

**DIRECTORS :**

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

**CFO & COMPLIANCE OFFICER :**

H. P. Bhuwania

**BANKERS :**

State Bank of India  
La Martiniere Branch  
Kolkata

HDFC Bank  
Central Plaza Branch  
Kolkata

**AUDITORS :**

S. S. Kothari & Co.  
*Chartered Accountants*

**REGISTERED OFFICE :**

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

**REGISTRARS & SHARE  
TRANSFER AGENTS :**

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

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## NOTICE

NOTICE is hereby given that the 93rd Annual General Meeting of Naga Dhunseri Group Limited will be held on Wednesday, the 10th August, 2011 at 10.30 A.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, 2011 together with the Auditors' Report thereon.
2. To declare dividend.
3. To appoint a Director in place of Sri N. G. Khaitan who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Sri I. K. Kejriwal who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint Messrs S. S. Kothari & Co., Chartered Accountants, the Auditors of the Company to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting and to authorize the Board to fix their remuneration.

Registered Office :  
Dhunseri House  
4A, Woodburn Park,  
Kolkata-700 020  
Dated, The 23rd day of May, 2011

By Order of the Board  
C. K. DHANUKA  
Chairman

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## NOTES

1. **The Register of Members of the Company will remain closed from Wednesday, 3rd August, 2011 to Wednesday, 10th August, 2011 (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 10th August, 2011. The dividend in respect of shares held in dematerialized form will be payable to the beneficial owners of the shares as at the end of business hours on 2nd August, 2011 as per the details furnished by the Depository for this purpose.
8. Under Section 205A of the Companies Act, 1956, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to Unpaid Dividend Account is required to be transferred to the Investor Education and Protection Fund of the Central Government and under Section 205C of the Companies Act, 1956, no claim shall lie against the Company or the said Fund, in respect of individual amount which remains unclaimed or unpaid for a period of seven years from the date of payment, and no payment shall be made in respect of any such claims.
9. In view of the above, members who have not encashed the dividend warrant(s) so far for any of the dividends declared earlier, i.e. dividend(s) for the year(s) subsequent to 2003 - 2004, are requested to make their claims immediately to the Company.
10. The shares of the Company are listed on The Calcutta Stock Exchange. Uptodate Listing Fee has been paid to the Exchange.
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 your valid email address. The investors desirous of refreshing / updating their email addresses are requested to do so immediately, which will be periodically downloaded from NSDL / CDSL and will be deemed to be your registered email address for serving notices / documents including those covered under Section 219 of the Companies Act, 1956.

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

The Notice and Explanatory Statement of the AGM as well as the Annual Report for the Financial Year ended 31st March, 2011 will be despatched to the rest of the shareholders holding in physical form.

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

Registered Office :  
Dhunseri House  
4A, Woodburn Park,  
Kolkata-700 020  
Dated, The 23rd day of May, 2011

By Order of the Board  
C. K. DHANUKA  
Chairman

## DIRECTORS' REPORT

Your Directors are pleased to submit the 93rd Annual Report together with Audited Accounts for the year ended 31st March, 2011.

	For the year ended 31st March, 2011		For the year ended 31st March, 2010	
	Rs.	Rs.	Rs.	Rs.
<b>FINANCIAL RESULTS</b>				
Profit before Depreciation & Taxation		7,64,23,430		5,54,99,485
Add/Less : Depreciation	(1,23,672)		(1,30,710)	
Provision for Taxation				
Current Income Tax	(1,58,00,000)		(85,00,000)	
Deferred Tax	16,530		(20,253)	
Income Tax in respect of earlier year	(2,75,007)	(1,61,82,149)	(15,12,459)	(1,01,63,422)
Profit after Taxation		6,02,41,281		4,53,36,063
Add : Balance brought forward from Previous year		24,66,263		—
<b>Available for appropriation</b>		<u>6,27,07,544</u>		<u>4,53,36,063</u>

### Appropriations

Proposed Dividend @ Rs. 2/- per share (Previous year Re. 2/- per share)		20,00,000		20,00,000
Dividend Tax on Proposed Dividend		3,32,175		3,32,175
Transferred to NBFC Reserve Fund		1,20,50,000		90,70,000
Transferred to General Reserve		4,50,00,000		3,14,67,625
Balance carried to Balance Sheet		33,25,369		24,66,263
		<u>6,27,07,544</u>		<u>4,53,36,063</u>

### WORKING RESULTS

During the year ended 31st March, 2011 the Company's profit increased significantly mainly because of disposal of an office space in Mumbai held for a long time. The Company's Profit After Tax during the year was Rs. 6,02,41,281/- as compared to profit of Rs. 4,53,36,063/- during the previous year.

### DIVIDEND

Your Directors recommend a dividend @ Rs. 2/- per equity share (20%) for the financial year 2010-2011 as against the same rate declared in the previous year.

### NBFC RESERVE FUND

A sum of Rs. 1,20,50,000/- was transferred to NBFC Reserve Fund from the year's surplus. The total balance of this Fund stood at Rs. 9,10,40,000/- as on 31st March, 2011.

## **DIRECTORS' REPORT** *(Contd.)*

### **GENERAL RESERVE**

A sum of Rs. 4,50,00,000/- was transferred to General Reserve from the year's surplus. The total balance of accumulation in General Reserve stood at Rs. 37,00,00,000/- as on 31st March, 2011.

### **DIRECTORS**

Sri N. G. Khaitan & Sri I. K. Kejriwal 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, 2011 and of the Profit of the Company for the year ended on that date ;

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

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

### **PARTICULARS OF EMPLOYEES**

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

### **PARTICULARS OF CONSERVATION OF ENERGY, FOREIGN EXCHANGE EARNINGS AND OUTGO**

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

### **RBI DIRECTIVE TO NBFC'S**

The Company did not invite or accept any deposit from the public during the year ended 31st March, 2011 nor has any intention to invite or accept any such deposit during the current financial year commencing on 1st April, 2011.

**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 23rd day of May, 2011

C. K. DHANUKA  
ARUNA DHANUKA  
N. G. KHAITAN  
RAJEEV RUNGTA  
G. R. GOENKA

*Chairman*

*Directors*

**ANNEXURE**

**CORPORATE GOVERNANCE REPORT**

**1. COMPANY'S PHILOSOPHY**

The Company's philosophy of Corporate Governance aims at establishing and practising a system of good Corporate Governance, which will assist the management in managing the Company's business in an efficient and transparent manner towards fulfilling the Corporate Objectives.

**2. BOARD OF DIRECTORS**

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

The Attendance and number of other Directorship and Committee Membership of each Director is given below :-

Sl. No.	Name of Director	Category of Directorship	No. of Board Meetings Attended	Last AGM attended	No. of other Directorship in Public Companies*	No. of other Committee Membership**	Chairman**
1.	Sri C. K. Dhanuka	Non-Executive Chairman, Promoter	5	Yes	4	1	—
2.	Sri I. K. Kejriwal	Non-Executive, Independent	4	Yes	5	—	—
3.	Sri N. G. Khaitan	Non-Executive, Independent	4	No	9	7	1
4.	Smt. Aruna Dhanuka	Non-Executive, Promoter	5	Yes	3	—	—
5.	Sri Mrigank Dhanuka	Non-Executive, Promoter	5	No	3	—	—
6.	Sri Rajeev Rungta	Non-Executive, Independent	5	Yes	4	—	—
7.	Sri G. R. Goenka	Non-Executive, Independent	5	No	2	2	—

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

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



Details of Board Meetings held during the year 2010-2011 are as under :-

Date of Meeting	Strength of the Board	Directors Present
30-04-2010	7	7
31-05-2010	7	5
12-08-2010	7	7
14-11-2010	7	7
14-02-2011	7	7

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

**a) Sri N. G. Khaitan**

Sri N. G. Khaitan was appointed a Director of the Company on 21-12-1979. He is a practising Advocate and Attorney of the Hon'ble High Court at Kolkata and the Hon'ble Supreme Court of India having more than 35 years of experience. He is a senior partner of Khaitan & Co., one of the largest Attorney firm in India. He is a member of Bharat Chamber of Commerce (BCC), Kolkata and Federation of Indian Chamber of Commerce & Industry (FICCI), New Delhi. His vast experience in legal matters is very helpful to different phases of the Company's operation.

Apart from Naga Dhunseri Group Limited he holds Directorship in 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	—	—
Gobind Sugar Mills Ltd.	Director	—	Investors' Grievance Committee
Hindusthan Sanitaryware & Industries Ltd.	Director	—	Audit Committee Shareholders'/ Investors' Grievance Committee
JK Lakshmi Cement Ltd.	Director	—	Do
Mangalam Timber Products Ltd.	Director	Audit Committee	
Mangalam Cement Ltd.	Director		Audit Committee
Reliance Chemotex Industries Ltd.	Director	—	Audit Committee
DPSC Ltd.	Director		
Rasoi Ltd.	Director		

Shares of the Company held by Sri N. G. Khaitan, in his own name or in the name of other persons on beneficial basis, as on 31st March, 2011 : Nil

**b) Sri I. K. Kejriwal**

Sri I. K. Kejriwal is a B.Com and is having over 50 years experience in business. He has been associated with the Company for a long time and making valuable contribution for the growth of the Company.

Apart from Naga Dhunseri Group Limited he holds Directorship in the following Public Companies :

Name of the Company	Chairman/Director of other Companies
Chengmari Tea Co. Ltd.	Director
Duncan International (India) Ltd.	Director
Central India General Agents Ltd.	Director
Nathdwara Investment Co. Ltd.	Director
Birla Eastern Ltd.	Director

Shares of the Company held by Sri I. K. Kejriwal in his own name or in the name of other persons on beneficial basis, as on 31st March, 2011 :

- i) Own : 644 shares  
for other persons on beneficial basis : 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, 2011 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 five 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 2010-2011 are as under :-

Name of the Committee Member	Date of Committee Meetings				
	30-04-2010	31-05-2010	12-08-2010	14-11-2010	14-02-2011
Sri Rajeev Rungta	Yes	Yes	Yes	Yes	Yes
Sri I. K. Kejriwal	Yes	No	Yes	Yes	Yes
Sri G. R. Goenka	Yes	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) Related party transaction, if any.
2. Hold discussion with :
  - i) Statutory Auditors, before and after audit on the scope and area of concern;
  - ii) Management before submission of financial statements to the Board.
3. Compliance with Accounting Standards, Legal requirements and Ethical Code.

**6. DIRECTORS' REMUNERATION**

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

Sl. No.	Name	Board Meeting Sitting Fees Rs.	Committee Meeting Sitting Fees Rs.	Commission on Profit Rs.	Total Rs.
1.	Sri C. K. Dhanuka	7500	—	14285	21785
2.	Sri I. K. Kejriwal	6000	6000	14286	26286
3.	Sri N. G. Khaitan	6000	—	14286	20286
4.	Sri Mrigank Dhanuka	7500	—	14285	21785
5.	Smt. Aruna Dhanuka	7500	—	14286	21786
6.	Sri Rajeev Rungta	7500	7500	14286	29286
7.	Sri G. R. Goenka	7500	7500	14286	29286
		49500	21000	100000	170500

**Shares/Convertible Instruments held by the Directors as on 31st March, 2011 :**

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

The Company does not have any Stock Option / Convertible Instruments.

**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. 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. Bhuwania, CFO was nominated Secretary to the Committee. No Committee Meeting was required to be held during the year.

**8. SHAREHOLDERS '/INVESTORS' GRIEVANCE COMMITTEE**

The present Shareholder/Investor Grievance Committee comprises of 3 Directors, all are 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 15th July, 2010, 26th August, 2010, 30th December, 2010 and 15th January, 2011. All the members attended all the meetings.

The terms of reference of this Committee inter alia includes :

- 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, 2011.

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

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

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

**9. SHARE TRANSFER SYSTEM**

Your Company's shares are traded in the Calcutta Stock Exchange in demat mode. During the year 14 Share Transfer / Transmission cases comprising of 474 Equity Shares were received for physical transfer / transmission. Total number of shares dematerialized as on 31st March, 2011 were 4087. The Company did not receive any complaint from any shareholder during the year and no complaint was pending as on 31-03-2011.

**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](mailto:nagadhunseri@gmail.com)

## 11. MANAGEMENT DISCUSSION AND ANALYSIS

### **Industry Trend and Development**

The Company is engaged in Investment business and hence congenial economic environment together with favourable policy of the Government and Reserve Bank of India determine the trend of its business. Investment Portfolio is shuffled and reviewed on a constant basis to derive maximum benefit from the market movement. Global market fluctuations also impact the Indian market.

Despite volatile market condition the Company's business improved because of constant vigilance on Investment Portfolio. Current year's performance will depend mainly on measures taken by the Authorities to boost economy, growth and to control inflation.

### **Opportunities and Threats**

The business opportunities in a small sized NBFC company are very limited but there are plenty of threats for which the Management keeps a constant watch on the trend of market.

### **Risk and Concern**

The inherent risk involved in the Company's nature of business was aggravated by the global economic turmoil. The situation improved during the year as the global market improved though economic conditions were causing concern for the Indian market. The Management has to keep in mind all these factors to meet the challenge.

### **Outlook**

The Management prudently shuffled its investment portfolio as and when necessary to derive maximum benefit from changing market condition. The extent of economic growth in the current financial year will depend on the Government's policy on fiscal and monetary measures. A small size NBFC like the Company will have to be constantly vigilant of the changing economic scenario.

### **Internal Control System**

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

### **Cautionary Statement**

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

## 12. CEO/CFO CERTIFICATION

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

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

**13. GENERAL BODY MEETINGS**

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

Annual General Meeting (AGM) Year	Date	Time	Venue	Special Resolutions
2009-2010	03-09-2010	11.30 A.M.	Kala Kunj, Sangit Kala Mandir Trust, 48, Shakespeare Sarani Kolkata-700 017	None
2008-2009	03-09-2009	3.30 P.M.	Kala Kunj, Sangit Kala Mandir Trust, 48, Shakespeare Sarani Kolkata-700 017	One Special Resolution
2007-2008	11-09-2008	3.30 P.M.	Kala Kunj, Sangit Kala Mandir Trust, 48, Shakespeare Sarani Kolkata-700 017	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 Schedule II, serial no. 8.
- iv) Details of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authority or any matter related to Capital Markets, during the last three years :  
There were no instances of non-compliance of any matter related to the capital market during the last three years. Nor there were 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**

93rd AGM to be held on Wednesday, 10th August, 2011 at 10.30 a.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 Wednesday 3rd August, 2011 to Wednesday, 10th August, 2011 (both days inclusive).

**c. Financial calendar (Tentative)**

<b>Adoption of Quarterly / Annual Report</b>	<b>Adoption on or before</b>
1st quarter ending 30th June, 2011	14th August, 2011
2nd quarter ending 30th September, 2011	14th November, 2011
3rd quarter ending 31st December, 2011	14th February, 2012
Year Ending 31st March, 2012	30th May, 2012

**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, 2012 to the Calcutta Stock Exchange Ltd.

**f. Demat ISIN Number for NSDL & CDSL :**

INE 756C01015

**g. Stock Market Price data for the year 2010-2011**

Month	Calcutta Stock Exchange	
	High	Low
April-10	—	—
May-10	—	—
June-10	—	—
July-10	—	—
August-10	—	—
September-10	—	—
October-10	—	—
November-10	—	—
December-10	—	—
January-11	—	—
February-11	—	—
March-11	—	—

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

**h. Dividend Payment Date**

- Dividend for the year 2009-2010, declared at the Annual General Meeting on 3rd September, 2010 was paid on 16th September, 2010.
- Dividend for the year 2010-2011, if the Directors' Recommendation is approved by the shareholders at the ensuing Annual General Meeting, will be paid within 30 days from the date of the AGM. No tax will be deducted at source under the current Income Tax Act.
- Transfer to Investors' Education and Protection Fund is made as and when due.

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

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

**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, 2011.**

Category	No. of Members	Number of Shares	% of holding
Promoter & Promoter Group	16	7,29,134	72.91
Public Institutions	3	1,742	0.18
<b>Non-Institutions</b>			
Bodies Corporate	12	24,893	2.49
Indian Public	893	2,32,591	23.26
Non-Resident Individual	16	11,640	1.16
	<b>940</b>	<b>10,00,000</b>	<b>100.00</b>



**I. Distribution of Shares as on 31st March, 2011**

Share Holding	Shareholders' Number	Percentage of Shareholders	No. of Shares	Percentage of Shares
1 to 500	824	87.66	80396	8.04
501 to 1000	57	6.06	42705	4.27
1001 to 2000	27	2.87	36962	3.70
2001 to 3000	3	0.32	6924	0.69
3001 to 4000	8	0.85	27269	2.72
4001 to 5000	3	0.32	12884	1.29
5001 to 10000	7	0.75	43490	4.35
10001 and above	11	1.17	749370	74.94
<b>Total</b>	<b>940</b>	<b>100.00</b>	<b>1000000</b>	<b>100.00</b>

**m. Summary report of Shareholding as on 31st March, 2011**

Particulars	Shareholders		No. of Shares	% of Share Holding
	No.	%		
Physical	660	70.21	617542	61.75
NSDL	217	23.09	374441	37.45
CDSL	63	6.70	8017	0.80
<b>Total</b>	<b>940</b>	<b>100.00</b>	<b>1000000</b>	<b>100.00</b>

**18. CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE**

The Company has obtained Compliance Certificate from Mr. A. K. Labh, Practising Company Secretary of M/s. A. K. Labh & Co., Company Secretaries regarding compliance of conditions on Corporate Governance and the same is attached to this report.

Place : Kolkata  
Dated : The 23rd day of May, 2011

C. K. DHANUKA  
ARUNA DHANUKA  
N. G. KHAITAN  
RAJEEV RUNGTA  
G. R. GOENKA

Chairman  
Directors

NAGA DHUNSERI GROUP LIMITED

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**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, 2011.

Place : Kolkata

Dated : The 23rd day of May, 2011

**C. K. DHANUKA**

Chairman

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**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, 2011 as stipulated in Clause 49 of the Listing Agreement with the stock exchanges and as amended by the SEBI vide its Circular dated 9th October, 2004 and as implemented by the Company for the year under report.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

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

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

For A. K. LABH & CO.  
*Company Secretaries*

A. K. LABH  
Proprietor  
CP - 3238

Place : Kolkata

Dated : The 23rd day of May, 2011

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**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, 2011. 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 the provisions of the Act and the rules made thereunder and all entries have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this Certificate with Registrar of Companies, West Bengal, Kolkata within the time prescribed under the Act and the Rules made thereunder.
3. The Company, being a public limited company, comments are not required.
4. The Board of Directors duly met **5 (Five)** times respectively on 30th April, 2010, 31st May, 2010, 12th August, 2010, 14th November, 2010 and 14th February, 2011 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 27th August, 2010 to 3rd September, 2010 (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, 2010 was held on 3rd September, 2010 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.

**COMPLIANCE CERTIFICATE (Contd.)**

10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
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) There was no allotment/transfer/transmission of securities during the financial year.  
(ii) The Company has deposited the amount of dividend in a separate bank account on 6th September, 2010 which is within five days from the date of declaration of such dividend.  
(iii) The Company has paid/posted warrants for dividends to all the members within a period of 30 (Thirty) days from the date of declaration and that all unclaimed/unpaid dividend has been transferred to Unpaid Dividend Account of the Company with HDFC Bank Limited, Central Plaza Branch, 2/6, Sarat Bose Road, Kolkata-700 020 on 10th October, 2010.  
(iv) The Company has transferred the amounts of Rs. 35,328/- from unpaid dividend account for the year 2002-2003 which remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund on 10th December, 2010.  
(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, 2011.
25. The Company has made investments in other bodies corporate and Mutual Funds in compliance with the provisions of the Act and has made necessary entries in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one State to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the company during the year under scrutiny and complied with the provisions of the Act.
30. The Company has not altered its Articles of Association during the financial year.
31. There was no prosecution initiated against or show cause notices received by the company and no fines or penalties or any other punishment was imposed on the company during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has deposited both employee's and employer's contribution to 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 23rd day of May, 2011

**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, 2011.

Sl. No.	Form No./ Return	Filed under Section	Date of Filing	For
1.	Form No. 66 Compliance Certificate Date : 30-05-2010	383A	13-09-2010	For the financial year ended 31-03-2010.
2.	Form No. 23AC & 23ACA Balance Sheet as on 31-03-2010	220	24-09-2010	For the financial year ended 31-03-2010.
3.	Form No. 20B Annual Return Date : 03-09-2010	159	28-09-2010	As on the date of AGM held on 03-09-2010.

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

1. We have audited the Balance Sheet of NAGA DHUNSERI GROUP LIMITED as at 31st March, 2011 and the related Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto, with the books of account maintained by the Company. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the accounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
3. In our opinion, proper books of account have been kept by the Company as required by law, so far as appears from our examination of those books.
4. The Balance Sheet and Profit and Loss Account and Cash Flow Statement comply with the accounting standards referred to in sub-Section (3C) of Section 211 of the Companies Act, 1956.
5. According to information available no Director is disqualified from being appointed as Director under Section 274(1)(g) of the Companies Act, 1956 as amended.
6. Attention is drawn to note 1 of Schedule 11 (B) regarding certain strategic investments in respect of which the shortfall in the value thereof has not been provided having regard to present market condition & future expectation.
7. In our opinion and to the best of our information and according to the explanations given to us the said account read with the Notes, Para 6 above and Accounting Policies as given in Schedule No. 11 give the information required by the Companies Act, 1956 in the manner so required and the Balance Sheet gives a true and fair view of the state of the Company's affairs as at 31st March, 2011, the Profit & Loss Account gives a true and fair view of the Profit for the year ended on that date and the Cash Flow Statement gives fair view of Cash Flows of the Company for the year ended on that date.

As required by the Companies (Auditor's Report) Order, 2003 and Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government in terms of sub-Section (4A) of Section 227 of the Companies Act, 1956 and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we further state on the matters specified in paragraphs 4 & 5 of the said order.

**AUDITORS' REPORT (Contd.)**

- i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
(b) The fixed assets have been physically verified by the management at the year end and no discrepancies were noticed on such verification.  
(c) No substantial part of Fixed Assets has been disposed of by the Company during the year.
- ii) (a) The Company is an Investment Company. The physical verification of its inventory of shares & securities is conducted at reasonable intervals.  
(b) The procedures of physical verification followed up by the Company is reasonable and adequate in relation to the size of the Company and the nature of its business.  
(c) The Company is maintaining proper records of its inventories.  
(d) No discrepancies has been noticed on such physical verification.
- iii) (a) The Company has neither granted nor taken any loan secured or unsecured to/from Companies, firms or other parties covered in the Register maintained 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.
- viii) The Company is an Investment Company and therefore maintenance of the cost records prescribed by Central Government under clause (d) of sub-Section (1) of Section 209 of the Act is not applicable to the Company.
- ix) (a) The Company is regular in depositing undisputed statutory dues including Provident Fund, Investors Education Protection Fund, Income Tax, Wealth Tax, Service Tax, and other material statutory dues applicable to it.  
According to the information & explanations given to us no undisputed amounts payable in respect of Income Tax, Wealth Tax was in arrears as at 31st March, 2011 for a period of more than six months from the date these became payable.



**AUDITORS' REPORT (Contd.)**

- (b) According to the information & explanation given to us there are no dues of Income Tax, Wealth Tax which have not been deposited on account of dispute.
- x) The Company has no accumulated losses as at 31st March, 2011. It has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- xi) According to the records of the Company examined by us and the information and explanations given to us, there are no dues payable to any financial institutions or banks or debentureholders as at the balance sheet date.
- xii) The Company has not granted any loan and advance on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) The Company is an Investment Company and therefore Provision of any special statute applicable to chit fund / nidhi / mutual benefit fund / societies are not applicable to the Company.
- xiv) The Company has maintained proper records of transactions and contracts for shares and securities and timely entries have been made therein of the said transactions. All shares & other Investments are held by the Company in its own name.
- xv) In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from Banks or Financial Institutions during the year.
- xvi) According to the records of the Company examined by us and the information and explanations given to us, the Company has not taken any term loan during the year.
- xvii) On the basis of an overall examination of the Balance Sheet of the Company, in our opinion and according to the information and explanations given to us, we report that no funds have been raised on a short term basis.
- xviii) The Company has not issued any share during the year.
- xix) During the year Company has not issued debentures. However amount payable to the erstwhile debenture holders of the Company which had amalgamated long back with the Company stands credited to Capital Reserve and no securities have been created there-against.
- xx) The Company has not raised any money by public issues during the year.
- xxi) During the course of our examination of the books with the Company and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither noticed any instance of fraud on or by the Company, or have been reported during the year, nor have we been informed of such case by the management.

21, Old Court House Street,  
Kolkata - 700 001  
Dated : The 23rd day of May, 2011

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, 2011**

	Schedule No.	Rs.	As at 31.03.2011 Rs.	As at 31.03.2010 Rs.
<b>SOURCES OF FUNDS</b>				
<b>1. Shareholders' Funds</b>				
Share Capital	1		1,00,00,000	1,00,00,000
Reserves & Surplus	2		46,58,27,667	40,79,18,561
<b>2. Loan Fund</b>				
Secured Loan	3		—	48,797
			<u>47,58,27,667</u>	<u>41,79,67,358</u>
<b>APPLICATION OF FUNDS</b>				
<b>1. Fixed Assets</b>				
Gross Block	4	28,13,698		32,84,740
Less : Depreciation		<u>5,65,496</u>		<u>8,95,363</u>
Net Block			22,48,202	<u>23,89,377</u>
<b>2. Investments</b>				
Shares & Securities (At Cost)	5	41,12,24,234		34,88,82,046
Immovable Properties				
Cost		3,00,000		5,21,703
Less : Depreciation		<u>(1,87,072)</u>		<u>(3,14,987)</u>
			41,13,37,162	<u>34,90,88,762</u>
<b>3. Deferred Tax</b>				
Assets			74,627	58,097
<b>4. Current Assets, Loans &amp; Advances</b>				
Stock of Shares & Securities	6	6,13,76,758		4,49,07,575
Cash & Bank Balances		53,24,680		2,09,98,638
Other Current Assets		2,14,200		27,367
Loans & Advances		<u>2,40,32,845</u>		<u>3,03,07,104</u>
		9,09,48,483		9,62,40,684
Less : Current Liabilities & Provisions	7	<u>(2,87,80,807)</u>		<u>(2,98,09,562)</u>
			<u>6,21,67,676</u>	<u>6,64,31,122</u>
			<u>47,58,27,667</u>	<u>41,79,67,358</u>
Significant Accounting Policies / Notes to the Accounts	11			

As per our Report annexed.

For S. S. KOTHARI & CO.,

Chartered Accountants

R. K. ROY CHAUDHURY

Partner

Place : Kolkata

Dated : The 23rd day of May, 2011

H. P. BHUWANIA

Chief Financial Officer

C. K. DHANUKA

ARUNA DHANUKA

RAJEEV RUNGTA

G. R. GOENKA

MRIGANK DHANUKA

Chairman

Directors

NAGA DHUNSERI GROUP LIMITED

**PROFIT AND LOSS ACCOUNT  
for the year ended 31st March, 2011**

	Schedule No.	For the Year Ended 31.03.2011 Rs.	For the Year Ended 31.03.2010 Rs.
<b>INCOME</b>			
Sale of Shares & Securities		21,20,94,399	9,88,33,127
Increase/(Decrease) in Stock		1,64,69,183	3,32,88,009
Dividend Received		1,59,56,878	1,03,44,758
Profit on Sale of Investments in Shares		1,36,22,478	5,55,92,428
Profit on Sale of Immovable Properties		4,17,76,991	—
Interest on Others (Tax deducted at source Re. Nil, Previous Year Rs. 70,122/-)		27,793	7,11,733
Others	8	33,68,856	33,51,321
		<u>30,33,16,578</u>	<u>20,21,21,376</u>
<b>EXPENDITURE</b>			
Purchase of Shares & Securities		21,86,47,446	13,35,04,697
Expenses	9	68,29,929	68,17,578
Security Transaction Tax on Trading		5,33,422	2,94,718
Security Transaction Tax on Investments		7,53,834	4,55,844
Investment Written Off		—	51,66,665
Interest		522	19,049
Depreciation		1,23,672	1,30,710
Share Difference		27,995	2,63,340
Directors' Commission	10	1,00,000	1,00,000
		<u>22,70,16,820</u>	<u>14,67,52,601</u>
<b>Profit / (Loss) before Taxation</b>		7,62,99,758	5,53,68,775
Provision for Taxation :			
Current–Income Tax		(1,58,00,000)	(85,00,000)
Deferred Tax		16,530	(20,253)
Income Tax in respect of earlier year		(2,75,007)	(15,12,459)
<b>Profit / (Loss) after Taxation</b>		6,02,41,281	4,53,36,063
Brought forward from Previous Year		24,66,263	—
<b>Profit available for appropriations</b>		<u>6,27,07,544</u>	<u>4,53,36,063</u>
<b>Appropriations</b>			
Proposed Dividend @ Rs. 2/- per share, (Previous year Rs. 2/- per share)		20,00,000	20,00,000
Dividend Tax on Proposed Dividend		3,32,175	3,32,175
Transferred to NBFC Reserve Fund		1,20,50,000	90,70,000
Transferred to General Reserve		4,50,00,000	3,14,67,625
Balance Carried to Balance Sheet		33,25,369	24,66,263
		<u>6,27,07,544</u>	<u>4,53,36,063</u>
E.P.S. - Basic & Diluted (Face value Rs. 10/-)		60.24	45.34
Significant Accounting Policies / Notes to the Accounts	11		

This is the Profit & Loss Account referred to in our Report of even date.

For S. S. KOTHARI & CO.,

Chartered Accountants

R. K. ROY CHAUDHURY

Partner

Place : Kolkata

Dated : The 23rd day of May, 2011

H. P. BHUWANIA

Chief Financial Officer

C. K. DHANUKA

ARUNA DHANUKA

RAJEEV RUNGTA

G. R. GOENKA

MRIGANK DHANUKA

Chairman

Directors

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011**

Particulars	For the year ended		For the year ended	
	31-03-2011		31-03-2010	
	Rs.	Rs.	Rs.	Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit (Loss) before Tax		7,62,99,758		5,53,68,775
<b>Adjustments for :</b>				
Depreciation	1,23,672		1,30,710	
Securities Transaction Tax on Investments	7,53,834		4,55,844	
Profit (Loss) on Sale of Investments	(1,36,22,478)		(5,55,92,428)	
Assets Written Off	27,225		—	
Investments Written Off	—		51,66,665	
Profit on Sale of Immovable Properties	(4,17,76,991)		—	
Interest	522		19,049	
		<u>(5,44,94,216)</u>		<u>(4,98,20,160)</u>
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES:		2,18,05,542		55,48,615
<b>Adjustment for :</b>				
Decreased / (Increased) in Inventories	(1,64,69,183)		(3,32,88,009)	
Decreased / (Increased) in Trade & Other Receivable	(2,66,137)		98,06,420	
Increased / (Decreased) in Trade Payable	<u>(15,18,923)</u>		<u>(16,89,590)</u>	
		<u>(1,82,54,243)</u>		<u>(2,51,71,179)</u>
CASH FROM OPERATING ACTIVITIES		35,51,299		(1,96,22,564)
Direct Tax Paid	(91,21,445)		(93,92,362)	
Interest Paid	<u>(522)</u>		<u>(19,049)</u>	
		<u>(91,21,967)</u>		<u>(94,11,411)</u>
<b>Net Cash Flow from Operating Activities (A)</b>		<u>(55,70,668)</u>		<u>(2,90,33,975)</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Sale of Investment in Immovable Properties (Net)	4,18,61,057		—	
Purchase of Investments	(55,58,91,894)		(24,03,91,096)	
Sale of Investments	50,71,72,185		25,40,64,132	
Securities Transaction Tax on Investments	<u>(7,53,834)</u>		<u>(4,55,844)</u>	
<b>Net Cash Flow from Investing Activities (B)</b>		<u>(76,12,486)</u>		<u>1,32,17,192</u>
Total of (A) + (B)		<u>(1,31,83,154)</u>		<u>(1,58,16,783)</u>

Contd.

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011 (Contd.)**

Particulars	For the year ended 31-03-2011		For the year ended 31-03-2010	
	Rs.	Rs.	Rs.	Rs.
		(1,31,83,154)		(1,58,16,783)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Auto Loan Refunded	(48,797)		(1,92,023)	
Dividend Paid	(21,09,832)		(9,73,987)	
Corporate Dividend Tax Paid	(3,32,175)		(1,69,950)	
<b>Net Cash used in Financial Activities (C)</b>		<u>(24,90,804)</u>		<u>(13,35,960)</u>
<b>Net Increase / (–) Decrease in Cash &amp; Cash Equivalents (A+B+C)</b>		(1,56,73,958)		(1,71,52,743)
<b>Opening Balance of Cash &amp; Cash Equivalents</b>		2,09,98,638		3,81,51,381
<b>Closing Balance of Cash &amp; Cash Equivalents</b>		<u>53,24,680</u>		<u>2,09,98,638</u>
<b>Cash &amp; Cash Equivalents Comprise :</b>				
<b>Balance with Scheduled Banks on</b>				
Current Account		39,45,990		1,95,10,116
Cash in hand		5,00,000		5,00,000
Balance with Scheduled Banks on Dividend Account		8,78,690		9,88,522
		<u>53,24,680</u>		<u>2,09,98,638</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 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 23rd day of May, 2011

H. P. BHUWANIA  
Chief Financial Officer

C. K. DHANUKA  
ARUNA DHANUKA  
RAJEEV RUNGTA  
G. R. GOENKA  
MRIGANK DHANUKA

Chairman

Directors

NAGA DHUNSERI GROUP LIMITED

**SCHEDULE - 1**

	As at <u>31.03.2011</u> Rs.	As at <u>31.03.2010</u> Rs.
<b>SHARE CAPITAL</b>		
<b>Authorised</b>		
25,00,000 (Previous year 25,00,000) Equity Shares of Rs. 10/- each.	<u>2,50,00,000</u>	<u>2,50,00,000</u>
	<u>2,50,00,000</u>	<u>2,50,00,000</u>
<b>Issued, Subscribed &amp; Paid-up</b>		
10,00,000 (Previous year 10,00,000) Equity Shares of Rs. 10/- each fully paid up.	<u>1,00,00,000</u>	<u>1,00,00,000</u>
	<u>1,00,00,000</u>	<u>1,00,00,000</u>
Of the above :		
8,50,000 Equity Shares of Rs. 10/- each were allotted as fully paid up Bonus Shares by Capitalisation of Reserves.		
1,10,000 Equity Shares of Rs. 10/- each fully paid up were allotted for consideration otherwise than in cash, pursuant to a Scheme of Amalgamation.		

**SCHEDULE - 2**

	As at <u>31.03.2011</u>		As at <u>31.03.2010</u>	
	Rs.	Rs.	Rs.	Rs.
<b>RESERVES AND SURPLUS</b>				
<b>Capital Reserve</b>				
As per last Account		14,62,298		14,62,298
<b>NBFC Reserve Fund</b>				
As per last Account	7,89,90,000		6,99,20,000	
Transferred from Profit & Loss Account	<u>1,20,50,000</u>	9,10,40,000	<u>90,70,000</u>	7,89,90,000
<b>General Reserve</b>				
As per last Account	32,50,00,000		29,35,32,375	
Add : Transferred from Profit & Loss Account	<u>4,50,00,000</u>		<u>3,14,67,625</u>	
		37,00,00,000		32,50,00,000
Un-appropriated Profit		<u>33,25,369</u>		<u>24,66,263</u>
		<u>46,58,27,667</u>		<u>40,79,18,561</u>

**SCHEDULE - 3**

**LOAN FUNDS**

Secured Loan			
Auto Finance Loan - from a Body Corporate (Secured by hypothecation of Vehicle financed) (Fully repayable within one year)		—	48,797
		<u>—</u>	<u>48,797</u>

**SCHEDULE - 4**

**FIXED ASSETS**

Particulars	COST			DEPRECIATION			NET BLOCK			
	As at 01.04.2010	Addition during the year	Less: on Sales or Adjustments 31.03.2011	Total as at 01.04.2010	Upto 01.04.2010	Added: Current year	Less: Adjustments 31.03.2011	Total as at 31.03.2011	As at 31.03.2010	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
Leasehold Land	20,03,785	—	—	20,03,785	—	24,142*	—	24,142	19,79,643	20,03,785
Furniture, Electric Fittings, Office Equipments & Electric Installations	6,14,671	—	4,39,400	1,75,271	5,02,435	18,848	4,13,627	1,07,656	67,615	1,12,236
Computer	31,642	—	31,642	—	29,429	761	30,190	—	—	2,213
Motor Vehicle	6,34,642	—	—	6,34,642	3,63,499	70,199	—	4,33,698	2,00,944	2,71,143
<b>Grand Total</b>	<b>32,84,740</b>	<b>—</b>	<b>4,71,042</b>	<b>28,13,698</b>	<b>8,95,363</b>	<b>1,13,950</b>	<b>4,43,817</b>	<b>5,65,496</b>	<b>22,48,202</b>	<b>23,89,377</b>
Previous year	32,84,740	—	—	32,84,740	7,75,533	1,19,830	—	8,95,363	23,89,377	

\*Amortisation

Note : Depreciation on Fixed Assets

Depreciation on Investments in Immovable Properties

Depreciation as per Profit & Loss Account

Rs. 1,13,950/-

Rs. 9,722/-

Rs. 1,23,672/-

NAGA DHUNSERI GROUP LIMITED

**SCHEDULE - 5**

	Face Value Rs.	Numbers	As at 31.03.2011 Rs.	Numbers	As at 31.03.2010 Rs.
<b>INVESTMENTS</b>					
<b>Shares &amp; Securities (At Cost)</b>					
Other than Trade — <b>Long Term Investment</b>					
<b>Fully Paid-up Equity Shares (Quoted)</b>					
Aditya Birla Nuvo Ltd.	10	6300	49,46,531	—	—
Dhunseri Petrochem & Tea Ltd.	10	3044178	17,91,60,268	2132950	4,90,36,567
Formerly Dhunseri Tea & Inds. Ltd. (Including Bonus 9,44,602)	10	1066476	2,48,76,250	—	—
Dhunseri Investments Ltd. (Shares received on demerger of Dhunseri Tea & Inds. Ltd.)	1	1381977	4,52,34,162	—	—
Electrosteel Castings Ltd.	10	126150	1,36,93,140	166150	1,75,74,626
Escorts Ltd.	1	—	—	71526	1,10,32,467
Gujarat Flourochemicals Ltd.	5	36815	1,31,36,106	—	—
Havell's India Ltd.	10	23	13,725	—	—
Honda Siel Power Ltd.	10	—	—	15000	13,19,552
IndusInd Bank Ltd.	2	4575	74,57,973	—	—
Larsen & Toubro Ltd.	5	—	—	12000	1,75,18,544
Maruti Suzuki India Ltd.	10	—	—	150000	49,48,500
Nagarjuna Fertilizer Ltd.	10	2000000	2,00,00,000	2000000	2,00,00,000
Plenty Valley Intra Ltd.	10	48500	47,09,085	—	—
Power Grid Corporation of India Ltd.	10	—	—	14800	49,70,443
Pratibha Industries Ltd.	10	—	—	7300	43,35,301
Rallis India Ltd.	10	15450	1,50,37,721	—	—
Reliance Industries Ltd.	10	—	—	11472	31,22,046
Selan Explorations Technology Ltd.	10	14603	57,89,066	—	—
SML Isuzu Ltd.	10	—	—	14428	53,73,479
Solar Industries India Ltd.	10	—	—	9112284	15,49,99,951
South Asian Petrochem Ltd.	10	4615	12,75,406	8615	21,35,324
State Bank of Bikaner & Jaipur	10	26325	1,49,24,586	17690	61,41,652
State Bank of Travancore	1	65000	40,65,759	—	—
Sundaram Fastners Ltd.	10	223283	67,27,664	—	—
Tilaknagar Industries Ltd. (Including Bonus 116294 Nos.)	10	—	—	30542	21,87,959
Torrent Power Ltd.	2	236360	1,95,38,711	117564	74,04,251
West Coast Paper Mills Ltd.			<u>38,05,86,153</u>		<u>31,21,00,662</u>

Contd.



NAGA DHUNSERI GROUP LIMITED

**SCHEDULE - 5 (Contd.)**

	<u>Face Value</u>	<u>Numbers</u>	<u>As at</u> <u>31.03.2011</u>	<u>Numbers</u>	<u>As at</u> <u>31.03.2010</u>
	<u>Rs.</u>		<u>Rs.</u>		<u>Rs.</u>
Balance brought forward			38,05,86,153		31,21,00,662
<b>Fully Paid-up Equity Shares – Un-quoted</b>					
Madhuting Tea (P) Ltd.	10	500000	3,00,11,250	5000	3,00,11,250
(Face Value Rs. 1,000/- in the previous year)					
SSIPL Retail (P) Ltd.	10	—	—	3061	5,02,494
SAI Rayalaseema Paper Mills Ltd.	10	51591	6,26,831	51591	6,26,831
Other than Trade - Current Investment					
<b>Fully Paid-up Units – Un-quoted</b>					
HDFC Cash Management Fund- Treasury Adv. Plan Retail Growth	10		—	283093.413	56,40,809
Total			<u>41,12,24,234</u>		<u>34,88,82,046</u>
Aggregate of Quoted Investments					
Cost			38,05,86,153		31,21,00,662
Market Value			71,33,19,785		59,16,65,521
Aggregate of Un-quoted Investments			3,06,38,081		3,67,81,384
Repurchase value of Un-quoted Investments units			—		56,57,056

**SCHEDULE - 6**  
**Current Assets, Loans & Advances**

			As at		As at
	Face Value	Numbers	31.03.2011	Numbers	31.03.2010
	Rs.		Rs.		Rs.
<b>STOCK OF SHARES &amp; SECURITIES</b>					
<b>(At Cost or Market Price whichever is lower)</b>					
<b>Fully Paid up Equity Shares Quoted</b>					
Bilcare Ltd.	10	—	—	24758	80,61,956
Cipla Ltd.	2	—	—	100	33,504
Easun Reyrolle Ltd.	2	—	—	149700	1,23,73,595
Financial Technologies (I) Ltd.	2	10	8,669	9830	1,44,34,955
Indorama Synthetics (I) Ltd.	10	448545	2,74,53,768	—	—
IRB Infrastructure Ltd.	10	—	—	24000	32,90,998
J. B. Chemicals & Pharmacitugal Ltd.	2	146118	1,56,51,066	—	—
Kaveri Seeds Ltd.	10	58508	1,82,63,255	—	—
Mercator Lines Ltd.	1	—	—	100	5,565
Maytas Infrastructure Ltd.	10	—	—	100	16,653
NIIT Ltd.	2	—	—	50	2,873
Spicejet Ltd.	10	—	—	120000	66,49,301
Shree Renuka Sugar Ltd. (Bonus)	1	—	—	70000	—
Srei Infrastructure Ltd.	10	—	—	500	38,175
			<u>6,13,76,758</u>	<u>4,49,07,575</u>	
<b>CASH AND BANK BALANCES</b>					
Balance with Scheduled Banks :					
On Current Account		3945990		19510116	
On Unpaid Dividend Account		<u>878690</u>	48,24,680	<u>988522</u>	2,04,98,638
Cash in hand			<u>5,00,000</u>		<u>5,00,000</u>
			<u>53,24,680</u>		<u>2,09,98,638</u>
<b>OTHER CURRENT ASSETS</b>					
Dividend Receivable			—		27,367
Interest Receivable			11,700		—
Rent Receivable			<u>2,02,500</u>		<u>—</u>
			<u>2,14,200</u>		<u>27,367</u>

**SCHEDULE - 6 (Contd.)**

	As at <u>31.03.2011</u>	As at <u>31.03.2010</u>
	Rs.	Rs.
<b>LOANS AND ADVANCES</b>		
Advances : (Recoverable in Cash or in Kind or for value to be received) ( Unsecured, Considered Good)	2,67,305	4,07,270
Security Deposit	17,56,330	17,84,278
Advance Payment of Income Tax	2,05,18,780	2,62,20,080
Advance Payment of Fringe Benefit Tax	72,060	72,060
Fringe Benefit Tax Refund Receivable	1,107	1,107
Income Tax Refund Receivable	2,47,217	—
Tax Deducted at Source	11,70,046	12,93,335
Security Transaction Tax (Trading - U/s 88E)	—	5,28,974
	<u>2,40,32,845</u>	<u>3,03,07,104</u>
	<u>9,09,48,483</u>	<u>9,62,40,684</u>

**SCHEDULE - 7**

**CURRENT LIABILITIES & PROVISIONS**

**A. Current Liabilities**

Sundry Creditors	—	15,72,464
Security Deposit Received	3,00,000	3,00,000
Unpaid Dividend	8,78,690	9,88,522
Directors' Commission	1,00,000	1,00,000
Other Liabilities	1,58,109	1,75,021
	<u>14,36,799</u>	<u>31,36,007</u>

**B. Provisions**

For Income Tax	2,43,00,000	2,37,00,000
For Fringe Benefit Tax	71,800	71,800
For Proposed Dividend	20,00,000	20,00,000
For Tax on Proposed Dividend	3,32,175	3,32,175
For Gratuity	29,825	—
For Leave Valuation	6,10,208	5,69,580
	<u>2,73,44,008</u>	<u>2,66,73,555</u>
	<u>2,87,80,807</u>	<u>2,98,09,562</u>

**SCHEDULE - 8**

	For the year ended 31st March, 2011	For the year ended 31st March, 2010
	Rs.	Rs.
<b>OTHER INCOME</b>		
Rent Received		
(Tax Deducted at Source Rs. 3,33,788/-, Previous Year Rs. 5,14,040/-)	33,57,075	33,26,700
Miscellaneous Receipts	1,256	56
Unclaimed Liability written back	10,525	24,565
	<u>33,68,856</u>	<u>33,51,321</u>

NAGA DHUNSERI GROUP LIMITED

**SCHEDULE - 9**

	For the year ended 31st March, 2011		For the year ended 31st March, 2010	
	Rs.	Rs.	Rs.	Rs.
<b>EXPENSES</b>				
Payment to and Provisions for Employees				
Salary, Bonus & Gratuity	19,72,732		18,39,146	
Staff Welfare Expenses	2,27,102		2,25,861	
Staff Insurance	54,856		83,382	
Contribution to Provident & Other Funds	2,11,058		2,07,408	
		24,65,748		23,55,797
Advances & Claims Written Off		16,624		38
Assets written off		27,225		—
Building Maintenance		85,220		2,42,681
Repairs to Others		1,500		14,500
Demat Charges		1,38,955		77,191
Directors' Fees		70,500		66,000
Electric Charges		1,34,850		1,11,026
Hire Charges		36,408		36,408
Insurance Charges		11,265		13,403
Miscellaneous Expenses		2,39,929		2,50,983
Motor Car Running Expenses		1,51,557		1,61,115
Profession Charges		1,14,222		89,653
Rates & Taxes		93,764		1,68,743
Licence Fees		1,90,920		1,91,208
Rent Paid (Including Lease Rent)		30,20,000		30,20,000
Share Transfer Expenses		8		1,250
Travelling & Conveyance		31,234		17,582
		<u>68,29,929</u>		<u>68,17,578</u>

**SCHEDULE - 10**

**DIRECTORS' COMMISSION**

Profit before Taxation	7,62,99,758	5,53,68,775
Add : Depreciation	1,23,672	1,30,710
Directors' Fees	70,500	66,000
Directors' Commission	1,00,000	1,00,000
	<u>7,65,93,930</u>	<u>5,56,65,485</u>
Less : Depreciation	1,23,672	1,30,710
Profit on Sale of Immovable Properties in excess of original cost	4,15,55,288	—
	<u>3,49,14,970</u>	<u>5,55,34,775</u>
Director's Commission @ 3% Subject to Maximum of Rs. 1,00,000/-	<u>1,00,000</u>	<u>1,00,000</u>

**SCHEDULE - 11**

**Significant Accounting Policies and Notes attached to and forming part of the Balance Sheet as at 31st March, 2011 and Profit & Loss Account as on that date.**

**A. Significant Accounting Policies**

1. System of Accounting :  
Accounts unless specifically stated to be otherwise have been prepared on accrual basis.
2. Investments :  
Investments in Shares and Securities treated as long term strategic investments without intention of Short Term Trading are classified as investments 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.
3. Closing Stock :  
Stock in Trade (Shares and Securities) at the end of the year has been valued at cost (FIFO) or market price whichever is lower.
4. Retirement Benefits :  
The Company makes regular contribution to Provident Fund, Gratuity Fund and Superannuation Fund. Liability for Gratuity and Leave Encashment are accounted for on actuarial valuation basis valued as per Accounting Standard AS 15 (Revised). All employee benefits have been funded except leave encashment.
5. Fixed Assets :  
Fixed Assets are stated at cost less accumulated depreciation. Cost includes cost of acquisition, taxes, incidental expenses relating to acquisition and installation and interest up to the date the asset is put to use.  
An impairment loss is recognised when applicable, when the carrying value of fixed assets exceeds the market value or value in use, whichever is higher.  
Fixed Assets are depreciated on written down value method at the rates given in Schedule XVI to the Companies Act, 1956. Leasehold land is amortised over the effective period of lease.
6. The provision against non performing assets and Income recognition has been made as per prudential norms of Reserve Bank of India.

**B. Notes on Accounts**

1. The fall in the market price compared to cost of certain 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 do not represent permanent diminution in the value of Investments.
2. Additional information pursuant to the Provision of Paragraphs 3 & 4D of Part-II of Schedule VI to the Companies Act, 1956.

	31st March, 2011		31st March, 2010	
	Quantity Nos.	Value Rs.	Quantity Nos.	Value Rs.
<u>Shares &amp; Securities</u>				
Opening Stock	399138	4,49,07,575	537428	1,16,19,566
Purchase	2032216	21,86,47,446	1332515	13,35,04,697
Sales	1778173	21,20,94,399	1470805	9,88,33,127
Closing Stock	653181	6,13,76,758	399138	4,49,07,575
Increase/(Decrease) in Stock		1,64,69,183		3,32,88,009

**SCHEDULE - 11 (Contd.)**

	<u>31-03-2011</u>	<u>31-03-2010</u>	
	Rs.	Rs.	
3. Miscellaneous Expenses include Auditor's Remuneration :			
Audit Fees	27,575	22,060	
For Certification	13,790	13,789	
Others	935	—	
	<u>42,300</u>	<u>35,849</u>	
4. Dividend Income includes			
(1) Rs. 1,54,43,257/- (Previous Year Rs. 99,70,603/-) from Investment.			
(2) Rs. 5,13,621/- (Previous year Rs. 3,74,155/-) from Stock in Trade.			
5. Profit on Sale of Investments			
(1) Long Term Profit	Rs. 2,34,36,481		
(2) Short Term Loss	Rs. (98,14,003)		
	<u>Rs. 1,36,22,478</u>		
6. Deferred Tax Assets for the year Rs. 16,530/- has been recognised in the Profit & Loss Account. Deferred Tax Assets and Liabilities are attributable to the following items :-			
<b>Assets</b>	<u>Depreciation</u>	<u>Others</u>	<u>Total</u>
	Rs.	Rs.	Rs.
Year Ended 31-03-2011	61,130	13,497	74,627
Year Ended 31-03-2010	58,097	—	58,097
Provided during the year			<u>16,530</u>
7. Earning per Share :			
Particulars	As at 31st March, 2011	As at 31st March, 2010	
	Rs.	Rs.	
Profit (Loss) after taxation as per Profit and Loss Account	6,02,41,281	4,53,36,063	
Total Number of Equity Shares	10,00,000	10,00,000	
Basic diluted earning per share in rupees (Face Value Rs. 10 per share)	60.24	45.34	
8. 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	

**SCHEDULE - 11 (Contd.)**

- 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 (P) Ltd., M/s. Madhuting Tea Pvt. Ltd., M/s. Jatayu Estate Pvt. Ltd., M/s. Belvedere Properties Pvt. Ltd., M/s. Dhunseri Services Ltd.
- c) Others (Firm in which two of the Key Management personnel are partner)  
Sewbhagwan & Sons - Firm

**B. Information about transactions with related parties :**

<u>Nature of Transaction :</u>	Transaction with			
	Associate/Group Companies & Firm		Key Managerial Personnel	
	2010-11	2009-10	2010-11	2009-10
Rent Received	27,00,000	27,00,000	—	—
Hire Charges (Furniture)	36,408	36,408	—	—
Licence Fees	1,90,920	1,91,208	—	—
Dividend Received	1,32,43,198	89,77,294	—	—
Dividend Paid to Shareholders	9,86,680	4,93,340	2,54,360	1,27,180
Sitting Fees/Commission Paid	—	—	65,356	22,500
Reimbursement of Expenses (Paid)	2,04,874	1,70,603	—	—
Reimbursement of Expenses (Received)	—	1,83,864	—	—
Electric Charges	42,569	46,306	—	—
Miscellaneous Receipts	71	—	—	—
Rates & Taxes	—	37,362	—	—

**9. 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 :

		<u>2010-11</u>	<u>2009-10</u>
		Rs.	Rs.
i) not later than one year	:	30,75,000	3,00,000
ii) later than one year and not later than five years	:	1,28,36,250	1,26,03,750
iii) later than five years	:	50,61,32,125	50,94,39,625

**SCHEDULE - 11 (Contd.)**

	<u>2010-11</u>	<u>2009-10</u>
	Rs.	Rs.
b) The total of future minimum sublease payments expected to be received under non cancellable subleases at the balance sheet date	46,86,14,203	47,13,33,403
c) Lease payments recognised in the statement of profit and loss account for the period, with separate amounts for minimum lease payments and contingent rents.	30,00,000	30,00,000
d) Sub-lease payments received (or receivable) recognised in the statement of profit and loss for the year	27,19,200	27,19,200
10. Due from a private Company in which Directors are Directors	Rs. 90,000/-	
Maximum amount due at any time during the year	Rs. 90,000/-	
11. Demat Account of the Company includes 1900 shares of Chemplast Sanmar Ltd. which were received by the Company against shares sold in earlier years and remained to be transferred by the buyers. The above shares are held in the Demat Account of the Company for and on behalf of the buyers and returnable to them on demand.		
12. On the basis of the information available with the Company there are no suppliers registered under the Micro, Small, Medium Enterprises Development Act, 2006.		
13. <b>Employee Benefits Obligation :</b>		
<b>A. Defined Contribution Plans</b>		
Contribution for Defined Contribution Plan amounting to Rs. 1,93,815/- (previous year Rs. 1,90,332/-) has been recognised as expenses and included in Schedule 9 "Contribution to Provident and Other Funds" in the Profit & Loss Account.		
<b>B. Defined Benefit Plans</b>		
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 trust under group gratuity scheme.		
Leave Benefit :		
Leave benefit comprises of leave balances accumulated by the employees which can be encashed any time during the tenure of service / retirement / death or exit. Liability for leave encashment is provided for based on actuarial valuation carried out annually at the year end.		
Disclosure relating to Gratuity and Leave Encashment		



**SCHEDULE - 11 (Contd.)**

**I. GRATUITY -Funded**

	(Figures in Rs.)	
	As at 31-03-2011	As at 31-03-2010
	Rs.	Rs.
<b>a) Expenses recognised in the Statement of Profit &amp; Loss Account for the year ended 31st March, 2011</b>		
Current Service Cost	55.17	53.97
Interest Cost	145.82	131.39
Expected return on plan assets	(146.24)	(115.42)
Net actuarial (gain) / loss recognised during the year	253.72	(340.77)
Other Adjustment	(3.53)	(4.29)
	<u>304.94</u>	<u>(275.12)</u>
<b>b) Net (Asset) / Liability recognised in the Balance Sheet as at 31st March, 2011</b>		
Present Value of Defined Benefit obligation	1,865.32	1,529.88
Fair Value of plan assets	2,001.83	1,949.87
	<u>(136.51)</u>	<u>(419.99)</u>
<b>c) Actual return of plan assets</b>		
Expected return on plan assets	146.24	115.42
Actuarial gain / (loss) on plan assets	(20.62)	210.48
	<u>125.62</u>	<u>325.90</u>
<b>d) Change in Defined Benefit obligation during the year ended 31st March, 2011</b>		
Present Value of Defined Benefit obligation as at 31-03-2010	1,529.88	1,474.82
Current Service Cost	55.17	53.97
Interest Cost	145.82	131.39
Benefits paid	(98.65)	—
Actuarial gain / (loss) on obligation	233.10	(130.30)
	<u>1,865.32</u>	<u>1,529.88</u>
<b>e) Changes in fair value of Assets during the year ended 31st March, 2011</b>		
Fair Value of plan assets	1,949.87	1,538.97
Expected return on plan assets	146.24	115.42
Contribution made	25.00	85.00
Benefits paid	(98.65)	—
Actuarial (gain) / loss on plan assets	(20.62)	210.48
	<u>2,001.84</u>	<u>1,949.87</u>

**SCHEDULE - 11 (Contd.)**

**II. LEAVE ENCASHMENT - Unfunded**

	(Figures in Rs.)	
	As at 31-03-2011	As at 31-03-2010
	Rs.	Rs.
<b>a) Expenses recognised in the statement of Profit &amp; Loss Account for the year ended 31st March, 2011</b>		
Current Service Cost	32.63	26.36
Interest Cost	44.24	44.08
Net actuarial (gain) / loss recognised during the year	(33.33)	(2.32)
Benefits paid	(2.91)	(104.30)
	<u>40.63</u>	<u>(36.18)</u>
<b>b) Present value in Defined Benefit obligation as at 31st March, 2011</b>		
Present Value of Defined Benefit obligation as at 31-03-2010	569.58	605.76
Current Service Cost	32.63	26.36
Interest Cost	44.24	44.08
Benefits paid	(2.91)	(104.30)
Actuarial (gain) / loss on obligation	(33.33)	(2.32)
	<u>610.21</u>	<u>569.58</u>
<b>Actuarial Assumption</b>		
	<u>Gratuity</u>	<u>Leave Encashment</u>
	LIC (1994-96)	LIC (1994-96)
Mortality Table		
Discount rate	7.50%	7.50%
Inflation rate	5%	5%
Expected return on plan assets	7.50%	7.50%

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.

14. 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.
15. 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)

**SCHEDULE - 11 (Contd.)**

**Liabilities Side**

1. Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid :	<u>Amount Outstanding</u>	<u>Amount Overdue</u>
	Rs.	Rs.
a) Debentures: Secured	NIL	NIL
Unsecured	NIL	NIL
(Other than falling within the meaning of public deposits)		
b) Deferred Credits	NIL	NIL
c) Term Loans	NIL	NIL
d) Inter-Corporate Loans & Borrowings	NIL	NIL
e) Commercial Paper	NIL	NIL
f) Other Loans - Auto Loan	NIL	NIL
	<u>Outstanding</u>	
	Rs.	

**Assets Side**

2. Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :	
a) Secured	NIL
b) Unsecured (Excluding payment of Advance Taxes Rs. 2,17,60,886/-)	24,86,159
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	19,79,643
(ii) Stock on hire including hire charges under sundry debtors :	
(a) Assets on hire	NIL
(b) Repossessed Assets	NIL
(iii) Other loans counting towards AFC activities	
(a) Loans where assets have been repossessed	NIL
(b) Loans other than (a) above	NIL
4. Break-up of Investments	
Current Investments	
1. Quoted	
i) Shares a) Equity	6,13,76,758
b) Preference	NIL
ii) Debentures and Bonds	NIL
iii) Units of Mutual Funds	NIL
iv) Government Securities	NIL
v) Others (please specify)	NIL

**SCHEDULE - 11 (Contd.)**

2. Unquoted				
i) Shares	a) Equity	NIL		
	b) Preference	NIL		
ii) Debentures and Bonds		NIL		
iii) Units of Mutual Funds		NIL		
iv) Government Securities		NIL		
v) Others (please specify)		NIL		
Long Term Investments				
1. Quoted				
i) Shares	a) Equity	38,05,86,153		
	b) Preference	NIL		
ii) Debentures and Bonds		NIL		
iii) Units of Mutual Funds		NIL		
iv) Government Securities		NIL		
v) Others		NIL		
2. Unquoted				
i) Shares	a) Equity	3,06,38,081		
	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				
<b>Category</b>		<b>Amount net of provision</b>		
		<b>Secured</b>	<b>Unsecured</b>	<b>Total</b>
1. Related Parties				
a) Subsidiaries		NIL	NIL	NIL
b) Companies in the same group		NIL	90,000	90,000
c) Other related parties		NIL	43,75,802	43,75,802
2. Other than related parties		NIL	NIL	NIL
	Total	NIL	44,65,802	44,65,802

**SCHEDULE - 11 (Contd.)**

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

<u>Category</u>	<u>Market Value/ Breakup or Fair Value or NAV</u>	<u>Book Value (Net of Provisions)</u>
1. Related Parties		
a) Subsidiaries	NIL	NIL
b) Companies in the same group	57,49,70,201	25,40,47,768
c) Other related parties	NIL	NIL
2. Other than related parties	23,97,02,213	21,85,53,224
Total	<u>81,46,72,414</u>	<u>47,26,00,992</u>

7. Other Information

<b>Particulars</b>	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

16. 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 23rd day of May, 2011

H. P. BHUWANIA  
Chief Financial Officer

C. K. DHANUKA  
ARUNA DHANUKA  
RAJEEV RUNGTA  
G. R. GOENKA  
MRIGANK DHANUKA

Chairman

Directors

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

(In terms of part IV of the Companies Act, 1956)

<b>I. Registration Details</b>		
Registration No.	L01132WB1918PLC003029	
State Code		21
Balance Sheet Date		31-03-2011
<b>II. Capital Raised during the year (Amount in Rs.)</b>		
Public Issue		NIL
Right Issue		NIL
Bonus Issue		NIL
Private Placement		NIL
<b>III. Position of Mobilisation and Deployment of Fund (Amount in Rs.)</b>		
Total Liabilities		50,46,08,474
Total Assets		50,46,08,474
<b>SOURCES OF FUNDS</b>		
Paid-up Capital		1,00,00,000
Reserve & Surplus		46,58,27,667
Secured Loans		NIL
Unsecured Loans		NIL
<b>APPLICATION OF FUNDS</b>		
Net Fixed Assets		22,48,202
Investments		41,13,37,162
Net Current Assets		6,21,67,676
Miscellaneous Expenditure		NIL
Deferred Tax		74,627
Accumulated Losses		NIL
<b>IV. Performance of the Company (Amount in Rs.)</b>		
Turnover and Other Income		28,68,47,395
Total Expenditure		21,05,47,637
Profit / (Loss) before Tax		7,62,99,758
Profit / (Loss) after Tax		6,02,41,281
Earning per Share in Rs.		60.24
Dividend Rate %		20
<b>V. Generic Names of Principal Products/Services of the Company (as per monetary terms)</b>		
Item Code No. (ITC Code)		Not Applicable
Service Description		Finance

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

Place : Kolkata  
Dated : The 23rd day of May, 2011

H. P. BHUWANIA  
Chief Financial Officer

C. K. DHANUKA  
ARUNA DHANUKA  
RAJEEV RUNGTA  
G. R. GOENKA  
MRIGANK DHANUKA

Chairman

Directors

**NAGA DHUNSERI GROUP LIMITED**

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

**ATTENDANCE SLIP**

NINETY-THIRD ANNUAL GENERAL MEETING  
10TH AUGUST, 2011

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-THIRD ANNUAL GENERAL MEETING of the Company to be held on Wednesday, the 10th August, 2011 at 10.30 A.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.	

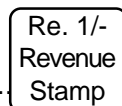
\*Applicable if shares are held in electronic form.

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-THIRD ANNUAL GENERAL MEETING of the Company to be held on 10th August, 2011 and at any adjournment thereof.

Signed this.....day of .....2011.

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.