

DIRECTORS :

C. K. Dhanuka, Chairman
 I. K. Kejriwal
 G. R. Goenka
 Aruna Dhanuka, Managing Director
 Rajeev Rungta
 Mrigank Dhanuka

CFO :

H. P. Bhuwania

**COMPANY SECRETARY &
 COMPLIANCE OFFICER :**

A. K. Sarkar

BANKERS :

State Bank of India
 La Martiniere Branch
 Kolkata
 HDFC Bank
 Central Plaza Branch
 Kolkata

STATUTORY AUDITOR :

S. S. Kothari & Co.
Chartered Accountants

SECRETARIAL AUDITOR :

A. K. Labh & Co.
Practising Company Secretaries

INTERNAL AUDITOR :

Damle Dhandhania & Co.
Chartered Accountants

REGISTERED OFFICE :

DHUNSERI HOUSE
 4A, WOODBURN PARK,
 KOLKATA - 700 020
 CIN : L01132WB1918PLC003029
 Phone : (033) 2280-1950 (5 Lines)
 Fax : (033) 2287 8995
 E-mail : nagadhunseri@gmail.com
 Website : www.nagadhunserigroup.com

REGISTRAR & SHARE

TRANSFER AGENTS :

Maheshwari Datamatics Pvt. Ltd.
 6, Mangoe Lane, 2nd Floor,
 Kolkata - 700 001
 Phone : (033) 2243-5029/5809
 Fax : (033) 2248 4787
 E-mail : mdpldc@yahoo.com

Contents	Page
Directors' Report	2
Corporate Governance Report	8
Auditors' Report	38
Balance Sheet	44
Statement of Profit and Loss	45
Cash Flow Statement	46
Notes on Accounts	48
Consolidated Auditors' Report	65
Consolidated Balance Sheet	70
Consolidated Statement of Profit and Loss	71
Consolidated Cash Flow Statement	72
Consolidated Notes on Accounts	74

DIRECTORS' REPORT

Your Directors are pleased to submit the 98th Annual Report together with Audited Accounts for the year ended 31st March, 2016.

	Standalone		Standalone		Consolidated
	For the year ended 31st March, 2016		For the year ended 31st March, 2015		For the year ended 31st March, 2016
	₹ Lacs	₹ Lacs	₹ Lacs	₹ Lacs	₹ Lacs
FINANCIAL RESULTS					
Profit before Depreciation & Taxation		249.39		1108.46	249.39
Add / Less : Depreciation	(25.55)		(38.25)		(25.55)
Provision for Taxation	—		(185.00)		—
Deferred Tax Liability (Asset)	1.30		0.18		1.30
Earlier year Tax Adjustment	1.31	(22.94)	—	(223.07)	1.31
Profit after Taxation		226.45		885.39	226.45
Share of Profit/(Loss) of associates		—		—	(2030.33)
Net Profit after Share of Profit/(Loss)		226.45		885.39	(1803.88)
Add : Balance brought forward from Previous year		68.65		44.42	191.75
Profit Available for appropriation		295.10		929.81	(1612.13)

Appropriations

Proposed Dividend @ ₹ 2.50 per share (Previous year ₹ 2.50 per share)	25.00	25.00	25.00
Dividend Tax on Proposed Dividend	5.09	5.09	5.09
Transferred to NBFC Reserve Fund	45.29	177.08	45.29
Transferred to General Reserve	100.00	654.00	100.00
Balance carried to Balance Sheet	119.72	68.65	(1787.51)
	295.10	929.81	(1612.13)

Working Results

The Company's principal business is dealing in shares and securities. The volatile movement of stock market had an adverse impact on the Company's profitability during the year. As a result, the profit for the year amounted to ₹ 226.45 lakhs against ₹ 885.39 lakhs in the previous year.

Dividend

Your Directors recommend a dividend @ ₹ 2.50 per equity share (25%) for the financial year 2015-16 as compared to ₹ 2.50 per share (25%) in the previous year.

NBFC Reserve Fund

A sum of ₹ 45.29 lakhs was transferred to NBFC Reserve from the year's surplus. The total balance of this fund stood at ₹ 1306.02 lakhs as on 31st March, 2016.

DIRECTORS' REPORT (Contd.)**General Reserve**

A sum of ₹ 100.00 lakhs was transferred to General Reserve from the year's surplus. The total balance of this Fund stood at ₹ 5,100.00 lakhs as on 31st March, 2016.

Share Capital

The paid up Equity Share Capital as on 31st March, 2016 was ₹ 100 Lacs. During the year under review the Company has not issued any shares or convertible instruments.

Change in the nature of business, if any

The Company is engaged in Non-Banking Financial activity and is duly registered with the RBI as an NBFC Company.

Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

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

There were no material changes and commitments affecting the financial position of the Company occurring between March 31, 2016 and the date of this Report of the Directors.

Subsidiary / Joint Ventures / Associates

The Company has no subsidiaries or Joint Venture Companies. A table is enclosed as Annexure - 6 in Form AOC - 1, Part B showing details of Associate Company.

Directors

Sri C. K. Dhanuka retires by rotation and being eligible offers himself for reappointment. The Board recommends reappointment of Sri C. K. Dhanuka. Brief resume of Sri C. K. Dhanuka is provided in the attached Corporate Governance Report (Annexure - 1).

Meetings of Board and Committees

The details of number and dates of meetings held by the Board and its Committees and attendance of Directors are given separately in the attached Corporate Governance Report.

Directors' Responsibility Statement

Pursuant to Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013 the Directors of your Company confirm that –

- (a) In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed with no material departures;
- (b) The Directors 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 of the Company for that period.
- (c) The Directors 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;
- (d) The Directors have prepared the annual accounts on a going concern basis;
- (e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DIRECTORS' REPORT (Contd.)

Declaration by Independent Directors

All three Independent Directors of the Company have given declarations that they meet the criteria of independence as specified under Section 149(6)(b) to (e) of the Companies Act, 2013. (Annexure - 4)

Audit Committee

The Audit Committee is constituted of 3 Independent Directors, Sri Rajeev Rungta is Chairman and Sri I. K. Kejriwal and Sri G. R. Goenka are Members. The Committee held 4 meetings during the year the details of which have been given in the Corporate Governance Report. The gap between two meetings of the Audit Committee was not more than 120 days as required by the Companies Act, 2013.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee is constituted of 3 Independent Directors, Sri I. K. Kejriwal is Chairman and Sri Rajeev Rungta and Sri G. R. Goenka are Members. The Committee held one meeting on 28.05.2015 during the year details of which have been given in the Corporate Governance Report.

The Nomination and Remuneration Committee have also laid down the policy and process of evaluation of Board of Directors. Under this policy a set of parameters to be used in the evaluation process has been determined for :

- (i) Self evaluation of the Board Members.
- (ii) Evaluation of Non-Independent Directors' performance by Independent Directors.
- (iii) Evaluation of Chairman's performance by Independent Directors.
- (iv) Assessment of quantity, quality and timeliness of information to the Board using the parameters mentioned above the evaluation of the Board Members was carried out.

A separate meeting of Independent Directors was held on 30th November, 2015 to evaluate performance of the Non-Independent Directors, Chairman of the Board of Directors and the Board as a whole.

Stakeholders Relationship Committee

The Stakeholders Relationship Committee comprises of three Directors. Sri Rajeev Rungta, an Independent Director is the Chairman and Smt. Aruna Dhanuka and Sri Mrigank Dhanuka are Members. The Committee held 10 meetings during the year the details of which have been given in the Corporate Governance Report.

Key Managerial Personnel

The following 3 persons were formally designated as Key Managerial Personnel (KMP) in compliance with the provisions of Section 203 of the Companies Act, 2013 :

- (a) Mrs. Aruna Dhanuka, Managing Director
- (b) Mr. H. P. Bhuwania, Chief Financial Officer
- (c) Mr. A. K. Sarkar, Company Secretary

Remuneration and other details of the Key Managerial Personnel for the year ended 31st March, 2016 are mentioned in the Extract of the Annual Return in Form No. MGT - 9 (Annexure - 3).

Annual Evaluation of Boards Performance

The evaluation criteria was laid down by the Nomination and Remuneration Committee for the performance of the Independent Directors of the Company.

The performance evaluation of each Independent Director was done by the entire Board of Directors excluding the Director being evaluated.

On the basis of the performance evaluation the Board of Directors hereby confirm that all the Independent Directors shall continue for the full term of their current appointment i.e. for a period of 5 years commencing on 1st October, 2014.

DIRECTORS' REPORT (Contd.)**Managerial Remuneration**

- i. The Remuneration of Managing Director, a Key Managerial Personnel, comprises of Salary, Perquisites and Commission as recommended by the Nomination and Remuneration Committee to the Board of Directors for acceptance and approved by the Share-holders at the Annual General Meeting of the Company held on 04.09.2014. For the current accounting year ended 31st March, 2016 no Commission is payable to the Managing Director as calculated under the provisions of the Companies Act, 2013.
- ii. The Remuneration of Non-Executive Directors including Independent Directors comprise of sitting fees for attending meetings of the Board of Directors and Committees thereof unless waived by the Directors present in the meeting.
- iii. The Company's Remuneration policy covers annual payment of Commission @ 1% of Net Profit of the Company computed as per provisions of the Companies Act, 2013 subject to a ceiling of ₹ 1,00,000/- (One lac only) to all Non-Executive Directors including all Independent Directors taken together.
- iv. The Company's Remuneration Policy also covers payment of service tax by the Company on sitting fees payable to the Non-Executive Directors and annual commission payable to all Directors.
- v. Remuneration of other Key Managerial Personnel is fixed by the Management and ratified by the Nomination and Remuneration Committee.
- vi. It is also part of the Company's Policy to pay interest free repayable advances to staff and officers, except Directors, against salary in deserving cases as may be considered by the Management.

Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee, framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report and has been posted in the Company's website.

Disclosure Under Section 197 (12) and Rules 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

The requisite details relating to ratio of remuneration, percentage increase in remuneration etc. as stipulated under the above rules are annexed as Annexure 2 to this report.

Particulars of Employees

During the year there was no employee drawing remuneration beyond the limit prescribed in Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Vigil Mechanism

The Company has in place a vigil mechanism policy details of which are available on the Company's website.

Contracts and Arrangements with Related Party

The Company follows a policy of disclosure of Related Party transactions in each meeting of the Audit Committee and also of the Board of Directors. All transactions with Related Parties during the year were in the normal course of business and done at arm's length basis. The policy has been displayed in the Company's website www.nagadhunserigroup.com. The details of Related Party Transactions are enclosed as Annexure - 7.

Risk Management

A Committee has been formed which will be functional as and when it will be mandatory for the Company. The Committee constitutes of Sri C. K. Dhanuka, Chairman and Smt. Aruna Dhanuka and Sri Rajeev Rungta as Members. The main objective of the Committee is to frame a Policy to identify the current and future material risk exposures of the Company's business. In an Investment Company the possible threats are analysed and steps are taken to achieve financial stability and future growth bearing in mind the various laws and regulations applicable to listed NBFCs.

Extract of the Annual Return

The extract of the Annual Return in Form No. MGT - 9 is enclosed as Annexure 3 and forms part of this Report.

Particulars of Conservation of Energy and Technology absorption

The Company, not being in manufacturing business, has hardly any activity relating to conservation of energy and technology absorption.

DIRECTORS' REPORT (Contd.)**Foreign Exchange Earnings and outgo**

During the year under review there was no foreign exchange earnings and the outflow was ₹ 13.75 lacs.

RBI Directive to NBFC

The Company did not invite or accept any deposit from the public during the year ended 31st March, 2016. For the current financial year commencing 1st April, 2016 the Board of Directors of the Company has confirmed by a Circular Resolution dated 20th April, 2016 that the Company shall not invite or accept any deposit from the public during the financial year 2016-17.

Fixed Deposits

The Company did not accept any deposit from the public, and as such, there are no outstanding deposits in terms of the Companies (Acceptance of Deposits) Rules, 2014.

Particulars of loans, guarantees and Investments

The Company has not given any loan or guarantee during the financial year 2015-16 attracting the provisions of Section 186 of the Companies Act, 2013.

Corporate Governance Report

Report on Corporate Governance pursuant to Regulations 17 to 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto and forms part of this Report as Annexure - 1.

Auditors' Report

The Auditors' Report is self-explanatory and does not require any comment.

Auditors

At the 97th Annual General Meeting of the Company held on 21st September, 2015 the Auditors of the Company Messrs S. S. Kothari & Company, Chartered Accountants were re-appointed as Auditors of the Company to hold office till the conclusion of the 99th Annual General Meeting to be held in 2017 subject to ratification by the shareholders at the Annual General Meeting under the provisions of Section 139 of the Companies Act, 2013 and the rules made thereunder. M/s. S. S. Kothari & Company have confirmed their eligibility for appointment and offer themselves for re-appointment. On the recommendation of the Audit Committee the Board proposes the appointment of Messrs S. S. Kothari & Company, Chartered Accountants, as Statutory Auditors of the Company to hold office from the conclusion of the 98th Annual General Meeting till the conclusion of the 99th Annual General Meeting and the shareholders' approval is being sought to ratify their appointment and to authorize the Board to fix their remuneration.

Secretarial Audit Report

In terms of Section 204 of the Companies Act, 2013 and Rules made thereunder, M/s. A. K. Labh & Co., Company Secretaries have been appointed Secretarial Auditors of the Company. The Report of the Secretarial Auditors is enclosed as Annexure - 5 to this report. The report is self-explanatory and does not call for any comment.

Internal Audit & Controls

In terms of Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies(Accounts) Rules, 2014 Messrs Damle Dhandhania & Co., Chartered Accountants, have been appointed as Internal Auditors of the Company with effect from 01.04.2014. An Independent Internal Audit function is an important element of the Company's internal control system. The internal control system is supplemented through the audit programme of the Internal Auditors. Their Reports are discussed at the Audit Committee Meetings and suitable steps are taken, if required.

Corporate Social Responsibility

Pursuant to provisions of Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 relating to Corporate Social Responsibility, a Corporate Social Responsibility Committee was constituted with 2 Independent Directors, Sri Rajeev Rungta, as Chairman and Sri G. R. Goenka, as Member and Sri C. K. Dhanuka, a non-Independent Director as Member. The Committee met once during the year on 12.02.2016 and took necessary decision for implementation of the Company's obligation under Corporate Social Responsibility (CSR). Further details in this regard has been elaborated in Annexure - 8.

DIRECTORS' REPORT (Contd.)**Obligation of Company under the Sexual Harassment of Women at Work place (Prevention, Prohibition and Redressal) Act, 2013.**

In compliance with the provisions of Sexual Harassment Act and its Rules a Committee has been constituted with Smt. Aruna Dhanuka, Managing Director and Miss Varsha Drolia, a senior official as Members and Smt. Nandini Sen of a reputable NGO as the 3rd Member.

The Committee met once during the year on 05.02.2016 and recorded that there was no complaint of sexual harassment received by the Company during the year nor there was any case pending up to the end of the year. Hence no action was required to be taken by the Company.

Website of the Company

The Company maintains a website www.nagadhunserigroup.com where detailed information of the Company are posted as per statutory requirement.

Listing

The shares of the Company are listed on the Calcutta Stock Exchange. The Company's shares are compulsorily traded in Dematerialised form.

The ISIN Number allotted is INE756C01015. The details of shareholding pattern, distribution of shareholding and share prices are mentioned in the attached Corporate Governance Report. Only 13.28% of share capital is held in physical mode by individuals only.

Investor Education and Protection Fund

In compliance with the provisions of Section 205A of the Companies Act, 1956, a sum of ₹ 1,46,944 being the dividend lying unclaimed out of the dividend declared by the Company for the year ended 31st March, 2008 was transferred to the Investor Education and Protection Fund of the Central Government on 17.11.2015.

Dividend which remains unclaimed out of the dividend declared by the Company for the year ended on 31st March, 2009 will be transferred to the Investor Education and Protection Fund of the Central Government in 2016 pursuant to the provisions of Section 205C of the Companies Act, 1956. Thereafter no claim shall lie on this unclaimed dividend from the shareholders.

E-Voting

The Company will provide e-voting facility to all 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 and Regulation 44 of SEBI (LODR) Regulations 2015. The instructions for e-voting have been provided in the Notice.

Members not availing of e-voting and attending the AGM are entitled to cast their vote by ballot at the AGM.

Acknowledgement

The Board wish to acknowledge with thanks the support extended by the employees and shareholders of the Company.

Regd. Office :
DHUNSERI HOUSE,
4A, Woodburn Park
Kolkata - 700 020
CIN : L01132WB1918PLC003029
Phone : (033) 2280 1950
Fax : (033) 2287 8995
E-mail : hpbhuwania@dhunseritea.com
Website : www.nagadhunserigroup.com
Dated, The 30th day of May, 2016

For & on behalf of the Board of Directors
ARUNA DHANUKA
Vice Chairman & Managing Director

CORPORATE GOVERNANCE REPORT**ANNEXURE - 1****1. Company's Philosophy**

Good Corporate Governance practices stem from the value system of structuring, operating and controlling the Company in such manner that its obligations towards Shareholders, Government and Society at large are fulfilled in a fair, equitable and transparent manner.

Corporate Governance at Naga Dhunseri Group Limited (NDG) is based on the following main principles :

1. Maintaining proper compliance with all the applicable legal and regulatory requirements under which the company is carrying out its activities.
2. Ensuring timely flow of information to the Board and its Committees to enable them to discharge their functions effectively.
3. Independent verification and safeguarding integrity of the Company's financial reporting.
4. A sound system of internal control.
5. Timely and balanced disclosure of all material information concerning the Company to all stakeholders.
6. Transparency and accountability.
7. Fair and equitable treatment of all its stakeholders including employees, customers, shareholders and investors.

ETHICS POLICIES

In NDG, we strive to adhere to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Therefore, NDG follows various codes and policies to carry out its duties in an ethical manner. Some of these codes and policies are:

- Code of Conduct for Directors and Senior Management Personnel
- Policy on Preservation of Documents.
- Archival Policy
- Policy on determination of materiality of events or information
- Whistle Blower Policy / Vigil Mechanism.
- Code of Practice and Procedure for fair Disclosure.

Based on the aforesaid objectives and in compliance with the disclosure requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 executed with the Stock Exchange as well as the Guidelines on Corporate Governance the detailed Corporate Governance Report of NDG is as follows.

2. Board of Directors

- 2.1. As on 31st March, 2016 the Company's Board comprised of six directors, three of them are Independent Directors while the other three are Promoter Directors. Smt. Aruna Dhanuka, one of the Promoter Directors, was appointed Managing Director of the Company with effect from 1st July, 2014 for a period of 5 years. All the Directors are above the age of 21 years. The composition of Board of NDG is in conformity with SEBI(LODR) Regulations, 2015.

2.2 Board Meeting Procedure

- (i) The Board of Directors is the apex body constituted by shareholders for overseeing the Company's overall functioning. The Board has constituted six Committees, namely Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders' Relationship Committee, Risk Management Committee and Internal Complaints Committee. The Board is authorised to constitute additional functional Committees, from time to time, depending on business needs.

- (ii) The meetings are convened by giving appropriate advance notice after seeking approval of the Chairman of the Board / Committee, as the case may be. In case of exigencies or urgency resolutions are also passed by way of circulation.

2.3 The attendance and number of other Directorship and Committee Membership of each Director is given below :

Sl. No.	Name of Director	Category of Directorship	No. of Board Meetings Attended	Last AGM attended	No. of other Directorship in Public Companies*	No. of Committee**	
						Chairman	Member
1.	Sri C. K. Dhanuka	Non-Executive Chairman, Promoter	4	Yes	8	1	5
2.	Sri I. K. Kejriwal	Independent	4	Yes	6	—	—
3.	Smt. Aruna Dhanuka	Managing Director, Promoter	4	Yes	3	—	1
4.	Sri Mrigank Dhanuka	Non-Executive, Promoter	3	No	7	—	—
5.	Sri Rajeev Rungta	Independent	4	Yes	4	—	—
6.	Sri G. R. Goenka	Independent	4	No	1	—	—

* Excludes Directorship in Private Limited Companies, Foreign Companies, Companies under Section 8 of the Companies Act, 2013 and Alternate Directorship.

** Only Audit Committee and Stakeholders Relationship Committee have been considered.

2.4 Details of Board Meetings held during the year 2015-2016 are as under :

Date of Meeting	Strength of the Board	Directors Present
28.05.2015	6	5
13.08.2015	6	6
09.11.2015	6	6
12.02.2016	6	6

2.5 All Independent Directors have confirmed their Independence to the Company.

2.6 The Non-Executive Directors have no pecuniary relationship for transactions with the Company in their personal capacity except sitting fees and commission on profit.

2.7 The Promoter Directors are related to each other. Smt. Aruna Dhanuka is the spouse of Sri. C. K. Dhanuka and their son is Sri Mrigank Dhanuka. The Independent Directors are not related among themselves.

3. Brief Resume of Director proposed to be re-appointed

(a) Sri C. K. Dhanuka :

Sri C. K. Dhanuka is a Commerce Graduate having over 38 years of experience, initially in tea and investments. He has successfully set up a Petrochemical Unit under Foreign Technical Collaboration. He is Ex-Chairman of Indian Tea Association and Tea Association of India. He is also Ex-Vice-Chairman of Tea Board. He was Ex-Chairman of Eastern Regional Council of FICCI and also Ex-Executive Committee Member of FICCI, New Delhi. He was also Ex-President of All India Organization of Employers.

Apart from Naga Dhunseri Group Limited, Sri C. K. Dhanuka is presently Director of the following Public Limited Companies :

Name of the Company	Chairman / Director of other Companies	Chairman / Member of Committees of the Companies in which he is a Director	
		Chairman	Member
Dhunseri Petrochem Limited	Executive Chairman Mg. Director	Nil	Audit Committee Stakeholders Relationship Committee
Mint Investments Limited	Director & Chairman	Nil	Nil
Triplex Investments Limited	Director & Chairman	Nil	Nil
Dhunseri Investments Limited	Director	Nil	Stakeholders Relationship Committee
Egyptian Indian Polyester Co. SAE, Egypt	Director & Vice Chairman	Nil	Nil
Dhunseri Petrochem & Pte Ltd., Singapore	Director	Nil	Nil
CESC Limited	Director	Audit Committee	Nil
Makandi Tea & Coffee Estates Ltd., Malawi, Africa	Director	Nil	Nil
Kawalazi Estates Co. Ltd. Malawi, Africa	Director	Nil	Nil
Dhunseri Tea & Industries Ltd.	Chairman & Managing Director	Nil	Audit Committee & Stakeholders Relationship Committee
Dhunseri Infrastructure Ltd.	Director	Nil	Nil
Dhunseri Petglobal Ltd.	Director	Nil	Nil

Shares of the Company held by Sri C. K. Dhanuka in his own name or in the name of any other persons on beneficial basis as on 31.03.2016 : 48,400.

4. Code of Conduct

The Company has formulated and implemented a code of conduct for all Directors and Senior Management Executives of the Company in compliance with the Listing Regulations. All Board Members and Senior Management Personnel have affirmed compliance with the code on an annual basis. The same is also posted on the website of the Company at www.nagadhunserigroup.com

5. Audit Committee

As on 31st March, 2016 the Audit Committee comprised of three Non-Executive Directors. All the members of the Audit Committee are Independent Directors. Sri Rajeev Rungta is the Chairman and Sri G. R. Goenka and Sri I. K. Kejriwal are the other two members of the Committee. All the members of the Committee have accounting or related financial management expertise.

The Committee met four times during the year and the time gap between two meetings was not more than 120 days. Details of Committee Meetings held during the year 2015-2016 are as under :

Name of the Member	Date of the Meeting			
	28.05.2015	13.08.2015	09.11.2015	12.02.2016
Sri Rajeev Rungta	Yes	Yes	Yes	Yes
Sri I. K. Kejriwal	Yes	Yes	Yes	Yes
Sri G. R. Goenka	Yes	Yes	Yes	Yes

Mr. A. K. Sarkar, Company Secretary acts as Secretary to the Committee.

The Committee acts as a link between the management, auditors, internal auditors and the Board of Directors of the Company and has full access to financial information. The terms of reference of the Audit Committee are in line with the norms as specified in Part C of Schedule II of the Listing Regulations and Section 177 of the Companies Act, 2013 and relevant rules of the Companies (Meetings of Board and its Powers) Rules, 2014, which inter alia include :

- (i) Recommend for appointment, remuneration and terms of appointment of Auditors of the Company
- (ii) Review and monitor the Auditor's independence and performance and effectiveness of audit process
- (iii) Examination of the financial statement and the Audit Report thereon
- (iv) Approval or any subsequent modification of transactions of the Company with related parties
- (v) Scrutiny of inter corporate loans and investments, if any
- (vi) Valuation of undertakings or assets of the Company, wherever its necessary
- (vii) Evaluation of internal financial control and risk management system
- (viii) Monitoring the end use of fund raised through public offers and related matters, if any
- (ix) The Audit Committee may call for comments of the Auditors about the Internal Control System, the scope of Audit including observation of the Auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the Internal and Statutory Auditors and Management of the Company.
- (x) The Audit Committee shall have authority to investigate into any matter in relation to item specified in (i) to (viii) as stated above and for this purpose shall have power to obtain professional advice from external sources and full access to information contained in the records of the Company.
- (xi) The Auditors of the Company and the Key Managerial Personnel (KMP) shall have a right to be heard in the meetings of the Audit Committee when it considers the Audit Report but shall not have a right to vote.

6. Nomination & Remuneration Committee

The Company has in place the Nomination and Remuneration Committee, the constitution of which fulfills the criteria of Section 178 of the Companies Act, 2013. The Committee comprises of 3 Independent Directors, Sri I. K. Kejriwal is the Chairman and Sri Rajeev Rungta and Sri G. R. Goenka are the other two Members of the Committee. The Committee met one time on 28th May, 2015 during the year under report.

Name of the Member	Date of the Meeting
	28.05.2015
Sri I. K. Kejriwal	Yes
Sri Rajeev Rungta	Yes
Sri G. R. Goenka	Yes

Functions of the Committee

The main functions of the Committee are to consider and recommend payment of Compensation to Executive Directors by way of salary and perquisites, and to Non-Executive Directors by way of sitting fees and commission on profit. The Committee also considers and recommends the remuneration of Key Managerial Personnel.

The criterion for evaluation of performance of the Independent Directors has been formulated by the Committee.

Remuneration Policy

The Committee had formulated the remuneration policy which was adopted by the Board.

The Remuneration Policy should cover inter alia formulation of the criteria for determining qualifications, experience and positive attributes of Directors, Key Managerial Personnel and other employees.

The Company follows a policy relating to remuneration of Directors, Key Managerial Personnel and other employees in a positive manner so as to attract, retain and motivate employees at all levels to run the business of the Company efficiently. With the above perception the Remuneration Policy is based on review of performance on a periodical basis

Directors' Remuneration

Sitting Fees are paid to Non- Executive Directors for attending Board and Committee Meetings. Commission is paid @ 1% of the net profit of the Company subject to a limit of ₹ 1,00,000/- per annum for all the Non-Executive Directors taken together. The following table shows the sitting fees paid and commission payable to the Directors during the year under report :

Sl. No.	Name	Remuneration	Board Meeting Sitting Fees ₹	Committee Meeting Sitting Fees ₹	Commission on Profit ₹*	Total ₹
1.	Sri C. K. Dhanuka	—	10,000	1,500	20,000	31,500
2.	Sri I. K. Kejriwal	—	10,000	9,000	20,000	39,000
3.	Sri Mrigank Dhanuka	—	7,500	—	20,000	27,500
4.	Smt. Aruna Dhanuka	29,40,000	—	—	—	29,40,000
5.	Sri Rajeev Rungta	—	10,000	10,500	20,000	40,500
6.	Sri G. R. Goenka	—	10,000	10,500	20,000	40,500
	Total	29,40,000	47,500	31,500	1,00,000	31,19,000

* Commission is payable for the year ended 31st March, 2016 on the approval of the Accounts at the ensuing Annual General Meeting.

Managing Director's Remuneration

Name	Fixed Component		Performance linked Payment	Total Remuneration
	Salary	Contribution to Provident Fund and other Funds	Performance linked Bonus	
	₹	₹	₹	₹
Smt. Aruna Dhanuka	26,25,000	3,15,000	—	29,40,000

Notes :

- Company has a formal mechanism to evaluate the performance of Board members.
- Currently, the Company does not have any stock option scheme.

Shares / Convertible Instruments held by the Directors as on 31st March, 2016 :

Name of the Director	No. of Equity Shares of the Company	Convertible Instruments
Sri C. K. Dhanuka	48,400	Nil
Sri I. K. Kejriwal	644	Nil
Sri Mrigank Dhanuka	1,286	Nil
Smt. Aruna Dhanuka	78,700	Nil
Sri Rajeev Rungta	Nil	Nil
Sri G. R. Goenka	690	Nil

7. Stakeholders Relationship Committee

The Committee comprises of 3 Directors. The present Members of the Committee are Sri Rajeev Rungta, Chairman, Smt Aruna Dhanuka and Sri Mrigank Dhanuka. Mr. A. K. Sarkar, Company Secretary acts as Secretary to the Committee.

The terms of reference of the Committee are as spelt out in Part D of Schedule II of Regulation 20(4) of SEBI(LODR) Regulations, 2015, Section 178(6) of the Companies Act, 2013 and DPE Guidelines on Corporate Governance.

The Committee met 11 times during the year under review on 9th April, 2015, 16th April, 2015, 21st May, 2015, 20th August, 2015, 8th October, 2015, 29th October, 2015, 5th November, 2015, 17th December, 2017, 28th January, 2016, 18th February, 2016 and 18th March, 2016. All the members attended all the meetings.

The terms of reference of this Committee inter alia include :

- To approve all transfers (including transmission, transposition, remat) requests received.
- To review action taken on shareholders' grievances and to advise if any further action to be taken.
- To ensure that correspondence with the shareholders are promptly dealt with by the Company and no cases were pending as on 31st March, 2016.

The Company did not receive any complaint from any shareholder during the year and no complaint was pending as on 31.03.2016.

The Company has opened a dedicated email ID nagadhunseri@gmail.com for Grievance Redressal purpose where complaint can be lodged by the Shareholders.

8. Corporate Social Responsibility Committee

The Committee has been constituted for formation / review of CSR policy, monitoring the progress of the CSR projects sanctioned by the Company to ensure that they are carried out in terms of sanction. All the CSR proposals are put up to the Committee, before putting the same to the Board and if found appropriate, the Committee recommends the same to the Board.

a. Brief description of terms of reference

The responsibilities of the Committee are as follows :

(1) Review of CSR and Sustainability Policy of the Company, if necessary.

b. Composition, Name of Members and Chairperson of the CSR Committee :

The CSR Committee of NDG consists of the following Directors :

1. Shri Rajeev Rungta, Independent Director, Chairman of the Committee
2. Shri G. R. Goenka, Independent Director as Member
3. Shri C. K. Dhanuka, Non-Independent Director as Member

The CSR Committee met once during the year under review. All the Directors were present in the Committee Meeting held on 12.02.2016.

9. Risk Management Committee

The Board of Directors of the Company has constituted a Risk Management Committee voluntarily. The Board has defined the roles and responsibilities of the Risk Management Committee and has delegated monitoring and reviewing of the risk management plan to the Committee.

Composition, Name of Members and Chairperson of the Risk Management Committee :

The Risk Management Committee of NDG consists of the following Directors :

1. Shri C. K. Dhanuka, Chairman
2. Smt. Aruna Dhanuka, Member
3. Sri Rajeev Rungta, Member

There was no meeting held during the year under review.

10. Internal Complaints Committee

The Internal Complaint Committee of NDG consists of the following which deals with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and its Rules.

1. Smt. Aruna Dhanuka, Managing Director as Chairperson
2. Miss Varsha Drolia, Manager (Accounts) as Member
3. Smt. Nandini Sen, Representative of an NGO as Member

The Internal Complaint Committee met once on 5th February, 2016 during the year under review and recorded that no complaint was received during the year nor pending as on 31.03.2016.

11. Share Transfer System

The Company's shares are traded in the Calcutta Stock Exchange in demat mode. During the year 19 Share Transfer cases comprising of 3054 Equity Shares were received for physical transfer. 3 cases of transmission comprising of 878 Equity Shares. Total number of shares dematerialized during the year ended on 31st March, 2016 were 4488.

12. Compliance Officer : Sri A. K. Sarkar, Company Secretary

Address : Dhunseri House
4A, Woodburn Park
3rd Floor, Kolkata - 700 020
Phone : (033) 2280 1950-1954
Fax : (033) 2287-8995
Email : nagadhunseri@gmail.com
Website : www.nagadhunserigroup.com
CIN : L01132WB1918PLC003029

13. Meeting of Independent Directors

During the year a meeting of the Independent Directors was held on 9th November, 2015 which was attended by all the 3 Independent Directors.

14. MANAGEMENT DISCUSSION AND ANALYSIS

Industry Trend and Development

The Company's principal business is investments in shares and securities. The stock market movements depend mainly on economic growth of the country. The policies taken by the Government and Reserve Bank of India are congenial to the growth of industries, particularly in the infrastructure sector. The management reviews the business trend from time to time and adopts strategy to suit the Company's interest whenever the policies of Government and RBI are revised. During the year under review due to various reasons the stock market was volatile but it is expected that favourable conditions will prevail due to growth of the economy.

Opportunities and Threats

As explained above it is expected that new opportunities for growth of business may open up. The Company being a small sized NBFC the management has to watch constantly the main obstacles which may hinder its growth.

Risk and Concern

As stated earlier, the Company's business is very much dependent on economic and fiscal policies of Government and RBI. The management continues to review the various decisions of the authorities affecting the economy and adjust business strategy suitably to meet the changed situation.

Outlook

The outlook for the future appears very positive about the growth of the Country's economy. The management believes that the economic and fiscal policies of the Government and RBI together will improve the Country's economy in the coming years.

Internal Control System

The internal control system is adequately commensurate with the size of the Company and the management is constantly reviewing the system for achieving improved efficiency in consultation with the Internal Auditors of the Company.

Cautionary Statement

Statements made in this Management Discussion and Analysis describing the Company's current position and expectations for the future may be "forward looking statements" within the meaning of the applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operation include the downtrend in the industry-global or domestic or both, significant changes in political and economic environment in India.

15. CEO / CFO Certification

Smt Aruna Dhanuka, Managing Director and Sri H. P. Bhuwania, Chief Financial Officer (CFO) have certified to the Board the particulars required as per Regulation 17(8) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 relating to Financial and Cash Flow Statement for the year ended 31st March, 2016.

16. General Body Meetings

(a) The last three Annual General Meetings were held as under :

Annual General Meeting (AGM) Year	Date	Time	Venue	Special Resolutions
2014-2015	21.09.2015	3.00 P.M.	Kala Kunj, Sangit Kala Mandir Trust, 48, Shakespeare Sarani Kolkata - 700 017	Nil
2013-2014	04.09.2014	3.00 P.M.	—do—	Yes
2012-2013	13.08.2013	3.00 P.M.	—do—	Yes

Notes :

- i. One Special Resolution was passed at each AGM held for the financial year 2012 - 13 and 2013 - 14.
- ii. No resolution was required to be passed through Postal Ballot in any of these meetings.
- iii. No resolution is proposed to be passed through postal ballot in the current year as envisaged at present.

17. Disclosures

- i) The financial statements are prepared following the Accounting Standards and there is no deviation from it in general.
- ii) The Directors and Key Managerial Personnel have informed the Board that they have no Direct, Indirect or on behalf of 3rd Parties, material interest in any transaction or matter directly affecting the Company.
- iii) There are no significant transactions with Related Parties, which may have a potential conflict with the interests of the Company. Details of transactions with related parties are given in the Notes on Accounts in serial no 23. The Company's Policy on related party transaction is available in the Company's website www.nagadhunserigroup.com.
- iv) Details of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authority on any matter related to Capital Markets, during the last three years :

There were no instances of non-compliance of any matter related to the capital market during the last three years. Nor were there any fine or penalty imposed by the said Authorities.
- v) The Company has complied with all the mandatory requirements of the SEBI(LODR), Regulations, 2015.
- vi) The Company has adopted a policy on dealing with related party transactions and the same is disclosed at the Company's Website www.nagadhunserigroup.com
- vii) A Risk Management Committee has been constituted.
- viii) The Company's Remuneration Policy as adopted by the Nomination & Remuneration Committee has been posted on the Company's Website i.e. www.nagadhunserigroup.com

- ix) The Audit Committee had recommended to the Board the Whistle Blower Policy / Vigil Mechanism which was posted on the Company's Website i.e. www.nagadhunserigroup.com. No one has been denied access to the Audit Committee under this policy.
- x) The Policy on Independent Directors' familiarization and continuing education programme is available at Company's website www.nagadhunserigroup.com.
- xi) The letter of Appointment has been provided to all the Independent Directors and the same has been posted on the Company's Website i.e. www.nagadhunserigroup.com

18. Subsidiary Company

The Company does not have any subsidiary company.

19. Means of Communication

The unaudited quarterly and annual audited results are regularly published in a leading English Daily Newspaper (Business Standard) and a Bengali Daily (Dainik Lipi / Arthik Lipi) whereas the printed Annual Report containing statement of audited accounts and notice convening the Annual General Meeting are mailed to the shareholders, also displayed on the Company's Website www.nagadhunserigroup.com

20. General Shareholder Information

a. Annual General Meeting

98th AGM to be held on Tuesday, 9th August, 2016 at 3.30 P.M. at 'Kala Kunj' Sangit Kala Mandir Trust, 48, Shakespeare Sarani, Kolkata - 700 017.

b. Book Closure

The Register of Members and Share Transfer Register will remain closed from Tuesday 2nd August, 2016 to Tuesday, 9th August, 2016 (both days inclusive). Due notice of Book Closure has been sent to Calcutta Stock Exchange and published in newspapers.

c. Financial calendar (Tentative)

Adoption of Quarterly / Annual Report	Adoption on or before
1st quarter ending 30th June, 2016	14th August, 2016
2nd quarter ending 30th September, 2016	14th November, 2016
3rd quarter ending 31st December, 2016	14th February, 2017
Year Ending 31st March, 2017	30th May, 2017

d. Registered Office:

Dhunseri House 4A, Woodburn Park, Kolkata - 700 020

Phone : (033) 2280 1950 (5 lines) Fax No. : (033) 2287 8995.

e. Listing of Equity Shares:

The Calcutta Stock Exchange Ltd. 7, Lyons Range, Kolkata - 700 001

(Stock Code No. : 10024005)

Annual Listing Fee has been paid upto the year ending on 31st March, 2017 to the Calcutta Stock Exchange.

f. Demat ISIN Number for NSDL & CDSL:

INE No : 756C01015

g. **Stock Market Price data for the year 2015-2016**

There was no trading during this financial year under review as confirmed by the Calcutta Stock Exchange.

h. **Dividend Payment Date**

- a) Dividend for the year 2014-15, declared at the Annual General Meeting on 21st September, 2015 was paid on 29th September, 2015.
- b) Dividend for the year 2015-2016, if approved by the shareholders at the ensuing Annual General Meeting, will be paid within 30 days from the date of the AGM. No tax will be deducted at source under the current Income Tax Act. (Unless the Dividend amount exceeds ₹ 10 lacs)
- c) Dividend Payment date : on or before 08.09.2016
- d) Transfer to Investors' Education and Protection Fund is made as and when due.

i. **Name and Address of the Registrar and Share Transfer Agent (RTA)**

M/s. Maheshwari Datamatics Pvt. Ltd.
 6, Mango Lane, 2nd Floor
 Kolkata - 700 001
 Phone : (033) 2243 5029 / 2243 5809
 Fax : (033) 2248-4787
 email : mdpldc@yahoo.com

j. **Address for Investors' Correspondence**

Shareholders can correspond with the RTA and also direct to the Registered Office of the Company.

k. **Shareholding Pattern as on 31st March, 2016**

Category	No. of Members	Number of Shares	% of holding
Promoter & Promoter Group	12	735826	73.58
Public Institutions			
Public Shareholding			
Financial Institutions / Banks	3	1742	0.17
Non-Institutions			
Bodies Corporate	13	21287	2.13
Individuals	904	229550	22.96
Non-Resident Individuals	16	11595	1.16
	948	1000000	100.00

I. Distribution of Shares as on 31st March, 2016

Share Holding	Shareholders' Number	Percentage of Shareholders	No. of Shares	Percentage of Shares
1 to 500	837	88.29	81957	8.20
501 to 1000	56	5.91	41560	4.16
1001 to 2000	26	2.75	36000	3.60
2001 to 3000	3	0.32	6924	0.69
3001 to 4000	8	0.84	27269	2.73
4001 to 5000	4	0.42	17684	1.77
5001 to 10000	6	0.63	37290	3.73
10001 and above	8	0.84	751316	75.12
Total	948	100.00	1000000	100.00

m. Summary report of Shareholding as on 31st March, 2016

Particulars	Shareholders		No. of Shares	% of Share Holding
	No.	%		
Physical	630	66.46	132836	13.28
NSDL	240	25.32	853708	85.37
CDSL	78	8.22	13456	1.35
Total	948	100	1000000	100.00

21. Corporate Governance Compliance Certificate

As per the requirements of Schedule V (E) of the Listing Regulations, the Company has obtained Compliance Certificate from CS. A. K. Labh, Practising Company Secretary of M/s. A. K. Labh & Co., Company Secretaries regarding compliance of conditions on Corporate Governance and the same is attached to this report.

Place : Kolkata

Dated : The 30th day of May, 2016

For & on behalf of the Board of Directors

Aruna Dhanuka

Vice Chairman & Managing Director

DECLARATION OF MANAGING DIRECTOR ON THE COMPANY'S CODE OF CONDUCT

In terms of SEBI (LODR) Regulations, 2015, I hereby confirm that all the Board Members and Senior Management personnel of the Company have made compliance with the code of conduct of the Company in respect of the financial year ended 31st March, 2016.

Place : Kolkata

ARUNA DHANUKA

Dated : The 30th day of May, 2016

Vice Chairman & Managing Director

CERTIFICATE ON CORPORATE GOVERNANCE

TO

THE MEMBERS OF

NAGA DHUNSERI GROUP LIMITED

We have examined the compliance of conditions of Corporate Governance by **Naga Dhunseri Group Limited** ("the Company") ended on 31st March, 2016 as stipulated in clause 49 of the Listing Agreement ("Listing Agreement") of the Company with the stock exchange for the period April 1, 2015 to November 30, 2015 and as per the relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as referred to in Regulation 15(2) of the Listing Regulations for the period December 1, 2015 to March 31, 2016.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementations 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 Agreement / Listing Regulations, as applicable.

We further state 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 A. K. LABH & CO.
Company Secretaries

CS A. K. LABH
Practicing Company Secretary
FCS - 4848 / CP No. 3238

Place : Kolkata

Dated : The 30th day of May, 2016

ANNEXURE - 2

Disclosure under Section 197(12) and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Ratio of Remuneration of Managing Director to the median remuneration of the employees of the Company for the financial year ended 31st March, 2016

Sl. No.	Name of Director	Remuneration (₹)	Median Remuneration (₹ / in Lakhs)	Ratio
1.	Smt. Aruna Dhanuka* Managing Director	29,40,000	2.63	11.20
2.	Sri C. K. Dhanuka	31,500	2.63	0.12
3.	Sri I. K. Kejriwal	39,000	2.63	0.15
4.	Sri Mrigank Dhanuka	27,500	2.63	0.10
5.	Sri Rajeev Rungta	40,500	2.63	0.15
6.	Sri G. R. Goenka	40,500	2.63	0.15

*As Managing Director Remuneration of ₹ 29,40,000/- + Commission of ₹ Nil = ₹ 29,40,000/-

Note : The above figure does not include provisions for encashable leave and gratuity as separate actuarial individual valuations are not available.

2. Percentage Increase of Remuneration of Director, Company Secretary and CFO

Sl. No.	Name and Designation	% of Increase
1.	Smt. Aruna Dhanuka (Managing Director Joined on 01.07.2014)	12.5%
2.	Sri H. P. Bhuwania (CFO)	No Increase
3.	Sri A. K. Sarkar (Company Secretary)	No Increase

3. No. of Employees on the Rolls of the Company as on 31.03.2016 - 13 (Thirteen only).
4. Explanation on the relationship between increase in remuneration and Company performance

	2015 - 16	2014 - 15
Total Income (₹ lakhs)	1814.27	2120.01
EBIDTA (₹ lakhs)	255.03	1119.69
EBIDTA as % of Total Income	14.06%	52.81%
PBT (₹ lakhs)	223.84	1070.21
PBT as % of Total Income	12.34%	50.48%

5. Comparison of Remuneration of Key Managerial Personnel against performance of the Company :
Considering the size of the Company the comparison is favorable.
6. Variation in Market Capitalisation as at the closing date of current financial year and that of the previous financial year.
The Company's shares are listed on the Calcutta Stock Exchange but there are no quotations. Hence information in this regard is not available.
7. Managing Director's Remuneration includes Salary but no Commission on net profit of the Company because of inadequate profit as per the Companies Act, 2013.
8. Review of remuneration of the Employees is made by Management in accordance with the Company's Remuneration Policy.

**Form No. MGT - 9
EXTRACT OF ANNUAL RETURN**

ANNEXURE - 3

as on the financial year ended on 31st March, 2016

[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	L01132WB1918PLC003029
(ii) Registration Date	26-08-1918
(iii) Name of the Company	NAGA DHUNSERI GROUP LIMITED
(iv) Category / Sub-Category of the Company	Public Limited
(v) Address of the Registered Office and contact details	Dhunseri House, 4A, Woodburn Park, Kolkata - 700 020 Phone : (033) 2280 1950 (5 Lines) Fax : (033) 2287 8995 E-mail : hpbhuwania@dhunseritea.com Website: www.nagadhunserigroup.com
(vi) Whether listed Company	Yes
(vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	Maheshwari Datamatics Pvt. Ltd. 6, Mangore Lane, 2nd Floor, Kolkata - 700 001 Phone : (033) 2243 5029 / 5809 Fax : (033) 2248 4787 E-mail : mdpl@cal.vsnl.net.in mdpldc@yahoo.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 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.	Investment in shares and securities	649	100%

Form No. MGT - 9

EXTRACT OF ANNUAL RETURN (Contd.)

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1.	Dhunseri Investments Ltd. Dhunseri House 4A, Woodburn Park Kolkata - 700 020	L51491WB1997PLC082808	Associate	21.59%	2(6)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	398134	—	398134	39.81%	398134	—	398134	39.81%	—
b) Central Govt.	—	—	—	—	—	—	—	—	—
c) State Govt. (s)	—	—	—	—	—	—	—	—	—
d) Bodies Corporate	337692	—	337692	33.77%	337692	—	337692	33.77%	—
e) Banks / FI	—	—	—	—	—	—	—	—	—
f) Any Other	—	—	—	—	—	—	—	—	—
Sub-Total (A) (1)	735826	—	735826	73.58%	735826	—	735826	73.58%	—
(2) Foreign									
a) NRIs - Individuals	—	—	—	—	—	—	—	—	—
b) Other Individuals	—	—	—	—	—	—	—	—	—
c) Bodies Corporate	—	—	—	—	—	—	—	—	—
d) Bank / FI	—	—	—	—	—	—	—	—	—
e) Any Other	—	—	—	—	—	—	—	—	—
Sub-Total (A) (2)	—	—	—	—	—	—	—	—	—
Total Shareholding of Promoter (A) = (A) (1) + (A) (2)	735826	—	735826	73.58%	735826	—	735826	73.58%	—

Form No. MGT - 9

EXTRACT OF ANNUAL RETURN (Contd.)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	—	—	—	—	—	—	—	—	—
b) Banks / FI	—	1742	1742	0.18%	—	1742	1742	0.18%	—
c) Central Govt.	—	—	—	—	—	—	—	—	—
d) State Govt (s)	—	—	—	—	—	—	—	—	—
e) Venture Capital Funds	—	—	—	—	—	—	—	—	—
f) Insurance Companies	—	—	—	—	—	—	—	—	—
g) FIs	—	—	—	—	—	—	—	—	—
h) Foreign Venture Capital Funds	—	—	—	—	—	—	—	—	—
i) Other (specify)	—	—	—	—	—	—	—	—	—
Sub-total (B) (1)	—	1742	1742	0.18%	—	1742	1742	0.18%	—
2. Non-Institutions									
a) Bodies Corporate	15089	6198	21287	2.13%	16701	4586	21287	2.13%	—
i) Indian	—	—	—	—	—	—	—	—	—
ii) Overseas	—	—	—	—	—	—	—	—	—
b) Individuals	—	—	—	—	—	—	—	—	—
i) Individual Shareholders holding nominal share capital upto ₹ 1 lakh	75133	121048	196181	19.62%	77964	118217	196181	19.62%	—
ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	33324	—	33324	3.33%	33324	—	33324	3.33%	—
c) Others (specify) NRI	3304	8336	11640	1.16%	3304	8291	11595	1.16%	—
d) Foreign Nationals	—	—	—	—	45	—	45	0.0045%	0.0045
Sub-total (B) (2)	126850	135582	262432	26.24%	131338	131094	262432	26.24%	—
Total Public Shareholding (B) = (B) (1) + (B) (2)	126850	137324	264174	26.42%	131338	132836	264174	26.42%	—
C. Shares held by Custodian for GDRs & ADRs	—	—	—	—	—	—	—	—	—
Gran total (A) + (B) + (C)	862676	137324	1000000	100%	867164	132836	1000000	100%	—

Form No. MGT - 9**EXTRACT OF ANNUAL RETURN (Contd.)****ii) Shareholding of Promoters**

Shareholders' Name	Shareholding at the beginning of the year		Shareholding at the end of the year			% change in shareholding during the year
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	
1. Mint Investments Ltd.	332210	32.22	332210	33.22	Nil	Nil
2. Sri C. K. Dhanuka & Smt. Aruna Dhanuka C/o. Sew Bhagwan & Sons	161130	16.11	161130	16.11	Nil	Nil
3. Smt. Aruna Dhanuka	78700	7.87	78700	7.87	Nil	Nil
4. Sri C. K. Dhanuka	48400	4.84	48400	4.84	Nil	Nil
5. Sri C. K. Dhanuka & Smt. Aruna Dhanuka C/o. Shree Shaligram Trust	43206	4.32	43206	4.32	Nil	Nil
6. Sri C. K. Dhanuka & Smt. Aruna Dhanuka C/o. Krishna Kalindi Trust	30300	3.03	30300	3.03	Nil	Nil
7. Sri C. K. Dhanuka & Smt. Aruna Dhanuka C/o. Ram Janki Trust	30300	3.03	30300	3.03	Nil	Nil
8. Mint Investments Ltd.	6254	0.625	6254	0.625	Nil	Nil
9. Madhuting Tea Pvt. Ltd.	5482	0.548	5482	0.548	Nil	Nil
10. Sri C. K. Dhanuka & Smt. Aruna Dhanuka C/o. Shankarlal Chandrakumar HUF	3200	0.32	3200	0.32	Nil	Nil
11. Smt. Tarulika Khaitan	1612	0.16	1612	0.16	Nil	Nil
12. Sri Mrigank Dhanuka	1286	0.128	1286	0.128	Nil	Nil
Total	735826	73.58	735826	73.58	Nil	Nil

Form No. MGT - 9**EXTRACT OF ANNUAL RETURN (Contd.)****iii) Change in Promoters' Shareholding**

Sl. No.		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
	At the beginning of the year	735826	73.58%	735826	73.58%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	—	—	—	—
	At the end of the year	735826	73.58%	735826	73.58%

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 01-04-2015		Cumulative shareholding during the year 31-03-2016	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Vayjayanti Pugalia	33324	3.33%	33324	3.33%
2.	Contemporary Inds. Ltd.	7522	0.75%	7522	0.75%
3.	Govardhan Dass Kejriwal	7096	0.71%	7096	0.71%
4.	Sumitra	6200	0.62%	—	—
5.	V. Alagappan	5562	0.56%	5562	0.56%
6.	Sita Ghosh	5374	0.54%	5374	0.54%
7.	Nand Kishore Jhajharia (Decd.)	4838	0.48%	4838	0.48%
8.	Dilip Kumar Surana	—	—	4800	0.48%
9.	Yashwant Kr. Daga	4032	0.40%	4032	0.40%
10.	Lily Exports Pvt. Ltd.	4014	0.40%	4014	0.40%
11.	Tarajan Tea Co. Pvt. Ltd.	3760	0.38%	3760	0.38%
		81722	8.17%	80322	8.03%

Form No. MGT - 9**EXTRACT OF ANNUAL RETURN (Contd.)****v) Shareholding of Directors and Key Managerial Personnel**

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year 01-04-2015		Cumulative shareholding during the year 31-03-2016	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	Directors / Mg. Director				
1.	Smt. Aruna Dhanuka	78700	7.87%	78700	7.87%
2.	Sri Chandra Kumar Dhanuka	48400	4.84%	48400	4.84%
3.	Sri Mrigank Dhanuka	1286	0.13%	1286	0.13%
4.	Sri Gobind Ram Goenka	690	0.07%	690	0.07%
5.	Sri Indra Kishore Kejriwal	644	0.06%	644	0.06%
	KMP				
1.	Sri Hari Prasad Bhuwania	540	0.05%	540	0.05%
	At the beginning of the year	130260	13.02	130260	13.02
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.) :	Nil	Nil	Nil	Nil
	At the end of the year	130260	13.02	130260	13.02

V. INDEBTEDNESS**Indebtedness of the Company including interest outstanding / accrued but not due for payment**

	Secured Loans excluding deposits		Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i + ii + iii)	Nil	Nil	Nil	Nil

Form No. MGT - 9

EXTRACT OF ANNUAL RETURN (Contd.)

V. INDEBTEDNESS (Contd.)

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

	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year	Nil	Nil	Nil	Nil
*Addition				
*Reduction				
Net Change	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due				
Total (i + ii + iii)	Nil	Nil	Nil	Nil

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of Md / WTD / Manager	Total Amount
		Smt. Aruna Dhanuka ₹	₹
1.	Gross Salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	29,40,000	29,40,000
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	—	—
	(c) Profit in lieu of salary u/s 17(3) of the Income Tax Act, 1961	—	—
2.	Stock Option	—	—
3.	Sweat Equity	—	—
4.	Commission	—	—
	- as % of profit	—	—
	- others, specify - As Non Executive Director	—	—
5.	Others Sitting Fees for Non-Executive Directors	—	—
	Total (A)	29,40,000	29,40,000
	Ceiling as per the Act. (Schedule - V)	42,00,000	42,00,000

Form No. MGT - 9

EXTRACT OF ANNUAL RETURN (Contd.)

B. Remuneration to Other Directors

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
		I. K. Kejriwal	Rajeev Rungta	G. R. Goenka	Mrigank Dhanuka	C. K. Dhanuka	
1.	Independent Directors						
	* Fee for attending Board & Committee meetings	19,000	20,500	20,500			60,000
	* Commission	20,000	20,000	20,000			60,000
	* Others, please specify						
	Total (1)	39,000	40,500	40,500			1,20,000
2.	Non-Executive Directors						
	* Fee for attending Board & Committee meetings	—	—	—	7,500	11,500	19,000
	* Commission	—	—	—	20,000	20,000	40,000
	* Others, please specify						
	Total (2)				27,500	31,500	59,000
	Total (B) = (1+2)	39,000	40,500	40,500	27,500	31,500	1,79,000
	Total Managerial Remuneration Overall Ceiling as per the Act.	2,55,031					

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	Chief Financial Officer	Total Amount
1.	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	3,91,250	4,15,932	8,07,182
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	25,000	1,84,876	2,09,876
	(c) Profit in lieu of salary under Section 17(3) of the Income Tax Act, 1961			
2.	Stock Option			
3.	Sweat Equity			
4.	Commission - as % of profit - others, specify			
5.	Others, please specify			
	Total	4,16,250	6,00,808	10,17,058

Form No. MGT - 9**EXTRACT OF ANNUAL RETURN (Contd.)****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	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

DECLARATION BY AN INDEPENDENT DIRECTOR

ANNEXURE - 4

The Board of Directors
Naga Dhunseri Group Ltd.
Dhunseri House
4A, Woodburn Park
Kolkata - 700 020

28th May, 2015

Dear Sirs,

This is to confirm that upto the date of this Certificate, I meet all the criteria of Independence as provided in Sub-section (6) & (7) of Section 149 of the Companies Act, 2013.

Pursuant to the above provisions of the law I hereby make the following declaration :

- (a) that I am or was not a Promoter of the Company or its holding, subsidiary or associate Company;
- (b) that I am not related to Promoters or Directors in the Company, its holding, subsidiary or associate Company;
- (c) that I have or had no pecuniary relationship with the Company, its holding, subsidiary or associate Company, or their Promoters, or Directors, during the 2 immediately preceding financial years or during the current financial year;
- (d) that none of my relatives has or had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate Company, or their Promoters, or Directors, amounting to 2% or more of its gross turnover or total income or 50 lakhs rupees or such higher amount as may be prescribed, whichever is lower, during the 2 immediately preceding financial years or during the current financial year;
- (e) that neither myself nor any of my relatives;
 - (i) hold or held position of a Key Managerial Personnel or have or has been employee of the company or its holding, subsidiary or associate Company in any of the 3 financial years immediately preceding the financial year in which I was appointed.
 - (ii) That I have been never an employee or proprietor or a partner, in any of the 3 financial years immediately preceding the financial year in which I was appointed, of
 - (A) A firm of Auditors or Company Secretaries in practice or Cost Auditors of the Company or its holding, subsidiary or associate Company or
 - (B) Any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate Company amounting to 10% or more of the gross turnover of such firm or I hold together with my relatives 2% or more of the total voting power of the Company or I am a Chief Executive or Director, by whatever name called, of any non profit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate Company or that hold 2% or more of the total voting power of the company or shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, or other disciplines related to the Company's business.

You are aware that I am a person of integrity and possess relevant expertise and experience for appointment as an Independent Director of the Company.

I further declare that I shall abide by the provisions of Section 149 Sub-section (7) of the Companies Act, 2013.

Thanking you,

Yours faithfully,

(INDEPENDENT DIRECTOR)

SECRETARIAL AUDIT REPORT**ANNEXURE - 5**

For the financial year ended 31-03-2016

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

To

The Members,

Naga Dhunseri Group Limited

“Dhunseri House”,

4A, Woodburn Park,

Kolkata - 700 020

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Naga Dhunseri Group Limited having its Registered Office at “Dhunseri House”, 4A, Woodburn Park, Kolkata - 700 020, West Bengal (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the 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, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended 31.03.2016 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.

Auditors' Responsibility

Maintenance of Secretarial Records is the responsibility of the management of the Company. My responsibility is to express an opinion on existence of adequate Board process and compliance management system, commensurate to the size of the Company, based on these secretarial records as shown to me during the said audit and also based on the information furnished to me by the officers' and the agents of the Company during the said audit.

I have followed the audit practices and processes as were appropriate to the best of my understanding to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion.

I have not verified the correctness, appropriateness and bases of financial records, books of accounts and decisions taken by the Board and by various committees of the Company during the period under scrutiny. I have checked the Board process and compliance management system to understand and to form an opinion as to whether there is an adequate system of seeking approval of respective committees of the Board, of the Board, of the members of the Company and of other authorities as per the provisions of various statues as mentioned hereinafter.

Wherever required I have obtained the management representation about the compliance of the laws, rules and regulations and happening of events, etc.

The Compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. My examination was limited to the verification of compliance procedures on test basis.

My report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness or accuracy with which the management has conducted the affairs of the Company.

I report that, I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31.03.2016 according to the provisions of :

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) Secretarial Standards (SS -1and SS-2) as issued by The Institute of Company Secretaries of India and which became effective from 01.07.2015.
- (iii) Listing Agreement with the stock exchange.
- (iv) The Securities Contracts (Regulation) Act, 1956 and the rules made there under;
- (v) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

SECRETARIAL AUDIT REPORT (Contd.)

- (vi) Foreign Exchange Management Act, 1999 and the rules and regulation made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (vii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 :
 - (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, 2015;
 - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has specifically complied with the provisions of the following Act :

1. Reserve Bank of India Act, 1932 (pertaining to NBFC matters) to the extent of their applicability to the Company during the financial year ended 31.03.2016 and my examination and reporting is based on the documents, records and files as produced and shown to me and the information and explanations as provided to me by the Company and its management and to the best of my judgment and understanding of the applicability of the different enactments upon the Company. Further, to the best of my knowledge and understanding there are adequate systems and processes in the Company commensurate with its size and operation to monitor and ensure compliances with applicable laws including general laws, labour laws, competition law, environments laws, etc.

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

During the period under review, provisions of the following regulations / guidelines / standards were not applicable to the Company :

- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (ii) SEBI (Share Based Employee Benefits) Regulations, 2014
- (iii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (iv) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2009;
- (v) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.

I further report that :

- (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place, if any, during the period under review were carried out in compliance with the provisions of the Act.
- (b) 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.
- (c) Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.
- (d) 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.

Place : Kolkata

Dated : The 30th day of May, 2016

For A. K. LABH & Co.
Company Secretaries
(ASIT KUMAR LABH)
Practicing Company Secretary
ACS - 32891 / CP No. - 14664

FORM NO. AOC - 1

ANNEXURE - 6

Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures

Part "A" : Subsidiaries

NIL

Part "B" : Associates and Joint Ventures

Name of Associates / Joint Ventures	Dhunseri Investments Limited
1. Latest audited Balance Sheet Date	31-03-2016
2. Shares of Associate / Joint Ventures held by the company on the year end	
No.	13,16,476 Equity Shares of ₹ 10/- each
Amount of Investment in Associates / Joint Venture	₹ 2614.13 Lacs
Extent of Holding %	21.59%
3. Description of how there is significant influence	Voting Rights / Dividend
4. Reason why the associate / joint venture is not consolidated	Vide Companies (Accounts) Amendment Rule 2014 dated 14-10-2014
5. Networth attributable to Shareholding as per latest audited Balance Sheet	₹ 5884.16 Lacs
6. Profit / (Loss) for the year	
i. Considered in Consolidation	₹ (2030.33) Lacs
ii. Not Considered in Consolidation	Nil

Place : Kolkata

Dated : The 30th day of May, 2016

For and on behalf of the Board of Directors
 ARUNA DHANUKA *Vice Chairman &
 Managing Director*

RAJEEV RUNGTA

Director

H. P. BHUWANIA

Chief Financial Officer

A. K. SARKAR

Company Secretary

FORM NO. AOC - 2

ANNEXURE - 7

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis - Nil
2. Details of material contracts or arrangement or transactions at arm's length basis
 - (a) Name(s) of the related party and nature of relationship - Triplex Investments Ltd.
 - (b) Nature of contracts / arrangements / transactions - Licence Agreement
 - (c) Duration of the contracts / arrangements / transactions - 9 years with effect from 1st April, 2011 to 31st March, 2020 renewable on mutually agreed terms and conditions after expiry of the said 9 years.
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any : License Fees for using Office space and furniture & fixture with effect from 01.04.2014 ₹ 16,675/- p.m and Hire Charges ₹ 3163/- p.m. These shall increase by 15% every 3 years.
 - (e) Date(s) of approval by the Board, if any : 30.04.2011
 - (f) Amount paid as advances, if any : NIL
3. Details of material contracts or arrangement or transactions at arm's length basis
 - (a) Name(s) of the related party and nature of relationship - Dhunseri Tea & Industries Ltd.
 - (b) Nature of contracts/arrangements / transactions - Lease Rental of property at 14B, Loudon Street, Kolkata -700 017
 - (c) Duration of the contracts / arrangements / transactions - Till termination by giving 3 months notice on mutually agreed terms and conditions
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any : Lease Rental per month ₹ 2,36,250/- upto 30.09.2014. From 1.10.2014 increased by 5% amounting to ₹ 2,48,062/- per month. (Lease Rental to increase by 5% every 3 years)
 - (e) Date(s) of approval by the Board, if any : 28.01.2009
 - (f) Amount paid as advances, if any : NIL
4. Details of material contracts or arrangement or transactions at arm's length basis
 - (a) Name(s) of the related party and nature of relationship - Smt. Aruna Dhanuka, Managing Director
 - (b) Nature of contracts / arrangements / transactions - Service Contract
 - (c) Duration of the contracts / arrangements/transactions - For a period of 5 years from 1st July, 2014 to 30th June, 2019

FORM NO. AOC - 2 (Contd.)

- (d) Salient terms of the contracts or arrangements or transactions including the value, if any : Salary ₹ 200000/- per month in the scale of ₹ 200000 - 250000 - 300000

Commission based on performance not exceeding 1% of Net Profit Computed in accordance with the provisions of Companies Act, 2013.

In addition she is entitled to certain benefits and perquisites but shall not be entitled to sitting fees for attending meetings of the Board of Directors or any Committee thereof.

- (e) Date(s) of approval by the Board, if any : 27.05.2014

- (f) Amount paid as advances, if any : NIL

5. Details of material contracts or arrangement or transactions at arm's length basis

- (a) Name(s) of the related party and nature of relationship - Sri H. P. Bhuwania, CFO

- (b) Nature of contracts / arrangements / transactions - Service Contract

- (c) Duration of the contracts / arrangements / transactions - Till resigns / retires

- (d) Salient terms of the contracts or arrangements or transactions including the value, if any : Sri H. P. Bhuwania was designated as KMP and continues as CFO

- (e) Date(s) of approval by the Board, if any : 13.08.2014

- (f) Amount paid as advances, if any : NIL

6. Details of material contracts or arrangement or transactions at arm's length basis

- (a) Name(s) of the related party and nature of relationship - Sri A. K. Sarkar, Company Secretary

- (b) Nature of contracts / arrangements / transactions - Service Contract

- (c) Duration of the contracts / arrangements / transactions - Till resigns / retires

- (d) Salient terms of the contracts or arrangements or transactions including the value, if any : Designated as KMP and Company Secretary cum Compliance Officer.

- (e) Date(s) of approval by the Board, if any : 13.11.2014

- (f) Amount paid as advances, if any : NIL

For & on behalf of the Board of Directors

Place : Kolkata

Dated: The 30th day of May, 2016

ARUNA DHANUKA

Vice Chairman & Managing Director

ANNEXURE - 8

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 CSR activities 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 CSR amount of ₹ 8 lakhs has been paid to DDF engaged in building a new girls hostel in Kolkata to accommodate about 400 girls with a built-up area of 70,000 sq. ft. The building plans were earlier sanctioned by Kolkata Municipal Corporation and the project is now nearing completion.

2. **The composition of the CSR Committee :** The Company has a CSR Committee of directors comprising of Mr. Rajeev Rungta, Chairman of the Committee, Mr. G. R. Goenka and Mr. C. K. Dhanuka as members.
3. **Average net profit of the company for last three financial years for the purpose of computation of CSR :** ₹ 3.88 Crore
4. **Prescribed CSR Expenditure (two percent of the amount as in item 3 above) :** ₹ 7.76 lakhs (Rounded to ₹ 8 Lakhs)
5. **Details of CSR spent during the financial year :**
- a. Total amount to be spent for the financial year : ₹ 8 lakhs
 - b. Amount unspent : Nil
 - c. Manner in which the amount spent during the financial year : Noted 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 :** Nil / NA
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.

Aruna Dhanuka

Vice Chairman & Managing Director

Rajeev Rungta

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)	8,00,000	8,00,000	8,00,000	Through Dhanuka Dhunseri Foundation (DDF)

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
NAGA DHUNSERI GROUP LIMITED**

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Naga Dhunseri Group Ltd. ('the Company'), which comprise the Balance Sheet as at March 31, 2016, 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

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 flow 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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

Our responsibility is to express an opinion on these standalone financial statements based on our 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.

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.

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 judgement, 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. An audit also includes evaluating 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.

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.

INDEPENDENT AUDITORS' REPORT (Contd.)

Opinion

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, 2016, its profit and its cash flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016, 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 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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 purpose of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as 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, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. Our Report on adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, has been stated in Annexure B and
 - g. 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 no pending litigations as on March 31, 2016.
 - ii) The Company has made neither long term contract nor any derivative contract.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

21, Old Court House Street,
Kolkata-700 001
Dated : The 30th day of May, 2016

For S. S. KOTHARI & CO.,
Chartered Accountants
Firm Registration No. 302034E
R. K. ROY CHAUDHURY
Partner
Membership No. 008816

ANNEXURE - A TO INDEPENDENT AUDITORS' REPORT

As referred to in paragraph 1 of our Report on "Other Legal and Regulatory Requirements", we state that :

- i. (a) The Company has maintained proper records to show full particulars, including quantitative details and situation of its fixed assets.
(b) The fixed assets have been physically verified by the management according to a programme designed to cover all the items over a period of one year which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. (a) The Company is an Investment Company. The physical verification of its inventory of shares & securities has been conducted at reasonable intervals.
(b) The procedures of physical verification followed up by the Company is reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) No discrepancies has been noticed on such physical verification as compared to Book Record.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnership or other parties covered in the register maintained under Section 189 of the Act. Therefore the provisions of Clause 3(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, the Company has complied with the provisions of Sections 185 and 186 of Companies Act with respect to loans and investments made.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 73 to Section 76 of the Act and the Rules framed thereunder.
- vi. The Company is an Investment Company and therefore maintenance of the cost records prescribed by the Central Government under clause (d) of Sub-section (1) of Section 148 of the Act is not applicable to the Company.
- vii. (a) According to the information and explanations given to us and on the basis of records of the Company examined by us, in our opinion, the Company is regular in depositing with the appropriate authority undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of custom, duty of excise, value added tax and cess and other material statutory dues applicable to it.

There is no arrears outstanding statutory dues as at the last day of the financial year for a period of more than 6 months from the date they became payable.

(b) According to the information and explanations given and on the basis of records examined by us, there are no dues of sales tax or service tax or duty of Customs or value added tax, which have not been deposited on account of any dispute.

ANNEXURE - A TO INDEPENDENT AUDITORS' REPORT

- viii. According to information and explanations given and on the basis of records examined by us, we are of the opinion that the Company has not defaulted in repayment of dues to any bank. The Company has not taken loan from any financial institution or raised any money through issue of Debentures.
- ix. According to information and explanations given to us, in our opinion the term loans taken have been applied for the purpose for which they were obtained. During the year Company has not raised money by way of initial Public Offer or further Public Offer.
- x. During the course of 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 explanation given to us, no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. In our opinion, and according to the information and explanations given to us, the Company is not a nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is registered under Section 45-IA of the Reserve Bank of India Act, 1934.

21, Old Court House Street,
Kolkata-700 001
Dated : The 30th day of May, 2016

For S. S. KOTHARI & CO.,
Chartered Accountants
Firm Registration No. 302034E
R. K. ROY CHAUDHURY
Partner
Membership No. 008816

ANNEXURE - B TO THE AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Naga Dhunseri Group Ltd. ("the Company") as of 31st March, 2016 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143 (10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls system over financial reporting included obtaining an understanding of internal financial controls over financial reporting assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

21, Old Court House Street,
Kolkata-700 001

Dated : The 30th day of May, 2016

For S. S. KOTHARI & CO.,
Chartered Accountants
Firm Registration No. 302034E
R. K. ROY CHAUDHURY
Partner
Membership No. 008816

BALANCE SHEET
as at 31st March, 2016

	Note No.	As at 31st March, 2016	(₹ in lacs) As at 31st March, 2015
I EQUITY AND LIABILITIES			
1. Shareholder's Funds			
(a) Share Capital	1	100.00	100.00
(b) Reserves and Surplus	2	6,540.35	6,343.98
2. Non-Current Liabilities			
(a) Long-Term Borrowings	3	—	24.52
(b) Long-Term Provisions	4	3.25	1.48
3. Current Liabilities			
(a) Other Current Liabilities	5	38.65	76.66
(b) Short-Term Provisions	6	220.20	317.54
		<u>6,902.45</u>	<u>6,864.18</u>
II. ASSETS			
1. Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	7	66.67	92.23
(b) Non-Current Investments	8A	4,818.74	4,992.25
(c) Deferred Tax Assets (Net)	9	8.34	7.04
(d) Long-Term Loans and Advances	10A	452.29	390.40
2. Current Assets			
(a) Current Investments	8B	14.00	16.52
(b) Inventories	11	1,300.47	966.46
(c) Cash and Bank Balances	12	35.38	108.54
(d) Short-Term Loans and Advances	10B	200.36	283.72
(e) Other Current Assets	13	6.20	7.02
		<u>6,902.45</u>	<u>6,864.18</u>
Significant Accounting Policies	I		
Notes to the Accounts	II		

As per our Report annexed and referred to in the Notes to the Accounts

For S. S. KOTHARI & CO.,

Chartered Accountants

Firm Registration No. 302034E

R. K. ROY CHAUDHURY

Partner

Membership No. 008816

Place : Kolkata

Dated : The 30th day of May, 2016

For and on behalf of the Board of Directors

ARUNA DHANUKA *Vice Chairman &
Managing Director*

RAJEEV RUNGTA *Director*

H. P. BHUWANIA *Chief Financial Officer*

A. K. SARKAR *Company Secretary*

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

(₹ in lacs)

Particulars	For the year ended 31-03-2016	For the year ended 31-03-2015
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) Before Tax	223.84	1,070.21
Adjustments for :		
Depreciation	25.55	38.25
Fringe Benefit Tax Refund Receivable	—	0.01
Securities Transaction Tax on Investments	3.58	9.65
(Profit) / Loss on Sale of Investments	(406.62)	(1,026.00)
Interest Paid	5.62	11.23
	<u>(371.87)</u>	<u>(966.86)</u>
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES :	<u>(148.03)</u>	<u>103.35</u>
Adjustment for (increase)/decrease in Operating Assets		
Inventories	(334.01)	(831.60)
Trade Receivable	—	137.12
Short Term Loans & Advances	(0.23)	(0.09)
Long Term Loans & Advances	(3.94)	1.10
Other Current Assets	0.82	(6.95)
	<u>(337.36)</u>	<u>(700.42)</u>
	(485.39)	(597.07)
Adjustment for increase/(decrease) in Operating Liabilities		
Trade Payable	—	(103.97)
Other Current Liabilities	(7.94)	7.88
Long Term Provision	1.77	1.18
Short Term Provision	(2.34)	1.79
	<u>(8.51)</u>	<u>(93.12)</u>
	(493.90)	(690.19)
CASH FROM OPERATING ACTIVITIES		
Direct Tax (Paid) / Received	(13.08)	(180.45)
Interest Paid	(5.62)	(11.23)
	<u>(18.70)</u>	<u>(191.68)</u>
Net Cash Flow from Operating Activities (A)	<u>(512.60)</u>	<u>(881.87)</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	—	(0.59)
Advance for Flat	(54.96)	(115.63)
Purchase of Non-Current Investments	(1,602.62)	(6,326.27)
Purchase of Current Investments	(1,818.00)	(2,182.50)
Sale of Non-Current Investments	2,171.40	7,100.17
Sale of Current Investments	1,831.87	2,567.75
Securities Transaction Tax on Non-Current Investments	(3.58)	(9.65)
Net Cash Flow from Investing Activities (B)	<u>524.11</u>	<u>1,033.28</u>
(A+B)	<u>11.51</u>	<u>151.41</u>

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

(₹ in lacs)

Particulars	For the year ended 31-03-2016	For the year ended 31-03-2015
B. F.	11.51	151.41
C. CASH FLOW FROM FINANCING ACTIVITIES		
Auto Loan Refunded	(55.09)	(49.52)
Dividend Paid	(24.49)	(19.81)
Corporate Dividend Tax Paid	(5.09)	(3.40)
Net Cash Flow in Financial Activities (C)	<u>(84.67)</u>	<u>(72.73)</u>
Net Increase / (-) Decrease in Cash & Cash Equivalents (A + B + C)	(73.16)	78.68
Opening Balance of Cash & Cash Equivalents	108.54	29.86
Closing Balance of Cash & Cash Equivalents	<u>35.38</u>	<u>108.54</u>
Cash & Cash Equivalents Comprise :		
Balance with Scheduled Banks on Current Account	17.94	93.40
Cash in hand	5.02	5.00
Cheque in hand	1.77	—
Balance with Scheduled Banks on Dividend Account	10.65	10.14
	<u>35.38</u>	<u>108.54</u>

Notes :

- The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Accounting Standard-3 Cash Flow Statement issued by the Institute of Chartered Accountants of India.
- Previous year's figures have been re-arranged wherever considered necessary.

As per our Report attached to the Balance Sheet.

For S. S. KOTHARI & CO.,

Chartered Accountants

Firm Registration No. 302034E

R. K. ROY CHAUDHURY

Partner

Membership No. 008816

Place : Kolkata

Dated : The 30th day of May, 2016

For and on behalf of the Board of Directors

ARUNA DHANUKA *Vice Chairman &
Managing Director*RAJEEV RUNGTA *Director*H. P. BHUWANIA *Chief Financial Officer*A. K. SARKAR *Company Secretary*

Significant Accounting Policies and Notes attached to and forming part of the Balance Sheet as at 31st March, 2016 and Statement of Profit & Loss for the year ended on that date**I. Significant Accounting Policies****1. Basis of Accounting :**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2. Use of Estimates :

The financial statements are prepared in conformity with the Generally Accepted Accounting Principles (GAAP) in India. These principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

3. Investments :

Investments in Shares and Securities are classified as long term (non-current) investments without intention of short term trading and valued at cost reduced by a provision for any permanent diminution in value, if any. The expenses incurred in acquisition of shares, except security transaction tax, are added to cost of Investments. All other Investments are classified as current Investment. Investment classified as current investments has been valued at Cost or Net Realizable Value whichever is Lower.

4. Closing Stock :

Stock in Trade (Shares and Securities) at the end of the year has been valued at cost (FIFO) or Net Realizable Value whichever is Lower.

5. Fixed Assets :

Fixed Assets are stated at cost less accumulated depreciation. Cost includes cost of acquisition, taxes, incidental expenses relating to acquisition and installation and interest up to the date the asset is put to use. An impairment loss is recognised when applicable, when the carrying value of fixed assets exceeds the market value or value in use, whichever is higher.

Fixed Assets are depreciated on written down value method at the rates given in Schedule II to the Companies Act, 2013. Leasehold land is amortised over the effective period of lease.

6. Revenue Recognition :

Revenue / Income and cost / Expenditure are generally accounted for on accrual basis as they are earned or incurred, except in case of significant uncertainties.

7. Retirement Benefits :

The Company makes regular contribution to Provident Fund, Gratuity Fund and Superannuation Fund. Liability for Gratuity and Leave Encashment are accounted for on actuarial valuation basis valued as per Accounting Standard AS 15 (Revised). All employee benefits have been funded except leave encashment.

8. The provision against non performing assets and Income recognition has been made as per prudential norms of Reserve Bank of India.

II. NOTES ON ACCOUNTS :

	As at 31.03.2016	(₹ in lacs) As at 31.03.2015
1. SHARE CAPITAL		
Authorised		
25,00,000 (Previous year 25,00,000) Equity Shares of ₹ 10/- each.	<u>250.00</u>	<u>250.00</u>
Issued, Subscribed & Paid-up		
10,00,000 (Previous year 10,00,000) Equity Shares of ₹ 10/- each fully paid up.	<u>100.00</u>	<u>100.00</u>
	<u>100.00</u>	<u>100.00</u>

During the period of five years immediately preceding the date of the Balance Sheet the Company has not issued any shares for consideration other than cash.

Term / Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share held and dividend proposed by the Board of Directors subject to the approval of the shareholders in the Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be eligible to receive remaining assets of the Company after distribution of all preferential dues. The distribution will be in proportion to the number of equity shares held by the shareholders.

Reconciliation of the number of shares

Number of shares at the beginning of the year	10,00,000	10,00,000
Add : Shares issued during the year	Nil	Nil
Number of shares at the closing of the year	<u>10,00,000</u>	<u>10,00,000</u>

Details of more than 5% shares held by the shareholders

Name of the shareholders	No.	%	No.	%
1. M/s. Mint Investments Ltd.	332210	33.22%	332210	33.22%
2. Sri Chandra Kumar Dhanuka (Karta of HUF) as a Partner of a Firm	161130	16.11%	161130	16.11%
3. Smt. Aruna Dhanuka	78700	7.87%	78700	7.87%

II. NOTES ON ACCOUNTS : (Contd.)

	As at 31.03.2016	(₹ in lacs) As at 31.03.2015
2. RESERVES AND SURPLUS		
Capital Reserve		
As per last Account	14.61	14.61
	<u>14.61</u>	<u>14.61</u>
NBFC Reserve Fund		
As per last Account	1,260.73	1,083.65
Transferred from Profit & Loss Account	45.29	177.08
	<u>1,306.02</u>	<u>1,260.73</u>
General Reserve		
As per last Account	5,000.00	4,346.00
Add : Transferred from Profit & Loss Account	100.00	654.00
	<u>5,100.00</u>	<u>5,000.00</u>
Statement of Profit & Loss		
Profit for the year after tax	226.45	885.39
Balance at the beginning of the year	68.65	44.42
Transferred to NBFC Reserve Fund	(45.29)	(177.08)
Transferred to General Reserve	(100.00)	(654.00)
Proposed Dividend ₹ 2.50 per share (previous year ₹ 2.50)	(25.00)	(25.00)
Provision for Dividend Distribution Tax	(5.09)	(5.09)
Closing Balance in Statement of Profit and Loss	<u>119.72</u>	<u>68.65</u>
	<u>6,540.35</u>	<u>6,343.98</u>
3. Long-Term Borrowings		
Secured Loan		
Auto Finance Loan from a Bank	24.52	79.61
Secured by hypothecation of Vehicles financed Loan taken on 13-09-2011 and is repayable in 58 monthly instalments as fixed by bank.		
Out of which		
Less : Payable within twelve months shown as other current liabilities	24.52	55.09
	<u>—</u>	<u>24.52</u>
4. Long Term Provision		
Provision for Leave Encashment	3.25	1.48
	<u>3.25</u>	<u>1.48</u>

II. NOTES ON ACCOUNTS : (Contd.)

	As at 31.03.2016	(₹ in lacs) As at 31.03.2015
5. Other Current Liabilities		
Directors Commission Payable	1.00	1.00
Managing Director's Commission	—	8.24
TDS Payable	—	0.05
Other Liabilities	2.37	1.77
Unpaid Dividend	10.65	10.14
Auto Loan - Current maturity of long term debts	24.52	55.09
Interest Accrued but not due on Auto Loan	0.11	0.37
	38.65	76.66
6. Short Term Provisions		
Provision for Leave Encashment	5.11	5.55
Provision for Gratuity	—	1.90
Provision for Income Tax	185.00	280.00
Proposed Dividend	25.00	25.00
Tax on Proposed Dividend	5.09	5.09
	220.20	317.54

7. Fixed Assets

Tangible Assets

Particulars	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK	
	As at 01.04.15	Addition during the year	Deduction/ Adjustment	As on 31.03.16	Upto 01.04.15	Added Current year	Less Adjustments	Total as at 31.03.16	As at 31.03.16	As at 31.03.15
Leasehold Land**	20.04	—	—	20.04	1.21	0.24	—	1.45	18.59	18.83
Furniture	1.75	—	—	1.75	1.49	0.08	—	1.57	0.18	0.26
Computer	0.59	—	—	0.59	0.03	0.35	—	0.38	0.21	0.56
Motor Vehicle*	261.50	—	—	261.50	188.93	24.88	—	213.81	47.69	72.58
Grand Total	283.88	—	—	283.88	191.65	25.55	—	217.21	66.67	92.23
<i>Previous year</i>	<i>283.29</i>	<i>0.59</i>	<i>—</i>	<i>283.88</i>	<i>153.40</i>	<i>38.25</i>	<i>—</i>	<i>191.65</i>	<i>92.23</i>	

** Amortisation

* Includes ₹ 253.35 lacs acquired on installment system

II. NOTES ON ACCOUNTS : (Contd.)

8A. Non Current Investments

(Long Term Investments)

Investment in Shares & Securities (at Cost)

Trade - Quoted, Fully Paid up

(₹ in lacs)

	Face Value	Numbers	As at 31.03.2016	Numbers	As at 31.03.2015
	₹				
Bajaj Finserv Ltd.	5	23100	273.13	22440	234.28
Bayer Cropscience Ltd.	10	3000	106.65	20006	392.66
Britannia Industries Ltd.	2	7300	149.21	9100	183.20
Care Rating Ltd.	10	—	—	8250	128.51
Crompton Greaves Ltd.	2	—	—	32750	59.96
Divi's Laboratories Ltd.	2	13860	149.69	—	—
HDFC Bank Ltd.	2	—	—	21410	231.17
Infosys Ltd. (Bonus)	5	1400	—	4325	—
Kotak Mahindra Bank Ltd.	5	18260	125.78	—	—
Kaveri Seeds Ltd.	2	—	—	26843	172.02
Merck Ltd.	10	—	—	23543	150.90
Monsanto India Ltd.	10	—	—	3240	83.69
Motherson Sumi Systems Ltd. (Incl. Bonus 118768)	1	159475	111.74	90700	50.25
PVR Ltd.	10	25800	218.36	9400	58.48
Schneider Electric Infrastructure Ltd.	2	85675	151.56	—	—
Suven Life Sciences Ltd.	1	50000	135.06	34425	100.21
Torrent Cables Ltd.	10	—	—	50607	72.49
Torrent Pharmaceuticals Ltd. (Bonus)	5	40000	—	42342	—
Torrent Power Ltd.	10	175834	276.76	113440	182.89
Ultratech Cement Ltd.	10	13066	359.38	9785	263.54
United Spirits Ltd.	10	10460	280.08	7210	169.16
			<u>2337.40</u>		<u>2,533.41</u>
Other than Trade - Unquoted, Fully Paid up					
Mira Estates (P) Ltd.	10	1100000	110.00	875000	87.50
			<u>110.00</u>		<u>87.50</u>
Trade - Associates - Quoted, Fully Paid up					
Dhunseri Investments Ltd.	10	1316476	448.76	1066476	248.76
Plenty Valley Intra Ltd. (Merged with Dhunseri Investments Ltd.)	10	—	—	2000000	200.00
			<u>448.76</u>		<u>448.76</u>
Other than Trade - Group Quoted, Fully Paid up					
Dhunseri Petrochem Ltd.	10	3078759	1495.94	3078759	1,495.94
Dhunseri Tea & Industries Ltd.	10	615751	348.62	615751	348.62
			<u>1844.56</u>		<u>1844.56</u>
Unquoted, Fully Paid up					
Madhuting Tea (P) Ltd.	10	130000	78.02	130000	78.02
			<u>78.02</u>		<u>78.02</u>
Total			<u>4818.74</u>		<u>4,992.25</u>
Aggregate of Quoted non Current Investments					
Cost			4630.72		4,826.73
Market Value			9135.19		8,159.99
Aggregate of Un-quoted Investments (Book Value)			188.02		165.52

II. NOTES ON ACCOUNTS : (Contd.)

8B. Current Investments

Fully Paid-up Mutual

Fund Units-Unquoted

(₹ in lacs)

	As at 31-03-2016		As at 31-03-2015	
	Nos.		Nos.	
HDFC Liquid Fund Growth	—	—	5157.53	1.37
SBI Premier Liquid Fund	—	—	571.38	12.30
ICICI Prudential Liquid Regular Plan	6260.00	14.00	1388.71	2.85
		14.00		16.52
Repurchase value of units		14.01		16.84

9. Deferred Tax Assets (Net)

Deferred Tax Assets for the year ₹ 1.30 has been recognised in the Profit & Loss Account. Deferred Tax Assets are attributable to the following items :-

Assets	As at 31-03-2016	As at 31-03-2015	Adjustments
Depreciation	5.76	6.69	(0.93)
Others	2.58	0.35	2.23
	8.34	7.04	1.30

10A. Long Term Loans and Advances

(Unsecured, considered good)

(Recoverable in cash or kind or value to be received or pending adjustments, if any)

	As at 31.03.2016	As at 31.03.2015
Advance for purchase of Flat	427.41	372.45
Security Deposit	20.99	17.36
Income Tax refund receivable	3.00	0.01
Staff Advance	0.89	0.58
	452.29	390.40

10B. Short Term Loans and Advances

(Unsecured, considered good)

(Recoverable in cash or kind or value to be received or pending adjustments, if any)

Prepaid Expenses	4.13	4.23
Staff & Other Advance	1.18	0.85
Advance - Income Tax	187.80	270.04
Tax deducted at source	7.25	8.60
	200.36	283.72

II. NOTES ON ACCOUNTS : (Contd.)

11. Inventories

Stock of Shares & Securities

(At cost or market price whichever is lower)

Fully paid up Equity Shares Quoted

	Face Value	Numbers	As at 31.03.2016	Numbers	(₹ in lacs) As at 31.03.2015
	₹				
Apcotex Industries Ltd.	5	80,274	171.71	39558	181.73
Arvind Ltd.	10	—	—	88175	231.02
Axis Bank Ltd.	2	45,720	203.07	4300	24.10
Dalmia Bharat Ltd.	2	11,000	80.01	—	—
Force Motors Ltd.	10	6,065	168.83	—	—
Havell's India Ltd.	1	—	—	9200	24.92
IDFC Ltd.	10	—	—	1,38,000	208.75
IDFC Bank Ltd.	10	2,75,900	132.98	—	—
Natco Pharma Ltd.	10	41,900	172.92	—	—
Network 18 Media & Investments Ltd.	5	—	—	113728	56.86
Reliance Infrastructure Ltd.	10	25,600	102.64	—	—
Sun Pharma Advanced Research Co. Ltd.	1	—	—	10100	19.94
SRF Ltd.	10	6,960	89.89	—	—
Suzion Energy Ltd.	2	7,17,300	101.86	—	—
Tata Motors Ltd.	2	—	—	42100	219.14
Take Solution Ltd.	1	53,900	76.56	—	—
			<u>1,300.47</u>		<u>966.46</u>

As at 31.03.2016 As at 31.03.2015

12. Cash and Bank Balances

Balance with Scheduled Banks :

On Current Account	17.94	93.40
On Unpaid Dividend Account	10.65	10.14
Cheque-in-Hand (P.Y. ₹ 110)	1.77	—
Cash in Hand	5.02	5.00
	<u>35.38</u>	<u>108.54</u>

13. Other Current Assets

Interest Receivable	0.08	0.08
Rent on Commercial Vehicles Receivable	6.12	6.24
Dividend Receivable	—	0.70
	<u>6.20</u>	<u>7.02</u>

II. NOTES ON ACCOUNTS : (Contd.)

(₹ in lacs)

	For the year ended 31st March, 2016	For the year ended 31st March, 2015
14. Revenue from Operation		
Sales of Shares & Securities	1,054.45	802.33
Rent on Commercial Vehicles	73.41	73.41
Dividend Received	249.56	186.51
Profit (Loss) on sale of Investments (Net)	406.62	1,026.00
Share Difference	(0.01)	2.28
	1,784.03	2,090.53
15. Other Income		
Rent received (Tax deducted at source ₹ 2.91 Lacs previous year ₹ 2.84 Lacs)	29.98	29.25
Miscellaneous receipts	0.03	0.01
Unclaimed Liability Written back	—	0.13
Interest received on Security Deposit (Tax deducted at source Re. 0.01 Lacs; previous year Re. 0.01 Lacs)	0.09	0.09
Interest on Income Tax Refund	0.14	—
	30.24	29.48
16. Changes in Inventories of Stock in Trade		
Opening stock of shares & securities	966.46	134.86
Closing stock of shares & securities	1,300.47	966.46
	(334.01)	(831.60)
17. Employees Benefit Expenses		
Salary	23.88	23.40
Bonus	1.59	1.70
Gratuity	2.30	1.90
Leave Payment	1.68	3.78
Staff Welfare Expenses	4.48	3.16
Staff Insurance	2.10	1.49
Contribution to Provident & Other Fund	6.00	4.91
Managing Director's Remuneration	26.25	18.00
Managing Director's Commission	—	8.24
	68.28	66.58

II. NOTES ON ACCOUNTS : (Contd.)

(₹ in lacs)

	For the year ended 31st March, 2016	For the year ended 31st March, 2015
18. Finance Costs		
Interest paid for Auto Loan	5.62	11.23
Interest - Others	0.02	—
	5.64	11.23
19. Depreciation & Amortisation Expenses		
Depreciation & Amortisation Expenses on Fixed Asset	25.55	38.25
	25.55	38.25
20. Other Expenses		
Security Transaction Tax on Trading	2.69	2.45
Security Transaction Tax on Investment	3.58	9.65
Security Transaction Tax on F & O	—	0.02
Directors' Commission	1.00	1.00
Audit Fees		
As Audit Fees	0.40	0.40
For Certification	0.30	0.15
For Service Tax	0.11	0.07
Repair & Maintenance of Trucks (Nos.-8)	7.50	14.34
Expenditure on CSR activities (Donation)	8.00	—
Demat Charges	0.80	2.13
Directors' Fees	0.79	0.70
Electric Charges	2.10	2.34
Hire Charges	0.43	0.43
Insurance Charges	1.90	2.22
Miscellaneous Expenses	12.50	12.29
Motor Car Running Expenses	3.28	2.69
Profession Charges	2.59	3.52
Fringe Benefit Tax Refund Receivable	—	0.01
Rates & Taxes	2.61	3.34
Licence Fees	2.28	2.25
Rent Paid	33.08	32.29
Service Tax Paid	0.27	0.18
Advance & Claims Written off	0.04	0.04
Travelling & Conveyance	18.87	19.10
	105.12	111.61

- 21.** The fall in the market price compared to cost of certain Non-Current Investments has not been recognised in the accounts since these are Long Term strategic Investments and decline in the market price at the year end does not represent permanent diminution in the value of investments.

II. NOTES ON ACCOUNTS : (Contd.)**22. Information of Stock of Shares & Securities :**

(₹ in lacs)

	31st March, 2016		31st March, 2015	
	Quantity Nos.	Value	Quantity Nos.	Value
Opening Stock	445161	966.46	557000	134.86
Purchase	1870212	1,719.85	1869951	1,653.73
Sales	1050694	1,054.45	1981790	802.33
Closing Stock	1264679	1,300.47	445161	966.46

23. Related party disclosures in accordance with the Accounting Standard (AS 18) issued by the Institute of Chartered Accountants of India.

A. Name of the Related Parties :

Related Parties	Relationship
M/s. Dhunseri Petrochem Ltd.	Group Company
M/s. Mint Investments Ltd.	Group Company
M/s. Trimplex Investments Ltd.	Group Company
M/s. Madhuting Tea Pvt. Ltd.	Group Company
M/s. Jatayu Estate Pvt. Ltd.	Group Company
M/s. Dhunseri Tea & Industries Ltd.	Group Company
M/s. Dhunseri Investments Ltd. (Merged with M/s. Plenty Valley Intra Ltd.)	Associate Company
M/s. Sewbhagwan & Sons	Firm over which directors are able to exercise significant influence)
Mr. Chandra Kumar Dhanuka (Chairman)	Relative of Key Management Personnel
Mr. Mrigank Dhanuka (Director)	Relative of Key Management Personnel
Mrs. Aruna Dhanuka (Vice Chairman & Managing Director)	Key Management Personnel
Mr. A. K. Sarkar (Company Secretary)	Key Management Personnel
Mr. H. P. Bhuwania (Chief Financial Officer)	Key Management Personnel

II. NOTES ON ACCOUNTS : (Contd.)**B. Information about transactions with Related Parties :** (₹ in lacs)

Nature of Transactions	2015-16	2014-15
A. Firm over which directors are able to exercise significant influence		
Sew Bhagan & Sons		
Reimbursement of Expenses Paid	—	3.35
B. Group Company		
Dhunseri Tea & Industries Ltd.		
Rent Received	29.77	29.15
Reimbursement of Staff Insurance Charges (Paid)	1.26	1.49
Trimplex Investments Limited		
Hire Charges (Paid)	0.43	0.43
License Fees (Paid)	2.28	2.25
Electric Charges (Paid)	1.03	1.47
C. Key Management Personnel		
Mrs. Aruna Dhanuka		
Remuneration	29.40	20.46
Sitting Fees - Paid	—	0.03
Director' Commission - Paid as Non-Executive Director	—	0.05
Mr. Chandra Kumar Dhanuka		
Sitting Fees - Paid	0.12	0.10
Director' Commission - Paid as Non-Executive Director	0.20	0.19
Mr. Mrigank Dhanuka		
Sitting Fees - Paid	0.08	0.10
Director' Commission - Paid as Non-Executive Director	0.20	0.19
Mr. H. P. Bhuwania (Chief Financial Officer)		
Remuneration	6.01	5.61
Mr. A. K. Sarkar (Company Secretary)		
Remuneration	4.16	1.50

II. NOTES ON ACCOUNTS : (Contd.)

(₹ in lacs)

24. Disclosure as per Accounting Standard 19 in respect of Leasehold Assets.

- a) The total of future minimum lease payments under non cancellable operating leases for each of the following periods :

- i) not later than one year
ii) later than one year and not later than five years
iii) later than five years

	2015-2016	2014-2015
i) not later than one year	33.08	33.08
ii) later than one year and not later than five years	138.96	136.43
iii) later than five years	4,889.29	4,924.89
b) The total of future minimum sublease payments expected to be received under non cancellable subleases at the balance sheet date	4,542.06	4,572.04
c) Lease payments recognised in the statement of profit and loss account for the period, with separate amounts for minimum lease payments and contingent rents.	33.08	32.29
d) Sub-lease payments received (or receivable) recognised in the statement of profit and loss for the year	29.98	29.15

- b) The total of future minimum sublease payments expected to be received under non cancellable subleases at the balance sheet date
- c) Lease payments recognised in the statement of profit and loss account for the period, with separate amounts for minimum lease payments and contingent rents.
- d) Sub-lease payments received (or receivable) recognised in the statement of profit and loss for the year

25. On the basis of the information available with the Company there are no suppliers registered under the Micro, Small, Medium Enterprises Development Act, 2006.

26. Expenditure & Investment in Foreign Currency

Particulars	2015-2016	2014-2015
Foreign Travel	2.16	10.74

27. Employee Benefits Obligation :

A. Defined Contribution Plans

Contribution for Defined Contribution Plan has been recognised as expenses in the Profit & Loss Account amounting to ₹ 6.00 lacs (previous year ₹ 4.02 lacs) and included in Schedule 17 under Contribution to Provident and other fund in the Profit & Loss Account.

B. Defined Benefit Plans

Gratuity :

The Company operates Gratuity plan (administered through fund trust and managed by Birla Sun Life Insurance Company Limited) wherein every employee is entitled to the benefit equivalent to 15 days salary last drawn for each completed year of service. The same is payable on retirement or termination of service. Liability with regard to the aforesaid Gratuity plan is determined by actuarial valuation based upon which Contributions are made to Birla Sun Life Insurance Company Limited and the gratuity fund under group gratuity scheme.

Leave Benefit :

Leave benefit comprises of leave balances accumulated by the employees which can be encashed any time during the tenure of service / retirement / death or exit. Liability for leave encashment is provided for based on actuarial valuation carried out annually at the year end.

II. NOTES ON ACCOUNTS : (Contd.)

Disclosure regarding Gratuity and Leave Encashment.

I. GRATUITY - Funded

(₹ in lacs)

	As at 31-03-2016	As at 31-03-2015
a) Expenses recognised in the Statement of Profit & Loss Account for the year ended 31st March, 2016		
Current Service Cost	2.03	1.54
Interest Cost	1.52	2.24
Expected return on Plan Assets	(1.67)	(2.52)
Net actuarial (gain) / loss recognised during the year	(0.61)	0.63
	1.27	1.90
b) Net (Asset) / Liability recognised in the Balance Sheet as at 31st March, 2016		
Present Value of Defined Benefit obligation	20.17	19.55
Fair Value of Plan Assets	22.05	20.80
	(1.88)	(1.25)
c) Actual return of Plan Assets		
Expected return on plan assets	1.67	2.52
Actuarial gain / (loss) on Plan Assets	(0.66)	1.79
	1.01	4.31
d) Change in Defined Benefit obligation during the year ended 31st March, 2016		
Present Value of Defined Benefit obligation as at 31-03-2015	19.55	24.89
Current Service Cost	2.03	1.54
Interest Cost	1.52	2.24
Benefits paid	(1.66)	(11.55)
Actuarial gain / (loss) on obligation	(1.27)	2.42
	20.17	19.55
e) Changes in fair value of Assets during the year ended 31st March, 2016		
Fair Value of plan assets	20.80	28.04
Expected return on Plan Assets	1.67	2.52
Contribution made	1.90	0.00
Benefits paid	(1.66)	(11.55)
Actuarial (gain) / loss on Plan Assets	(0.66)	1.79
	22.05	20.80

II. LEAVE ENCASHMENT - Unfunded

	As at 31-03-2016	As at 31-03-2015
a) Expenses recognised in the Statement of Profit & Loss Account for the year ended 31st March, 2016		
Current Service Cost	2.22	2.43
Interest Cost	0.55	0.53
Net actuarial (gain) / loss recognised during the year	(1.09)	0.81
	1.68	3.77

II. NOTES ON ACCOUNTS : (Contd.)

(₹ in lacs)

	As at 31-03-2016	As at 31-03-2014
b) Present value in Defined Benefit obligation as at 31st March, 2016		
Present Value of Defined Benefit obligation as at 31-03-2015	7.03	5.93
Current Service Cost	2.22	2.43
Interest Cost	0.55	0.53
Benefits paid	(0.35)	(2.68)
Actuarial (gain) / loss on obligation	(1.09)	0.81
	8.36	7.03

Actuarial Assumption

	Gratuity	Leave Encashment
Mortality Table	IALM 06-08	IALM 06-08
Discount rate	7.75%	7.75%
Inflation rate	5%	5%
Expected return on plan assets	8.00%	NA

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

The above information is certified by the actuary.

28. On the basis of assessment of its assets made by the Company value in use / carrying value, do not fall short of its expected realisable value. Therefore no provision is required to be made for impairment of its assets as required under AS 28.
29. Dividend Income Includes
- 1) ₹ 241.49 Lacs (previous year ₹ 185.93 Lacs) from Investment in Shares
 - 2) ₹ 8.08 Lacs (previous year ₹ 0.59 Lacs) from stock in Trade
30. Profit / (Loss) on sale of Investments includes :
- 1) Non Current Investments ₹ 395.27 Lacs (Previous year Profit ₹ 410.22 Lacs)
 - 2) Current Investments ₹ 11.35 Lacs (Previous year Profit ₹ 615.77 Lacs)
31. Earning per Share :

(₹ in lacs)

Particulars	As at 31-03-2016	As at 31-03-2015
Profit (Loss) after taxation as per Profit & Loss Account	226.45	885.39
Total Number of Equity Shares	10,00,000	10,00,000
Basic / diluted earning per share in rupees (Face value ₹ 10/- per share)	22.65	88.54

II. NOTES ON ACCOUNTS : (Contd.)

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

(₹ in lacs)

Liabilities Side

1. Loans and advances availed by the NBFC inclusive

of interest accrued thereon but not paid :

	<u>Amount Outstanding</u>	<u>Amount Overdue</u>
a) Debentures : Secured	NIL	NIL
Unsecured	NIL	NIL
(Other than falling within the meaning of public deposits)		
b) Deferred Credits	NIL	NIL
c) Term Loans	NIL	NIL
d) Inter-Corporate Loans & Borrowings	NIL	NIL
e) Commercial Paper	NIL	NIL
f) Other Loans - Auto Loan	24.63	NIL
	<u>Outstanding</u>	

Assets Side

2. Break-up of Loans and Advances including bills

receivables [other than those included in (4) below] :

a) Secured	NIL
b) Unsecured (Excluding payment of Advance Taxes ₹ 198.05 lacs)	454.68

3. Break-up of Leased Assets and Stock on

hire and other assets counting towards

Assets Finance Companies activities

- (i) Lease assets including lease rentals under sundry debtors :

(a) Financial lease	NIL
(b) Operating lease	24.71

- (ii) Stock on hire including hire charges under sundry debtors :

(a) Assets on hire	NIL
(b) Repossessed Assets	NIL

- (iii) Other loans counting towards AFC activities

(a) Loans where assets have been repossessed	NIL
(b) Loans other than (a) above	NIL

II. NOTES ON ACCOUNTS : (Contd.)

(₹ in lacs)

4. Break-up of Investments

Current Investments

1. Quoted

i) Shares	a) Equity (Inventories)	1,300.47
	b) Preference	NIL
ii) Debentures and Bonds		NIL
iii) Units of Mutual Funds		NIL
iv) Government Securities		NIL
v) Others (please specify)		NIL

2. Unquoted

i) Shares	a) Equity	NIL
	b) Preference	NIL
ii) Debentures and Bonds		NIL
iii) Units of Mutual Funds		14.00
iv) Government Securities		NIL
v) Others (please specify)		NIL

Long Term Investments

1. Quoted

i) Shares	a) Equity	4,630.72
	b) Preference	NIL
ii) Debentures and Bonds		NIL
iii) Units of Mutual Funds		NIL
iv) Government Securities		NIL
v) Others		NIL

2. Unquoted

i) Shares	a) Equity	188.02
	b) Preference	NIL
ii) Debentures and Bonds		NIL
iii) Units of Mutual Funds		NIL
iv) Government Securities		NIL
v) Others – Warrants		NIL

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

Category

	Amount net of provision		
	Secured	Unsecured	Total
1. Related Parties			
a) Subsidiaries	NIL	NIL	NIL
b) Companies in the same group	NIL	0.90	0.90
c) Other related parties	NIL	NIL	NIL
2. Other than related parties	NIL	478.49	478.49
Total	NIL	479.39	479.39

II. NOTES ON ACCOUNTS : (Contd.)

(₹ in lacs)

6. Investor group-wise classification of all Investments (current and long term) in Shares and Securities (both quoted and unquoted)

Category	Market Value/ Breakup or Fair Value or NAV	Book Value (Net of Provisions)
1. Related Parties		
a) Subsidiaries	NIL	NIL
b) Companies in the same group	5,769.42	2,371.34
c) Other related parties	NIL	NIL
2. Other than related parties	4,916.11	3,761.87
Total	10,685.53	6,133.21

7. Other Information

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

33. Estimated amount of contracts remaining to be executed on capital account ₹ 423.62 lacs (previous year ₹ 478.58 lacs).

34. Previous Year's figures have been re-grouped and re-arranged wherever considered necessary.

Signatories to Notes 1 to 34

As per our Report attached to the Balance Sheet.

For S. S. KOTHARI & CO.,
Chartered Accountants
Firm Registration No. 302034E
R. K. ROY CHAUDHURY
Partner
Membership No. 008816
Place : Kolkata
Dated : The 30th day of May, 2016

For and on behalf of the Board of Directors
ARUNA DHANUKA Vice Chairman &
Managing Director
RAJEEV RUNGTA Director
H. P. BHUWANIA Chief Financial Officer
A. K. SARKAR Company Secretary

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
NAGA DHUNSERI GROUP LIMITED**

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of Naga Dhunseri Group Limited ("hereinafter referred to as the Company") and its associates Dhunseri Investment Limited (referred to as "the Group"), comprising of the consolidated Balance Sheet as at March 31, 2016, 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 Board of Director of the Company and its associates 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 Board of Directors of the Company and its associates 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 judgments 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 Company, as aforesaid.

Auditors' 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.

INDEPENDENT AUDITORS' REPORT (Contd.)

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' judgment, 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 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. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the 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 Matters 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, 2016, 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 of the associates, whose financial statements reflect total assets of ₹ 281.02 crore as at March 31, 2016, total revenue of ₹ 32.34 crore, net loss of ₹ 61.68 crore and net cash flows amounting to ₹ 0.79 Crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements 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 this associate, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act insofar as it relates to the aforesaid associate, is based solely on the reports of such 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 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 Company, its associates included in the Group, 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 Company and the reports of the other auditors.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated

INDEPENDENT AUDITORS' REPORT (Contd.)

Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained by the Company & its associates included in the Group 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 Company as on 31st March, 2016 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its associates companies, none of the directors of the Group companies is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and its associate company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
- g. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company and its associate have no pending litigation as on 31st March, 2016.
 - ii. The company and its associates have made neither any long term contract nor any derivative contract.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its associates company during the year ended March 31, 2016.

21, Old Court House Street,
Kolkata-700 001
Dated : The 30th day of May, 2016

For S. S. KOTHARI & CO.,
Chartered Accountants
Firm Registration No. 302034E
R. K. ROY CHAUDHURY
Partner
Membership No. 008816

ANNEXURE - A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 10 (f) of the Independent Auditors' Report of even date to the members of Naga Dhunseri Group Limited on the standalone financial statements for the year ended March 31, 2016

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Naga Dhunseri Group Limited ("the Company") and its associates as of March 31, 2016 in connection with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Company and its associates company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing thereto prescribed under section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and such controls operated effectively in an material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.
5. We believe that the audit evidence we have obtained and audit evidence obtained by other auditors in terms of their reports referred to in other matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

ANNEXURE - A TO INDEPENDENT AUDITORS' REPORT (Contd.)

Meaning of Internal Financial Controls over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company and its associates have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

9. Our aforesaid reports u/s. 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial control over financial reporting in so far as relates to the associate company is based on the corresponding report of the auditor of such associate company. Our opinion is not qualified in respect of this matter.

21, Old Court House Street,
Kolkata-700 001
Dated : The 30th day of May, 2016

For S. S. KOTHARI & CO.,
Chartered Accountants
Firm Registration No. 302034E
R. K. ROY CHAUDHURY
Partner
Membership No. 008816

**CONSOLIDATED
BALANCE SHEET
as at 31st March, 2016**

	Note No.	(₹ in lacs) As at 31st March, 2016
I EQUITY AND LIABILITIES		
1. Shareholder's Funds		
(a) Share Capital	1	100.00
(b) Reserves and Surplus	2	8,705.72
2. Non-Current Liabilities		
(a) Long-Term Provisions	3	3.25
3. Current Liabilities		
(a) Other Current Liabilities	4	38.65
(b) Short-Term Provisions	5	220.20
		<u>9,067.82</u>
II. ASSETS		
1. Non-Current Assets		
(a) Fixed Assets		
(i) Tangible Assets	6	66.67
(b) Non-Current Investments	7A	6,984.11
(c) Deferred Tax Assets (Net)	8	8.34
(d) Long-Term Loans and Advances	9A	452.29
2. Current Assets		
(a) Current Investments	7B	14.00
(b) Inventories	10	1,300.47
(c) Cash and Bank Balances	11	35.38
(d) Short-Term Loans and Advances	9B	200.36
(e) Other Current Assets	12	6.20
		<u>9,067.82</u>
Significant Accounting Policies	I	
Notes to the Accounts	II	

As per our Report annexed and referred to in the Notes to the Accounts

For S. S. KOTHARI & CO.,
Chartered Accountants
Firm Registration No. 302034E
R. K. ROY CHAUDHURY
Partner
Membership No. 008816
Place : Kolkata
Dated : The 30th day of May, 2016

For and on behalf of the Board of Directors
ARUNA DHANUKA *Vice Chairman &
Managing Director*
RAJEEV RUNGTA *Director*
H. P. BHUWANIA *Chief Financial Officer*
A. K. SARKAR *Company Secretary*

CONSOLIDATED STATEMENT OF PROFIT AND LOSS
for the year ended 31st March, 2016

	Note No.	(₹ in lacs) For the year ended 31st March, 2016
I	13	1,784.03
II	14	30.24
III		<u>1,814.27</u>
IV		
		1,719.85
	15	(334.01)
	16	68.28
	17	5.64
	18	25.55
	19	105.12
		<u>1,590.43</u>
V		223.84
VI		—
VII		223.84
VIII		—
IX		223.84
X		
		—
		(1.30)
		(1.31)
XI		226.45
XII		(2,030.33)
XIII		(1,803.88)
XIV		
		(180.39)
		(180.39)
	I	
	II	

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

For S. S. KOTHARI & CO.,

Chartered Accountants

Firm Registration No. 302034E

R. K. ROY CHAUDHURY

Partner

Membership No. 008816

Place : Kolkata

Dated : The 30th day of May, 2016

For and on behalf of the Board of Directors

ARUNA DHANUKA *Vice Chairman &
Managing Director*

RAJEEV RUNGTA *Director*

H. P. BHUWANIA *Chief Financial Officer*

A. K. SARKAR *Company Secretary*

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

(₹ in lacs)

Particulars	For the year ended 31-03-2016	
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) before Tax		223.84
Adjustments for :		
Depreciation	25.55	
Securities Transaction Tax on Investments	3.58	
(Profit) / Loss on Sale of Investments	(406.62)	
Interest Paid	5.62	
	<u> </u>	(371.87)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES :		<u> </u> (148.03)
Adjustment for (increase)/decrease in Operating Assets		
Inventories	(334.01)	
Short Term Loans & Advances	(0.23)	
Long Term Loans & Advances	(3.94)	
Other Current Assets	0.82	
	<u> </u>	(337.36)
		(485.39)
Adjustment for increase / (decrease) in Operating Liabilities		
Other Current Liabilities	(7.94)	
Long Term Provision	1.77	
Short Term Provision	(2.34)	
	<u> </u>	(8.51)
		(493.90)
CASH FROM OPERATING ACTIVITIES		
Direct Tax (Paid) / Received	(13.08)	
Interest Paid	(5.62)	
	<u> </u>	(18.70)
Net Cash Flow from Operating Activities (A)		<u> </u> (512.60)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	—	
Advance for Flat	(54.96)	
Purchase of Non-Current Investments	(1,602.62)	
Purchase of Current Investments	(1,818.00)	
Sale of Non-Current Investments	2,171.40	
Sale of Current Investments	1,831.87	
Securities Transaction Tax on Non-Current Investments	(3.58)	
Net Cash Flow from Investing Activities (B)	<u> </u>	524.11
(A+B)		<u> </u> 11.51

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

(₹ in lacs)

Particulars	For the year ended 31-03-2016
B. F.	11.51
C. CASH FLOW FROM FINANCING ACTIVITIES	
Auto Loan Refunded	(55.09)
Dividend Paid	(24.49)
Corporate Dividend Tax Paid	(5.09)
Net Cash Flow in Financial Activities (C)	<u>(84.67)</u>
Net Increase / (-) Decrease in Cash & Cash Equivalents (A + B + C)	(73.16)
Opening Balance of Cash & Cash Equivalents	108.54
Closing Balance of Cash & Cash Equivalents	<u>35.38</u>
Cash & Cash Equivalents Comprise :	
Balance with Scheduled Banks on Current Account	17.94
Cash in hand	5.02
Cheque in hand	1.77
Balance with Scheduled Banks on Dividend Account	10.65
	<u>35.38</u>

Notes :

- The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Accounting Standard-3 Cash Flow Statement issued by the Institute of Chartered Accountants of India.
- Previous year's figures have been re-arranged wherever considered necessary.
- Consolidation of Associate has no impact on the Cash Flow Statement.

As per our Report attached to the Balance Sheet.

For S. S. KOTHARI & CO.,
Chartered Accountants
Firm Registration No. 302034E
R. K. ROY CHAUDHURY
Partner
Membership No. 008816
Place : Kolkata
Dated : The 30th day of May, 2016

For and on behalf of the Board of Directors
ARUNA DHANUKA Vice Chairman &
Managing Director
RAJEEV RUNGTA Director
H. P. BHUWANIA Chief Financial Officer
A. K. SARKAR Company Secretary

NOTES ANNEXED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS**l) Investment in Associate and Significant Accounting Policies Forming Part of the Consolidated Financial Statements For the Year Ended 31st March 2016****A. INVESTMENT IN ASSOCIATE**

The Consolidated Financial Statements of the Company pertain to Naga Dhunseri Group Limited (The Investor) and its Associate.

The Investment in Associate is shown below :

Name of the Companies	Category	Country of Incorporation	Proportion of Ownership Interest
			31.03.2016
Dhunseri Investments Limited	Associate	India	21.59%

B. Significant Accounting Policies**1. Basis of Accounting :**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2. Use of Estimates :

The financial statements are prepared in conformity with the Generally Accepted Accounting Principles (GAAP) in India. These principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

3. Investments :

Investments in Shares and Securities are classified as long term (non-current) investments without intention of short term trading and valued at cost reduced by a provision for any permanent diminution in value, if any. The expenses incurred in acquisition of shares, except security transaction tax, are added to cost of Investments. All other Investments are classified as current Investment. Investment classified as current investments has been valued at Cost or Net Realizable Value whichever is Lower.

4. Closing Stock :

Stock in Trade (Shares and Securities) at the end of the year has been valued at cost (FIFO) or Net Realizable Value whichever is Lower.

5. Fixed Assets :

Fixed Assets are stated at cost less accumulated depreciation. Cost includes cost of acquisition, taxes, incidental expenses relating to acquisition and installation and interest up to the date the asset is put to use. An impairment loss is recognised when applicable, when the carrying value of fixed assets exceeds the market value or value in use, whichever is higher. Fixed Assets are depreciated on written down value method at the rates given in Schedule II to the Companies Act, 2013. Leasehold land is amortised over the effective period of lease.

6. Revenue Recognition :

Revenue / Income and cost / Expenditure are generally accounted for on accrual basis as they are earned or incurred, except in case of significant uncertainties.

7. Retirement Benefits :

The Company makes regular contribution to Provident Fund, Gratuity Fund and Superannuation Fund. Liability for Gratuity and Leave Encashment are accounted for on actuarial valuation basis valued as per Accounting Standard AS 15 (Revised). All employee benefits have been funded except leave encashment.

8. The provision against non performing assets and Income recognition has been made as per prudential norms of Reserve Bank of India.

II. NOTES ON ACCOUNTS :(₹ in lacs)
As at
31.03.2016**1. Share Capital****a) Authorised**25,00,000 (Previous year 25,00,000) Equity Shares
of ₹ 10/- each.

250.00

Issued, Subscribed & Paid-up10,00,000 (Previous year 10,00,000) Equity Shares
of ₹ 10/- each fully paid up.

100.00

100.00

b) During the period of five years immediately preceding the date
of the Balance Sheet the Company has not issued any shares
for consideration other than cash.**c) Term / Rights attached to Equity Shares**The Company has only one class of equity shares having a par value of ₹ 10/-
per share. Each holder of equity share is entitled to one vote per share held and
dividend proposed by the Board of Directors subject to the approval of the
shareholders in the Annual General Meeting.In the event of liquidation of the Company, the holders of equity shares will be
eligible to receive remaining assets of the Company after distribution of all
preferential dues. The distribution will be in proportion to the number of equity
shares held by the shareholders.**Reconciliation of the number of shares**

Number of shares at the beginning of the year

10,00,000

Add : Shares issued during the year

Nil

Number of shares at the closing of the year

10,00,000

2. Reserves & Surplus**Capital Reserve**

14.61

NBFC Reserve

1,621.09

(₹315.07 Lacs on Account of Investment in Associate)

General Reserve

6,681.20

(₹1581.20 Lacs on Account of Investment in Associate)

Revaluation Reserve

2,176.33

(On Account of Investment in Associates)

Statement of Profit and Loss

191.75

(₹ 123.10 Lacs on Account of Investment in Associate)

Add : Net Profit after tax transferred from Statement of Profit and Loss

(1,803.88)

Less : Proposed Dividend (@ ₹ 2.50 per Share)

(25.00)

Dividend Distribution Tax

(5.09)

Transferred to NBFC Reserve Fund

(45.29)

Transferred to General Reserve

(100.00)

Balance in Statement of Profit and Loss

(1,787.51)

Total

8,705.72

3. Long Term Provisions

Provision for leave encashment

3.25

3.25

NOTES ANNEXED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(₹ in lacs)

As at

31.03.2016

4. Other Current Liabilities

Directors Commission Payable	1.00
Other Liabilities	2.37
Unpaid Dividend	10.65
Auto Loan - Current maturity of Long Term debts	24.52
Interest Accrued but not due on Auto Loan	0.11
	<u>38.65</u>

5. Short Term Provisions

Provision for Leave Encashment	5.11
Provision for Income Tax	185.00
Proposed Dividend	25.00
Tax on Proposed Dividend	5.09
	<u>220.20</u>

6. FIXED ASSETS

(₹ in lacs)

PARTICULARS	Gross Block				Depreciation				Net Block
	As at 01.04.15	Addition During the Year	Less Sale or Adjustment	Total as at 31.03.16	Upto 01.04.15	For the Year	Less Adjustment	Total as at 31.03.16	As at 31.03.16
Lease Hold Land	20.04	—	—	20.04	1.21	0.24	—	1.45	18.59
Furniture & Fixture	1.75	—	—	1.75	1.49	0.08	—	1.57	0.18
Computer Data System	0.59	—	—	0.59	0.03	0.35	—	0.38	0.21
Motor Vehicles	261.50	—	—	261.50	188.93	24.88	—	213.81	47.69
Total	283.88	—	—	283.88	191.65	25.55	—	217.21	66.67

7A. Non Current Investments

(₹ in lacs)

As at

31.03.2016

A) Investment in Equity Shares (Associate)	
Trade - Quoted, Fully Paid up	
i) Dhunseri Investments Ltd.	
Book Value of Investment	448.76
Add : Adjustment for Accumulated Share of Profit/(Loss)	1,197.38
Add : Adjustment for Current Year's Share of Profit/(Loss)	967.99
Total (A)	<u>2,614.13</u>
B) Investment in Equity Shares (Others)	
Trade - Quoted, Fully Paid up	4,181.96
Other than Trade - Unquoted, Fully Paid up	188.02
Total (B)	<u>4,369.98</u>
Total (A+B)	<u>6,984.11</u>
Market Value of Investments	
Quoted	9,135.19
Unquoted (Book Value)	188.02

NOTES ANNEXED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

	(₹ in lacs) As at 31.03.2016
7B. Current Investments	
Investments in Mutual Funds (Unquoted)	14.00
	<u>14.00</u>
8. Deferred Tax Assets (Net)	
Depreciation	5.76
Others	2.58
	<u>8.34</u>
9. Long Term Loans and Advances	
(Unsecured, considered good)	
Advance for Purchase of Flat	427.41
Security Deposit	20.99
Income Tax refund receivable	3.00
Staff Advance	0.89
	<u>452.29</u>
9B. Short Term Loans and Advances	
(Unsecured, considered good)	
Prepaid Expenses	4.13
Staff & Other Advance	1.18
Advance - Income Tax	187.80
Tax deducted at source	7.25
	<u>200.36</u>
10. Inventories	
Stock of Shares & Securities	1,300.47
	<u>1,300.47</u>
11. Cash and Bank Balances	
Balance with Scheduled Banks :	
On Current Account	17.94
On Unpaid Dividend Account	10.65
Cheque in Hand	1.77
Cash in Hand	5.02
	<u>35.38</u>
12. Other Current Assets	
Interest Receivable	0.08
Rent on Commercial Vehicles Receivable	6.12
	<u>6.20</u>

NOTES ANNEXED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

	(₹ in lacs)
	For the year ended 31st March, 2016
13. Revenue from Operation	
Sales of Shares & Securities	1,054.45
Rent on Commercial Vehicles	73.41
Dividend Received	249.56
Profit (Loss) on sale of Investment (Net)	406.62
Share difference	(0.01)
	<u>1,784.03</u>
14. Other Income	
Rent Received (Tax deducted at source ₹ 2.91 Lacs)	29.98
Miscellaneous Receipts	0.03
Interest Received on Security Deposit (Tax deducted at source ₹ 0.01 Lacs)	0.09
Interest on Income Tax Refund	0.14
	<u>30.24</u>
15. Changes in inventories of Stock in Trade	
Opening stock of Shares & Securities	966.46
Closing stock of Shares & Securities	1,300.47
	<u>(334.01)</u>
16. Employees Benefit Expenses	
Salary	23.88
Bonus	1.59
Gratuity	2.30
Leave Payment	1.68
Staff Welfare Expenses	4.48
Staff Insurance	2.10
Contribution to Provident & Other Fund	6.00
Managing Director's Remuneration	26.25
	<u>68.28</u>

NOTES ANNEXED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(₹ in lacs)

For the year
ended 31st
March, 2016

17. Finance Costs		
Interest paid for Auto Loan		5.62
Interest - Others		0.02
		5.64
18. Depreciation & Amortisation Expenses		
Depreciation & Amortisation Expenses on Fixed Asset		25.55
		25.55
19. Other Expenses		
Security transaction tax on Trading		2.69
Security transaction tax on Investment		3.58
Directors' Commission		1.00
Audit Fees		
As audit Fees	0.40	
For Certification	0.30	
For Service Tax	0.11	0.81
Repair & Maintenance of Trucks (Nos.-8)		7.50
Expenditure on CSR activities (Donation)		8.00
Demat Charges		0.80
Directors' Fees		0.79
Electric Charges		2.10
Hire Charges		0.43
Insurance Charges		1.90
Miscellaneous Expenses		12.50
Motor Car running Expenses		3.28
Profession Charges		2.59
Rates & Taxes		2.61
Licence Fees		2.28
Rent Paid		33.08
Service Tax Paid		0.27
Advance & Claims Written off		0.04
Travelling & Conveyance		18.87
		105.12

20. The fall in the market price compared to cost of certain Non-Current Investments has not been recognised in the accounts since these are long term strategic investments and decline in the market price at the year end does not represent permanent diminution in the value of investments.

NOTES ANNEXED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Contd.)**21. Information of Stock of Shares & Securities :**

(₹ in lacs)

	31st March, 2016	
	Quantity Nos.	Value
Opening Stock	445161	966.46
Purchase	1870212	1,719.85
Sales	1050694	1,054.45
Closing Stock	1264679	1,300.47

22. Related party disclosures in accordance with the Accounting Standard (AS 18) issued by the Institute of Chartered Accountants of India.

A. Name of the Related Parties :

Related Parties	Relationship
M/s. Dhunseri Petrochem Ltd.	Group Company
M/s. Mint Investments Ltd.	Group Company
M/s. Trimplex Investments Ltd.	Group Company
M/s. Madhuting Tea Pvt. Ltd.	Group Company
M/s. Jatayu Estate Pvt. Ltd.	Group Company
M/s. Dhunseri Tea & Industries Ltd.	Group Company
M/s. Sewbhagwan & Sons	Firm over which directors are able to exercise significant influence)
Mr. Chandra Kumar Dhanuka (Chairman)	Relative of Key Management Personnel
Mr. Mrigank Dhanuka (Director)	Relative of Key Management Personnel
Mrs. Aruna Dhanuka (Vice Chairman & Managing Director)	Key Management Personnel
Mr. A. K. Sarkar (Company Secretary)	Key Management Personnel
Mr. H. P. Bhuwania (Chief Financial Officer)	Key Management Personnel

NOTES ANNEXED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

B. Information about transactions with Related Parties :	(₹ in lacs)
Nature of Transactions	2015-16
A. Group Company	
Dhunseri Tea & Industries Ltd.	
Rent Received	29.77
Reimbursement of Staff Insurance Charge (Paid)	1.26
Triplex Investments Limited	
Hire Charges (Paid)	0.43
License Fees (Paid)	2.28
Electric Charges (Paid)	1.03
B. Key Management Personnel	
Mrs. Aruna Dhanuka	
Remuneration	29.40
Mr. Chandra Kumar Dhanuka	
Sitting Fees - Paid	0.12
Director' Commission - Paid as Non-Executive Director	0.20
Mr. Mrigank Dhanuka	
Sitting Fees - Paid	0.08
Director' Commission - Paid as Non-Executive Director	0.20
Mr. H. P. Bhuwania (Chief Financial Officer)	
Remuneration	6.01
Mr. A. K. Sarkar (Company Secretary)	
Remuneration	4.16

23. Disclosure as per Accounting Standard 19 in respect of Leasehold Assets.

- a) The total of future minimum lease payments under non cancellable operating leases for each of the following periods :

	2015-2016
	(₹ in lacs)
i) not later than one year	33.08
ii) later than one year and not later than five years	138.96
iii) later than five years	4,889.29
b) The total of future minimum sublease payments expected to be received under non cancellable subleases at the balance sheet date	4,542.06
c) Lease payments recognised in the statement of profit and loss account for the period, with separate amounts for minimum lease payments and contingent rents.	33.08
d) Sub-lease payments received (or receivable) recognised in the statement of profit and loss for the year	29.98

NOTES ANNEXED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

24. On the basis of the information available with the Company there are no suppliers registered under the Micro, Small, Medium Enterprises Development Act, 2006.

25. Employee Benefits Obligation :

A. Defined Contribution Plans

Contribution for Defined Contribution Plan has been recognised as expenses in the Profit & Loss Account amounting to ₹ 6.00 lacs (previous year ₹ 4.02 lacs) and included in Schedule 17 under Contribution to Provident and other fund in the Profit & Loss Account.

B. Defined Benefit Plans

Gratuity :

The Company operates gratuity plan (administered through fund trust and managed by Birla Sun Life Insurance Company Limited) wherein every employee is entitled to the benefit equivalent to 15 days salary last drawn for each completed year of service. The same is payable on retirement or termination of service. Liability with regard to the aforesaid Gratuity plan is determined by actuarial valuation based upon which contributions are made to Birla Sun Life Insurance Company Limited and the gratuity fund under group gratuity scheme.

Leave Benefit :

Leave benefit comprises of leave balances accumulated by the employees which can be encashed any time during the tenure of service / retirement / death or exit. Liability for leave encashment is provided for based on actuarial valuation carried out annually at the year end.

I. GRATUITY - Funded

(₹ in lacs)

	As at 31-03-2016
a) Expenses recognised in the Statement of Profit & Loss Account for the year ended 31st March, 2016	
Current Service Cost	2.03
Interest Cost	1.52
Expected return on Plan Assets	(1.67)
Net actuarial (gain) / loss recognised during the year	(0.61)
	1.27
b) Net (Asset) / Liability recognised in the Balance Sheet as at 31st March, 2016	
Present Value of Defined Benefit obligation	20.17
Fair Value of Plan Assets	22.05
	(1.88)
c) Actual return of Plan Assets	
Expected return on Plan Assets	1.67
Actuarial gain / (loss) on Plan Assets	(0.66)
	1.01

NOTES ANNEXED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(₹ in lacs)

d) Change in Defined Benefit obligation during the year ended 31st March, 2016	As at 31-03-2016
Present Value of Defined Benefit obligation as at 31-03-2015	19.55
Current Service Cost	2.03
Interest Cost	1.52
Benefits paid	(1.66)
Actuarial gain / (loss) on obligation	(1.27)
	20.17
e) Changes in Fair Value of Assets during the year ended 31st March, 2016	
Fair Value of Plan Assets	20.80
Expected return on Plan Assets	1.67
Contribution made	1.90
Benefits paid	(1.66)
Actuarial (gain) / loss on Plan Assets	(0.66)
	22.05

II. LEAVE ENCASHMENT - Unfunded

a) Expenses recognised in the Statement of Profit & Loss Account for the year ended 31st March, 2016	As at 31-03-2016
Current Service Cost	2.22
Interest Cost	0.55
Net actuarial (gain) / loss recognised during the year	(1.09)
	1.68
b) Present value in Defined Benefit obligation as at 31st March, 2016	
Present Value of Defined Benefit obligation as at 31-03-2015	7.03
Current Service Cost	2.22
Interest Cost	0.55
Benefits paid	(0.35)
Actuarial (gain) / loss on obligation	(1.09)
	8.36

Actuarial Assumption

	Gratuity	Leave Encashment
Mortality Table	IALM 06-08	IALM 06-08
Discount rate	7.75%	7.75%
Inflation rate	5%	5%
Expected return on plan assets	8.00%	NA

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

The above information is certified by the actuary.

NOTES ANNEXED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

26. On the basis of assessment of its assets made by the Company value in use / carrying value, do not fall short of its expected realisable value. Therefore no provision is required to be made for impairment of its assets as required under AS 28.

27. Earning per Share :

(₹ in lacs)

Particulars	As at 31-03-2016
Profit (Loss) after Tax as per Profit & Loss Account	(1,803.88)
Total Number of Equity Shares	10,00,000
Basic / diluted earning per share in (₹) (Face value ₹ 10/- per share)	(180.39)

28. Estimated amount of contracts remaining to be executed on capital account ₹ 423.62 lacs (previous year ₹ 478.58 lacs).

29. Summary Statement for its Associate of the Salient Features of their respective Financial Statements :

Name of the Entity	Year Ending	Share in Profit / (Loss)	
		As % of Consolidated Profit / (Loss)	Amount
1	2	3	4
Investor Entity			
Naga Dhunseri Group Limited	31.03.2016	(12.55%)	226.45
Associate			
Dhunseri Investments Limited	31.03.2016	112.55%	(2,030.33)
Total		100.00%	(1,803.88)

30. Disclosure for Investment in Associate - Accounting Standard 23

Capital Reserve of ₹ 3,484.29 Lacs in Dhunseri Investments Limited has arisen on account of investment upto balance sheet date.

31. The reporting dates of the Financial Statements of Investing Company and its Associate are not different.

32. This being the first year of Consolidation of Accounts of Associate, Previous Year figures have not been consolidated.

Signatories to Notes 1 to 32

As per our Report attached to the Balance Sheet.

For S. S. KOTHARI & CO.,
Chartered Accountants
Firm Registration No. 302034E
R. K. ROY CHAUDHURY
Partner
Membership No. 008816
Place : Kolkata
Dated : The 30th day of May, 2016

For and on behalf of the Board of Directors
ARUNA DHANUKA Vice Chairman &
Managing Director
RAJEEV RUNGTA Director
H. P. BHUWANIA Chief Financial Officer
A. K. SARKAR Company Secretary