



Tea. Equity. Annuity.

This is the story of how we evolved from one business to three

Dhunseri Tea and Industries Ltd. | Annual report 2007–08

Forward looking statement

In our report we have disclosed forward-looking information so that investors can comprehend the Company's prospects and make informed investment decisions. This annual report and other written and oral statements that we make periodically contain such forward-looking statements that set out anticipated results based on the Management's plans and assumptions. We have tried, wherever possible, to qualify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words and terms of similar substance in connection with any discussion of future operating or financial performance.

We do not guarantee that any forward-looking statement will be realised, although we believe we have been diligent and prudent in our plans and assumptions. The achievement of future results is subject to risks, uncertainties and validity of inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, our actual results could vary materially from those anticipated, estimated or projected. Investors should bear this in mind as they consider forward-looking statements. 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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Stability.
Sustainability.
Security.

We restructured and
strengthened our businesses
with precisely these in mind
in 2007-08.



For over 50 years, we were principally a tea company.

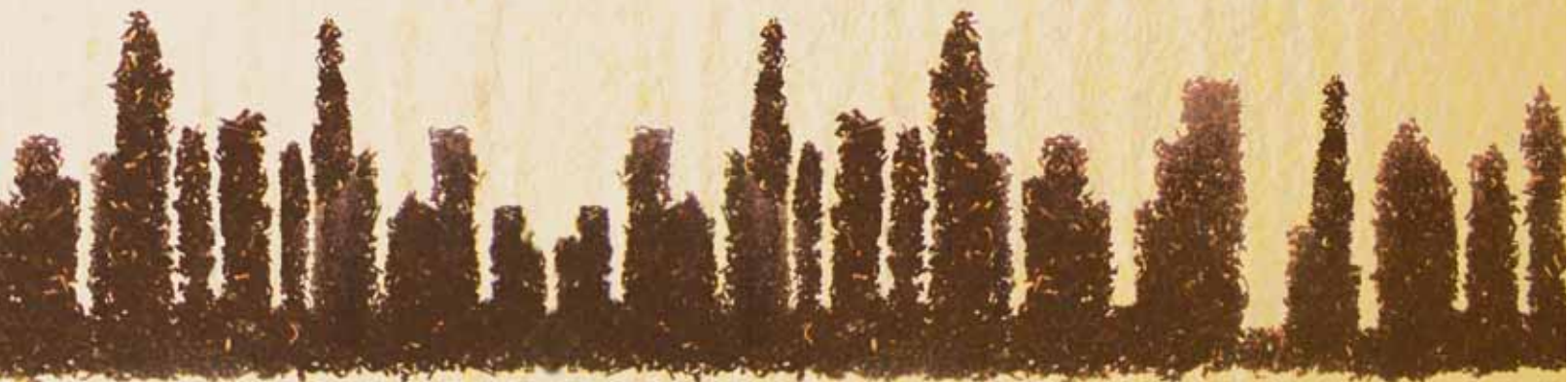
- We restructured our tea business with the objective to benefit from consolidation.
- We acquired a majority shareholding of the Rs 1,000-cr South Asian Petrochem Limited (promoted by the Dhunseri group).
- We are entering the business of IT and ITeS infrastructure development.

Transforming from a single-business entity to a multiple-business group with three revenue streams.

Broad-basing to sustainable revenues comprising annuity and infrastructure.

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Imparting stability through the exploitation of new growth opportunities, while effectively managing our traditional commodity business.





Our businesses

Tea, equity and
commercial infrastructure

Our visiting card

- Flagship of the Rs 1,250-cr Kolkata-based Dhunseri Group
- Acquired by the late S.L. Dhanuka and presently headed by Mr. C.K. Dhanuka, Chairman & Managing Director, ably assisted by his son Mr. Mrigank Dhanuka, Director of the Company.
- Listed on the National Stock Exchange and the Bombay Stock Exchange.

Our presence

- Started with one tea estate in 1956; now, owns 11 tea estates in Assam and a 50% share of Madhuting Tea (P) Ltd. with one tea estate in Assam producing orthodox tea of about one mn kg per annum.
- Tea blending and packaging units at Jaipur (Rajasthan) and Dhunseri Tea Estate (Assam).

Our ranking

- Among the top 10 Indian tea manufacturers.
- 100% of the Company's tea consists of superior quality Assam Tea



Our brands

Lal Ghora and Kala Ghora

Our target

The strategic implementation of diverse business initiatives compatible with social responsibilities.

Promoter holding

71.83%

as on 31st March 2008

Market
leader

in Rajasthan
in the segment of packet tea



Revenue growth of

75%

over the last five years

Profit growth of

1,300%

over the last five years

Market capitalisation growth of

700%

over the last five years

Enhancing
customer
value

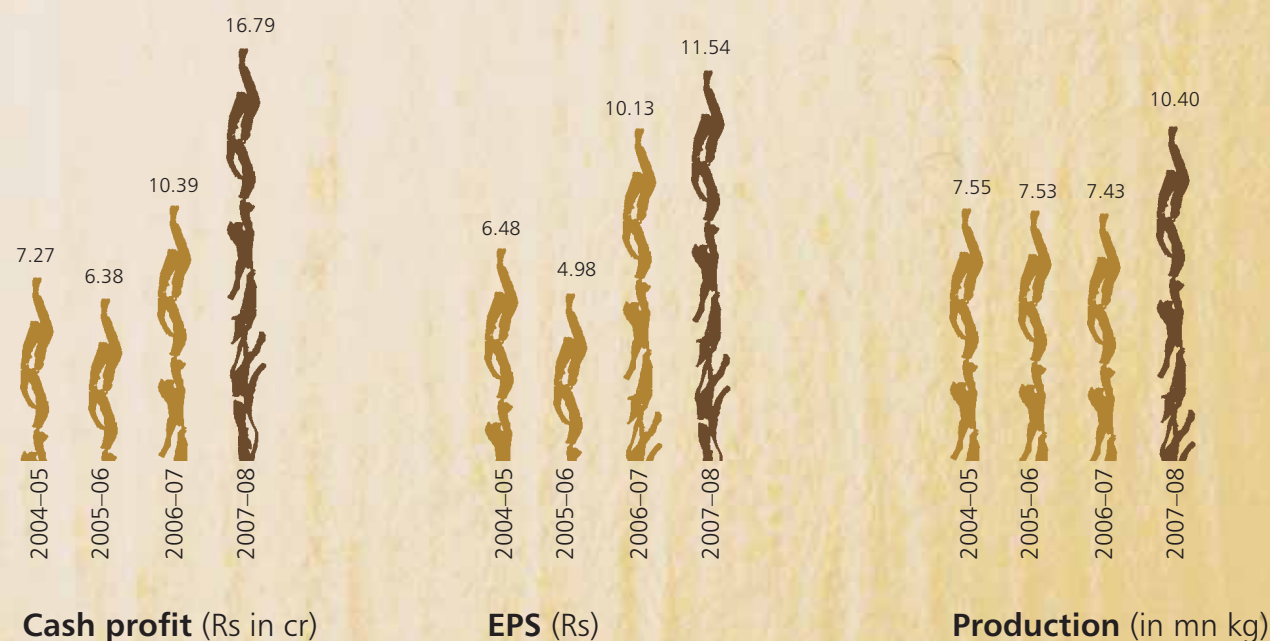
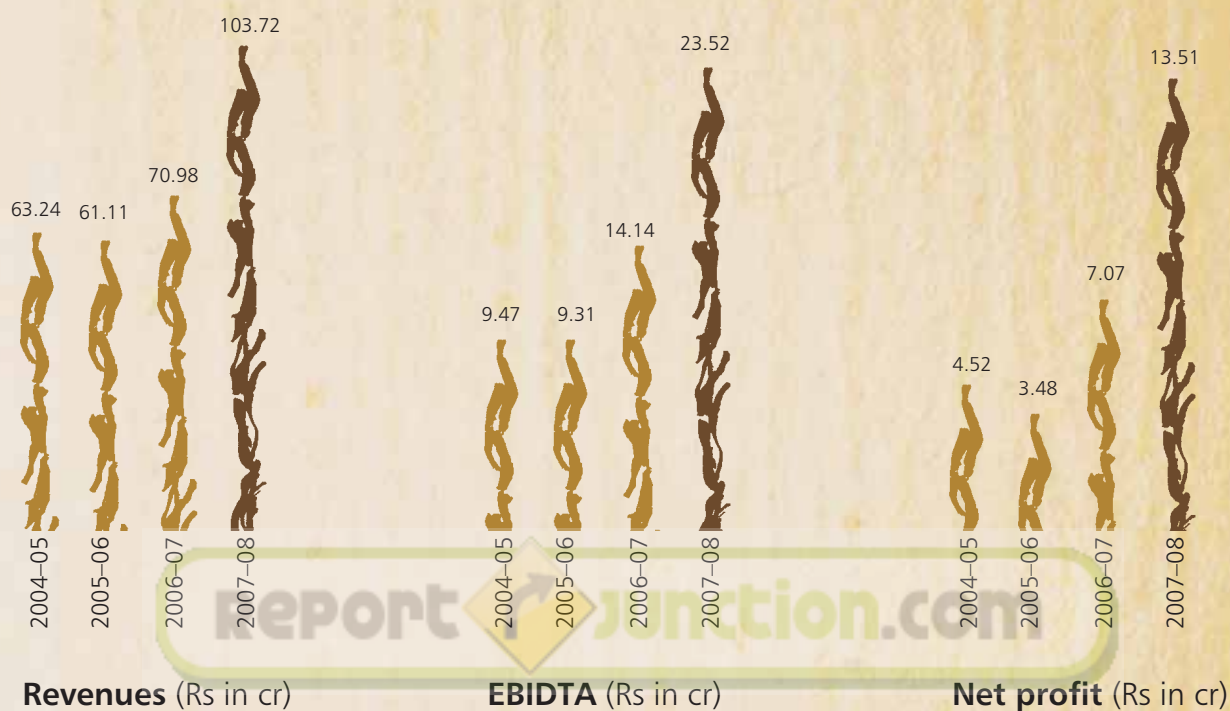




Our corporate philosophy

- A long-standing commitment to shareholder value
- Enhancing customer value
- Adopting and attaining global practices in financial management
- Enhancing tea production and business growth
- Increasing market share in the branded/packet tea
- Achieving growth for meeting the country's demands
- Improving employer-employee relationship

Our performance



* Figures for 2007-08 are inclusive of the figures pertaining to Tezpore Tea Co. Ltd. amalgamated with the Company.

This is what we achieved in 2007-08

We enhanced value.

We consolidated.

We evolved our product mix.

We invested in new businesses.

Absolute numbers

Revenue: Rs 103.72 cr
Growth: 46.12%
CAGR of five years: 10.80%

EBIDTA: Rs 23.52 cr
Growth: 66.57%
CAGR of five years: 26%

Profit after tax: Rs 13.51 cr
Growth: 90.99%
CAGR of five years: 63.90%

Margins

EBIDTA: 25.31%
Basis growth: 19.76%
CAGR of five years: 20%

Net profit: 15.09%
Basis growth: 17.07%
CAGR of five years: 49%

ROCE: 7.41%
Basis growth: 32.08%
CAGR of five years: 42%