

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
E-mail : nagadhunseri@gmail.com
Website : www.nagadhunserigroup.com

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
E-mail : mdpl@vsnl.com
mdpl@yahoo.com

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NAGA DHUNSERI GROUP LIMITED

NOTICE

NOTICE is hereby given that the 95th Annual General Meeting of Naga Dhunseri Group Limited will be held on Tuesday, the 13th August, 2013 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, 2013 together with the Auditors' Report thereon.
2. To declare dividend.
3. To appoint a Director in place of Sri Chandra Kumar Dhanuka who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Sri N. G. Khaitan 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.

Special Business :

6. To consider, and if thought fit, to pass with or without modification(s), the following resolution(s) as a Special Resolution :
Resolved that pursuant to Section 149 (2A) of the Companies Act, 1956 approval be and is hereby granted to the Company for entering into the business of transportation and acting as carriers as part of the "Main Objects" of the Company as included interalia in Clause 3(b) of the Memorandum of Association of the Company and to give effect to the said business, authority be and is hereby given for purchase of vehicles, conversion thereof into trucks and/or tankers to run the business of transportation of goods/chemicals/oil etc. including leasing of the trucks/tankers on rental basis and the actions already taken by the Board of Directors in this connection be and are hereby ratified.
7. To consider, and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution :
Pursuant to the special resolution passed at the Annual General Meeting of the Company held on 3rd September, 2009 according approval to payment of Commission to Non-Executive Directors of the Company upto a limit of 3% of the net profit of the Company, subject to a maximum of Rs. 1,00,000/- for all the Non-Executive Directors taken together for a period of 5 years commencing from 01-04-2009 to 31-03-2014, consent of the Company be and is hereby accorded to the payment of service tax at applicable rates on the amount of commission on profits to the Non-Executive Directors of the Company with effect from 1st July, 2012, in addition to the maximum limit of Rs. 1,00,000/- as aforesaid.

Registered Office :
Dhunseri House
4A, Woodburn Park,
Kolkata-700 020
Dated, The 22nd day of May, 2013

By Order of the Board
C. K. DHANUKA
Chairman

NOTES

1. **The Register of Members of the Company will remain closed from Tuesday, 6th August, 2013 to Tuesday, 13th August, 2013 (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, 2013 after giving effect to all valid share transfers in physical form lodged with the Company before 6th August, 2013. The dividend in respect of shares held in dematerialized form will be payable to the beneficial owners of the shares as at the close of business hours on 5th August, 2013 as per the details furnished by the Depository for this purpose.
- 7A. As required by SEBI's Circular No. CIR/MRD/DP/10/2013 dated March 21, 2013; a NECS Mandate Form for registering mode of payment of dividend is also enclosed. The Members are requested to complete and return the same to the Company at the earliest.
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 2005 - 2006, 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, 2014.

NAGA DHUNSERI GROUP LIMITED

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 members' valid email address. The investors desirous of 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 members' registered email address for serving notices / documents including those covered under Section 219 of the Companies Act, 1956.

Pursuant to the provisions of Investor Education & Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on August 13, 2012 date of the last Annual General Meeting on the website of the Company (www.nagadhunserigroup.com) as also on the Ministry of Corporate Affairs website.

The Notice of the AGM as well as the Annual Report for the Financial Year ended 31st March, 2013 will be dispatched to the rest of the shareholders holding shares 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.

Explanatory Statement

Pursuant to Section 173 of the Companies Act, 1956 in respect of Special Business :

Item No. 6

Clause 3(b) of the Memorandum of Association of the Company specifies that one of the main objects of the Company may be "acquisition and working of locomotives, vessels and means of transport and acting as carriers by land or water". Since the Company was in existence before the commencement of the Companies (Amendment) Act, 1965 in relation to any of the objects stated in Memorandum of Association, the Company was free to enter into any business of transportation as carriers by land or water and also to enter into any lease arrangement as part of the same business. However, as an abundant caution it is considered advisable to pass a special resolution u/s 149(2A) of the Companies Act, 1956.

The Shareholders' authority is being sought for purchase of vehicles, conversion thereof into trucks and tankers to carry on the business of carriers of goods including leasing of the trucks/tankers on rental basis as part of the same business. The Shareholders' authority is also being sought to ratify the action already taken by the Board of Directors in this connection.

None of the Directors of the Company is in any way concerned or interested in the resolution.

The Board recommends the proposed resolution for your approval.

Item No. 7

It has been the Company's practice to pay commission to Non-Executive Directors upto a limit of 3% of net profit calculated in accordance with the relevant provisions of the Companies Act, 1956, subject to a maximum of Rs. 1 lakh for all the Non-Executive Directors taken together.

As per the new Service Tax Rules that came into force from 1st July, 2012 Service Tax is applicable on the services provided by a Director of the Company. However, pursuant to the notification dated 07.08.2012 issued by the Ministry of Finance, Government of India the liability to pay Service Tax on the services rendered by the Directors has been shifted to the Company receiving such services under the reverse charge mechanism. In addition, as per the General Circular issued by the Ministry of Corporate Affairs, Government of India on August, 9, 2012, Service Tax paid by the Company in relation to the services rendered by the Non-Executive Directors will be deemed to be part of the Remuneration paid to the Non-Executive Directors under Section 198 of the Companies Act, 1956. Accordingly, Service Tax payable by the Company for the service provided by the Non-Executive Directors shall be considered as part of the Commission.

The payment of such Service Tax at applicable rates shall result in the Company paying an amount over and above the maximum amount of commission of Rs. 1,00,000/- approved by the shareholders at the Annual General Meeting held on 3rd September, 2009. Accordingly, consent of the shareholders is being sought for payment of such increased amount on account of service tax on the commission of the profit.

All the Non-Executive Directors are interested or concerned in the resolution.

The shareholders consent is hereby requested for passing the resolution as a special resolution.

Registered Office :
Dhunseri House
4A, Woodburn Park,
Kolkata-700 020
Dated, The 22nd day of May, 2013

By Order of the Board
C. K. DHANUKA
Chairman

DIRECTORS' REPORT

Your Directors are pleased to submit the 95th Annual Report together with Audited Accounts for the year ended 31st March, 2013.

	For the year ended 31st March, 2013		For the year ended 31st March, 2012	
	Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. Lacs
FINANCIAL RESULTS				
Profit before Depreciation & Taxation		697.58		301.98
Add/(Less) : Depreciation	(80.02)		(0.93)	
Provision for Taxation				
Current Income Tax	(95.00)		(28.00)	
Deferred Tax Liability (Asset)	1.11		(0.14)	
		<u>(173.91)</u>	<u>(29.07)</u>	
Profit after Taxation		523.67		272.91
Add :				
Balance brought forward from Previous year		59.06		33.25
Excess Provision for taxation written back		3.65		30.74
Available for appropriation		<u>586.38</u>		<u>336.90</u>
Appropriations				
Proposed Dividend @ Rs. 2/- per share (Previous year Rs. 2/- per share)		20.00		20.00
Dividend Distribution Tax on Proposed Dividend		3.40		3.24
Transferred to NBFC Reserve Fund		104.75		54.60
Transferred to General Reserve		400.00		200.00
Balance carried to Balance Sheet		58.23		59.06
		<u>586.38</u>		<u>336.90</u>
WORKING RESULTS				

During the year ended 31st March, 2013 the Company's profit improved significantly mainly because of timely reshuffling of portfolio. The Company's Profit after Tax during the year was Rs. 5,23,67,397/- as compared to profit of Rs. 2,72,90,694/- during the previous year.

DIVIDEND

Your Directors recommend a dividend @ Rs. 2/- per equity share (20%) for the financial year 2012-2013, i.e. same as in the previous year.

NBFC RESERVE FUND

A sum of Rs. 1,04,75,000/- was transferred to NBFC Reserve from the year's surplus. The total balance of this Fund stood at Rs. 10,69,75,000/- as on 31st March, 2013.

DIRECTORS' REPORT *(Contd.)*

GENERAL RESERVE

A sum of Rs. 4,00,00,000/- was transferred to General Reserve from the year's surplus. The total balance of accumulation in General Reserve stood at Rs. 43,00,00,000/- as on 31st March, 2013.

DIRECTORS

Sri C. K. Dhanuka and Sri N. G. Khaitan 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, 2013 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.

R.B.I. DIRECTIVE TO NBFC

The Company did not invite or accept any deposit from the public during the year ended 31st March, 2013 nor has any intention to invite or accept any deposit from the public during the current financial year commencing on 1st April, 2013.

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 22nd day of May, 2013

For & on behalf of the Board of Directors
C. K. Dhanuka
Chairman

CORPORATE GOVERNANCE REPORT**1. COMPANY'S PHILOSOPHY**

The Company aims at running its business efficiently with special emphasis on transparency, accountability and integrity in all its dealings. The Company rigidly complies with the regulatory requirements and aims at enhancement of long term shareholder value.

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

NAGA DHUNSERI GROUP LIMITED

Details of Board Meetings held during the year 2012-2013 are as under :-

Date of Meeting	Strength of the Board	Directors Present
24-05-2012	7	6
14-08-2012	7	5
09-11-2012	7	7
12-02-2013	7	5

3. BRIEF RESUME OF DIRECTORS PROPOSED TO BE RE-APPOINTED

a) Sri C. K. Dhanuka :

Sri C. K. Dhanuka is a Commerce Graduate having over 36 years of experience, mainly in tea and investments. He has successfully set up a Petrochemical Unit under Foreign Technical Collaboration and is on the Board of several reputable companies. 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 & Tea Ltd.	Managing Director & Executive Chairman	Nil	Audit Committee
Dhunseri Investments Limited	Managing Director	Nil	Nil
Mint Investments Limited	Director & Chairman	Nil	Nil
Trimplex Investments Limited	Director & Chairman	Nil	Nil
Plenty Valley Intra Limited	Director & Chairman	Nil	Nil
Egyptian Indian Polyester Co., SAE, Egypt.	Director & Vice-Chairman	Nil	Nil
Dhunseri Petrochem & Tea Pte Ltd., Singapore	Director	Nil	Nil
Warren Tea Ltd.	Director	Nil	Nil
CESE Limited	Director	Audit Committee	Nil
Makandi Tea & Coffee Estates Ltd., Malawi, Africa	Director	Nil	Nil
Kawalazi Estates Co. Ltd. Malawi, Africa	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 31-03-2013 : 48,400.

b) Sri N. G. Khaitan

Sri N. G. Khaitan is a Practising Advocate and Attorney of the Hon'ble High Court at Kolkata and the Hon'ble Supreme Court of India for nearly 40 years. He has been on the Board of the Company since 21-12-1979. He is a Senior Partner of M/s. Khaitan & Co., one of the largest Attorney Firm in India. He is a member of Bharat Chamber of Commerce, Kolkata and also a member of FICCI, New Delhi. His vast experience in legal matters has been of great help to the Company.

Apart from Naga Dhunseri Group Limited, he holds Directorship of the following Public 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
Chase Bright Steel Ltd.	Director	Nil	Nil
HSIL Ltd.	Director	Nil	Audit Committee Shareholders'/ Investors' Grievance Committee
J. K. Lakshmi Cement Ltd.	Director	Nil	Audit Committee Shareholders'/ Investors' Grievance Committee
Mangalam Timber Products Ltd.	Director	Audit Committee	Nil
Mangalam Cement Ltd.	Director	Nil	Audit Committee
Reliance Chemotex Industries Ltd.	Director	Nil	Audit Committee
Rasoi Ltd.	Director	Nil	Nil
DPSC Ltd.	Director	Nil	Audit Committee

Shares of the Company held by Sri N. G. Khaitan in his own name or in the name of any other persons on beneficial basis as on 31-03-2013 - Nil.

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, 2013 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 2012-2013 are as under :-

Name of the Committee Member	24-05-2012	14-08-2012	09-11-2012	12-02-2013
Sri Rajeev Rungta	Yes	Yes	Yes	Yes
Sri I. K. Kejriwal	Yes	Yes	Yes	Yes
Sri G. R. Goenka	Yes	Yes	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) Disclosure of Related party transactions.
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 paid and Commission payable 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	4,500	—	14,285	18,785
2.	Sri I. K. Kejriwal	6,000	6,000	14,286	26,286
3.	Sri N. G. Khaitan	4,500	—	14,286	18,786
4.	Sri Mrigank Dhanuka	3,000	—	14,285	17,285
5.	Smt. Aruna Dhanuka	6,000	—	14,286	20,286
6.	Sri Rajeev Rungta	6,000	6,000	14,286	26,286
7.	Sri G. R. Goenka	4,500	6,000	14,286	24,786
		34,500	18,000	1,00,000	1,52,500

* Commission is payable for the year ended 31st March, 2013 subject to approval of the Accounts at the ensuing Annual General Meeting.

Shares/Convertible Instruments held by the Directors as on 31st March, 2013 :

Name of the Non-Executive Director	No. of Equity 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	1,286	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 4 times during the year under review on 2nd July, 2012, 17th September, 2012, 11th October, 2012 and 7th March, 2013. 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, 2013.

Shares received for transfer are processed promptly, 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 6 Share Transfer cases comprising of 342 Equity Shares were received for physical transfer. Total number of shares dematerialized during the year ended on 31st March, 2013 were 410. The Company did not receive any complaint from any shareholder during the year and no complaint was pending as on 31-03-2013.

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
Website : www.nagadhunserigroup.com

11. MANAGEMENT DISCUSSION AND ANALYSIS

Industry Trend and Development

The Company's main business being investment in shares and securities, the business strategy is largely dependent on the economic and fiscal policies of the Government and

Reserve Bank of India. During the year the development work in infrastructure projects and industrial production as a whole suffered set back resulting in unfavorable market condition. This was further aggravated by global economic uncertainty. All these factors had caused considerable concern for the Management to adopt business strategy and take corrective steps to meet the challenge. Despite adverse circumstances the Company could achieve better result because of close watch on the market and constant shuffling of portfolio.

Opportunities and Threats

The opportunities for growth of any Investment Company under the present economic and fiscal policies are limited to certain extent. The Company being a small sized NBFC there are plenty of threats for its growth. The Management has to keep itself alert and review strategy frequently to keep itself afloat.

Risk and Concern

In view of the adverse impact on infrastructure projects and industrial growth an Investment Company is open to risk and is always concerned about improving the performance of the Company, though under uncongenial circumstances.

Outlook

In spite of uncertainty of Indian economy, it is expected that there may be improvement in the current year, on both Industrial and Economic fronts. Keeping in view the constant volatility of the stock market the Management has to shuffle its investment portfolio from time to time to derive maximum benefit out of limited opportunities available in the market.

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 and Sri H. P. Bhawania, 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 was 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
2011-2012	13-08-2012	3.00 P.M.	Kala Kunj, Sangit Kala Mandir Trust, 48, Shakespeare Sarani Kolkata-700 017	None
2010-2011	10-08-2011	10.30 A.M.	—do—	None
2009-2010	03-09-2010	11.30 A.M.	—do—	None

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. 24.
- 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 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

95th AGM to be held on Tuesday, 13th August, 2013 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 Tuesday, 6th August, 2013 to Tuesday, 13th August, 2013 (both days inclusive). Due notice of Book Closure has been 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, 2013	14th August, 2013
2nd quarter ending 30th September, 2013	14th November, 2013
3rd quarter ending 31st December, 2013	14th February, 2014
Year Ending 31st March, 2014	30th May, 2014

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, 2014 to the Calcutta Stock Exchange.

f. Demat ISIN Number for NSDL & CDSL :

INE 756C01015

g. Stock Market Price data for the year 2012-2013

Month	Calcutta Stock Exchange	
	High	Low
April - 2012	—	—
May - 2012	—	—
June - 2012	—	—
July - 2012	—	—
August - 2012	—	—
September - 2012	—	—
October - 2012	—	—
November - 2012	—	—
December - 2012	—	—
January - 2013	—	—
February - 2013	—	—
March - 2013	—	—

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

- (a) Dividend for the year 2011-2012, declared at the Annual General Meeting on 13th August, 2012 was paid on 23rd August, 2012.
- (b) Dividend for the year 2012-2013, 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.
- (c) Dividend Payment date : by 12-09-2013.
- (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)

Messrs Maheshwari Datamatics Pvt. Ltd.
 6, Mangoe Lane, 2nd Floor
 Kolkata-700 001
 Phone : (033) 2243 5029/2243 5809 Fax : (033) 2248 4787 E-mail : mdpl@vsnl.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, 2013.

Category	No. of Members	Number of Shares	% of holding
Promoter & Promoter Group	11	7,30,344	73.03
Public Institutions			
Public Shareholding			
Financial Institutions/Banks	3	1,742	0.18
Non-Institutions			
Bodies Corporate	12	24,893	2.49
Indian Public	906	2,31,381	23.14
Non-Resident Individual	16	11,640	1.16
	948	10,00,000	100.00

l. Distribution of Shares as on 31st March, 2013

Share Holding	Shareholders' Number	Percentage of Shareholders	No. of Shares	Percentage of Shares
1 to 500	836	88.19	79612	7.96
501 to 1000	57	6.01	42705	4.27
1001 to 2000	26	2.74	35800	3.58
2001 to 3000	3	0.32	6924	0.69
3001 to 4000	8	0.84	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	948	100.00	1000000	100.00

m. Summary report of Shareholding as on 31st March, 2013

Particulars	Shareholders		No. of Shares	% of Share Holding
	No.	%		
Physical	652	68.78	139930	13.99
NSDL	227	23.94	850342	85.03
CDSL	69	7.28	9728	0.98
Total	948	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.

For & on behalf of the Board of Directors

Place : Kolkata

C. K. Dhanuka

Dated : The 22nd day of May, 2013

Chairman

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, 2013.

Place : Kolkata

Dated : The 22nd day of May, 2013

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, 2013 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 compliances 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
Proprietor
CP - 3238

Place : Kolkata

Dated : The 22nd day of May, 2013

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, 2013. 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 **4 (Four)** times respectively on 24th May, 2012, 14th August, 2012, 9th November, 2012 and 12th February, 2013 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, 2012 to 13th August, 2012 (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, 2012 was held on 13th August, 2012 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 with HDFC Bank Ltd., Central Plaza, 2/6, Sarat Bose Road, Kolkata - 700 020 on 16th August, 2012 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 have 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 19th September, 2012.
(iv) The Company has transferred the amounts in unpaid dividend account, application money due for refund, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protectin Fund.
(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, 2013.
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.
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 employees' 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 22nd day of May, 2013

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, 2013.

Sl. No.	Form No./ Return	Filed under Section	Date of Filing	For
1.	Form No. 5 INV Date : 30-07-2012	205C	30-07-2012	Statement of unpaid & unclaimed amount of Rs. 8,17,732.
2.	Form No. 66 Compliance Certificate Date : 24-05-2012	383A	17-08-2012	For the financial year ended 31-03-2012.
3.	Form No. 23AC & 23ACA Balance Sheet etc. as on 31-03-2012	220	08-10-2012	For the financial year ended 31-03-2012.
4.	Form No. 20B Annual Return Date : 31-03-2012	159	28-09-2012	As on the date of AGM held on 13-08-2012.
5.	Form No. 5 INV Date : 08-11-2012	205C	08-11-2012	Statement of unpaid & unclaimed amount of Rs. 8,85,529.

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

Report on the Financial Statements

We have audited the accompanying financial statements of Naga Dhunseri Group Ltd. ('the Company'), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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 financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards 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 disclosures in the financial statements. The procedures selected depend on the Auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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 :

AUDITORS' REPORT (Contd.)

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013.
- (b) in the case of the Statement of Profit and Loss of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order, 2003 ('the Order') issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give a statement on the matters specified in paragraphs 4 and 5 of the Order.
- 2 As required by section 227(3) of the Act, we report that;
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 appears from our examination of those books.
 - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. in our opinion, the Balance Sheet, 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.
 - e. on the basis of written representation received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

21, Old Court House Street,
Kolkata - 700 001
Dated : The 22nd day of May, 2013

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

AUDITORS' REPORT (Contd.)

As referred to in our "Report on other Legal & Regulatory requirements" : we state

- 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 u/s 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.

AUDITORS' REPORT (Contd.)

- 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, Value Added 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 was in arrears as at 31st March, 2013 for a period of more than six months from the date these became payable.
- (b) According to the information & explanation given to us there are no dues of Income Tax, Wealth Tax which have not been deposited on account of dispute.
- x) The Company has no accumulated losses as at 31st March, 2013. 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.

AUDITORS' REPORT (Contd.)

- 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 Bareilly Holding Ltd. 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 22nd day of May, 2013

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, 2013

	Note No.	As at 31st March, 2013 Rs.	(Rs. in lacs) As at 31st March, 2012 Rs.
I EQUITY AND LIABILITIES			
1. Shareholder's Fund			
(a) Share Capital	1	100.00	100.00
(b) Reserves and Surplus	2	5,442.59	4,938.67
2. Non-Current Liabilities			
(a) Long-term borrowings	3	129.13	173.65
(b) Long-term provisions	4	0.77	0.77
3. Current Liabilities			
(a) Other current liabilities	5	57.83	53.15
(b) Short-term provisions	6	151.66	143.88
		<u>5,881.98</u>	<u>5,410.12</u>
II. ASSETS			
1. Non-current Assets			
(a) Fixed Assets			
(i) Tangible Assets	7	203.07	270.78
(b) Non-current investments	8A	4,509.88	4,595.48
(c) Deferred tax assets (Net)	9	1.72	0.61
(d) Long-term loans and advances	10A	192.68	25.60
2. Current Assets			
(a) Current Investments	8B	390.51	29.67
(b) Inventories	11	368.31	302.07
(c) Cash and Cash equivalents	12	85.83	103.38
(d) Short-term loans and advances	10B	123.68	82.47
(e) Other Current Assets	13	6.30	0.06
		<u>5,881.98</u>	<u>5,410.12</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

R. K. ROY CHAUDHURY

Partner

Place : Kolkata

Dated : The 22nd day of May, 2013

H. P. BHUWANIA

Chief Financial Officer

For and on behalf of the Board of Directors

C. K. DHANUKA

RAJEEV RUNGTA

Chairman

Director

STATEMENT OF PROFIT AND LOSS
for the year ended 31st March, 2013

		(Rs. in lacs)		
		Note	For the year ended	For the year ended
		No.	31st March, 2013	31st March, 2012
			Rs.	Rs.
I	Revenue from operation	14	1,708.05	944.50
II	Other Income	15	29.02	32.90
III	Total Revenue (I + II)		1,737.07	977.40
IV	Expenses :			
	Purchase of stock-in-trade		1,001.61	337.53
	Changes in inventories of stock-in-trade	16	(66.24)	311.70
	Employee benefits expense	17	30.69	31.38
	Finance costs	18	21.76	—
	Depreciation and amortisation expense	19	80.02	0.93
	Other expenses	20	51.67	51.57
	Total expenses		1,119.51	733.11
V	Profit before exceptional and extraordinary items and tax (III - IV)		617.56	244.29
VI	Exceptional items		—	—
VII	Profit before extraordinary items and tax		617.56	244.29
VIII	Extraordinary items	21	—	56.76
IX	Profit before tax (VII + VIII)		617.56	301.05
X	Tax expenses :			
	(1) Current tax		95.00	28.00
	(2) Deferred tax		(1.11)	0.14
XI	Profit (Loss) for the year from continuing operations		523.67	272.91
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)		523.67	272.91
XVI	Earning per equity share : (face value Rs. 10/- per share)			
	(1) Basic		52.37	27.29
	(2) Diluted		52.37	27.29
	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 22nd day of May, 2013

H. P. BHUWANIA

Chief Financial Officer

For and on behalf of the Board of Directors

C. K. DHANUKA

RAJEEV RUNGTA

Chairman

Director

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

Particulars	For the year ended 31-03-2013		For the year ended 31-03-2012	
	Rs.	Rs.	Rs.	Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit (Loss) before Tax		617.56		301.05
Adjustments for :				
Depreciation	80.02		0.93	
Securities Transaction Tax on Investments	3.40		6.02	
(Profit) Loss on Sale of Investments	(438.12)		(8.27)	
Interest Paid	21.76		—	
Profit on Sale of Immovable Properties	—		(56.76)	
		<u>(332.94)</u>		<u>(58.08)</u>
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES :		284.62		242.97
Adjustment for (increase)/decrease in operating assets				
Inventories	(66.24)		311.70	
Short term Loans & Advances	(2.28)		0.15	
Long term Loans & Advances	0.73		1.05	
Other current assets	(6.24)	(74.03)	2.08	314.98
		<u>210.59</u>		<u>557.95</u>
Adjustment for increase/(decrease) in operating liabilities				
Other current liabilities	(0.10)		38.27	
Long term provision	—		(0.89)	
Short term provision	(2.38)	(2.48)	2.89	40.27
		<u>208.11</u>		<u>598.22</u>
CASH FROM OPERATING ACTIVITIES				
Direct Tax (Paid) / Received	(120.28)		8.08	
Interest Paid	(21.76)		—	
		<u>(142.04)</u>		<u>8.08</u>
Net Cash Flow from Operating Activities		<u>66.07</u>		<u>606.30</u>
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed Assets	(12.31)		(249.18)	
Advance for Flat	(167.81)		(5.00)	
Sale of Investment in Immovable Properties (Net)	—		57.84	
Purchase of Non-current Investments	(1,779.88)		(2,835.83)	
Purchase of current Investments	(1,475.85)		(1,791.47)	
Sale of Non-current Investments	2,294.95		2,345.85	
Sale of current Investments	1,123.65		1,776.81	
Securities Transaction Tax on Non-current Investments	(3.40)		(6.02)	
		<u>(20.65)</u>		<u>(707.00)</u>
Net Cash Flow from Investing Activities (A-B)		<u>45.42</u>		<u>(100.70)</u>

Contd.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013 (Contd.)

Particulars	For the year ended 31-03-2013		For the year ended 31-03-2012	
	Rs.	Rs.	Rs.	Rs.
		45.42		(100.70)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Auto Loan Received	—		187.23	
Auto Loan Refunded	(40.02)		(13.58)	
Payment in respect of Non-convertible Debenture	—		(0.01)	
Dividend Paid	(19.71)		(19.49)	
Corporate Dividend Tax Paid	(3.24)		(3.32)	
Net Cash used in Financial Activities		<u>(62.97)</u>		<u>150.83</u>
Net Increase / (–) Decrease in Cash & Cash Equivalents (A-B-C)		(17.55)		50.13
Opening Balance of Cash & Cash Equivalents		<u>103.38</u>		<u>53.25</u>
Closing Balance of Cash & Cash Equivalents		<u>85.83</u>		<u>103.38</u>
Cash & Cash Equivalents Comprise :				
Balance with Scheduled Banks on Current Account		71.24		88.77
Cash in hand		5.00		5.00
Cheque in hand		—		0.32
Balance with Scheduled Banks on Dividend Account		9.59		9.29
		<u>85.83</u>		<u>103.38</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 wherever considered necessary.

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 22nd day of May, 2013

H. P. BHUWANIA
Chief Financial Officer

For and on behalf of the Board of Directors
C. K. DHANUKA Chairman
RAJEEV RUNGTA Director

Significant Accounting Policies and Notes attached to and forming part of the Balance Sheet as at 31st March, 2013 and Statement of Profit & Loss for the year ended on that date

I. Significant Accounting Policies

1. Basis of Accounting :

The financial statements have been prepared on accrual basis and under the historical cost convention and are in compliance, in all material aspects, with the applicable accounting policies in India, the applicable accounting standards notified under Section 211 (3) (C) and the other relevant provisions of the Companies Act, 1956.

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule VI to the Companies Act, 1956. Based on the nature of business and the completion of transaction the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

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. Investment classified as non-current investments has been valued at lower of cost or market value.

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. 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.

5. Revenue Recognition :

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

6. 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.

7. 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 31.03.2013	(Rs. in lacs) As at 31.03.2012
	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 for consideration other than cash.

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 more than 5% shares held by the shareholders

Name of the shareholders	<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%

Term / Rights attached to equity shares

- (a) 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.
- (b) 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.

II. NOTES ON ACCOUNTS : (Contd.)

	As at 31.03.2013	(Rs. in lacs) As at 31.03.2012
2. RESERVES AND SURPLUS		
Capital Reserve		
As per last Account	14.61	14.62
Less : Payment in respect of Non-convertible Debenture	—	0.01
	<u>14.61</u>	<u>14.61</u>
NBFC Reserve Fund		
As per last Account	965.00	910.40
Transferred from Profit & Loss Account	104.75	54.60
	<u>1,069.75</u>	<u>965.00</u>
General Reserve		
As per last Account	3,900.00	3,700.00
Add : Transferred from Profit & Loss Account	400.00	200.00
	<u>4,300.00</u>	<u>3,900.00</u>
Profit & Loss Account		
Profit for the year after tax	523.67	272.91
Balance at the beginning of the year	59.06	33.25
Excess Provision for Taxation Written back	3.65	30.74
Transferred to NBFC Reserve Fund	104.75	54.60
Transferred to General Reserve	400.00	200.00
Proposed Dividend Rs. 2 per share (previous year Rs. 2)	20.00	20.00
Provision for Dividend Distribution Tax	3.40	3.24
Balance as on 31-03-2013	<u>58.23</u>	<u>59.06</u>
	<u>5,442.59</u>	<u>4,938.67</u>
3. Long-term borrowings		
Secured Loan		
Auto Finance Loan from a Bank	173.65	213.67
Secured by hypothecation of Vehicles financed Loan taken on 13-09-2011 and is repayable in 58 monthly instalments as fixed by bank.		
Less : Payable within twelve months shown as other current liabilities	44.52	40.02
	<u>129.13</u>	<u>173.65</u>

II. NOTES ON ACCOUNTS : (Contd.)

	As at 31.03.2013	(Rs. in lacs) As at 31.03.2012
4. Long term provision		
Provision for leave encashment	0.77	0.77
	<u>0.77</u>	<u>0.77</u>
5. Other current liabilities		
Directors Commission Payable	1.00	1.00
TDS Payable	0.03	0.04
VAT Payable	0.12	—
Other Liabilities	1.75	2.80
Unpaid Dividend	9.58	9.29
Auto Loan - Current maturity of long term debts	44.52	40.02
Interest Accrued but not due on Auto Loan	0.83	—
	<u>57.83</u>	<u>53.15</u>
6. Short term provisions		
Provision for leave encashment	5.26	4.44
Provision for Gratuity	—	3.20
Provision for Income Tax	123.00	113.00
Proposed Dividend	20.00	20.00
Tax on proposed Dividend	3.40	3.24
	<u>151.66</u>	<u>143.88</u>
7. Fixed Assets		
Tangible Assets		

Particulars	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK	
	As at 01.04.12	Addition during the year	Deduction/ Adjustment	As on 31.03.13	Upto 01.04.12	Added : Current year	Less : Adjustments	Total as at 31.03.13	As at 31.03.13	As at 31.03.12
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Leasehold Land	20.04	—	—	20.04	0.48	0.24	—	**0.72	19.31	19.56
Furniture	1.75	—	—	1.75	1.20	0.10	—	1.30	0.45	0.55
Motor Vehicle	255.53	12.31	—	*267.84	4.86	79.68	—	84.54	183.31	250.67
Grand Total	277.32	12.31	—	289.63	6.54	80.02	—	86.56	203.07	270.78
<i>Previous year</i>	<i>28.14</i>	<i>249.18</i>	<i>—</i>	<i>277.32</i>	<i>5.66</i>	<i>0.88</i>	<i>—</i>	<i>6.54</i>	<i>270.78</i>	

** Amortisation

* Includes Rs. 253.35 lacs acquired on instalment system

II. NOTES ON ACCOUNTS : (Contd.)

8A. Non Current Investments (Long term Investments)			<u>As at 31.03.2013 Rs.</u>			<u>As at 31.03.2012 Rs.</u>
(a) Investments in Immovable Property			—			3.00
Less : Depreciation			—			1.91
			—			1.09
Less : Sold during the year			—			1.09
			—			—
(b) Investment in Shares & Securities (At Cost) Other than Trade - Quoted			—			—
	<u>Face Value Rs.</u>	<u>Numbers</u>	<u>As at 31.03.2013 Rs.</u>	<u>Numbers</u>	<u>As at 31.03.2012 Rs.</u>	
Agro Tech Foods Ltd.	10	22636	116.80	—	—	
Akzo Nobel India Ltd.	10	32296	264.45	27950	226.27	
Bajaj Finance Ltd.	10	—	—	23187	159.66	
Cairn India Ltd.	10	5	0.02	—	—	
Crompton Greaves Ltd.	2	122100	133.50	—	—	
Godrej Properties Ltd.	10	4142	25.45	—	—	
Havell's India Ltd.	5	7500	46.30	21500	74.18	
HDFC Ltd.	2	—	—	35449	237.49	
Honeywell Automation (I) Ltd.	10	5	0.13	—	—	
ICICI Bank Ltd.	10	14840	159.39	—	—	
ING Vysya Bank Ltd.	10	5500	19.70	47800	155.75	
Mahindra & Mahindra Financial Service Ltd.	10	—	—	23378	153.22	
Motherson Sumi Systems Ltd. (Including Bonus 65,268)	1	85315	33.93	108571	231.85	
Orissa Mineral Development Co. Ltd.	10	6090	257.97	536	230.37	
PI Industries Ltd.	1	5	0.03	—	—	
Rallis (I) Ltd.	1	113711	169.42	—	—	
SML Isuzu Ltd.	10	22186	86.06	22186	86.06	
Sun Pharma Adv. Research Co. Ltd.	1	35878	42.51	—	—	
Sundaram Fastners Ltd.	1	—	—	107904	64.76	
Tata Global Beverages Ltd.	1	78000	101.99	—	—	
The Karur Vysya Bank Ltd.	10	37360	207.10	—	—	
Torrent Pharmaceuticals Ltd.	5	62248	368.65	50148	295.70	
West Coast Paper Mills Ltd.	2	83000	98.85	250283	207.11	
Yes Bank Ltd.	10	5	0.02	—	—	

Contd.

NAGA DHUNSERI GROUP LIMITED

II. NOTES ON ACCOUNTS : (Contd.)

	Face Value Rs.	Numbers	As at 31.03.2013 Rs.	Numbers	As at 31.03.2012 Rs.
OTHERS - ASSOCIATED					
Dhunseri Petrochem & Tea Ltd. (Including Bonus 9,44,602)	10	3078759	1844.56	3078759	1844.56
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 - ASSOCIATED - UNQUOTED					
Madhuting Tea (P) Ltd.	10	130000	78.02	289000	173.47
			<u>4509.88</u>		<u>4595.48</u>
Total (a) & (b)			<u>4509.88</u>		<u>4595.48</u>
Aggregate of Quoted non current Investments					
Cost			4425.59		4415.74
Market Value			5589.36		6326.42
Aggregate of Un-quoted Investments			84.29		179.74

8B.Current Investments (At Cost)

Fully Paid-up Mutual

Fund Units-Unquoted

HDFC Cash Management Fund Treasury

Advantage Plan Retail Growth

SBI Premier Liquid Fund

SBI Magnum Instra cash Fund-cash option

	<u>Units</u>		<u>Units</u>	
	300036.18	75.05	15328.40	3.50
	7941.82	140.00	—	—
	6809.68	175.46	1126.99	26.17
		<u>390.51</u>		<u>29.67</u>

Aggregate of Un-quoted

Current Investments

Repurchase value of units

390.51

401.40

—

29.67

30.30

II. NOTES ON ACCOUNTS : (Contd.)

9. Deferred tax assets (Net)

(Rs. in lacs)

Deferred Tax Assets for the year Rs. 1.11 has been recognised in the Profit & Loss Account. Deferred Tax Assets are attributable to the following items :-

Assets	As at 31-03-2013	As at 31-03-2012	Adjustments
Depreciation	1.46	0.61	0.85
Others	0.26	Nil	0.26
	1.72	0.61	1.11

	As at 31.03.2013	As at 31.03.2012
10A. Long term loans and advances (Unsecured, considered good)		
Advance for purchase of flat	172.82	5.00
Security Deposit	17.38	17.32
Fringe benefit tax refund receivable	0.01	0.01
Income tax refund receivable	2.47	2.47
Staff Advance	—	0.80
	<u>192.68</u>	<u>25.60</u>
10B. Short term loans and advances (Unsecured, considered good)		
Prepaid Expenses	2.44	0.11
Staff & Other Advance	0.76	0.81
Advance - Income Tax	114.37	72.43
Tax deducted at source	6.11	9.12
	<u>123.68</u>	<u>82.47</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 31.03.2013	Numbers	As at 31.03.2012
Jain Irrigation System Ltd.	2	194400	119.27	—	—
Kaveri Seeds Ltd.	10	—	—	44500	145.94
Orient Cement Ltd.	1	94429	42.95	—	—
Orient Paper & Industries Ltd.	1	94429	5.90	—	—
TV-18 Broadcast Ltd.	2	732200	200.19	—	—
Usha Martin Ltd.	1	—	—	507733	156.13
			<u>368.31</u>		<u>302.07</u>

NAGA DHUNSERI GROUP LIMITED

II. NOTES ON ACCOUNTS : (Contd.)	(Rs. in lacs)	
	As at 31.03.2013	As at 31.03.2012
12. Cash and Cash equivalents		
Balance with Scheduled Banks :		
On Current Account	71.24	88.77
On Unpaid Dividend Account	9.59	9.29
Cheque-in-Hand	—	0.32
Cash in Hand	5.00	5.00
	85.83	103.38
13. Other current assets		
Interest Receivable	0.06	0.06
Lease Rent on Commercial Vehicles Receivable	6.24	—
	6.30	0.06
	For the year ended 31st March, 2013	For the year ended 31st March, 2012
14. Revenue from operation		
Sales of shares & securities	1,022.09	737.67
Lease Rent on Commercial Vehicles	57.30	—
Dividend Received	189.72	196.78
Profit on sale of investment (Net)	438.12	8.27
Interest received (Tax deducted at source Re. 0.01 previous year Re. 0.01)	0.90	2.41
Share difference	(0.08)	(0.63)
	1,708.05	944.50
15. Other Income		
Rent received (Tax deducted at source Rs. 2.84 previous year Rs. 3.26)	28.54	32.83
Miscellaneous receipts	0.48	0.07
	29.02	32.90
16. Changes in inventories of stock in trade		
Opening stock of shares & securities	302.07	613.77
Closing stock of shares & securities	368.31	302.07
	(66.24)	311.70
17. Employees benefit expenses		
Salary	20.82	20.06
Bonus	1.20	1.23
Gratuity	—	3.19
Leave payment	1.69	0.58
Staff welfare expenses	2.78	2.82
Staff Insurance	1.82	1.08
Contribution to provident & other fund	2.38	2.42
	30.69	31.38

NAGA DHUNSERI GROUP LIMITED

II. NOTES ON ACCOUNTS : (Contd.)	(Rs. in lacs)	
	For the year ended 31st March, 2013	For the year ended 31st March, 2012
18. Finance Costs		
Interest paid for Auto Loan	21.76	—
	<u>21.76</u>	<u>—</u>
19. Depreciation & amortisation expenses		
Depreciation & amortisation expenses on fixed asset	80.02	0.88
Depreciation on immovable properties	—	0.05
	<u>80.02</u>	<u>0.93</u>
20. Other expenses		
Security transaction tax on trading	1.94	1.34
Security transaction tax on investment	3.40	6.02
Directors' commission	1.00	1.00
Audit Fees		
As audit Fees	0.34	0.28
For Company Law matters	0.05	0.06
For Certification	<u>0.15</u>	<u>0.15</u>
Repair to others	—	0.31
Demat charges	0.75	0.77
Directors' fees	0.54	0.62
Electric charges	1.73	1.40
Hire charges	0.37	0.36
Insurance charges	1.62	0.10
Miscellaneous expenses	2.24	2.33
Motor car running expenses	1.95	2.23
Profession charges	1.05	1.33
Prior period expenses	—	0.02
Rates & Taxes	0.49	0.36
Licence fees	1.94	1.91
Rent paid	31.50	30.78
Excess Adj. of Interest written off	—	0.05
Service Tax on Director's Fees	0.05	—
Travelling & conveyance	0.56	0.15
	<u>51.67</u>	<u>51.57</u>
21. Extraordinary Items		
Profit on sale of immovable properties	—	56.76
	<u>—</u>	<u>56.76</u>

II. NOTES ON ACCOUNTS : (Contd.)

22. 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.

23. Information of stock of Shares & Securities :

	31st March, 2013		31st March, 2012	
	Quantity Nos.	Value Rs.	Quantity Nos.	Value Rs.
Opening Stock	552233	302.07	653181	613.77
Purchase	1526519	1001.61	591493	337.53
Sales	965794	1022.09	692441	737.67
Closing Stock	1112958	368.31	552233	302.07

24. 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 Management Personnel :

Mr. Chandra Kumar Dhanuka	— Chairman
Smt. 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 Management Personnel	
	2012-2013 Rs.	2011-2012 Rs.	2012-2013 Rs.	2011-2012 Rs.
Rent Received	28.35	27.68	—	—
Hire Charges (Furniture)	0.37	0.36	—	—
Licence Fees	1.94	1.91	—	—
Dividend Received	154.77	151.88	—	—
Dividend Paid to Shareholders	9.87	9.87	2.54	2.54
Sitting Fees/Commission Paid	—	—	0.56	0.62
Reimbursement of Expenses (Paid)	2.21*	2.37*	—	—
Insurance Charges - Staff	1.77	1.02	—	—
Electric Charges	0.88	0.65	—	—
Sale of Shares (Re-purchase)	192.39	—	—	—
*Paid to a Firm				

II. NOTES ON ACCOUNTS : (Contd.)

25. 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 :

	2012-2013	2011-2012
	Rs.	Rs.
i) not later than one year	31.50	31.50
ii) later than one year and not later than five years	132.34	129.94
iii) later than five years	4,994.34	5,028.25
b) The total of future minimum sublease payments expected to be received under non cancellable subleases at the balance sheet date	4,629.73	4,507.78
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.	31.50	30.75
d) Sub-lease payments received (or receivable) recognised in the statement of profit and loss for the year	28.35	27.87

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

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 Rs. 1.72 lacs (previous year 1.77) and included in Schedule 17 under Contribution to Provident and other funds 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, whichever is earlier. The benefit vests after 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 under group gratuity scheme.

II. NOTES ON ACCOUNTS : (Contd.)

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

(Rs. in lacs)

	As at 31-03-2013	As at 31-03-2012
	Rs.	Rs.
a) Expenses recognised in the Statement of Profit & Loss for the year ended 31st March, 2013		
Current Service Cost	0.64	6.67
Interest Cost	1.82	15.39
Expected return on plan assets	(1.77)	(17.12)
Net actuarial (gain) / loss recognised during the year	(1.98)	26.85
Other Adjustment	—	0.14
	(1.29)	31.93
b) Net (Asset) / Liability recognised in the Balance Sheet as at 31st March, 2013		
Present Value of Defined Benefit obligation	22.91	22.74
Fair Value of plan assets	26.09	21.49
	(3.18)	1.25
c) Actual return of plan assets		
Expected return on plan assets	1.77	1.71
Actuarial gain / (loss) on plan assets	2.33	0.91
	0.56	(0.80)
d) Change in Defined Benefit obligation during the year ended 31st March, 2013		
Present Value of Defined Benefit obligation as at 31-03-2012	22.74	18.65
Current Service Cost	0.65	0.67
Interest Cost	1.82	1.54
Benefits paid	(0.88)	—
Actuarial gain / (loss) on obligation	(1.42)	1.88
	22.91	22.74

II. NOTES ON ACCOUNTS : (Contd.)

(Rs. in lacs)

	As at 31-03-2013	As at 31-03-2012
	Rs.	Rs.
e) Changes in fair value of Assets during the year ended 31st March, 2013		
Fair Value of plan assets	21.49	20.02
Expected return on plan assets	1.77	1.71
Contribution made	3.15	0.56
Benefits paid	(0.88)	—
Actuarial (gain) / loss on plan assets	0.56	(0.80)
	26.09	21.49

II. LEAVE ENCASHMENT - Unfunded

a) Expenses recognised in the Statement of Profit & Loss for the year ended 31st March, 2013		
Current Service Cost	0.39	0.15
Interest Cost	0.42	0.50
Net actuarial (gain) / loss recognised during the year	0.88	(1.54)
	1.69	(0.89)
b) Present value in Defined Benefit obligation as at 31st March, 2013		
Present Value of Defined Benefit obligation as at 31-03-2012	5.22	6.11
Current Service Cost	0.39	0.15
Interest Cost	0.42	0.50
Benefits paid	(0.87)	—
Actuarial (gain) / loss on obligation	0.88	(1.54)
	6.04	5.22

Actuarial Assumption

	Gratuity	Leave Encashment
Mortality Table	LIC (1994-96)	LIC (1994-96)
Discount rate	8.00%	8.25%
Inflation rate	5%	5%
Expected return on plan assets	8.00%	NA

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.

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) Rs. 187.87 (previous year 195.75) from Investment in shares
- 2) Rs. 1.85 (previous year 1.03) from stock in trade

30. Profit on sale of Investments includes :

- 1) Long term profit Rs. 241.52 (previous year 185.55)
- 2) Short term profit Rs. 196.60 (previous year loss 177.28)

31. Earning per Share :

(Figures in lacs)

Particulars	As at 31-03-2013	As at 31-03-2012
	Rs.	Rs.
Profit (Loss) after taxation as per Profit & Loss Account	523.67	272.91
Total Number of Equity Shares	10,00,000	10,00,000
Basic / diluted earning per share in rupees (Face value Rs. 10/- per share)	52.37	27.29

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)

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	129.13	173.65
	<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. 120.48 lacs)	202.18
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	19.31
(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.)

4. Break-up of Investments

Current Investments

1. Quoted

i) Shares	a) Equity	368.31
	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		390.51
iv) Government Securities		NIL
v) Others (please specify)		NIL

Long Term Investments

1. Quoted

i) Shares	a) Equity	NIL
	b) Preference	4,509.88
ii) Debentures and Bonds		NIL
iii) Units of Mutual Funds		NIL
iv) Government Securities		NIL
v) Others		NIL

2. Unquoted

i) Shares	a) Equity	84.29
	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	220.59	220.59
Total	NIL	221.49	221.49

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	3,653.44	2,371.34
c) Other related parties	NIL	NIL
2. Other than related parties	2,905.53	2,897.36
Total	6,558.97	5268.70

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

33. Estimated amount of contracts remaining to be executed on capital account Rs. 214.31 lacs (previous year Rs. 382.13 lacs).
34. During the year, the Company has undertaken new business of leasing commercial vehicles for which Special Resulation under Section 149 (2A) is being placed in the ensuing Annual General Meeting.
35. The revenue realised from the new business is less than 10% of total revenue of the Company and therefore Segment Reporting has not been made as required under AS 17.
36. Previous Year's figures have been re-grouped and re-arranged wherever considered necessary.

For S. S. KOTHARI & CO.,

Chartered Accountants

R. K. ROY CHAUDHURY

Partner

Place : Kolkata

Dated : The 22nd day of May, 2013

H. P. BHUWANIA

Chief Financial Officer

For and on behalf of the Board of Directors

C. K. DHANUKA

Chairman

RAJEEV RUNGTA

Director

NECS MANDATE FORM

(Members are requested to complete, sign and return this Form to the Company along with a copy of the cheque leaf or cancelled cheque)

Naga Dhunseri Group Ltd.

Dhunseri House
4A, Woodburn Park
Kolkata - 700 020

Dear Sir,

Sub. : Change in mode of payment of dividend etc. through NECS

I hereby consent, that, the dividend payable by the Company on equity shares held by me / us be credited to my bank account through the National Electronic Clearing Service (NECS).

I give below my relevant particulars :

Folio No. :

Name of Sole / 1st Shareholder

Address

.....

Telephone No.(s) **Mobile**

E-mail ID

Bank Account No.

Type of Bank Account : Savings / Current / Cash Credit

Bank Name

Bank Branch & Address

.....

MICR No.

(9 digit code number of the Bank and branch appearing on the MICR cheque)

I enclose a photocopy of the cheque / cancelled blank cheque

I hereby declare that the particulars given above are correct and complete.

Date :

Encl. : as above

Name & Signature of sole / 1st shareholder

NAGA DHUNSERI GROUP LIMITED

Registered Office : 'Dhunseri House', 4A, Woodburn Park, Kolkata-700 020

ATTENDANCE SLIP

NINETY-FIFTH ANNUAL GENERAL MEETING
13TH AUGUST, 2013

DP. Id*	
Client Id*	
Regd. Folio No.	

*Applicable if shares are held in electronic form.

I certify that I am a registered Shareholder/Proxy or representative for the registered Shareholder of the Company.

I hereby record my presence at the NINETY-FIFTH ANNUAL GENERAL MEETING of the Company to be held on Tuesday, the 13th August, 2013 at 3.00 P.M. at the "Kala Kunj", Sangit Kala Mandir Trust, 48, Shakespeare Sarani, Kolkata-700 017.

.....
Member's / Proxy's Name in block letters

.....
Member's / Proxy's Signature

- Notes :
- 1) Please fill in this attendance slip and hand it over at the entrance of the meeting hall.
 - 2) Member's signature should be in accordance with the specimen signature registered with the Company.
 - 3) Please bring your copy of the Annual Report for reference at the meeting.

NAGA DHUNSERI GROUP LIMITED

Registered Office : 'Dhunseri House', 4A, Woodburn Park, Kolkata-700 020

PROXY FORM

DP. Id*	
Client Id*	
Regd. Folio No.	

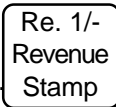
*Applicable if shares are held in electronic form.

I/We
of being a Member/Members
of the abovenamed Company hereby appoint
of.....or failing him
of

as my/our proxy to vote for me/us on my/our behalf at the NINETY-FIFTH ANNUAL GENERAL MEETING of the Company to be held on 13th August, 2013 and at any adjournment thereof.

Signed this.....day of2013.

Signature.....



- Notes :
1. The Proxy need NOT be a member.
 2. The Proxy Form signed across revenue stamp should reach the Company's Registered Office at least 48 hours before the scheduled time of meeting.
 3. Please fill in full particulars.
 4. Company reserves the right to ask for identification of the proxy.
 5. Proxy cannot speak at the meeting.