin: 786125
Orang Tea Estate,
P.O. Mazbat, Assam, Pin: 784507
Santi Tea Estate,
P.O. Hoogrijan, Assam, Pin: 786601

Tea Packaging Factory

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

Subsidiary Companies

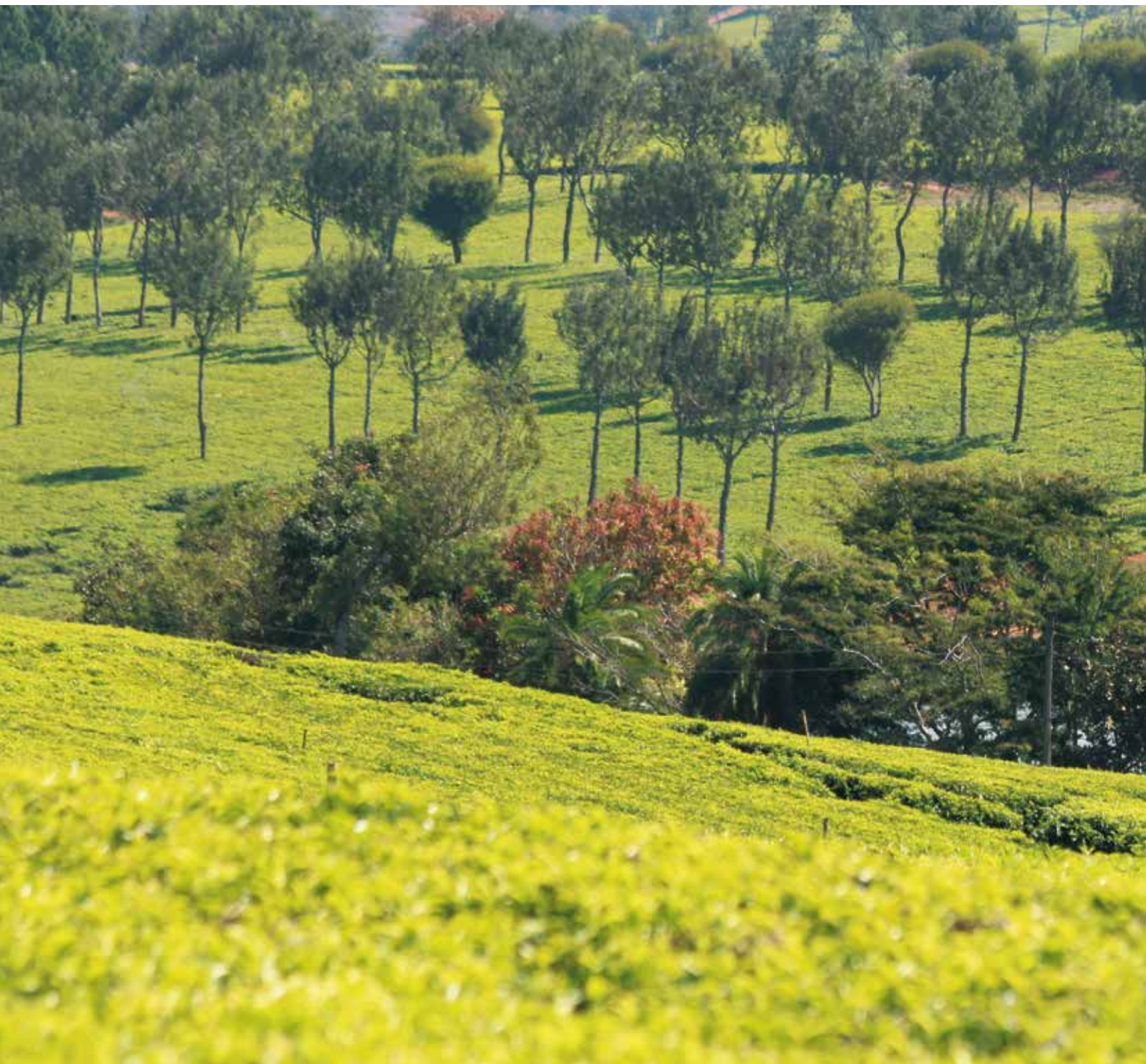
Dhunseri Petrochem & Tea Pte Ltd.
80, Raffles Road, UOB Plaza 1,
#26-01, Singapore 048624.

Makandi Tea and Coffee Estates Ltd.,
Thunga Office, Twelve Mile Turnoff,
Thyolo District, Malawi.

Kawalazi Estate Company Ltd.,
Kawalazi Estate, Nkhatabay, Malawi.

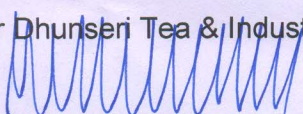
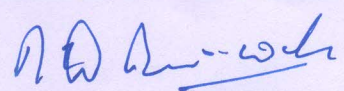
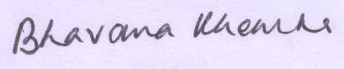
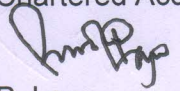
Registrars and Share Transfer Agents

Maheshwari Datamatics Pvt. Limited
6, Mangoe Lane, 2nd Floor,
Kolkata-700001
Phone: 2243-5029, 2243-5809
Fax: 91-33-2248 4787
Email: mdpl@cal.vsnl.net.in
CIN: U20221WB1982PTC034886



FORM A

Format of covering letter of the annual audit report to be filed with the stock exchanges

1.	Name of the Company	Dhunseri Tea & Industries Ltd.
2.	Annual Financial Statement for the year ended	March 31, 2015
3.	Type of Audit Observation	Un-qualified
4.	Frequency of observation	Not Applicable
5.	To be signed by:	
	• Managing Director	For Dhunseri Tea & Industries Ltd.  Chandra Kumar Dhanuka Managing Director
	• Chairman of Audit Committee	For Dhunseri Tea & Industries Ltd. Basudeo Beriwalla Chairman of Audit Committee 
	• Chief Financial Officer	For Dhunseri Tea & Industries Ltd.  Bhavana Khemka Chief Financial Officer
	• Auditors of the company	For Lovelock & Lewes Firm Registration No. 301056E Chartered Accountants  P. Law Partner Membership No. 51790