

DIRECTORS :

C. K. Dhanuka, Chairman
I. K. Kejriwal
G. R. Goenka
N. G. Khaitan
Aruna Dhanuka
Rajeev Rungta
Mrigank Dhanuka

CFO & COMPLIANCE OFFICER :

H. P. Bhuwania

BANKERS :

State Bank of India
La Martiniere Branch
Kolkata

HDFC Bank
Central Plaza Branch
Kolkata

AUDITORS :

S. S. Kothari & Co.
Chartered Accountants

REGISTERED OFFICE :

DHUNSERI HOUSE
4A, WOODBURN PARK,
KOLKATA - 700 020
Phone : (033) 2280-1950 (5 Lines)
Fax : (033) 2287 8995

**REGISTRARS & SHARE
TRANSFER AGENTS :**

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

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NOTICE

NOTICE is hereby given that the 94th Annual General Meeting of Naga Dhunseri Group Limited will be held on Monday, the 13th August, 2012 at 3.00 P.M. at "Kala Kunj", Sangit Kala Mandir Trust, 48, Shakespeare Sarani, Kolkata - 700 017 to transact the following business :-

Ordinary Business :

1. To receive and adopt the Directors' Report and Audited Accounts for the year ended 31st March, 2012 together with the Auditors' Report thereon.
2. To declare dividend.
3. To appoint a Director in place of Sri G. R. Goenka who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Sri Mrigank Dhanuka who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint Messrs S. S. Kothari & Co., Chartered Accountants, the Auditors of the Company to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting and to authorize the Board to fix their remuneration.

Registered Office :
Dhunseri House
4A, Woodburn Park,
Kolkata-700 020
Dated, The 24th day of May, 2012

By Order of the Board
ARUNA DHANUKA
Director

NOTES

1. **The Register of Members of the Company will remain closed from Friday, 3rd August, 2012 to Monday, 13th August, 2012 (both days inclusive).**
2. A Member entitled to attend and vote at the meeting is entitled to appoint a Proxy and such Proxy need not be a member of the Company. Proxies, in order to be effective, must be received by the Company not less than 48 hours before the meeting.

3. Nomination facility is available to Shareholders on application to the Company or its Registrars.
4. Members holding shares in physical forms are requested to notify change in their addresses, bank particulars, if any, direct to the Company's Registrar and Share Transfer Agent (RTA), Messrs Maheshwari Datamatics Pvt. Ltd., 6, Mangoe Lane, Kolkata - 700 001 (Phone : 2243 5029, 2243 5809).
5. Members holding shares in Demat Form are requested to inform any change in their addresses, bank particulars etc. to their Depository Participants.
6. Members are requested to bring their copy of Annual Report to the meeting.
7. Dividend as recommended by the Board of Directors, if approved by the Members at the Annual General Meeting, will be payable to those members whose names stand registered in the Company's Register of Members as at the close of business on 13th August, 2012 after giving effect to all valid share transfers in physical form lodged with the Company before 3rd August, 2012. The dividend in respect of shares held in dematerialized form will be payable to the beneficial owners of the shares as at the end of business hours on 2nd August, 2012 as per the details furnished by the Depository for this purpose.
8. Under Section 205A of the Companies Act, 1956, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to Unpaid Dividend Account is required to be transferred to the Investor Education and Protection Fund of the Central Government and under Section 205C of the Companies Act, 1956, no claim shall lie against the Company or the said Fund, in respect of individual amount which remains unclaimed or unpaid for a period of seven years from the date of payment, and no payment shall be made in respect of any such claims.
9. In view of the above, members who have not encashed the dividend warrant(s) so far for any of the dividends declared earlier, i.e. dividend(s) for the year(s) subsequent to 2004 - 2005, are requested to make their claims immediately to the Company.
10. The shares of the Company are listed on The Calcutta Stock Exchange. Listing Fee has been paid to the Exchange upto 31st March, 2013.
11. Shareholders of erstwhile Chandramalai Estates Limited and Aryan Engineering Works Limited which were amalgamated with Bareilly Electricity Supply Co. Ltd. / Bareilly Holdings Ltd. which was again amalgamated with Naga Hills Tea Co. Ltd. (name since changed to Naga Dhunseri Group Ltd.) who have not yet surrendered their share scrips to the Company for exchange are requested to do so to enable the Company to forward its share scrips.
12. Details of Directors retiring by rotation and seeking re-appointment :-
This has been incorporated in the Report on Corporate Governance (In pursuance of Clause 49 of the Listing Agreement).

13. In terms of provisions of circular nos 17/2011 and 18/2011 dated 29th April, 2011 issued by the Ministry of Corporate Affairs ('MCA') the company will effect electronic delivery of all documents including the notice and explanatory statement of Annual General Meeting, audited financial statements, directors' report, auditors' report etc. in electronic form, to the email address which are previously registered with the Depository Participant (DP) as the shareholder's valid email address. The investors desirous of refreshing / updating their email addresses are requested to do so immediately, which will be periodically downloaded from NSDL / CDSL and will be deemed to be the shareholder's registered email address for serving notices / documents including those covered under Section 219 of the Companies Act, 1956.

Emails have been sent to available email addresses to enable investors to indicate their choice in case they desire to receive printed copies of documents / notices / annual reports. Shareholders holding shares in physical form desirous of availing electronic form of delivery of documents are requested to immediately update their email addresses with the Company's Registrar viz M/s. Maheshwari Datamatics Pvt. Ltd. by email to mdpldc@yahoo.com or mdpl@vsnl.com

The Notice of the AGM as well as the Annual Report for the Financial Year ended 31st March, 2012 will be despatched by post to the rest of the shareholders holding in physical form.

The Notice of AGM and the copies of audited financial statements, directors' report, auditors' report etc. will also be displayed on the Company's website www.nagadhunserigroup.com and the other requirements of the aforesaid MCA circulars will be duly complied with.

Registered Office :
Dhunseri House
4A, Woodburn Park,
Kolkata-700 020
Dated, The 24th day of May, 2012

By Order of the Board
ARUNA DHANUKA
Director

DIRECTORS' REPORT

Your Directors are pleased to submit the 94th Annual Report together with Audited Accounts for the year ended 31st March, 2012.

	For the year ended 31st March, 2012		For the year ended 31st March, 2011	
	Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. Lacs
FINANCIAL RESULTS				
Profit before Depreciation & Taxation		301.98		764.24
Add/Less : Depreciation	(0.93)		(1.24)	
Provision for Taxation				
Current Income Tax	(28.00)		(160.75)	
Deferred Tax Liability (Asset)	(0.14)		0.16	
		<u>(29.07)</u>		<u>(161.83)</u>
Profit after Taxation		272.91		602.41
Add : Balance brought forward from Previous year		33.25		24.66
Excess Provision for taxation written back		<u>30.74</u>		<u>—</u>
Available for appropriation		<u>336.90</u>		<u>627.07</u>
Appropriations				
Proposed Dividend @ Rs. 2/- per share (Previous year Rs. 2/- per share)		20.00		20.00
Dividend Tax on Proposed Dividend		3.24		3.32
Transferred to NBFC Reserve Fund		54.60		120.50
Transferred to General Reserve		200.00		450.00
Balance carried to Balance Sheet		<u>59.06</u>		<u>33.25</u>
		<u>336.90</u>		<u>627.07</u>

WORKING RESULTS

During the year ended 31st March, 2012 the Company's profit decreased significantly mainly because of unfavourable market condition. The Company's Profit After Tax during the year was Rs. 2,72,90,694/- as compared to profit of Rs. 6,02,41,281/- during the previous year.

DIVIDEND

Your Directors recommend a dividend @ Rs. 2/- per equity share (20%) for the financial year 2011-2012, i.e. same as in the previous year.

NBFC RESERVE FUND

A sum of Rs. 54,60,000/- was transferred to NBFC Reserve from the year's surplus. The total balance of this Fund stood at Rs. 9,65,00,000/- as on 31st March, 2012.

DIRECTORS' REPORT *(Contd.)*

GENERAL RESERVE

A sum of Rs. 2,00,00,000/- was transferred to General Reserve from the year's surplus. The total balance of accumulation in General Reserve stood at Rs. 39,00,00,000/- as on 31st March, 2012.

DIRECTORS

Sri G. R. Goenka and Sri Mrigank Dhanuka retire by rotation and being eligible offer themselves for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

In compliance with Section 217(2AA) of the Companies Act, 1956 as amended by the Companies (Amendment) Act, 2000, the Directors of your Company confirm :

that the applicable accounting standards have been followed in the preparation of final accounts and that there are no material departures ;

that such accounting policies have been selected and applied consistently and such judgements and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2012 and of the Profit of the Company for the year ended on that date ;

that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities ;

that the annual accounts have been prepared on a going concern basis.

PARTICULARS OF EMPLOYEES

During the year there was no employee drawing remuneration beyond the limit prescribed under Section 217(2A) of the Companies Act, 1956.

PARTICULARS OF CONSERVATION OF ENERGY, FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company, not being in manufacturing business, has hardly any activity relating to conservation of energy and technology absorption. There was no foreign exchange earnings and outgo during the year under report.

RBI DIRECTIVE TO NBFC

The Company did not invite or accept any deposit from the public during the year ended 31st March, 2012 nor has any intention to invite or accept any such deposit during the current financial year commencing on 1st April, 2012.

DIRECTORS' REPORT *(Contd.)*

CORPORATE GOVERNANCE REPORT

Report on Corporate Governance pursuant to Clause 49 of the Listing Agreement with The Calcutta Stock Exchange is annexed hereto and forms part of this Report.

AUDITORS' REPORT

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

AUDITORS

Messrs S. S. Kothari & Company, Chartered Accountants, the Auditors of the Company retire on the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. They have confirmed that their re-appointment, if made, will be in accordance with the limit laid down in Sub-Section (1B) of Section 224 of the Companies Act, 1956.

ACKNOWLEDGEMENT

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

Place : Kolkata
Dated : The 24th day of May, 2012

ARUNA DHANUKA
N. G. KHAITAN
RAJEEV RUNGTA
I. K. KEJRIWAL
G. R. GOENKA
MRIGANK DHANUKA

Directors

Note : Sri C. K. Dhanuka being out of India has not signed the Reports and Accounts.

ANNEXURE

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY

The Company is fully committed to practising sound corporate governance and upholding the highest standard of business in an efficient and transparent manner towards fulfilling the corporate objectives.

2. BOARD OF DIRECTORS

The Company's Board comprises of seven Directors, all non-executives. The Chairman Sri C. K. Dhanuka is Non-Executive Promoter Director. Two other Directors, Smt. Aruna Dhanuka and Sri Mrigank Dhanuka are related to the Chairman. The remaining four Directors are Independent and represent more than half the total strength of the Board. The operations of the Company are carried on under the superintendence and control of the Board of Directors. All the Directors are above the age of 21 years.

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 other Committee Membership**	Chairman**
1.	Sri C. K. Dhanuka	Non-Executive Chairman, Promoter	5	No	6	1	—
2.	Sri I. K. Kejriwal	Non-Executive, Independent	4	Yes	5	—	—
3.	Sri N. G. Khaitan	Non-Executive, Independent	5	Yes	9	8	1
4.	Smt. Aruna Dhanuka	Non-Executive, Promoter	5	Yes	4	—	—
5.	Sri Mrigank Dhanuka	Non-Executive, Promoter	3	No	4	—	—
6.	Sri Rajeev Rungta	Non-Executive, Independent	5	No	4	—	—
7.	Sri G. R. Goenka	Non-Executive, Independent	4	No	2	2	—

* Excludes Directorship in Private Limited Companies, Foreign Companies, Companies under Section 25 of the Companies Act, 1956 and Alternate Directorship.

** Only Audit Committee and Shareholders' / Investors' Grievance Committee have been considered.

Details of Board Meetings held during the year 2011-2012 are as under :-

Date of Meeting	Strength of the Board	Directors Present
30-04-2011	7	6
23-05-2011	7	5
10-08-2011	7	6
11-11-2011	7	7
03-02-2012	7	7

3. BRIEF RESUME OF DIRECTORS LIABLE TO RETIRE BY ROTATION AND ELIGIBLE TO BE RE-APPOINTED

a) Sri G. R. Goenka :

Sri Gobind Ram Goenka is a Master in Commerce and LLB. He has 47 years experience in finance and industry. Apart from Naga Dhunseri Limited he is presently Director of 2 Public Limited Companies and 9 Private Limited Companies.

Names of Public Limited Companies	Chairman / Director of other Companies	Chairman / Member of Committees of the Companies in which he is a Director	
		Chairman	Member
Hindustan Wires Ltd.	Director	—	1
Kashipore Holdings Ltd.	Director	—	1

Sri G. R. Goenka shall be retiring by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

Sri G. R. Goenka holds 690 equity shares of the Company in his own name as on 31st March, 2012. He does not hold any share of the Company on beneficial basis.

b) Sri Mrigank Dhanuka

Mrigank Dhanuka is B.Com (Hons). He is actively involved with various Associate Companies of the Group and has acquired considerable experience in day-to-day Administration of business. He is an Executive Director of Dhunseri Petrochem & Tea Limited and is on the Board of the following Public Limited Companies.

Names of Public Limited Companies	Chairman / Director of other Companies	Chairman / Member of Committees of the Companies in which he is a Director	
		Chairman	Member
Dhunseri Petrochem & Tea Ltd.	Executive Director	—	—
Dhunseri Investments Ltd.	Director	—	—
Mint Investments Limited	Director	—	—
Triplex Investments Limited	Director	—	—

Sri Mrigank Dhanuka shall be retiring by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

Sri Mrigank Dhanuka holds 80 equity shares of the paid-up Capital of the Company in his own name as on 31st March, 2012. He does not hold any share of the Company on beneficial basis.

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 Clause 49 of the Listing Agreement. All Board Members and Senior Management Personnel have affirmed compliance with the code on an annual basis.

5. AUDIT COMMITTEE

As on 31st March, 2012 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 two other members of the Committee.

The Committee met four times during the year and the time gap between two meetings was not more than four months. Details of Committee Meetings held during the year 2011-2012 are as under :-

Name of the Committee Member	23-05-2011	10-08-2011	11-11-2011	03-02-2012
Sri Rajeev Rungta	Yes	Yes	Yes	Yes
Sri I. K. Kejriwal	No	Yes	Yes	Yes
Sri G. R. Goenka	Yes	No	Yes	Yes

The Committee acts as a link between the management, 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 Clause 49 II(C) and (D) of the Stock Exchange Listing Agreement and, *inter alia*, includes :

1. Review with the Management and/or Statutory Auditors :
 - i) Company's financial statements and reports;
 - ii) Disclosure of Company's financial information to ensure that the same are correct, sufficient and credible;
 - iii) Changes/Improvements in Financial/Accounting practices;
 - iv) Adequacy of Internal Control Systems; and
 - v) Related party transaction, if any.
2. Hold discussion with :
 - i) Statutory Auditors, before and after audit on the scope and area of concern;
 - ii) Management before submission of financial statements to the Board.
3. Compliance with Accounting Standards, Legal requirements and Ethical Code.

6. DIRECTORS' REMUNERATION

Sitting Fees are paid to Non-Executive Directors for attending Board and Committee Meetings. The following table shows the sitting fees and Commission paid to the Directors during the year under report :

Sl. No.	Name	Board Meeting Sitting Fees Rs.	Committee Meeting Sitting Fees Rs.	Commission on Profit Rs.*	Total Rs.
1.	Sri C. K. Dhanuka	7,500	—	14,285	21,785
2.	Sri I. K. Kejriwal	6,000	4,500	14,286	24,786
3.	Sri N. G. Khaitan	7,500	—	14,286	21,786
4.	Sri Mrigank Dhanuka	4,500	—	14,285	18,785
5.	Smt. Aruna Dhanuka	7,500	—	14,286	21,786
6.	Sri Rajeev Rungta	7,500	6,000	14,286	27,786
7.	Sri G. R. Goenka	6,000	4,500	14,286	24,786
		46,500	15,000	1,00,000	1,61,500

* Commission is payable for the year ended 31st March, 2012 subject to approval of the Accounts at the ensuing Annual General Meeting.

Shares/Convertible Instruments held by the Directors as on 31st March, 2012 :

Name of the Non-Executive Director	No. of Shares of the Company	Convertible Instruments
Sri C. K. Dhanuka	48,400	Nil
Sri I. K. Kejriwal	644	Nil
Sri N. G. Khaitan	Nil	Nil
Sri Mrigank Dhanuka	80	Nil
Smt. Aruna Dhanuka	78,700	Nil
Sri Rajeev Rungta	Nil	Nil
Sri G. R. Goenka	690	Nil

The Company does not have any Stock Option Scheme.

7. REMUNERATION COMMITTEE

At a board meeting of the Company held on 28-01-2009 the Board decided to constitute the Remuneration Committee of the Company with Independent and Non-Executive Directors. Sri I. K. Kejriwal was nominated the Chairman of the Committee and Sri Rajeev Rungta and Sri G. R. Goenka were the other two members. Sri H. P. Bhuvania, CFO was nominated Secretary to the Committee. No Meeting of the Committee was required to be held during the year.

8. SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE

The present Shareholders' / Investors' Grievance Committee comprises of 3 Directors, all are Independent and Non-Executive Directors. Sri Indra Kishore Kejriwal is the Chairman and the other two members of the Committee are Sri Rajeev Rungta and Sri G. R. Goenka.

The Committee met 8 times during the year under review on 16th May, 2011, 30th May, 2011, 30th September, 2011, 15th November, 2011, 15th December, 2011, 30th January, 2012, 29th February, 2012 and 30th March, 2012. 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, 2012.

Shares received for transfer are processed fortnightly, approved by the Committee and ratified at the following Board Meeting.

Serious grievances, as and when received, are placed before the Committee. There were no pending investor complaints as on the date of this report.

Pursuant to new clause 47(f) of the Listing Agreement the Company has opened email ID nagadhunseri@gmail.com for Grievance Redressal purpose where complaint can be lodged by the Shareholders.

9. SHARE TRANSFER SYSTEM

The Company's shares are traded in the Calcutta Stock Exchange in demat mode. During the year 13 Share Transfer cases comprising of 661 Equity Shares were received for physical transfer. Total number of shares dematerialized during the year ended on 31st March, 2012 were 477202. The Company did not receive any complaint from any shareholder during the year and no complaint was pending as on 31-03-2012.

10. COMPLIANCE OFFICER - Sri H. P. Bhuwania, Chief Financial Officer

Address : Dhunseri House
4A, Woodburn Park, 3rd Floor
Kolkata-700 020

Phone : (033) 2280 1950-1954

Fax : (033) 2287 8995

Email : nagadhunseri@gmail.com

11. MANAGEMENT DISCUSSION AND ANALYSIS

Industry Trend and Development

The Company being a small sized NBFC engaged mainly in investment business, the Country's economic and fiscal policies primarily guide its business. During the year under review due to various reasons the industrial and economic environment are far from congenial resulting in volatile market condition. The economic crisis in European and other countries have added to the woes of the Indian Stock Market.

Despite these negative market conditions the Management has been making endeavors to keep the Company afloat by keeping itself constantly vigilant on Investment Portfolio.

Opportunities and Threats

The opportunities of an investment company in the current economic environment are very limited but the threats are plenty. The Management has to keep constant watch on the trend of market and shuffle its portfolio to make best use of available opportunities.

Risk and Concern

The Country's economy is being influenced by various derogatory factors, which have been further aggravated by global economic turmoil. The resultant unfavourable market conditions have been posing serious challenge to the Management.

Outlook

The Management has been constantly keeping itself vigilant of the changing market conditions and shuffling its investment portfolio to meet the challenge in order to derive maximum benefit. The extent of economic growth of the Country will depend on the fiscal and monetary policies of the Government of India and Reserve Bank of India. Under the present domestic and global economic situation the prospect of a bright outlook can hardly be projected but the Management has been constantly keeping itself vigilant to meet the challenge of fast changing economic scenario.

Internal Control System

The internal control system is adequate commensurate with the size of the Company and the management is constantly reviewing the system for achieving improved efficiency.

Cautionary Statement

Statements in this management discussion and analysis describing the Company's objectives and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downtrend in the industry - global or domestic or both, significant changes in political and economic environment in India.

12. CEO/CFO CERTIFICATION

The Chairman, Sri C. K. Dhanuka (CEO) and Sri H. P. Bhuwania, Chief Financial Officer (CFO) have certified to the Board the particulars as stipulated vide Clause 49. V of the Listing Agreement.

The appointment of CFO has been duly made on the recommendation of the Audit Committee.

13. GENERAL BODY MEETINGS

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

Annual General Meeting (AGM) Year	Date	Time	Venue	Special Resolutions
2010-2011	10-08-2011	10.30 A.M.	Kala Kunj, Sangit Kala Mandir Trust, 48, Shakespeare Sarani Kolkata-700 017	None
2009-2010	03-09-2010	11.30 A.M.	Kala Kunj, Sangit Kala Mandir Trust, 48, Shakespeare Sarani Kolkata-700 017	None
2008-2009	03-09-2009	3.30 P.M.	Kala Kunj, Sangit Kala Mandir Trust, 48, Shakespeare Sarani Kolkata-700 017	One Special Resolution

Note : i) No resolution was required to be passed through Postal Ballot.
ii) No Extra-Ordinary General Meeting was held during the year under report.

14. DISCLOSURE

- i) The financial statements are prepared following the Accounting Standards and there are no deviation from it in general.
- ii) Disclosures on materially significant related party transactions, i.e., transactions of the Company of material nature, with its promoters, the Directors or the Management, their relatives, or subsidiaries etc. that may have potential conflict with the interests of the Company at large.
- 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.
- iv) Details of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authority or 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 and non-mandatory requirements of the revised Clause 49 of the Listing Agreement.

15. SUBSIDIARY COMPANY

The Company does not have any subsidiary company.

16. 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.

17. GENERAL SHAREHOLDER INFORMATION

a. Annual General Meeting

94th AGM to be held on Monday, 13th August, 2012 at 3.00 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 Friday, 3rd August, 2012 to Monday, 13th August, 2012 (both days inclusive). Due notice of Book Closure is sent to Calcutta Stock Exchange and published in news papers.

c. Financial calendar (Tentative)

Adoption of Quarterly / Annual Report	Adoption on or before
1st quarter ending 30th June, 2012	14th August, 2012
2nd quarter ending 30th September, 2012	14th November, 2012
3rd quarter ending 31st December, 2012	14th February, 2013
Year Ending 31st March, 2013	30th May, 2013

d. Registered Office :

Dhunseri House, 4A, Woodburn Park, Kolkata-700 020
Phone : (033) 2280 1950 (5 lines) Fax : (033) 2287 8995.

e. Listing of Equity Shares :

The Calcutta Stock Exchange (Stock Code No. 10024005)
7, Lyons Range, Kolkata-700 001

Annual Listing Fee has been paid upto the year ending on 31st March, 2013 to the Calcutta Stock Exchange.

f. Demat ISIN Number for NSDL & CDSL :

INE 756C01015

g. Stock Market Price data for the year 2011-2012

Month	Calcutta Stock Exchange	
	High	Low
April - 2011	—	—
May - 2011	—	—
June - 2011	—	—
July - 2011	—	—
August - 2011	—	—
September - 2011	—	—
October - 2011	—	—
November - 2011	—	—
December - 2011	—	—
January - 2012	—	—
February - 2012	—	—
March - 2012	—	—

There was no trading during the financial year under review. The last closing price of the share was Rs. 50/- as reported in writing by The Calcutta Stock Exchange Ltd.

h. Dividend Payment Date

- Dividend for the year 2010-2011, declared at the Annual General Meeting on 10th August, 2011 was paid on 24th August, 2011.
- Dividend for the year 2011-2012, if the Directors' Recommendation is 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.
- 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)

Messrs 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

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, 2012.

Category	No. of Members	Number of Shares	% of holding
Promoter & Promoter Group	11	7,29,138	72.91
Public Institutions	3	1,742	0.18
Non-Institutions			
Bodies Corporate	12	24,893	2.49
Indian Public	902	2,32,587	23.26
Non-Resident Individual	16	11,640	1.16
	944	10,00,000	100.00

I. Distribution of Shares as on 31st March, 2012

Share Holding	Shareholders' Number	Percentage of Shareholders	No. of Shares	Percentage of Shares
1 to 500	832	88.14	79892	7.99
501 to 1000	57	6.04	42705	4.27
1001 to 2000	26	2.75	35520	3.55
2001 to 3000	3	0.32	6924	0.69
3001 to 4000	8	0.85	27269	2.73
4001 to 5000	3	0.32	12884	1.29
5001 to 10000	7	0.74	43490	4.35
10001 and above	8	0.84	751316	75.13
Total	944	100.00	1000000	100.00

m. Summary report of Shareholding as on 31st March, 2012

Particulars	Shareholders		No. of Shares	% of Share Holding
	No.	%		
Physical	655	69.38	140340	14.03
NSDL	222	23.52	849757	84.98
CDSL	67	7.10	9903	0.99
Total	944	100.00	1000000	100.00

18. CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

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 24th day of May, 2012

ARUNA DHANUKA
N. G. KHAITAN
RAJEEV RUNGTA
I. K. KEJRIWAL
G. R. GOENKA
MRIGANK DHANUKA

Directors

NAGA DHUNSERI GROUP LIMITED

DECLARATION OF CHAIRMAN ON THE COMPANY'S CODE OF CONDUCT

In terms of Clause 49 of the Listing Agreement, 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, 2012.

Place : Kolkata

Dated : The 24th day of May, 2012

C. K. DHANUKA

Chairman

CERTIFICATE ON CORPORATE GOVERNANCE

TO

THE MEMBERS OF

NAGA DHUNSERI GROUP LIMITED

We have examined the compliance of conditions of Corporate Governance by **M/s. Naga Dhunseri Group Limited** for the year ended 31st March, 2012 as stipulated in Clause 49 of the Listing Agreement with the stock exchanges and as amended by the SEBI vide its Circular dated 9th October, 2004 and as implemented by the Company for the year under report.

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 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.

We have been explained that no investor grievance was pending for a period exceeding one month against the Company as per the records maintained by the Company as well as by the share transfer agent.

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

For A. K. LABH & CO.
Company Secretaries

A. K. LABH
Proprietor
CP - 3238

Place : Kolkata

Dated : The 24th day of May, 2012

COMPLIANCE CERTIFICATE

Registration No. of the Company : LO 1132 WB 1918 PLC 003029
Nominal Capital : Rs. 2.5 Crore

To
The Members,
NAGA DHUNSERI GROUP LIMITED
'Dhunseri House', 4A, Woodburn Park,
Kolkata-700 020

We have examined the registers, records, books and papers of M/s. NAGA DHUNSERI GROUP LIMITED, as required to be maintained under the Companies Act, 1956 (the Act) and the rules made thereunder and also provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2012. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year :

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this Certificate, as per provisions of the Act and the rules made thereunder and all entries have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this Certificate with Registrar of Companies, West Bengal, Kolkata within the time prescribed under the Act and the Rules made thereunder.
3. The Company, being a public limited company, comments are not required.
4. The Board of Directors duly met **5 (Five)** times respectively on 30th April, 2011, 23rd May, 2011, 10th August, 2011, 11th November, 2011 and 3rd February, 2012 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members from 3rd August, 2011 to 10th August, 2011 (both days inclusive) and necessary compliance of Section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended 31st March, 2011 was held on 10th August, 2011 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loans to its directors or persons or firms or companies referred to under Section 295 of the Act.
9. The Company has duly complied with the provisions of Section 297 of the Act in respect of contracts specified in that Section.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.

COMPLIANCE CERTIFICATE (Contd.)

11. As there were no instances falling within the purview of Section 314 of the Act, the Company was not required to obtain any approval from the Board of Directors, Members or Central Government.
12. The Company has not issued any duplicate share certificate during the financial year.
13. (i) The Company has delivered all the certificates on lodgment thereof for transfer in accordance with the provisions of the Act.
(ii) The Company has deposited the amount of dividend in a separate bank account on 13th August, 2011 which is within five days from the date of declaration of such dividend.
(iii) The Company has paid/posted warrants for dividends to all the members within a period of 30 (Thirty) days from the date of declaration and that all unclaimed/unpaid dividend has been transferred to Unpaid Dividend Account of the Company with HDFC Bank Limited, Central Plaza Branch, 2/6, Sarat Bose Road, Kolkata-700 020 on 16th September, 2011.
(iv) The Company has transferred the amounts of Rs. 59,534/- from unpaid dividend account for the year 2003-2004 which remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund on 4th January, 2012.
(v) The Company has duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment of additional directors, alternate directors and directors to fill casual vacancy during the financial year.
15. The Company has not appointed any Managing Director / Whole-time Director/Manager during the financial year.
16. The Company has not appointed any sole selling agent during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities prescribed under the various provisions of the Act during the financial year.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any shares during the financial year.
20. The Company has not bought back any shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.

COMPLIANCE CERTIFICATE (Contd.)

24. The Company has not made any borrowings within the purview of Section 293(1)(d) of the Act during the financial year ended 31st March, 2012.
25. The Company has made investments in other bodies corporate and Mutual Funds in compliance with the provisions of the Act and has made necessary entries in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one State to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the company during the year under scrutiny and complied with the provisions of the Act.
30. The Company has not altered its Articles of Association during the financial year.
31. There was no prosecution initiated against or show cause notices received by the company and no fines or penalties or any other punishment was imposed on the company during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has deposited both employee's and employer's contribution of Provident Fund with prescribed authorities pursuant to Section 418 of the Act.

For **K. C. DHANUKA & CO.**
Company Secretaries

Name of the
Company Secretary : K. C. DHANUKA
Proprietor
FCS : 2204
C. P. No. : 1247

Place : Kolkata
Dated : The 24th day of May, 2012

COMPLIANCE CERTIFICATE (Contd.)

ANNEXURE – 'A'

Registers as maintained by the Company

Statutory Registers

1. Register of Transfers u/s 108
2. Register of Members u/s 150
3. Minutes of Shareholders' Meetings u/s 193
4. Minutes of Board Meetings u/s 193
5. Books of Account u/s 209
6. Register of Contracts u/s 301
7. Register of Directors' etc. u/s 303
8. Register of Directors' Shareholdings u/s 307
9. Register of Investments u/s 372A
10. Register of Fixed Assets

ANNEXURE – 'B'

Forms and Return as filed by the Company with Registrar of Companies, West Bengal, Kolkata during the year ended 31st March, 2012.

Sl. No.	Form No./ Return	Filed under Section	Date of Filing	For
1.	Form No. 66 Compliance Certificate Date : 23-05-2011	383A	17-08-2011	For the financial year ended 31-03-2011.
2.	Form No. 23AC & 23ACA Balance Sheet etc. as on 31-03-2011	220	26-08-2011	For the financial year ended 31-03-2011.
3.	Form No. 20B Annual Return Date : 10-08-2011	159	20-09-2011	As on the date of AGM held on 10-08-2011.

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

1. We have audited the Balance Sheet of NAGA DHUNSERI GROUP LIMITED as at 31st March, 2012 and the related Statement of Profit and Loss and Cash Flow Statement for the year ended on that date annexed thereto, with the books of account maintained by the Company. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the accounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
3. In our opinion, proper books of account have been kept by the Company as required by law, so far as appears from our examination of those books.
4. The Balance Sheet and Statement of Profit and Loss and Cash Flow Statement comply with the accounting standards referred to in Sub-Section (3C) of Section 211 of the Companies Act, 1956.
5. According to information available no Director is disqualified from being appointed as Director under Section 274(1)(g) of the Companies Act, 1956 as amended.
6. Attention is drawn to note 21 regarding certain strategic investments in respect of which the shortfall in the value thereof has not been provided having regard to present market condition & future expectation.
7. In our opinion and to the best of our information and according to the explanations given to us the said account read with the Notes, Para 6 above and Accounting Policies give the information required by the Companies Act, 1956 in the manner so required and the Balance Sheet gives a true and fair view of the state of the Company's affairs as at 31st March, 2012, the Statement of Profit & Loss gives a true and fair view of the Profit for the year ended on that date and the Cash Flow Statement gives fair view of Cash Flows of the Company for the year ended on that date.

As required by the Companies (Auditor's Report) Order, 2003 and Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government in terms of Sub-Section (4A) of Section 227 of the Companies Act, 1956 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 further state on the matters specified in paragraphs 4 & 5 of the said order.

AUDITORS' REPORT *(Contd.)*

- i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) The fixed assets have been physically verified by the management at the year end and no discrepancies were noticed on such verification.
(c) No substantial part of Fixed Assets has been disposed of by the Company during the year.
- ii) (a) The Company is an Investment Company. The physical verification of its inventory of shares & securities is 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) The Company is maintaining proper records of its inventories.
(d) No discrepancies has been noticed on such physical verification.
- iii) (a) The Company has neither granted nor taken any loan secured or unsecured to/from Companies, firms or other parties covered in the Register maintained under Section 301 of the Act.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for purchase of Inventory and Fixed Assets, sale of goods (securities) & services. During the course of audit we have not observed any continuing failure to correct major weakness in the internal control.
- v) (a) In our opinion and according to the information and explanation given to us we are of the opinion that Particulars of Contracts or arrangement referred to in Section 301 have been entered in the register required to be maintained under the Section.
(b) In our opinion and according to the information and explanations given to us, there are no transactions made in pursuance of contracts or arrangements (exceeding the value of rupees five lakhs in respect of any party during the year.)
- vi) The Company has not accepted any deposit from the public within the meaning of Section 58A & 58AA of the Companies Act, 1956 and Companies Acceptance of Deposit rules 1975.
- vii) The Company does not have formal internal audit system as such, but its internal control procedures ensure reasonable internal checking of financial and other records by the executive of the company which, in our opinion, are adequate.
- viii) The Company is an Investment Company and therefore maintenance of the cost records prescribed by Central Government under clause (d) of Sub-Section (1) of Section 209 of the Act is not applicable to the Company.
- ix) (a) The Company is regular in depositing undisputed statutory dues including Provident Fund, Investors Education Protection Fund, Income Tax, Wealth Tax, Service Tax, and other material statutory dues applicable to it.
According to the information & explanations given to us no undisputed amounts payable in respect of Income Tax, Wealth Tax, Service Tax was in arrears as at 31st March, 2012 for a period of more than six months from the date these became payable.

AUDITORS' REPORT (Contd.)

- (b) According to the information & explanation given to us there are no dues of Income Tax, Wealth Tax, Service Tax which have not been deposited on account of dispute.
- x) The Company has no accumulated losses as at 31st March, 2012. It has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- xi) According to the records of the Company examined by us and the information and explanations given to us, there are no dues payable to any financial institutions or banks or debentureholders as at the balance sheet date.
- xii) The Company has not granted any loan and advance on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) The Company is an Investment Company and therefore Provision of any special statute applicable to chit fund / nidhi / mutual benefit fund / societies are not applicable to the Company.
- xiv) The Company has maintained proper records of transactions and contracts for shares and securities and timely entries have been made therein of the said transactions. All shares & other Investments are held by the Company in its own name.
- xv) In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from Banks or Financial Institutions during the year.
- xvi) According to the records of the Company examined by us and the information and explanations given to us, the Company has not taken any term loan during the year.
- xvii) On the basis of an overall examination of the Balance Sheet of the Company, in our opinion and according to the information and explanations given to us, we report that no funds have been raised on a short term basis.
- xviii) The Company has not issued any share during the year.
- xix) During the year Company has not issued debentures. However amount payable to the erstwhile debenture holders of the Company which had amalgamated long back with the Company stands credited to Capital Reserve and no securities have been created there-against.
- xx) The Company has not raised any money by public issues during the year.
- xxi) During the course of our examination of the books with the Company and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither noticed any instance of fraud on or by the Company, or have been reported during the year, nor have we been informed of such case by the management.

21, Old Court House Street,
Kolkata - 700 001
Dated : The 24th day of May, 2012

For S. S. KOTHARI & CO.,
Chartered Accountants
Registration No. 302034E
R. K. ROY CHAUDHURY
Partner
Membership No. 8816

NAGA DHUNSERI GROUP LIMITED

BALANCE SHEET
as at 31st March, 2012

	Note No.	As at 31st March, 2012 Rs.	(Rs. in lacs) As at 31st March, 2011 Rs.
I EQUITY AND LIABILITIES			
1. Shareholder's Fund			
(a) Share Capital	1	100.00	100.00
(b) Reserves and Surplus	2	4938.67	4658.28
2. Non-Current Liabilities			
(a) Long-term borrowings	3	173.65	—
(b) Long-term provisions	4	118.21	249.82
3. Current Liabilities			
(a) Other current liabilities	5	53.15	14.37
(b) Short-term provisions	6	26.44	23.62
		<u>5410.12</u>	<u>5046.09</u>
II. ASSETS			
1. Non-current Assets			
(a) Fixed Assets			
(i) Tangible Assets	7	270.78	22.48
(b) Non-current investments	8A	4595.48	4113.37
(c) Deferred tax assets (Net)	9	0.61	0.75
(d) Long-term loans and advances	10A	103.88	115.92
2. Current Assets			
(a) Current Investments	8B	29.67	—
(b) Inventories	11	302.07	613.77
(c) Cash and Cash equivalents	12	103.38	53.25
(d) Short-term loans and advances	10B	4.19	124.41
(e) Other Current Assets	13	0.06	2.14
		<u>5410.12</u>	<u>5046.09</u>
Significant Accounting Policies	I		
Notes to the Accounts	II		

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

For S. S. KOTHARI & CO.,

Chartered Accountants

R. K. ROY CHAUDHURY

Partner

Place : Kolkata

Dated : The 24th day of May, 2012

H. P. BHUWANIA

Chief Financial Officer

ARUNA DHANUKA

N. G. KHAITAN

RAJEEV RUNGTA

I. K. KEJRIWAL

G. R. GOENKA

MRIGANK DHANUKA

Directors

**STATEMENT OF PROFIT AND LOSS
for the year ended 31st March, 2012**

		(Rs. in lacs)		
		Note	For the year ended	For the year ended
		No.	31st March, 2012	31st March, 2011
			Rs.	Rs.
I	Revenue from operation	14	944.50	2416.74
II	Other Income	15	32.90	33.69
III	Total Revenue (I + II)		977.40	2450.43
IV	Expenses :			
	Purchase of stock-in-trade		337.53	2186.47
	Changes in inventories of stock-in-trade	16	311.70	(164.69)
	Employee benefits expense	17	31.38	24.66
	Finance costs		—	0.01
	Depreciation and amortisation expense	18	0.93	1.24
	Other expenses	19	51.57	57.51
	Total expenses		733.11	2105.20
V	Profit before exceptional and extraordinary items and tax (III - IV)		244.29	345.23
VI	Exceptional items		—	—
VII	Profit before extraordinary items and tax		244.29	345.23
VIII	Extraordinary items	20	56.76	417.77
IX	Profit before tax (VII + VIII)		301.05	763.00
X	Tax expenses :			
	(1) Current tax		28.00	160.75
	(2) Deferred tax		0.14	(0.16)
XI	Profit (Loss) for the year from continuing operations		272.91	602.41
XII	Profit (Loss) for the year from discontinuing operations		—	—
XIII	Tax expenses of discontinuing operation		—	—
XIV	Profit (Loss) for the year from discontinuing operations (after tax) (XII - XIII)		—	—
XV	Profit (Loss) for the year (XI + XIV)		272.91	602.41
XVI	Earning per equity share :			
	(1) Basic		27.29	60.24
	(2) Diluted		27.29	60.24
	Significant Accounting Policies	I		
	Notes to the Accounts	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

R. K. ROY CHAUDHURY

Partner

Place : Kolkata

Dated : The 24th day of May, 2012

H. P. BHUWANIA

Chief Financial Officer

ARUNA DHANUKA

N. G. KHAITAN

RAJEEV RUNGTA

I. K. KEJRIWAL

G. R. GOENKA

MRIGANK DHANUKA

Directors

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	For the year ended 31-03-2012		For the year ended 31-03-2011	
	Rs.	Rs.	Rs.	Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit (Loss) before Tax		301.05		763.00
Adjustments for :				
Depreciation	0.93		1.24	
Securities Transaction Tax on Investments	6.02		7.54	
Profit (Loss) on Sale of Investments	(8.27)		(136.23)	
Assets Written Off	—		0.27	
Profit on Sale of Immovable Properties	(56.76)		(417.77)	
Interest	—		0.01	
		<u>(58.08)</u>		<u>(544.94)</u>
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES:		242.97		218.06
Adjustment for (increase)/decrease in operating assets				
Inventories	311.70		(164.69)	
Short term Loans & Advances	0.15		0.98	
Long term Loans & Advances	(3.95)		(1.51)	
Other current assets	2.08		(2.14)	
		<u>309.98</u>		<u>(167.36)</u>
		552.95		50.70
Adjustment for increase/(decrease) in operating liabilities				
Trade payable	—		15.72	
Other current liabilities	38.27		0.17	
Long term provision	(0.89)		(0.40)	
Short term provision	2.89		(0.30)	
		<u>40.27</u>		<u>(15.19)</u>
		593.22		35.51
CASH FROM OPERATING ACTIVITIES				
Direct Tax Paid / Received	8.08		(91.21)	
Interest Paid	—		(0.01)	
		<u>8.08</u>		<u>(91.22)</u>
Net Cash Flow from Operating Activities (A)		<u>601.30</u>		<u>(55.71)</u>
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed Assets	(249.18)		—	
Sale of Investment in Immovable Properties (Net)	57.84		418.61	
Purchase of Non-current Investments	(2,835.83)		(5,558.91)	
Purchase of current Investments	(1,791.47)		—	
Sale of Non-current Investments	2,345.85		5,071.72	
Sale of current Investments	1,776.81		—	
Securities Transaction Tax on Non-current Investments	(6.02)		(7.54)	
		<u>(702.00)</u>		<u>(76.12)</u>
Net Cash Flow from Investing Activities (B)		<u>(100.70)</u>		<u>(131.83)</u>

Contd.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

Particulars	For the year ended 31-03-2012		For the year ended 31-03-2011	
	Rs.	Rs.	Rs.	Rs.
		(100.70)		(131.83)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Auto Loan Received	187.23		—	
Auto Loan Refunded	(13.58)		(0.49)	
Payment in respect of Non-convertible Debenture	(0.01)		—	
Dividend Paid	(19.49)		(21.10)	
Corporate Dividend Tax Paid	(3.32)		(3.32)	
Net Cash used in Financial Activities (C)		<u>150.83</u>		<u>(24.91)</u>
Net Increase / (–) Decrease in Cash & Cash Equivalents (A+B+C)		50.13		(156.74)
Opening Balance of Cash & Cash Equivalents		<u>53.25</u>		<u>209.99</u>
Closing Balance of Cash & Cash Equivalents		<u>103.38</u>		<u>53.25</u>
Cash & Cash Equivalents Comprise :				
Balance with Scheduled Banks on Current Account		88.77		39.46
Cash in hand		5.00		5.00
Cheque in hand		0.32		—
Balance with Scheduled Banks on Dividend Account		9.29		8.79
		<u>103.38</u>		<u>53.25</u>

Notes :

1. 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.
2. Previous year's figures have been re-arranged on the basis of Schedule VI revised during the year.

As per our Report attached to the Balance Sheet.

For S. S. KOTHARI & CO.,
Chartered Accountants
R. K. ROY CHAUDHURY
Partner

Place : Kolkata
Dated : The 24th day of May, 2012

H. P. BHUWANIA
Chief Financial Officer

ARUNA DHANUKA
N. G. KHAITAN
RAJEEV RUNGTA
I. K. KEJRIWAL
G. R. GOENKA
MRIGANK DHANUKA

Directors

Significant Accounting Policies and Notes attached to and forming part of the Balance Sheet as at 31st March, 2012 and Statement of Profit & Loss as on that date.

I. Significant Accounting Policies

1. System of Accounting :

Accounts unless specifically stated to be otherwise have been prepared on accrual basis.

2. 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.

3. Closing Stock :

Stock in Trade (Shares and Securities) at the end of the year has been valued at cost (FIFO) or market price whichever is lower.

4. 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.

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 XVI to the Companies Act, 1956. Leasehold land is amortised over the effective period of lease.

6. 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 31.03.2012	(Rs. in lacs) As at 31.03.2011
	Rs.	Rs.
1. SHARE CAPITAL		
Authorised		
25,00,000 (Previous year 25,00,000) Equity Shares of Rs. 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 Rs. 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 preceeding the date of the Balance Sheet the Company has not issued any shares.

Term / Rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 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.

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	10,00,000	10,00,000

Details of shares held by shareholders holding more than 5% of the aggregate equity shares in the Company

	<u>No.</u>	<u>%</u>	<u>No.</u>	<u>%</u>
1. Mint Investments Ltd.	332210	33.22%	332210	33.22%
2. Sri Chandra Kumar Dhanuka 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 31.03.2012	(Rs. in lacs) As at 31.03.2011
2. RESERVES AND SURPLUS		
Capital Reserve		
As per last Account	14.62	14.62
Less : Payment in respect of Non-convertible Debenture	0.01	—
	<u>14.61</u>	<u>14.62</u>
NBFC Reserve Fund		
As per last Account	910.40	789.90
Transferred from Profit & Loss Account	54.60	120.50
	<u>965.00</u>	<u>910.40</u>
General Reserve		
As per last Account	3,700.00	3,250.00
Add : Transferred from Profit & Loss Account	200.00	450.00
	<u>3,900.00</u>	<u>3,700.00</u>
Profit & Loss Account		
Profit for the year after tax	272.91	602.41
Balance at the beginning of the year	33.25	24.66
Excess Provision for Taxation Written back	30.74	—
Transferred to NBFC Reserve Fund	54.60	120.50
Transferred to General Reserve	200.00	450.00
Proposed Dividend @ Rs. 2 per share (previous year Rs. 2 per share)	20.00	20.00
Provision for Dividend Distribution Tax	3.24	3.32
Balance as on 31-03-2012	<u>59.06</u>	<u>33.25</u>
	<u>4,938.67</u>	<u>4,658.28</u>
3. Long-term borrowings		
Secured Loan		
Auto Finance Loan from a Bank	213.67	—
Secured by hypothecation of Vehicles financed		
Loan is repayable in monthly instalments as fixed by bank		
Out of which		
Payable within twelve months shown as other current liabilities	40.02	—
	<u>173.65</u>	<u>—</u>

II. NOTES ON ACCOUNTS : (Contd.)

	(Rs. in lacs)	
	As at 31.03.2012	As at 31.03.2011
4. Long term provision		
Provision for leave valuation	5.21	6.10
Provision for Income Tax	113.00	243.00
Provision for Fringe Benefit Tax	—	0.72
	<u>118.21</u>	<u>249.82</u>
5. Other current liabilities		
Directors Commission Payable	1.00	1.00
TDS Payable	0.04	—
Other Liabilities	2.80	1.58
Unclaimed Dividend	9.29	8.79
Auto Loan Repayable within twelve months	40.02	—
Security Deposit received	—	3.00
	<u>53.15</u>	<u>14.37</u>
6. Short term provision		
Provision for Gratuity	3.20	0.30
Proposed Dividend	20.00	20.00
Tax on proposed Dividend	3.24	3.32
	<u>26.44</u>	<u>23.62</u>
7. FIXED ASSET		
Tangible Assets		

Particulars	GROSS BLOCK				DEPRECIATION/AMORTIZATION				NET BLOCK	
	As at 01.04.11	Addition during the year	Deduction/ Adjustment	As on 31.03.12	Upto 01.04.11	Added : Current year	Less : Adjustments	Total as at 31.03.12	As at 31.03.12	As at 31.03.11
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Leasehold Land	20.04	—	—	20.04	0.24	*0.24	—	0.48	19.56	19.80
Furniture	1.75	—	—	1.75	1.08	0.12	—	1.20	0.55	0.67
Motor Vehicle	6.35	**249.18	—	255.53	4.34	0.52	—	4.86	250.67	2.01
Grand Total	28.14	249.18	—	277.32	5.66	0.88	—	6.54	270.78	22.48
Previous year	32.85	—	4.71	28.14	8.95	1.14	4.43	5.66	22.48	

* Amortisation

** Acquired on Instalment system

II. NOTES ON ACCOUNTS : (Contd.)

8A. Non current Investments (Long term Investments)			<u>As at 31.03.2012</u>			<u>As at 31.03.2011</u>
			Rs.			Rs.
(a) Investments in Immovable						
Property			3.00			3.00
Less : Depreciation			<u>1.91</u>			<u>1.87</u>
			1.09			1.13
Less : Sold during the year			<u>1.09</u>			<u>—</u>
			<u>—</u>			<u>1.13</u>
(b) Investment in Shares & Securities (At Cost) Other than Trade - Quoted						
	<u>Face Value</u>	<u>Numbers</u>	<u>As at 31.03.2012</u>	<u>Numbers</u>	<u>As at 31.03.2011</u>	
	Rs.		Rs.		Rs.	Rs.
Aditya Birla Nuvo Ltd.	10	—	—	6300	49.47	
Akzo Nobel India Ltd.	10	27950	226.27	—	—	
Bajaj Finance Ltd.	10	23187	159.66	—	—	
Electrosteel Castings Ltd.	1	—	—	1381977	452.34	
Escorts Ltd.	10	—	—	126150	136.93	
Havell's India Ltd.	5	21500	74.18	36815	131.36	
HDFC Ltd.	2	35449	237.49	—	—	
Honda Siel Power Ltd.	10	—	—	23	0.14	
ING Vysya Bank Ltd.	10	47800	155.75	—	—	
Larsen & Toubro Ltd.	2	—	—	4575	74.58	
Mahindra & Mahindra Financial Service Ltd.	10	23378	153.22	—	—	
Motherson Sumi Systems Ltd.	1	108571	231.85	—	—	
Orissa Mineral Development Co. Ltd.	10	536	230.37	—	—	
Power Grid Corporation of India Ltd.	10	—	—	48500	47.09	
Reliance Industries Ltd.	10	—	—	15450	150.38	
SML Isuzu Ltd.	10	22186	86.06	14603	57.89	
State Bank of Bikaner & Jaipur	10	—	—	4615	12.75	
State Bank of Travancore	10	—	—	26325	149.24	
Sundaram Fasteners Ltd.	1	107904	64.76	65000	40.66	
Torrent Pharmaceuticals Ltd.	5	50148	295.70	—	—	
Tilaknagar Industries Ltd. (Including Bonus 116294 Nos.)	10	—	—	223283	67.28	
West Coast Paper Mills Ltd.	2	250283	207.11	236360	195.39	

Contd.

NAGA DHUNSERI GROUP LIMITED

II. NOTES ON ACCOUNTS : (Contd.)

	Face Value Rs.	Numbers	As at 31.03.2012 Rs.	Numbers	As at 31.03.2011 Rs.
OTHERS - ASSOCIATES					
Dhunseri Petrochem & Tea Ltd. (Including Bonus 9,44,602)	10	3078759	1844.56	3044178	1791.60
Dhunseri Investments Ltd.	10	1066476	248.76	1066476	248.76
Plenty Valley Intra Ltd.	10	2000000	200.00	2000000	200.00
Fully Paid-up Equity Shares – Un-quoted					
SAI Rayalaseema Paper Mills Ltd.	10	51591	6.27	51591	6.27
OTHERS - ASSOCIATES					
Madhuting Tea (P) Ltd.	10	289000	173.47	500000	300.11
			<u>4595.48</u>		<u>4112.24</u>
Total (a) & (b)			<u>4595.48</u>		<u>4113.37</u>
Aggregate of Quoted non current Investments					
Cost			4415.74		3805.86
Market Value			6326.42		7133.20
Aggregate of Un-quoted Investments			179.74		306.38

8B.Current Investments

Fully Paid-up Mutual

Fund Units-Unquoted

HDFC Cash Management Fund Treasury

Advantage Plan Retail Growth

SBI Magnum Insta cash Fund-cash option

Units

15328.40

1126.99

3.50

26.17

29.67

—

—

—

Aggregate of Un-quoted

Current Investments

Repurchase value of units

29.67

30.30

—

—

II. NOTES ON ACCOUNTS : (Contd.)

9. Deferred tax assets (Net)

(Rs. in lacs)

Deferred Tax liabilities for the year Rs. 0.14 has been recognised in the Statement of Profit & Loss. Deferred Tax Assets and Liabilities are attributable to the following items :-

Assets	As at 31-03-2012	As at 31-03-2011	Adjustments
Depreciation	0.61	0.60	0.01
Others	Nil	0.15	0.15
	0.61	0.75	0.14

	As at 31.03.2012	As at 31.03.2011
10A. Long term loans and advances (Unsecured, considered good)		
Advance for purchase of flat	5.00	—
Security Deposit	17.32	17.56
Advance - Income Tax	72.43	85.19
Advance - Fringe benefit tax	—	0.72
Fringe benefit tax refund receivable	0.01	0.01
Income tax refund receivable	2.47	2.47
Staff Advance	0.80	1.60
Tax deducted at source	5.85	8.37
	<u>103.88</u>	<u>115.92</u>
10B. Short term loans and advances (Unsecured, considered good)		
Prepaid Expenses	0.11	0.16
Staff Advance	0.81	0.91
Tax deducted at source	3.27	3.34
Advance - Income Tax	—	120.00
	<u>4.19</u>	<u>124.41</u>

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 31.03.2012	As at Numbers	As at 31.03.2011
Financial Technologies Ltd.	2	—	—	10	0.09
Indorama Synthetics (I) Ltd.	10	—	—	448545	274.54
J. B. Chemicals & Pharmacitua Ltd.	2	—	—	146118	156.51
Kaveri Seeds Ltd.	10	44500	145.94	58508	182.63
Usha Martin Ltd.	1	507733	156.13	—	—
			<u>302.07</u>		<u>613.77</u>

NAGA DHUNSERI GROUP LIMITED

II. NOTES ON ACCOUNTS : (Contd.)	(Rs. in lacs)	
	As at 31.03.2012	As at 31.03.2011
12. Cash and Cash equivalents		
Balance with Scheduled Banks :		
On Current Account	88.77	39.46
On Unclaimed Dividend Account	9.29	8.79
Cheque-in-Hand	0.32	—
Cash in Hand	5.00	5.00
	103.38	53.25
13. Other current assets		
Interest Receivable	0.06	0.12
Rent Receivable	—	2.02
	0.06	2.14
	For the year ended 31.03.12	For the year ended 31.03.11
14. Revenue from operation		
Sales of shares & securities	737.67	2120.94
Dividend Received	196.78	159.57
Profit on sale of investment (Net)	8.27	136.23
Interest received (Tax deducted at source Rs. 0.01 previous year Rs. Nil)	2.41	0.28
Share difference	(0.63)	(0.28)
	944.50	2416.74
15. Other Income		
Rent received (Tax deducted at source Rs. 3.26 previous year Rs. 3.34)	32.83	33.57
Miscellaneous receipts	0.07	0.01
Unclaimed liabilities written back	—	0.11
	32.90	33.69
16. Changes in inventories of stock in trade		
Opening stock of shares & securities	613.77	449.08
Closing stock of shares & securities	302.07	613.77
	311.70	(164.69)
17. Employees benefit expenses		
Salary	20.06	17.53
Bonus	1.23	1.03
Gratuity	3.19	0.30
Leave payment	0.58	0.87
Staff welfare expenses	2.82	2.27
Staff Insurance	1.08	0.55
Contribution to provident & other fund	2.42	2.11
	31.38	24.66

II. NOTES ON ACCOUNTS : (Contd.)	(Rs. in lacs)	
	For the year ended 31st March, 2012	<i>For the year ended 31st March, 2011</i>
18. Depreciation & amortization expenses		
Depreciation & amortization expenses on fixed asset	0.88	1.14
Depreciation on immovable properties	0.05	0.10
	<u>0.93</u>	<u>1.24</u>
19. Other expenses		
Security transaction tax on trading	1.34	5.33
Security transaction tax on investment	6.02	7.54
Directors' commission	1.00	1.00
Advances & claims written off	—	0.17
Assets written off	—	0.27
Payment to Auditors		
As audit Fees	0.28	0.27
For Company Law matters	0.06	—
For Certification	0.15	0.14
For reimbursement of expenses	—	0.01
Building Maintenance	—	0.85
Repair to others	0.31	0.02
Demat charges	0.77	1.39
Directors' fees	0.62	0.71
Electric charges	1.40	1.35
Hire charges	0.36	0.36
Insurance charges	0.10	0.11
Miscellaneous expenses	2.33	1.97
Motor car running expenses	2.23	1.52
Profession charges	1.33	1.14
Prior period expenses	0.02	—
Rates & Taxes	0.36	0.94
Licence fees	1.91	1.91
Rent paid	30.78	30.20
Excess Adj. of Interest written off	0.05	—
Travelling & conveyance	0.15	0.31
	<u>51.57</u>	<u>57.51</u>
20. Extraordinary Items		
Profit on sale of immovable properties	56.76	417.77
	<u>56.76</u>	<u>417.77</u>

II. NOTES ON ACCOUNTS : (Contd.)

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.

22. Information of stock of Shares & Securities :

	31st March, 2012		31st March, 2011	
	Quantity Nos.	Value Rs.	Quantity Nos.	Value Rs.
Opening Stock	653181	613.77	399138	449.08
Purchase	591493	337.53	2032216	2186.47
Sales	692441	737.67	1778173	2120.94
Closing Stock	552233	302.07	653181	613.77

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 :

a) Key Managerial Personnel :

Mr. Chandra Kumar Dhanuka — Chairman
Mrs. Aruna Dhanuka — Director
Mr. Mrigank Dhanuka — Director

b) Associated Companies :

M/s. Dhunseri Petrochem & Tea Ltd., M/s. Mint Investments Ltd., M/s. Dhunseri Investments Ltd., M/s. Plenty Valley Intra Ltd., M/s. Trimplex Investments Ltd., M/s. Madhuting Tea Pvt. Ltd., M/s. Jatayu Estate Pvt. Ltd., M/s. Dhunseri Services Ltd.

c) Others (Firm in which two of the Key Management personnel are partners)

Sewbhagwan & Sons - Firm

B. Information about transactions with related parties :

Nature of Transaction	Transaction with			
	Associate/Group Companies & Firm		Key Managerial Personnel	
	2011-2012 Rs.	2010-2011 Rs.	2011-2012 Rs.	2010-2011 Rs.
Rent Received	27.68	27.00	—	—
Hire Charges (Furniture)	0.36	0.36	—	—
Licence Fees	1.91	1.91	—	—
Dividend Received	151.88	132.43	—	—
Dividend Paid to Shareholders	9.87	9.87	2.54	2.54
Sitting Fees/Commission Paid	—	—	0.62	0.65
Reimbursement of Expenses (Paid)*	2.37	2.05	—	—
Insurance Charges - Staff	1.02	—	—	—
Electric Charges	0.65	0.43	—	—
*Paid to a Firm				

II. NOTES ON ACCOUNTS : (Contd.)

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 :

	2011-2012	2010-2011
	Rs.	Rs.
i) not later than one year	31.50	30.75
ii) later than one year and not later than five years	129.94	128.36
iii) later than five years	5,028.25	5,061.32
b) The total of future minimum sublease payments expected to be received under non cancellable subleases at the balance sheet date	4,507.78	4,686.14
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.	30.75	30.00
d) Sub-lease payments received (or receivable) recognised in the statement of profit and loss account for the year	27.87	27.19

25. Due from a Company in which Directors are Directors
Maximum amount due at any time during the year

0.90	0.90
0.90	0.90

26. Demat Account of the Company includes 1900 shares of Chemplast Sanmar Ltd. which were received by the Company against shares sold in earlier years and remained to be transferred by the buyers. The above shares are held in the Demat Account of the Company for and on behalf of the buyers and returnable to them on demand.

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

28. **Employee Benefits Obligation :**

A. Defined Contribution Plans

Contribution for Defined Contribution Plan amounting to Rs. 1.77 (previous year Rs. 1.94) has been recognised as expenses and included in Note 17 under "Contribution to Provident and Other Funds".

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, whichever is earlier. The benefit vests after

II. NOTES ON ACCOUNTS : (Contd.)

five years of continuous service. Annual contributions based on actuarial valuation carried out at the year-end are made to Birla Sun Life Insurance Company Limited and the gratuity fund trust 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.

Disclosure regarding Gratuity and Leave Encashment.

I. GRATUITY -Funded

(Figures in thousand)

	As at 31-03-2012	As at 31-03-2011
	Rs.	Rs.
a) Expenses recognised in the Statement of Profit & Loss for the year ended 31st March, 2012		
Current Service Cost	66.68	55.17
Interest Cost	153.89	145.82
Expected return on plan assets	(171.21)	(146.24)
Net actuarial (gain) / loss recognised during the year	268.53	253.72
Other Adjustment	1.39	(3.53)
	319.28	304.94
b) Net (Asset) / Liability recognised in the Balance Sheet as at 31st March, 2012		
Present Value of Defined Benefit obligation	2,274.03	1,865.32
Fair Value of plan assets	2,148.65	2,001.83
	125.38	(136.51)
c) Actual return of plan assets		
Expected return on plan assets	171.21	146.24
Actuarial gain / (loss) on plan assets	90.82	(20.62)
	80.39	125.62
d) Change in Defined Benefit obligation during the year ended 31st March, 2012		
Present Value of Defined Benefit obligation as at 31-03-2011	1,865.32	1,529.88
Current Service Cost	66.68	55.17
Interest Cost	153.89	145.82
Benefits paid	—	(98.65)
Actuarial gain / (loss) on obligation	188.14	233.10
	2,274.03	1,865.32

II. NOTES ON ACCOUNTS : (Contd.)

(Figures in thousand)

	As at 31-03-2012	As at 31-03-2011
	Rs.	Rs.
e) Changes in fair value of Assets during the year ended 31st March, 2012		
Fair Value of plan assets	2,001.84	1,949.87
Expected return on plan assets	171.21	146.24
Contribution made	56.00	25.00
Benefits paid	—	(98.65)
Actuarial (gain) / loss on plan assets	(80.39)	(20.62)
	2,148.66	2,001.84

II. LEAVE ENCASHMENT - Unfunded

a) Expenses recognised in the Statement of Profit & Loss for the year ended 31st March, 2012		
Current Service Cost	15.42	32.63
Interest Cost	50.34	44.24
Net actuarial (gain) / loss recognised during the year	(154.38)	(33.33)
Benefits paid	—	(2.91)
	(88.62)	40.63
b) Present value in Defined Benefit obligation as at 31st March, 2012		
Present Value of Defined Benefit obligation as at 31-03-2011	610.21	569.58
Current Service Cost	15.42	32.63
Interest Cost	50.34	44.24
Benefits paid	—	(2.91)
Actuarial (gain) / loss on obligation	(154.38)	(33.33)
	521.59	610.21

Actuarial Assumption

	Gratuity	Leave Encashment
Mortality Table	LIC (1994-96)	LIC (1994-96)
Discount rate	8.25%	8.25%
Inflation rate	5%	5%
Expected return on plan assets	7.50%	7.50%

II. NOTES ON ACCOUNTS : (Contd.)

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.

29. 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.
30. Dividend Income Includes
- 1) Rs. 195.75 (previous year 154.43) from Investment in shares
 - 2) Rs. 1.03 (previous year 5.14) from stock in trade
31. Profit on sale of Investments includes :
- 1) Long term profit Rs. 185.55 (previous year 234.36)
 - 2) Short term loss Rs. 177.28 (previous year 98.13)
32. Earning per Share :

(Figures in lacs)

Particulars	As at 31-03-2012 Rs.	As at 31-03-2011 Rs.
Profit (Loss) after taxation as per Statement of Profit & Loss	272.91	602.41
Total Number of Equity Shares	10,00,000	10,00,000
Basic / diluted earning per share in rupees (Face value Rs. 10/- per share)	27.29	60.24

33. 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)

II. NOTES ON ACCOUNTS : (Contd.)

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>
	Rs.	Rs.
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	173.65	NIL
	<u>Outstanding</u>	
	Rs.	

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 Rs. 81.55)	26.58
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	19.56
(ii) Stock on hire including hire charges under sundry debtors :	
(a) Assets on hire	NIL
(b) Repossessed Assets	NIL
(iii) Other loans counting towards AFC activities	
(a) Loans where assets have been repossessed	NIL
(b) Loans other than (a) above	NIL
4. Break-up of Investments	
Current Investments	
1. Quoted	
i) Shares a) Equity	302.07
b) Preference	NIL
ii) Debentures and Bonds	NIL
iii) Units of Mutual Funds	NIL
iv) Government Securities	NIL
v) Others (please specify)	NIL

II. NOTES ON ACCOUNTS : (Contd.)

2. Unquoted			
i) Shares	a) Equity		NIL
	b) Preference		NIL
ii) Debentures and Bonds			NIL
iii) Units of Mutual Funds			29.67
iv) Government Securities			NIL
v) Others (please specify)			NIL
Long Term Investments			
1. Quoted			
i) Shares	a) Equity	4,415.74	
	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	179.74	
	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
b) Companies in the same group		NIL	0.90
c) Other related parties		NIL	NIL
2. Other than related parties		NIL	45.24
Total		NIL	46.14

II. NOTES ON ACCOUNTS : (Contd.)

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	4,585.20	2,466.78
c) Other related parties	NIL	NIL
2. Other than related parties	2,413.70	2,460.44
Total	6,998.90	4,927.22

7. Other Information

Particulars	Amount Rs.
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

34. Estimated amount of contracts remaining to be executed on capital account Rs. 382.13 lacs (previous year Rs. Nil).
35. Previous Year's figures have been re-grouped and re-arranged on the basis of Schedule VI revised during the year.

For S. S. KOTHARI & CO.,
Chartered Accountants
R. K. ROY CHAUDHURY
Partner
Place : Kolkata
Dated : The 24th day of May, 2012

H. P. BHUWANIA
Chief Financial Officer

ARUNA DHANUKA
N. G. KHAITAN
RAJEEV RUNGTA
I. K. KEJRIWAL
G. R. GOENKA
MRIGANK DHANUKA

Directors