



# Nagreeka

CAPITAL & INFRASTRUCTURE LIMITED

**TWENTIETH ANNUAL REPORT 2013-2014**

BOARD OF DIRECTORS	:	Shri Sushil Patwari	—	Chairman & Managing Director
		Shri Sunil Patwari	—	Director
		Shri Mohan Kishen Ogra	—	Director
		Shri Bibhuti Charan Talukdar	—	Director
COMPANY SECRETARY	:	Shri Vivek Mishra		
BANKERS	:	Canara Bank, Overseas Branch, Kolkata		
		ING VYSYA Bank Limited, Overseas Branch, Mumbai		
		HDFC Bank Limited, Stephen House Branch, Kolkata		
AUDITORS	:	M/s. H. R. Agarwal & Associates		
		Chartered Accountants		
		219-C, Old China Bazar Street, 1st Floor		
		Room No. B-6, Kolkata - 700 007		
TRANSFER AGENT	:	M/s. Maheshwari Datamatics Pvt. Ltd.		
		6, Mangoe Lane, 2nd Floor,		
		Kolkata - 700 001		
REGISTERED OFFICE	:	18, R. N. Mukherjee Road		
		Kolkata - 700 001		
CORPORATE OFFICE	:	21-22, Kala Bhavan, 3, Mathew Road		
		Mumbai - 400 004		

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## NOTICE

Notice is hereby given that the 20th Annual General Meeting of the Members of Nagreeka Capital & Infrastructure Limited, will be held at Bengal National Chamber of Commerce and Industry, 23, R.N. Mukherjee Road, Kolkata-700 001, on Wednesday, the 10th September, 2014 at 11.30 a.m. to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014, the Profit and Loss Account for the year ended on that date and reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Sushil Patwari DIN(00023980), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors of the Company and to fix their remuneration.

### SPECIAL BUSINESS

4. To consider and, if thought fit, to pass with or without modification(s), the following resolution as **ordinary resolution**:  
"RESOLVED that pursuant to the provisions of section 149 and other applicable provisions of the Companies Act, 2013 read with the rules made thereunder, approval be and is hereby accorded to the appointment of Shri M.K.Ogra (DIN 01081215) in respect of whom a notice in writing pursuant to section 160 of the Companies Act, 2013 has been received in the prescribed manner, as an Independent Director on the Board of the Company for consecutive period of 5 (five) years, effective from 1st April, 2014 up to 31st March, 2019."
5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as **ordinary resolution**:  
"RESOLVED that pursuant to the provisions of section 149 and other applicable provisions of the Companies Act, 2013 read with the rules made thereunder, approval be and is hereby accorded to the appointment of Shri B.C.Talukdar (DIN 00024015) in respect of whom a notice in writing pursuant to section 160 of the Companies Act, 2013 has been received in the prescribed manner, as an Independent Director on the Board of the Company for consecutive period of 5 (five) years, effective from 1st April, 2014 up to 31st March, 2019."
6. To consider and, if thought fit, to pass with or without modification(s), the following resolution as **Special resolution**:  
"RESOLVED THAT in supersession of the Ordinary Resolution passed under Section 293(1)(d) of the erstwhile Companies Act, 1956, at the 13th Annual General Meeting of the Company held on 21st September, 2007 and pursuant to Section 180 (1)(c) and any other applicable provisions, if any of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Article 96 of the Articles of Association of the Company and all other enabling provisions, if any, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow such sum or sums of monies in any manner, from time to time, as may be required for the purpose of business of the Company with or without security and upon such terms and conditions as it may think fit, notwithstanding that the monies to be borrowed together with monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount so borrowed by the Board of Directors and outstanding at any time shall not exceed the sum of Rs. 500 crore (Rupees Five Hundred Crore)".
7. To consider and, if thought fit, to pass with or without modification(s), the following resolution as **Special resolution**:  
"RESOLVED THAT in supersession of the Ordinary Resolution passed under Section 293(1)(a) of the erstwhile Companies Act, 1956, at the 13th Annual General Meeting of the Company held on 21st September, 2007 and pursuant to the provisions of Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors of the Company (herein after referred to as "the Board" which term shall be deemed to include any Committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Special Resolution and that the power to delegate such authority to any person(s) to create such charges an/or mortgages and hypothecations in addition to the existing charges, mortgages and hypothecation created by the Company, on such terms and conditions and at such time or times and in such form and manner and with such ranking as to priority as it may think fit, on any of the Company's moveable and immoveable properties and assets, present and future, comprised in any undertaking or undertaking of the company, as the case may be, in favour of the Lenders, viz Financial/Investment Institutions,

## NOTICE (Contd.)

Bank or Banks and Trustees for the holders of debentures/bonds/other instruments to secure the repayment of loans/borrowings sanctioned and/or to be sanctioned by them from time to time for a sum not exceeding Rs. 500 crore (Rupees Five Hundred Crore) at any point of time apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business and inclusive of interest at the respective agreed rates and all other costs, charges & expenses and all monies payable by the Company in respect of such loans/borrowings as may be stipulated in that behalf and agreed to between the Board of Directors and the Lenders.

RESOLVED FURTHER that for the purpose of giving effect to this Resolution, the Board/committee of Directors of the Company be and is hereby authorized to

- (i) finalize with the Lenders, agreements and other documents, if any, necessary for creating the mortgage(s) and/or charge(s) hypothecation(s) as aforesaid, and to accept any modification(s) to, or modify, alter or vary, the terms and conditions of the aforesaid document and
- (ii) do all such acts, matters and things and to execute all such documents, deeds and instruments in writing as may be required, incidental to and/or expedient for giving effect to this resolution and to resolve any question relating thereto, or otherwise considered by the Board of Directors to be in the best interest of the company".

By order of the Board

For NAGREEKA CAPITAL & INFRASTRUCTURE LTD

Place : Kolkata

Date : 29th May, 2014

**VIVEK MISHRA**

(Company Secretary)

### NOTE:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL, INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS UPTO AND NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY. FURTHER, A MEMBER HOLDING MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR MEMBER. THE INSTRUMENT APPOINTING PROXY MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF HOLDING THE MEETING.
2. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, members would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than three (3) days written notice is given to the Company.
3. Statement pursuant to section 102(1) of the Companies Act, 2013 forms part of this Notice.
4. Brief details of the directors, who are seeking appointment/ re-appointment, are annexed hereto as per requirements of Clause 49 of the listing agreement.
5. Pursuant to the provisions of section 91 of the Companies Act, 2013, the register of members and share transfer books of the Company will remain closed from **Thursday, 4th September 2014 to Wednesday, 10th September 2014**, both days inclusive.
6. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address as soon as possible. The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the Shareholders/ Depositories for depositing of dividends.
7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or M/s. Maheshwari Datamatics Pvt. Ltd.

## NOTICE (Contd.)

8. In terms of section 101 and 136 of the Companies Act, 2013, read together with the rules made thereunder, the listed companies may send the notice of annual general meeting and the annual report, including Financial Statements, Board Report, etc. by electronic mode. The Company is accordingly forwarding soft copies of the above referred documents to all those members who have registered their email ids with their respective depository participants or with the share transfer agent of the Company.
9. To receive shareholders' communications through electronic means, including annual reports and notices, members are requested to kindly register/ update their email address with their respective depository participant, where shares are held in electronic form. If, however shares are held in physical form, members are advised to register their email address with M/s. Maheshwari Datamatics Pvt. Ltd.
10. Pursuant to clause 35B of the listing agreement, members may vote through ballot form which is enclosed herewith. Duly filled in ballot form should be submitted in sealed envelope to the scrutinizer CA Hari Ram Agarwal, Practicing Chartered Accountants (Certificate of Practice Number 057625), Unit: Nagreeka Capital & Infrastructure Limited, C/O Maheshwari Datamatics Pvt. Ltd., so as to reach by **Wednesday, the 3rd September, 2014 (5.30.P.M.)**. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the scrutinizer on the validity of the forms will be final.

### 11. Voting through electronics means

1. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 the Company is pleased to offer e-voting facility as an alternative mode of voting which will enable the Members to cast their votes electronically on the resolutions mentioned in the notice of 20th Annual General Meeting of the Company.

The Instructions for members for voting electronically are as under:-

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Now, select "NAGREEKA CAPITAL & INFRASTRUCTURE LIMITED" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID : For CDSL - 16 digits beneficiary ID, For NSDL - 8 Characters DP ID followed by 8 digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on login.
- (v) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used. If you are a first time user follow the steps given below.
- (vi) Now, fill up the following details in the appropriate boxes:

	For Members holding Shares in Demat Form	For Members holding Shares in Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. - Sequence number is communicated in the Attendance Slip/ Covering Letter.</li> </ul>	
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.	
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.</li> </ul>	

## NOTICE (Contd.)

- (vii) After entering these details appropriately, click on 'SUBMIT' tab.
- (viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this notice.
- (x) Click on the EVSN for the relevant "NAGREEKA CAPITAL & INFRASTRUCTURE LIMITED" on which you choose to vote.
- (xi) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting, Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "Resolution File Link" If you wish to view the entire Resolution.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK" else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
  - **In case of members receiving the physical copy:**  
Please follow all steps from sl. no. (i) to sl. no. (xvi) above to cast vote.
- (xvii) The voting period begins on **1st September, 2014 (9.30 AM) and ends, on 3rd September, 2014 (5.30 PM)**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date on **Friday, 1st August, 2014**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (xviii) In case you have any queries or issues regarding e-voting you may refer the frequently Asked Question ("FAQs") on e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
2. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date on **Friday, 1st August, 2014**.
  3. A copy of this notice has been placed on the website of the company and the website of CDSL.
  4. **CA Hari Ram Agarwal**, Practising Chartered Accountants (Certificate of Practice Number 057625) has been appointed as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.
  5. The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman.

## NOTICE (Contd.)

6. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.nagreeka.com and on the website of CDSL within two(2) days of passing of the resolutions at the AGM of the company and communicated to the BSE Limited and National Stock Exchange of India Limited.
12. Brief details of Directors seeking appointment/Re-appointment at the Annual General Meeting pursuant to clause 49 of the Listing Agreement.

### Details of the Director

Name of Director	Mr. Sushil Patwari	Mr.M.K. Ogra	Mr. B. C Talukdar
Date of Birth	20.08.1954	15.09.1930	01.03.1936
Date of appointment	31.10.1994	30.01.2006	30.01.2006
Qualification	B.Com	Graduate in Maths & Statistics and Diploma in statistics & Quality Control	B.Com., PGDBM.
Expertise in specific Functional area	Industrialist having rich business experience	Industrialist having rich business experience	Having rich experience in Industrial and Corporate Laws
List of other Directorship held excluding foreign companies, companies under section 25 of the Companies Act, 1956 and Private Companies.	1. Nagreeka Exports Ltd. 2. Reliance Processors Ltd. 3. Rupa & Company Ltd. 4. Jaidka Motors Co.	1. Nicco Financial Services Ltd 2. Nicco Biotech Ltd. 3. Nagreeka Exports Ltd. 4. Nicco Engineering Services Ltd. 5. Ne Cables Ltd.	1.Nagreeka Capital & Infrastructure Ltd. 2. H.P. Cotton Textile Mills Ltd.
Chairman / Member of the committees of the Board of other Companies in which he/she is a Director	<u>AUDIT COMMITTEE</u> Rupa & Company Ltd. (MEMBER)  <u>SHAREHOLDERS'/ INVESTORS' GRIEVANCE COMMITTEE</u> Nagreeka Exports Ltd. (MEMBER)	<u>AUDIT COMMITTEE</u> Nagreeka Exports Ltd. (CHAIRMAN)  <u>SHAREHOLDERS'/ INVESTORS' GRIEVANCE COMMITTEE</u> Nagreeka Exports Ltd. (CHAIRMAN)	<u>AUDIT COMMITTEE</u> Nagreeka Exports Ltd. (MEMBER) H.P. Cotton Textile Mills Ltd. (MEMBER)  <u>REMUNERATION COMMITTEE</u> H.P. Cotton Textile Mills Ltd. (CHAIRMAN)  <u>SHAREHOLDERS'/ INVESTORS' GRIEVANCE COMMITTEE</u> H.P. Cotton Textile Mills Ltd. (CHAIRMAN) Nagreeka Capital & Infrastructure Ltd. (MEMBER)
Shareholding in the Company	568500	NIL	NIL



**NOTICE (Contd.)**

**STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

**ITEM NUMBER 4:**

It is proposed to nominate Mr. M.K.Ogra, as Independent Director of the Company for a period of 5 years with effect from 1st April 2014 to 31st March 2019. The Company has received notice in writing under section 160 of the Companies Act, 2013, from a member of the Company proposing that he would propose the name of Mr.M.K.Ogra as Independent Director in the forthcoming Annual General Meeting.

The company has received declaration from Mr. M. K. Ogra that he meets the criteria of Independence as provided under section 149(6) of the Companies Act, 2013 and clause 49 of the Listing Agreement.

The Board of Directors recommends the resolution for the approval of the members.

Save and except Mr.M.K.Ogra, no Director or Key Managerial Personnel of the Company and their relatives are concerned or interested directly or indirectly in the resolution set out under Item no.4

**ITEM NUMBER 5:**

It is proposed to nominate Mr. B.C.Talukdar, as Independent Director of the Company for a period of 5 years with effect from 1st April 2014 to 31st March 2019. The Company has received notice in writing under section 160 of the Companies Act, 2013, from a member of the Company proposing that he would propose the name of Mr.B.C.Talukdar as Independent Director in the forthcoming Annual General Meeting.

The company has received declaration from Mr. B.C.Talukdar that he meets the criteria of Independence as provided under section 149(6) of the Companies Act, 2013 and clause 49 of the Listing Agreement.

The Board of Directors recommends the resolution for the approval of the members.

Save and except Mr. B.C.Talukdar, no Director or Key Managerial Personnel of the Company and their relatives are concerned or interested directly or indirectly in the resolution set out under Item no.5

**ITEM NUMBER 6:**

The members of the Company in the 13th Annual General Meeting held on 21st September, 2007 had accorded approval, by way of Ordinary Resolution under Section 293(1)(d) of the erstwhile Companies Act, 1956, to the Board of Directors for borrowing up to maximum of Rs 500 crore (Rupees Five Hundred crore) at any point of time.

Section 180(1)(c) of the Companies Act, 2013 requires that approval of the members by way of special resolution will be required for authorizing the Board of Directors to borrow in excess of the Company's paid up capital and free reserves, apart from temporary loans obtained from the Company's Bankers in the ordinary course of business. Since it is proposed to authorise the Board of Directors to borrow up to Rs.500 crore at any point of time, which is in excess of paid up share capital and free reserve of the Company, approval of the members is sought by way of special resolution.

The Board of Directors recommends the special resolution for the approval of members.

No Director or Key Managerial Personnel, of the Company and their relatives are concerned or interested directly or indirectly in the Special resolution set out under item no.6.

**ITEM NUMBER 7:**

As per Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013, consent of the members is required by way of Special Resolution to create charges and/or mortgages and hypothecations.

The Special Resolution, being item no.7 in the notice, is intended for the purpose.

The Board of Directors recommends the special resolution for the approval of members.

No Director or Key Managerial Personnel, of the Company and their relatives are concerned or interested directly or indirectly in the Special resolution set out under item no.7.

By order of the Board  
**For NAGREEKA CAPITAL & INFRASTRUCTURE LTD.**

Place : Kolkata  
Date : 29th May, 2014

**VIVEK MISHRA**  
(Company Secretary)

## DIRECTORS' REPORT

### TO THE MEMBERS

Your Directors have pleasure in presenting the 20th Annual Report on the affairs of your Company together with the Audited Statements of Account for the year ended 31st March, 2014.

### FINANCIAL RESULT

	2013-2014 (Rs. In lacs)	2012-2013 (Rs. In lacs)
<b>Revenue from operations</b>	<b>1619.06</b>	1702.80
	<u>1619.06</u>	<u>1702.80</u>
<b>PBIDT</b>	<b>1532.22</b>	1444.29
Interest	1247.43	1131.90
Depreciation	2.34	2.34
<b>PROFIT BEFORE TAXATION</b>	<b>282.45</b>	310.05
Taxation	10.01	5.20
Contingent Provisions against Standard Assets	(9.59)	(7.44)
<b>PROFIT AFTER TAXATION</b>	<b>282.88</b>	307.81
Profit Brought Forward from Previous Year	895.67	646.31
<b>PROFIT AVAILABLE FOR APPROPRIATIONS</b>	<b>1178.55</b>	954.12
Transfer to Statutory Reserve	54.57	58.45
<b>APPROPRIATIONS</b>		
Income Tax on Dividend	-	-
Balance carried to Balance Sheet	<u>1123.98</u>	<u>895.67</u>
	<b>1178.55</b>	<u>954.12</u>

### DIVIDEND

With a view to augmenting the working capital requirements, your Directors intend to plough back entire profit after tax in respect of the year ended 31st March, 2014. As such, no dividend is recommended for the year ended 31st March, 2014.

### REVIEW OF OPERATIONS

The Company's total income for the year is Rs. 1619.06 Lacs and Profit after Tax for the Year is Rs 282.88 Lacs.

### FUTURE PROSPECT

It is expected that the GDP for Financial Year ending 2015 will be in the region of 5.5%. Although this is not a significant increase as compared to Financial Year ended 2014, for which the GDP growth was 4.71%, the growth is in the positive direction. The economy will pick up and therefore, it will have significant impact on the Financial Sector. Your company operates in the financial sector and hence will be benefitted

Further, the Central Government is poised to encourage investments for further stimulating the growth momentum. This step will again positively impact your Company.

However, inflation and fiscal deficit will continue to pinch the financial sector.

Your Directors are confident of increasing the top line and Bottom line of your Company 2014-15.

### PUBLIC DEPOSIT

Your Company has not accepted any deposits during the year under review within the meaning of Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposit) Rules, 1975.

### DIRECTORS

As per the provisions of the erstwhile Companies Act, 1956 and Articles of Association of the Company Mr. Sushil Patwari, Chairman

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## DIRECTORS' REPORT (Contd.)

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& Managing Director retires by rotation at the ensuing Annual General Meeting of the Company and being eligible has offered himself for re-appointment. Sub-section (10) of Section 149 of the Companies Act, 2013 (effective April 1, 2014) provides that Independent Directors shall be appointed for a term up to five consecutive years on the board of a Company, and shall be eligible for re-appointment by the shareholders of the Company.

Consequent to notification of Section 149 and other applicable provisions of the Companies Act 2013, your Directors seek appointment of Mr M.K. Ogra, Mr B.C. Talukdar as Independent Directors of the Company to hold office for 5 (five) consecutive years, effective from 1st April, 2014 up to 31st March, 2019. Details of the proposal of appointment of Mr M.K. Ogra, B.C. Talukdar, are mentioned in the statement under Section 102(1) of the Companies Act, 2013 of the notice of the twentieth Annual General Meeting.

The Company has received requisite notices in writing from members proposing Mr M.K. Ogra, Mr B.C. Talukdar as Independent Directors.

The Company has received declarations from all the above Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchanges.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, the Directors confirm that:

1. In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanations relating to material departures.
2. The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the company at the end of the financial year, 31st March, 2014, and the profit for that period.
3. Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities.
4. The Directors have prepared Annual Accounts on going concern basis.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management discussion and analysis are covered in a separate report annexed hereto and marked as Annexure "A".

### CORPORATE GOVERNANCE

A separate report on Corporate Governance is enclosed as part of this annual report and marked as Annexure "B". Requisite Certificate from the Auditors of the Company regarding compliance of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is annexed to the report of Corporate Governance. Adequate steps to ensure compliance of all the mandatory provisions of 'Corporate Governance' as provided in the Listing Agreements of the Stock Exchanges with which the Company's Shares are listed have been taken and your company has ensured its required compliance.

### AUDITORS

M/s. H.R. Agarwal & Associates, Chartered Accountants, Kolkata, the Auditors of the Company, retire at the ensuing Annual General Meeting and are eligible for re-appointment for which company has received a requisite certificate to Section 139 and 141 (3)(g) of the Companies Act, 2013 from M/s. H.R. Agarwal & Associates, the retiring Auditors of your Company regarding their eligibility for re-appointment as Auditors, and we recommend their re-appointment

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

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**AUDITORS' REPORT**

The observation made by the auditors in their Report together with Notes on Accounts are self explanatory and, therefore, do not call for any further explanation under Section 217 (3) of the Companies Act, 1956.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO**

Being an investment company, the provisions regarding conservation of energy and technology absorption are not applicable to the company.

There was no foreign exchange earnings and outgo during the period under review.

**PARTICULARS OF EMPLOYEES**

None of the employees are drawing remuneration exceeding Rs.5.00 Lacs per month or Rs.60.00 Lacs per year. Hence, details required to be furnished in accordance with Sub Section (2A) of Section 217 of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 are not applicable.

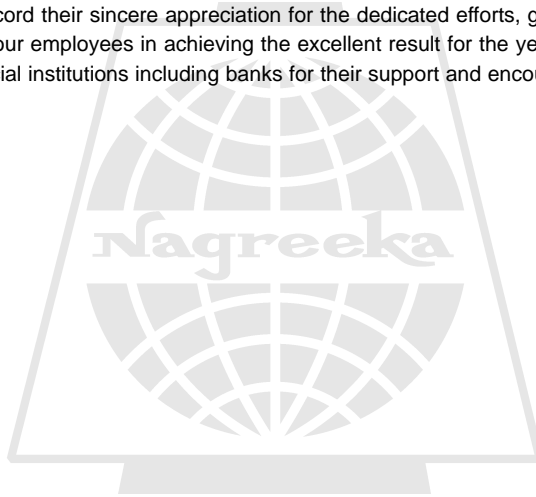
**APPRECIATION**

The Board of Directors place on record their sincere appreciation for the dedicated efforts, good understanding and support, and valuable contributions made by all our employees in achieving the excellent result for the year. They also wish to sincerely thank shareholders, customers and financial institutions including banks for their support and encouragement.

Place : Kolkata  
Date : 29th May, 2014

By order of the Board

**Sushil Patwari**  
Chairman & Managing Director



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## ANNEXURE “A” TO DIRECTORS’ REPORT

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### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

#### INDUSTRY STRUCTURE AND DEVELOPMENT

The financial sector in India had to bear the brunt because of sluggishness of the Indian economy. In fact, the GDP growth for the year ended 31st March, 2014, has been less than 5%. The financial sector was also adversely affected because of policy paralysis of the central government. It lacked the effective reform policy. Inflation has been a major concern for the RBI.

Because of the grim economic scenario, the stock market lagged behind, with poor depth and most scripts not performing.

However, the change of government at the centre has given new hopes to the Industry as a whole and it is expected that the new government will strive hard to bring the economy on rail.

#### OPPORTUNITIES AND THREATS

The easing of Inflation will take away major pressure and RBI may cut the repo rate, which will consequently reduce the overall lending rate. This will boost the financial sector and there will be activities affecting the Banks, financial institution and NBFCs. If the economy gains momentum, the topline and the bottomline of Companies will significantly increase.

The main threat, however, will always be monsoon. If the rainfall is not normal, the agricultural activities will be adversely impacted and consequently the markets will have to take major heat because of slowdown in lending activities in regard to Companies operating in agricultural sector.

#### RISKS & CONCERNS

Of late, FIIs have been pouring in money in stock markets. In fact this is hot money and can be pulled back by them if they feel that the return from stock markets will not be significant. In such a scenario, the Indian rupee will start depreciating which will not be healthy sign for the economy

#### OUTLOOK

The new government at the centre is expected to take bold financial sector reforms including the ones relating to GST and DTC. Further, the Banking sector reforms will be in limelight and in particular the Central Government will endeavour to keep NPAs of Banks in check. As such, the financial sector companies are expected to perform well in coming years and your Company will not be exception.

#### INTERNAL CONTROL SYSTEM:

The Company has well defined internal control system. The Company takes abundant care to design, review and monitor the working of internal control system. Internal Audit in the organization is an independent appraisal activity and it measures the efficiency, adequacy and effectiveness of other controls in the organization. Regular internal audits and checks are carried out to provide assurance that the responsibilities at various levels are discharged effectively and that adequate systems are in place. The review includes overseeing adherence of the management policies, safeguarding the assets of the Company and ensuring preparation of timely and accurate financial information. All significant issues are brought to the attention of the Audit Committee of the Board.

#### CAUTIONARY STATEMENT

Statements in this report on Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statements considering the applicable laws or regulations. These statements are based on certain assumptions and expectation of future events. Actual results could, however, differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include Foreign Exchange inflows and outflows, global and domestic stability in Stock Markets, changes in Government regulations and tax structure, economic developments within India and the rest of world.

The Company assumes no responsibility in respect of the forward looking statements herein which may undergo changes in future on the basis of subsequent developments, information or events.

## ANNEXURE “B” TO DIRECTORS’ REPORT

### CORPORATE GOVERNANCE REPORT

The company conducts business in a manner that is fair and transparent and also perceived to be such by others. In compliance with the requirement of Clause 49 of the Listing Agreement with the Stock Exchange (s), your company submits the Report on Corporate Governance as under.

#### 1. COMPANY’S PHILOSOPHY ON THE CODE OF GOVERNANCE

Your Company has always believed in the concept of good Corporate Governance involving transparency, empowerment, accountability and integrity with a view to enhancing the Share Holders’ Value. The Company has professionals on its Board of Directors who are actively involved in the deliberations of the Board on all important Policy matters.

#### 2. BOARD OF DIRECTORS

##### COMPOSITION

- (i) The Company’s Board at present has four Directors comprising of one Managing Director, and three Non-Executive Directors. The Company has Chairman. The numbers of non-executive Directors are more than 50% of total number of Directors.
- (ii) None of the Directors on the Board is a member of more than 10 committees and Chairman of more than 5 committees (as per clause 49(iv) B) across all the companies in which he is a Director. All the Directors have made requisite disclosures regarding committee positions occupied by them in other companies.

The Board met four times on the following dates during the financial year 2013-14:

29.05.13	14.08.13	12.11.13	14.02.14
----------	----------	----------	----------

The names and categories of Directors on the Board, their attendance at Board Meetings held during the year and at the last Annual General Meeting as also the number of Directorships and committee positions as held by them in other Public Limited Companies as on 31.03.2014 are given below:

Name	Category	No. of Board Meeting held during the Financial Year 13-14	No. of Board Meetings attended during 13-14	Whether Attended AGM held on 24.09.13	No. of Directorship in other Public Limited Companies	No. of Committee Positions held in other Public Limited Companies		No. of Shares held in the Company as at 31.03.2014
						Chairman	Member	
Mr. Sushil Patwari	Promoter	4	4	Yes	4	None	2	568500
Mr. Sunil Patwari	Promoter	4	4	No	4	None	4	712000
Mr. M. K. Ogra	Independent	4	4	Yes	5	3	None	Nil
Mr. B. C. Talukdar	Independent	4	4	Yes	3	2	4	Nil

#### 3. COMMITTEES OF THE BOARD

##### A) AUDIT COMMITTEE

The Audit Committee comprises of three Directors viz. Mr. M. K. Ogra as Chairman of the Committee, Mr. Sunil Patwari and Mr. B. C. Talukdar as its members. Mr. Vivek Mishra, Company Secretary, is the Secretary of the Audit Committee. The terms of reference of the Audit Committee are as contained in the Corporate Governance Clause 49 of the Listing Agreement.

The Audit Committee met four times on the following dates during the financial year 2013-14:

29.05.13	14.08.13	12.11.13	14.02.14
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##### ATTENDANCE OF THE AUDIT COMMITTEE MEETING:

Name of the Directors	Number of Meeting Held	Number of Meeting Attended
Mr. M.K.Ogra	4	4
Mr. B.C.Talukdar	4	4
Mr. Sunil.Patwari	4	4

Necessary quorum was present at the meeting and Representatives of Statutory Auditors of the Company are being invited to the meetings, as and when required.

**ANNEXURE “B” (Contd.)**

**B) SHARE HOLDERS' / INVESTORS' GRIEVANCE COMMITTEE**

The Company has an independent Shareholders' Grievance Committee.

The Committee comprises of:

1. Mr. M.K.Ogra	Chairman	Independent Director
2. Mr. Sushil Patwari	Member	Non Executive - Promoter
3. Mr. B.C Talukdar	Member	Independent Director

The Committee met four times on the following dates during the financial year 2013-14:

29.05.13	14.08.13	12.11.13	14.02.14
----------	----------	----------	----------

The Committee is prompt in attending to requests received for transfers as well as issue of duplicate certificates. The number of Complaints received during Financial Year 2013-14 are as under:

Number of complaints received from Investors comprising of Non-receipt of Dividend and Annual Reports, Share sent for Transfer and Transmission, Complaints received from SEBI Stock Exchanges and direct from Investors, Registrar of Companies etc.	2
Number of Complaints resolved	2
Number of Complaints pending as on 31.03.2014	NIL

The complaints were disposed off within the stipulated redressal time period.

Given below are the details of remuneration to Directors during the financial year 2013-2014.

Name of Directors	Sitting Fees (Rs.)	Salary (Rs.)	Perquisites (Rs.)	Commission (for 2013-14 paid during the year ) (Rs.)
1. Mr. Sushil Patwari	-	-	-	-
2. Mr. Sunil Patwari	12000/-	-	-	-
3. Mr. M. K. Ogra	16000/-	-	-	-
4. Mr. B. C. Talukdar	16000/-	-	-	-

Non-executive Directors are paid remuneration by way of sitting fees. The Company does not pay any remuneration to its Managing Director.

**4. SUBSIDIARY**

The Company does not have any subsidiary Company.

**5. DISCLOSURE OF ACCOUNTING TREATMENT IN PREPERATION OF FINANCIAL STATEMENT**

The Company has followed the accounting standards laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.

**6. DETAILS OF NON- COMPLIANCE BY THE COMPANY IN THE LAST THREE YEARS.**

Your Company has complied with all the requirements of the Listing Agreement with the Stock Exchanges and SEBI Regulations. No penalties or strictures have been imposed on your Company by the Stock Exchanges or SEBI or any other Statutory Authority in connection with violation of Capital Market norms, rules, regulations, etc. in the last three years.

## ANNEXURE "B" (Contd.)

### 7. DETAILS OF DIRECTORS SEEKING APPOINTMENT / REAPPOINTMENT IN THE ENSUING ANNUAL GENERAL MEETING:

Name of Director	Mr. Sushil Patwari	Mr.M.K. Ogra	Mr. B. C Talukdar
Date of Birth	20.08.1954	15.09.1930	01.03.1936
Date of appointment	31.10.1994	30.01.2006	30.01.2006
Qualification	B.Com	Graduate in Maths & Statistics and Diploma in statistics & Quality Control	B.Com., PGDBM.
Expertise in specific Functional area	Industrialist having rich business experience	Industrialist having rich business experience	Having rich experience in Industrial and Corporate Laws
List of other Directorship held excluding foreign companies, companies under section 25 of the Companies Act, 1956 and Private Companies.	1. Nagreeka Exports Ltd. 2. Reliance Processors Ltd. 3. Rupa & Company Ltd. 4. Jaidka Motors Co.	1. Nicco Financial Services Ltd 2. Nicco Biotech Ltd. 3. Nagreeka Exports Ltd. 4. Nicco Engineering Services Ltd. 5. Ne Cables Ltd.	1.Nagreeka Capital & Infrastructure Ltd. 2. H.P. Cotton Textile Mills Ltd.
Chairman / Member of the committees of the Board of other Companies in which he/she is a Director	AUDIT COMMITTEE Rupa & Company Ltd. (MEMBER)  <u>SHAREHOLDERS'/ INVESTORS' GRIEVANCE COMMITTEE</u> Nagreeka Exports Ltd. (MEMBER)	AUDIT COMMITTEE Nagreeka Exports Ltd. (CHAIRMAN)  <u>SHAREHOLDERS'/ INVESTORS' GRIEVANCE COMMITTEE</u> Nagreeka Exports Ltd. (CHAIRMAN)	AUDIT COMMITTEE Nagreeka Exports Ltd. (MEMBER) H.P. Cotton Textile Mills Ltd. (MEMBER)  <u>REMUNERATION COMMITTEE</u> H.P. Cotton Textile Mills Ltd. (CHAIRMAN)  <u>SHAREHOLDERS'/ INVESTORS' GRIEVANCE COMMITTEE</u> H.P. Cotton Textile Mills Ltd. (CHAIRMAN) Nagreeka Capital & Infrastructure Ltd. (MEMBER)
Shareholding in the Company	568500	NIL	NIL



**ANNEXURE “B” (Contd.)**

**8. DETAILS OF GENERAL MEETINGS**

A. Locations, Date and Time of Annual General Meetings held during the last three years are as under:

Sr.No	Year	Location	AGM / EGM	Date	Day	Time	No. of Special Resolution Passed
1.	2012-13	Bengal National Chamber of Commerce and Industry, 23, R. N. Mukherjee Road Kolkata - 700 001	19th A.G.M	24.09.13	Tuesday	11.30 am	Nil
2.	2011-12	Bengal National Chamber of Commerce and Industry, 23, R. N. Mukherjee Road Kolkata - 700 001	18th A.G.M.	27.09.12	Thursday	11.30 am	Nil
3.	2010-11	Bengal National Chamber of Commerce and Industry 23, R. N. Mukherjee Road Kolkata - 700 001	17th A.G.M.	28.09.11	Wednesday	11.30 am	Nil

No item was passed by resolution through Postal Ballot during the Financial Year 2013-2014. At the forthcoming Annual General Meeting also, there is no item in the agenda that needs approval by Postal Ballot.

**9. DISCLOSURES**

- (i) There are no materially significant related party transactions made by the Company with its Promoters, Directors or Management Staffs as defined in Clause 49 of the listing agreement, where they have personal interest that may have a potential conflict with the interests of the Company at large requiring disclosure by them to the Board of Directors of the Company.
- (ii) The particulars of transactions between the Company and its related parties in accordance with Accounting Standard 18 are set out in Note No.24 of the Accounts. These transactions are in the ordinary course and are not likely to have any conflict with the interest of the Company.
- (iii) All Accounting Standards mandatory required have been followed in the preparation of financial statements and no deviation has been made in following the same.
- (iv) Risk assessment and its minimization procedures have been laid down by the Company and the same have been informed to Board Members. These procedures are periodically reviewed to ensure that executive management controls risks through means of a properly defined.
- (v) No penalties or strictures have been imposed on the company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years.
- (vi) Management Discussion and Analysis forms part of the Annual Report to the members and it includes discussion on matters as required under the provisions of clause 49 of the listing agreement with stock exchange.

**10. CODE OF CONDUCT OF DIRECTORS AND SENIOR MANAGEMENT STAFF**

In line with the amended Clause 49(V) of the listing agreement which came into effect from 1st January, 2006, the Company adopted a Code of Conduct for its Directors and Senior Management Staff. The Code has also been posted on the company's website. The Managing Director has given a declaration that all the Directors and the Senior Management Staff have affirmed compliance with the code of Conduct.

## ANNEXURE “B” (Contd.)

### 11. CEO'S CERTIFICATION

A Certificate duly signed by the Managing Director relating to Financial Statements and Internal Controls and Internal Control Systems for financial reporting as per the format provided in amended Clause 49 of the listing agreement was placed before the Board, who took the same on record.

### 12. GENERAL SHAREHOLDER INFORMATION:

The Company has paid the Annual Listing Fees to Bombay Stock Exchange Limited and National Stock Exchange of India Limited for the financial year 2013-14.

Annual General Meeting	20th	
Date and Time	: 10th September, 2014 at 11.30A.M	
Venue	: Bengal National Chamber of Commerce & Industry, 23, R.N. Mukherjee Road, Kolkata- 700 001	
Financial Calendar (Tentative)	: Year ending - 31st March, 2015	
	First Quarter Results	Before end of 2nd week of August'14
	Second Quarter and Half Yearly Results	Before end of 2nd week of November'14
	Third Quarter Results	Before end of 2nd week of February'15
	Results for year ending 31st March'15	Before end of May '15
	Annual General Meeting for Year ending 31st March'15	Before end of September '15
Date of Book Closure	: From 4th September, 2014 to 10th September, 2014 (both days inclusive)	
Listing of Stock Exchanges	: 1. Bombay Stock Exchange Limited 2. National Stock Exchange of India Limited	

### 13. STOCK CODE

Bombay Stock Exchange Limited: 532895  
National Stock Exchange of India Limited: NAGREEKCAP

### 14. PLANT LOCATION

The Company operates in Capital market and as such there are no plants, and hence no locations are disclosed.

### 15. MEANS FOR COMMUNICATION

The quarterly results are published in the leading English daily Newspaper Financial Express, Business Standard & Economic Times and Bengali Newspapers (Arthik Lipi). Management discussion and analysis form part of the Annual Report.

### 16. DEMATERIALISATION OF SHARES

As on 31st March, 2014, 95.4979% of the Share Capital comprising 12047346 shares are in dematerialized form. Under the depository system the International Securities Identification Number (ISIN) allotted to the company's shares is INE 245I01016.

### 17. ADDRESS FOR CORRESPONDENCE

#### a) For Routine Matters:

For any assistance regarding Share transfer and transmissions, change of address, non-receipt of dividends duplicate / missing share certificates, demat and other matters communication may be made to the Share Department of the Company at the address given below:

Nagreeka Capital & Infrastructure Limited, 18, R. N. Mukherjee Road, Kolkata - 700 001.  
Phone Nos.-2248 4922, 2248-4943, Fax No. (033) 2248-1693,  
E-mail ID : compsect.ncil@nagreeka.com

OR

Registrar & Share Transfer Agent , Maheshwari Datamatics (P) Ltd., 6, Mangoe Lane, 2nd Floor, Kolkata - 700 001.  
Phone Nos. 2243-5029, 2243-5809, Fax No. (033) 2248-4787, E-mail ID: mdpl@cal.vsnl.net.in.  
Website: www.mdpl.online.com

## ANNEXURE "B" (Contd.)

### (b) For Redressal of Complaints and Grievances:

The Secretary  
Nagreeka Capital & Infrastructure Ltd.  
18, R. N. Mukherjee Road, Kolkata - 700 001.

Telephone Nos.(033) 2248-4922, 2248-4943  
Fax No. (033) 2248-1693  
E-mailID:compsect.ncil@nagreeka.com

### DISTRIBUTION OF SHARE HOLDING PATTERN BY SIZE AS ON 31.03.2014

Category	No. of Shareholders	Percentage	No. of Shares	Percentage
1) 1 to 500	9993	92.90	1215851	09.64
2) 501 to 1000	299	02.78	247601	01.96
3) 1001 to 2000	180	01.67	278420	02.21
4) 2001 to 3000	73	00.68	187243	01.49
5) 3001 to 4000	40	00.37	138734	01.10
6) 4001 to 5000	37	00.35	170910	01.35
7) 5001 to 10000	54	00.50	398815	03.16
8) 10001 and Above	81	00.75	9977726	79.09
<b>TOTAL</b>	<b>10757</b>	<b>100.00</b>	<b>12615300</b>	<b>100.00</b>

### CATEGORY OF SHAREHOLDERS AS ON 31.03.2014:

Category	No. of Shares Held	Percentage of shareholding
<b>A. PROMOTER'S HOLDING</b>		
(a) Individual / Huf	4492900	35.61
(b) Bodies Corporate	2220186	17.60
<b>Sub-Total(A)</b>	<b>6713086</b>	<b>53.21</b>
<b>B PUBLIC HOLDING</b>		
<b>1. INSTITUTIONS</b>		
(a) Mutual Funds and UTI	3300	0.026
(b) Banks/ Financial Institutions	400	0.003
© FIs	300	0.002
<b>Sub- Total(B)(1)</b>	<b>4000</b>	<b>0.031</b>
<b>2. NON-INSTITUTIONALS</b>		
(a) Bodies Corporate	2224401	17.63
(b) Individuals		
(i) Individual shareholders holding nominal share capital Upto Rs. 1 Lakh.	2589954	20.53
(ii) Individual shareholders holding nominal share capital in excess of Rs.1 Lakh	845413	6.70
© Any Other		
(i) Non- Resident Individuals	235246	1.864
(ii) Clearing Member	3200	0.025
<b>Sub-Total(B)(2)</b>	<b>5898214</b>	<b>46.754</b>
<b>Grand Total (A+B+C)</b>	<b>12615300</b>	<b>100.00</b>

## ANNEXURE "B" (Contd.)

### 18. MARKET PRICE DATA (Rs.)

MONTH	Bombay Stock Exchange Limited		National Stock Exchange of India Limited	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
Apr'2013	13.65	12.00	13.75	12.50
May'2013	12.05	09.55	12.90	12.30
Jun'2013	10.20	08.20	11.70	10.60
Jul'2013	08.60	07.51	10.10	08.30
Aug'2013	07.90	07.53	09.10	09.10
Sep'2013	08.83	06.93	10.20	08.25
Oct'2013	10.60	08.45	11.10	08.60
Nov'2013	11.38	09.56	09.95	08.25
Dec'2013	11.00	10.82	09.70	08.90
Jan'2014	12.21	10.88	10.90	09.00
Feb'2014	11.60	09.80	09.55	08.35
Mar'2014	11.14	09.22	12.10	08.60

For & on behalf of the Board

Place: Kolkata  
Date: 29th May, 2014

**Mr.Sushil Patwari**  
Chairman & Managing Director

### AUDITORS' CERTIFICATE

TO THE MEMBERS  
**NAGREEKA CAPITAL & INFRASTRUCTURE LIMITED**

We have examined the compliance of conditions of corporate governance by Nagreeka Capital & Infrastructure Limited, for the year ended on 31st March, 2014, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the 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 state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Shareholders' Grievance Committee.

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

For **H.R. AGARWAL & ASSOCIATES**  
Chartered Accountants  
Firm's Registration No. 323029E

**(CA. HARI RAM AGARWAL)**  
Partner

Place : Kolkata  
Date : 29th May, 2014

M. No. FCA 057625

## INDEPENDENT AUDITORS' REPORT

### To the Members of Nagreeka Capital and Infrastructure Limited

#### Report on the Financial Statements

We have audited the accompanying financial statements of Nagreeka Capital and Infrastructure Limited ("the Company") which comprise the Balance Sheet as at 31 March 2014, the Statement of Profit and Loss and the 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

The Company's 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 notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. 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:

- i. in the case of the balance sheet, of the state of affairs of the Company as at 31 March 2014; and
- ii. in the case of the statement of profit and loss, of the profit of the Company for the year ended on that date; and
- iii. 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"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure 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;

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**INDEPENDENT AUDITORS' REPORT (Contd.)**

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- c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. in our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 ;
- e. on the basis of written representations received from the directors as on 31 March 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

For **H.R. AGARWAL & ASSOCIATES**

Chartered Accountants

Firm's Registration No. 323029E

**(CA. HARI RAM AGARWAL)**

Partner

M. No. FCA 057625

Place : Kolkata

Date : 29th May, 2014

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**Annexure to Independent Auditors' Report**

The Annexure referred to in Paragraph 1 under the heading of "report on other legal and regulatory requirement" of our report to the members of NAGREEKA CAPITAL AND INFRASTRUCTURE LIMITED ("the Company") for the year ended 31st March 2014. We report that:

- i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- (b) All the Fixed Assets have been physically verified by the management in the phased periodical manner, which in our opinion is reasonable having regard to the size of the company and the nature of its Assets. No material discrepancies were noticed on such verification.
- (c) In our opinion, the Company has not disposed off fixed assets during the year and therefore the going concern status of the company is not affected.
- ii) (a) The Inventory has been physically verified during the year by the management. In our opinion the frequency of verification is reasonable.
- (b) The procedure of physical verification of inventory followed by the management 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 inventory and no material discrepancies were noticed on such verification.
- iii) (a) The company has not granted any loan secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Therefore the requirements of clauses (iii) (a) (b) (c) and (d) of paragraph 4 of the Order are not applicable to the Company.
- (b) The Company has not taken any loan secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Therefore the requirements of clauses (iii) (e) (f) and (g) of paragraph 4 of the Order are not applicable to the Company.
- iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in such internal control system.
- v) According to the information explanations given to us, there are no transactions during the year which need to be entered into the register maintained u/s 301 of the Companies Act, 1956.

**INDEPENDENT AUDITORS' REPORT (Contd.)**

- vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public in pursuance to sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under. No Order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.
- vii) In our opinion and as per provisions of the clause, the Company has an internal audit system commensurate with the size and nature of its business.
- viii) Provisions relating to maintenance of cost records as prescribed by the Central Government u/s 209 (1)(d) of the Companies Act, 1956, in our opinion are not applicable to the company.
- ix) a) According to the records of the Company, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth-tax, custom duty, excise duty, cess and other material statutory dues applicable to it, except service tax during the year.
- b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, service tax, wealth-tax, sales tax, custom duty, excise duty and cess were in arrears, as at 31st March, 2014 for a period of more than six months from the date they became payable.
- According to the information and explanations given to us, there are no dues of sales tax, income tax, service tax, customs duty, wealth tax, excise duty and cess, which have not been deposited on account of any dispute.
- x) The Company does not have accumulated losses as at 31st March, 2014 nor has incurred any cash losses during the financial year ended on that date and in the immediately preceding financial year.
- xi) In our opinion and according to the information and explanations given to us, there are no dues payable to financial institution or bank or debenture holders.
- xii) In our opinion the Company has not granted loans and advances on the basis of securities by way of pledge of shares, debentures and other securities.
- xiii) In our opinion, the Company is not a chit fund or a nidhi/ mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xiv) In our opinion, the company has maintained proper records of transactions and contracts in respect of dealing in or trading in shares, securities, debentures and other investments and timely entries have been made therein. All shares, securities, debentures and other investments have been held by the company in its own name except to the extent exemption granted u/sec 49 of the Act.
- xv) In our opinion and according to the information and explanations given to us, the company has not given any guarantees for loans taken by others from banks or financial institutions.
- xvi) According to the information and explanations given to us, no term loan has been raised by the company.
- xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long term investment.
- xviii) According to the information and explanations given to us, the company has not made any preferential allotment of shares to the parties and companies covered in the register maintained u/s 301 of the Companies Act, 1956.
- xix) According to the information and explanations given to us, the company has not issued any debentures, during the period covered by our audit report.
- xx) During the period covered by our Audit report, the Company has not raised any money by public issues during the year.
- xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For **H.R. AGARWAL & ASSOCIATES**  
Chartered Accountants  
Firm's Registration No. 323029E

**(CA. HARI RAM AGARWAL)**  
Partner  
M. No. FCA 057625

Place : Kolkata  
Date : 29th May, 2014



**STATEMENT OF ACCOUNTS**



## BALANCE SHEET AS AT 31ST MARCH, 2014

	Note No.	Rs.	As at 31st March, 2014 Rs.	As at 31st March, 2013 Rs.
<b>EQUITY AND LIABILITIES</b>				
<b>Shareholders' funds</b>				
Share capital	2	63,076,500	63,076,500	
Reserves and surplus	3	<u>598,242,931</u>	<u>569,954,971</u>	
			<b>661,319,431</b>	<b>633,031,471</b>
<b>Current liabilities</b>				
Short-term borrowings	4	1,370,128,883	983,639,664	
Trade payables	5	51,051,806	23,089,821	
Other current liabilities	6	3,310,927	8,851,956	
Short-term provisions	7	<u>1,978,371</u>	<u>1,383,663</u>	
			<b>1,426,469,987</b>	<b>1,016,965,104</b>
<b>Total</b>			<b><u>2,087,789,418</u></b>	<b><u>1,649,996,575</u></b>
<b>ASSETS</b>				
<b>Non-current assets</b>				
<b>Fixed assets</b>				
Tangible assets	8	12,873,369	13,107,461	
Non-current investments	9	648,370,432	655,890,133	
Deferred tax assets (net)	10	340,676,227	339,641,007	
Long-term loans and advances	11	<u>1,402,939</u>	<u>1,402,939</u>	
			<b>1,003,322,967</b>	<b>1,010,041,540</b>
<b>Current assets</b>				
Inventories	12	272,619,197	266,777,658	
Trade receivables	13	52,198,795	1,224,212	
Cash and cash equivalents	14	3,314,665	3,426,243	
Short-term loans and advances	15	14,080,202	14,075,202	
Other current assets	16	<u>742,253,592</u>	<u>354,451,720</u>	
			<b>1,084,466,451</b>	<b>639,955,035</b>
<b>Total</b>			<b><u>2,087,789,418</u></b>	<b><u>1,649,996,575</u></b>

The accompanying notes are forming part of the financial statements

1 to 30

As per our annexed report of even date.

For **H.R.AGARWAL & ASSOCIATES**

Chartered Accountants

**(CA. HARI RAM AGARWAL)**

Partner

Firm's Registration No. 323029E

FCA No. 057625

Place : Kolkata

Date : 29th May, 2014

For and on behalf of the Board of Directors

**SUSHIL PATWARI**

Chairman & Managing Director

**MOHAN KISHEN OGRA**

Director

**VIVEK MISHRA**

Company Secretary

## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

	Note No.	As at 31st March, 2014 Rs.	As at 31st March, 2013 Rs.
<b>INCOME</b>			
Revenue from operations	17	161,906,380	170,279,571
Total revenue		<u>161,906,380</u>	<u>170,279,571</u>
<b>EXPENSES</b>			
Purchases of Traded goods	18	12,199,756	83,279,364
Changes in inventories	19	(5,841,539)	(60,962,988)
Employee benefits expense	20	604,911	629,322
Finance costs	21	124,742,942	113,189,648
Depreciation	8	234,092	234,092
Other expenses	22	1,720,304	2,905,192
<b>Total expenses</b>		<u>133,660,466</u>	<u>139,274,630</u>
<b>Profit before tax</b>		<b>28,245,914</b>	<b>31,004,941</b>
<b>Tax expense:</b>			
Current tax		-	(1,034,119)
MAT credit Entitlement		-	376,667
Taxes for earlier years		(33,249)	(11,494)
Deferred tax		1,035,220	1,189,604
Provisions against Standard Assets		(959,925)	(744,672)
<b>Profit for the year</b>		<u>28,287,960</u>	<u>30,780,927</u>
Basic/Diluted Earnings per share (of Rs. 5 each)		2.24	2.44

The accompanying notes are forming part of the financial statements 1 to 30

As per our annexed report of even date.

For **H.R.AGARWAL & ASSOCIATES**

Chartered Accountants

**(CA. HARI RAM AGARWAL)**

Partner

Firm's Registration No. 323029E

FCA No. 057625

Place : Kolkata

Date : 29th May, 2014

For and on behalf of the Board of Directors

**SUSHIL PATWARI**

Chairman & Managing Director

**MOHAN KISHEN OGRA**

Director

**VIVEK MISHRA**

Company Secretary

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	As at 31st March, 2014 Rs.	As at 31st March, 2013 Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit before extraordinary items and tax</b>	28,245,914	31,004,941
<b>Additions</b>		
Depreciation and amortisation	234,092	234,092
Finance costs	124,715,320	113,160,301
Net (gain) / loss on sale of investments	(389,003)	(11,725,749)
<b>Operating profit before working capital changes</b>	<b>152,806,323</b>	<b>132,673,585</b>
<b>Adjusted for</b>		
(Increase)/Decrease in Trade and other Receivables	(434,944,556)	(274,662,573)
(Increase)/Decrease in Inventories	(5,841,539)	(60,962,988)
Increase/( Decrease) in Trade and other Payables	22,435,739	(3,755,340)
Cash Generated from operations	<b>(265,544,034)</b>	<b>(206,707,316)</b>
Direct Taxes Paid/Refund received	<b>(4,250,148)</b>	(1,029,227)
<b>Net Cash flow from/(used in) Operating Activities</b>	<b><u>(269,794,181)</u></b>	<b><u>(207,736,543)</u></b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital expenditure on Fixed assets, including capital advances	-	-
Purchase of Investments	(8,784,066)	(20,628,987)
Sale of Current Investments	16,692,771	32,599,195
Interest received on Loans & deposit	-	-
<b>Net cash flow from /(used in) Investing Activities</b>	<b><u>7,908,705</u></b>	<b><u>11,970,208</u></b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of short-term borrowings		
Net increase / (decrease) in working capital borrowings	386,489,219	307,234,589
Finance cost	(124,715,320)	(113,160,301)
<b>Net Cash flow from /(used in) Financing Activities</b>	<b><u>261,773,900</u></b>	<b><u>194,074,288</u></b>
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	<b>(111,577)</b>	(1,692,047)
Cash and cash equivalents at the beginning of the year	<b>3,426,242</b>	5,118,289
Cash and cash equivalents at the end of the year	<b>3,314,665</b>	3,426,242

Notes:

The accompanying notes are forming part of the Financial Statement 1 to 30

As per our annexed report of even date.

For **H.R.AGARWAL & ASSOCIATES**

Chartered Accountants

**(CA. HARI RAM AGARWAL)**

Partner

Firm's Registration No. 323029E

FCA No. 057625

Place : Kolkata

Date : 29th May, 2014

For and on behalf of the Board of Directors

**SUSHIL PATWARI**

Chairman & Managing Director

**MOHAN KISHEN OGRA**

Director

**VIVEK MISHRA**

Company Secretary

## NOTES forming part of the Financial Statements for the year ended 31st March, 2014

### 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES :

#### a) BASIS OF PREPERATION OF FINANCIAL STATEMENT :

The financial statements are prepared as a going concern under historical cost convention on accrual basis, except those with significant uncertainty and in accordance with the Companies Act, 1956. Accounting policies not stated explicitly otherwise are consistent with generally accepted accounting principles.

All 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 the schedule VI (Revised) to the companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current - non current classification of assets and liabilities

#### b) RECOGNITION OF INCOME AND EXPENDITURE :

- i) Items of Income and Expenditure are recognised on accrual basis.
- ii) Sales & Purchases are accounted for as and when deliveries are effected.

#### c) PROVISION FOR CURRENT AND DEFERRED TAX :

Provision for Current Tax is made on the basis of taxable income for the current accounting period and in accordance with the provisions as per Income Tax Act, 1961.

Deferred Tax resulting from "timing difference" between book and taxable profit for the year is accounted for using the tax rates and laws that have been enacted or substantially enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be adjusted in future.

Current income tax is measured at the amount expected to be paid to the tax authorities, computed in accordance with the applicable tax rates and tax laws. In case of tax payable as per provisions of MAT under section 115JB of the Income Tax Act 1961, deferred MAT credit entitlement is separately recognized under the head " Long-Term loans and Advances" . Deferred MAT credit entitlement is recognized and carried forward only if there is a reasonable certainty of it being set off against regular tax payable within the stipulated statutory period.

#### d) INVESTMENTS:

Investments are stated at cost. Provision for diminution in long term investments is made only, if such a decline is other than temporary.

Unquoted investments are stated at Cost.

#### e) FIXED ASSETS :

Fixed Assets are stated at cost of acquisition less accumulated depreciation.

#### f) DEPRECIATION :

Depreciation on assets is provided on the Straight Line Method at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956.

#### g) PROVISION, CONTINGENT LIABILITIES & CONTINGENT ASSETS :

Provision involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statement.

#### h) IMPAIRMENT OF ASSETS :

The company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the assets. If such recoverable amount of the assets or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

#### i) INVENTORIES :

Inventories are valued at lower of cost or net realisable value on FIFO basis. The cost of inventories include cost of purchase and other costs incurred in bringing them to their present location and condition.

#### j) BORROWING COSTS :

Borrowing Cost that are attributable to the acquisition of fixed assets charged to the respective fixed assets till the date of commercial use. In respect of others, it is charged to Profit & Loss account in the year the same has been incurred.

## NOTES forming part of the Financial Statements for the year ended 31st March, 2014 (Contd.)

**k) RETIREMENT BENEFITS :**

Gratuity benefit will be accounted for as and when applicable.  
Leave encashment benefit is paid during the year.

**l) DERIVATIVE INSTRUMENTS :**

In respect of derivative contracts, premium paid, gain/losses on settlement and provision for losses for cash flow hedges are recognized in the Profit & Loss Account, except in case, where they relate to borrowing costs that are attributable to the acquisition or construction of fixed assets, in which case, they are adjusted to the carrying cost of such assets.

**m) CASH FLOW STATEMENT :**

Cash flows are reported using indirect method, where by profit/ (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, investing and financing activities of the company is segregated based on the available information.

	<b>As at 31st March, 2014</b>		<b>As at 31st March, 2013</b>	
	<b>Rs.</b>		<b>Rs.</b>	
<b>2. SHARE CAPITAL :</b>				
<b>Authorised Share Capital</b>				
14,000,000 Equity shares of Rs. 5 each with voting rights (14,000,000)	<b>70,000,000</b>		70,000,000	
	<b>70,000,000</b>		<b>70,000,000</b>	
<b>Issued</b>				
12,615,300 Equity shares of Rs. 5 each with voting rights (12,615,300)	<b>63,076,500</b>		63,076,500	
	<b>63,076,500</b>		<b>63,076,500</b>	
<b>Subscribed and fully paid up</b>				
12,615,300 Equity shares of ` 5 each with voting rights (12,615,300)	<b>63,076,500</b>		63,076,500	
Total	<b>63,076,500</b>		<b>63,076,500</b>	
<b>i) Reconciliation of number of equity shares and amount outstanding</b>	<b>2013-2014</b>		<b>2012-2013</b>	
	<b>Number</b>	<b>Rs.</b>	<b>Number</b>	<b>Rs.</b>
Equity shares with voting rights				
Shares Outstanding at April 1, 2013	<b>12,615,300</b>	<b>63,076,500</b>	12,615,300	63,076,500
Shares Outstanding at March 31, 2014	<b>12,615,300</b>	<b>63,076,500</b>	12,615,300	63,076,500
<b>ii) The details of shareholders holding more than 5 % shares:</b>	<b>As at 31st March, 2013</b>		<b>As at 31st March, 2012</b>	
<b>Name of shareholder</b>	<b>Number</b>	<b>Rs.</b>	<b>Number</b>	<b>Rs.</b>
Mala Patwari	<b>891,700</b>	<b>7.07</b>	891,700	7.07
Sunil Patwari	<b>712,100</b>	<b>5.64</b>	712,100	5.64
Agarwal Galvanisg Pvt. Ltd	<b>800,600</b>	<b>6.35</b>	800,600	6.35
Nagreeka Synthetics Pvt. Ltd	<b>940,270</b>	<b>7.45</b>	940,270	7.45
<b>iii) The company has one class of equity share having a par value of Rs. 5 per share. Each shareholder is eligible for one vote per share held.</b>				

## NOTES forming part of the Financial Statements for the year ended 31st March, 2014 (Contd.)

		As at 31st March, 2014	As at 31st March, 2013
	Rs.	Rs.	Rs.
<b>3. RESERVES AND SURPLUS :</b>			
<b>Capital Reserve</b>			
As per last Account		156,930,411	156,930,411
<b>General reserve</b>			
As per last Account		305,000,000	305,000,000
<b>Statutory Reserve (As per RBI guidelines)</b>			
As per last Account	18,457,259	12,612,029	
Add : Transfers during the year	<u>5,457,198</u>	<u>5,845,230</u>	
		<b>23,914,457</b>	18,457,259
<b>Profit &amp; Loss Account</b>			
As per last Account	89,567,301	64,631,604	
Add : Profit for the year	28,287,960	30,780,927	
Less: Statutory Reserve	<u>5,457,198</u>	<u>5,845,230</u>	
		<b>112,398,063</b>	89,567,301
<b>Total</b>		<b><u>598,242,931</u></b>	<b><u>569,954,971</u></b>
<b>4. SHORT TERM BORROWINGS :</b>			
Secured Loans		1,370,128,883	983,639,664
<b>Total</b>		<b><u>1,370,128,883</u></b>	<b><u>983,639,664</u></b>
i)	Secured Loan in the nature of working capital has been obtained from Aditya Birla Finance Ltd, Bajaj Finance Ltd, Citi Corp Finance (India) Ltd, HSBc InvestDirect Financial services (India) Ltd., CD Equifinance Pvt. Ltd, JM Financial Products Ltd and Systematix fincorp India Ltd and are secured by deposit of quoted shares		
<b>5. TRADE PAYABLES:</b>			
Others		51,051,806	23,089,821
<b>Total</b>		<b><u>51,051,806</u></b>	<b><u>23,089,821</u></b>
i)	The Company has not received any information from its suppliers regarding registration under " The Micro small and Medium Enterprises Development Act, 2006." Hence, the information required to be given in accordance with section 22 of the said Act, is not ascertainable. Hence not disclosed		
<b>6. OTHER CURRENT LIABILITIES :</b>			
Unpaid dividends		199,899	200,274
Statutory Liabilities		2,999,180	2,528,089
Book Overdraft on Reconciliation		111,848	6,123,593
<b>Total</b>		<b><u>3,310,927</u></b>	<b><u>8,851,956</u></b>
i)	Based on the information/documents available with the company, there was no unpaid dividend amount due and outstanding as on 31st March, 2014 which is to be transferred to Investors Education and Protection Fund under Section 205C of the companies Act, 1956		
<b>7. SHORT TERM PROVISION :</b>			
Provision for employee benefits		97,254	82,471
Provision for tax		-	380,000
Contingent Provisions Against Standard Assets		1,881,117	921,192
<b>Total</b>		<b><u>1,978,371</u></b>	<b><u>1,383,663</u></b>
<b>8. FIXED ASSETS :</b>			
Tangible Assets		12,873,369	13,107,461
Annexure Attached			

**NOTES : 8**

**Forming part of the Financial Statements for the year ended 31st March, 2014 (Contd.)**

**TANGIBLE ASSETS**

(Amount in Rupees)

PARTICULARS	GROSS BLOCK (At Cost)		DEPRECIATION				NET BLOCK		
	As at 1st April'2013	Addition during the year	As at 31st March'2013	Upto 31st March'2013	Addition during the year	For the Year	Upto 31st March'2014	As at 31st March'2014	As at 31st March'2013
Computers	40,200	-	40,200	40,199	-	-	40,199	1	1
Office Premises	14,361,435	-	14,361,435	1,253,975	-	234,092	1,488,067	12,873,368	13,107,460
<b>Total</b>	<b>14,401,635</b>	<b>-</b>	<b>14,401,635</b>	<b>1,294,174</b>	<b>-</b>	<b>234,092</b>	<b>1,528,266</b>	<b>12,873,369</b>	<b>13,107,461</b>
Previous Year	14,401,635	-	14,401,635	1,060,082	-	234,092	1,294,174	13,107,461	13,341,553

## NOTES forming part of the Financial Statements for the year ended 31st March, 2014 (Contd.)

	Face Value (Rs.)	As at 31st March, 2014		As at 31st March, 2013	
		No. of Shares	Rs.	No. of Shares	Rs.
<b>9. NON CURRENT INVESTMENTS (LONG TERM INVESTMENTS) :</b>					
<b>TRADE INVESTMENTS</b>					
<b>A. QUOTED</b> (Fully paid up except otherwise stated)					
<b>Investment in Equity Shares</b>					
Aditya Birla Nuvo Ltd.	10	792	256,449	792	256,449
Agri - Tech India Ltd.	10	1,760	98,846	1,760	98,846
Allahabad Bank Ltd.	10	52,651	4,317,382	52,651	4,317,382
Allsec Technologies Ltd.	10	4,911	1,286,905	4,911	1,286,905
Ambuja Cement Ltd.	2	8,250	215,850	8,250	215,850
Asian Hotels (East) Ltd.	10	779	163,627	779	163,627
Asian Hotels (North) Ltd.	10	779	163,627	779	163,627
Asian Hotels (West) Ltd.	10	779	163,627	779	163,627
Aventis Pharma Ltd.	10	490	590,607	490	590,607
Balkrishna Industries Ltd.	2	15,000	806,220	15,000	806,220
Ballarpur Industries Ltd.	2	6,000	57,924	6,000	57,924
Bharat Electronics Ltd.	10	509	335,848	509	335,848
Bharat Petroleum Corpn Ltd.	10	20,092	3,523,578	20,092	3,523,578
Bharati Shipyard Ltd.	10	4,145	273,570	4,145	273,570
Bharti Airtel Ltd.	5	5,000	521,175	5,000	521,175
Biocon Ltd.	10	5,100	803,250	5,100	803,250
Birla Corpn.Ltd.	10	4,222	751,432	4,222	751,432
Bosch Ltd.	10	240	478,195	240	478,195
BPL Ltd.	10	12,000	356,400	12,000	356,400
Britania Industries Ltd.	2	2,310	391,466	2,310	391,466
Cauvery Software Eng.Systems Ltd.	10	13,000	211,141	13,000	211,141
Century Textiles & Industries Ltd.	10	2,000	137,880	2,000	137,880
Chennai Petroleum Copr.Ltd.	10	4,000	187,050	4,000	187,050
Cheslind Textiles Ltd.	10	500	4,490	500	4,490
Cipla Ltd.	2	3,765	388,619	3,765	388,619
Commex Technologies Ltd.					
(Previously known as IT People (India) Ltd.)	2	3,010	1,543,156	3,010	1,543,156
Country Condos Ltd.	1	21,150	140,323	21,150	140,323
Dena Bank	10	60,142	1,623,834	60,142	1,623,834
Dish TV India Ltd.	1	4,100	126,412	4,100	126,412
DSQ Software Ltd.	10	10,300	1,985,409	10,300	1,985,409
Duncan Industries Ltd.					
(after reduction of Share Capital by 60% )	10	9,264	628,986	23,162	628,986
Ess Dee Aluminium Ltd.	1	52	1,372,595	52	1,372,595
Federal - Mogul Goetze (India) Ltd.	10	3,047	1,177,962	3,047	1,177,962
Gateway Distriparks Ltd of Rs. 10 each	10	2,360	114,336	2,360	114,336
Gemini Communication Ltd.	1	20,000	446,581	20,000	446,581
Glaxo Smithkline Consumer Healthcare Ltd.	10	500	206,000	500	206,000
Great Offshore Ltd.	10	1,400	-	1,400	-
GTL Infrastructure Ltd.	10	4,534	23,340	4,534	23,340
GTL Ltd.	10	1,616	145,290	1,616	145,290
H.P.Cotton Textile Mills Ltd.	10	3,500	35,235	3,500	35,235
Hcl Infosystems Ltd.	10	7,500	689,000	7,500	689,000
Hcl Technologies Ltd.	2	666	-	666	-
Hero Honda Motors Ltd.	10	2,360	1,271,993	2,360	1,271,993
HFCL Ltd.	10	127,300	6,182,993	127,300	6,182,993
Hindalco Industries Ltd.	1	8,720	517,642	8,720	517,642
Hindustan Petroleum Corpn.Ltd.	10	600	189,058	600	189,058
Hindustan Zinc Ltd.	2	105,000	7,364,846	105,000	7,364,846



## NOTES forming part of the Financial Statements for the year ended 31st March, 2014 (Contd.)

### NON CURRENT INVESTMENTS

#### (LONG TERM INVESTMENTS) : (Contd.)

IDFC Ltd.	10	5,307	180,438	5,307	180,438
India Cements Ltd.	10	4,900	398,965	4,900	398,965
Indian Oil Corporation Ltd.	10	1,680	360,091	1,680	360,091
Indoco Remedies Ltd.	2	7,927	258,965	7,927	258,965
Indraprasth Gas Ltd.	10	10,300	494,400	10,300	494,400
ION Exchange India Ltd.	10	4,000	101,000	4,000	101,000
IPCA Laboratories Ltd.	2	2,810	176,530	2,810	176,530
ITC Ltd.	1	12,930	466,981	12,930	466,981
Jai Prakash Hydro Power Ltd.	10	16,800	537,600	16,800	537,600
Jet Airways Ltd.	10	2,046	2,250,600	2,046	2,250,600
Jindal Steel Power Ltd.	1	6,000	-	6,000	-
JSW Steel Ltd.	10	1,053	395,082	1,053	395,082
Kaashyap Radiant Systems Ltd.	10	26,898	817,017	26,898	817,017
Kanpur Fertilizers & Cements Ltd.					
(Recd From Duncan Industries Ltd.agts BIFR)	10	141	-	-	-
Kesoram Industries Ltd.	10	9,500	432,450	9,500	432,450
Kesoram Tex. Mills Ltd.	2	11,000	-	11,000	-
Kopran Ltd.	10	4,000	251,612	4,000	251,612
Lloyds Steel Ind Ltd.	10	90,000	261,330	90,000	261,330
MAARS Software International Ltd.	10	7,000	114,150	7,000	114,150
Mahindra & Mahindra Ltd.	5	666	174,455	666	174,455
Mangalam Cement Ltd.	10	5,000	1,193,472	5,000	1,193,472
Manglore Chemicals & Fertilizer Ltd.	10	397,435	7,091,587	397,435	7,091,587
McDowell Holdings Ltd.	10	241	14,189	241	14,189
Metrochem Ltd.	10	1,000	40,000	1,000	40,000
Mirc Electronics Ltd.	1	5,480	131,739	5,480	131,739
Motorol Enterprises Ltd.	10	5,000	36,800	5,000	36,800
MPS Ltd.	10	2,350	476,787	2,350	476,787
Msp Steel & Power Ltd.	10	19,646	196,460	19,646	196,460
MTNL Ltd.	10	1,000	147,490	1,000	147,490
N.K.Industries Ltd.	10	1,000	27,500	1,000	27,500
Nagarjun Fertilisers & Chemicals Ltd.	10	53,460	314,053	53,460	314,053
Nagarjun Oil & Refinery Ltd.	1	48,600	34,895	48,600	34,895
Nath Bio-Genes Ltd.	10	1,936	108,736	1,936	108,736
Nath Seed Ltd.	10	5,104	286,653	5,104	286,653
National Aluminium Company Ltd.	5	36,600	1,482,596	36,600	1,482,596
Nectar Lifesciences Ltd.	1	17,550	421,200	17,550	421,200
NELCO Ltd.	10	1,500	110,450	1,500	110,450
Netvision Web Technologies Ltd.	10	15,000	567,099	15,000	567,099
Nextgen Animation Media Ltd.	10	4,440	119,022	4,440	119,022
NTPC Ltd.	10	61,445	3,809,590	61,445	3,809,590
ONGC Ltd.	5	41,656	5,278,083	41,656	5,278,083
P &G Hygiene and Health Care Ltd.	10	750	344,000	750	344,000
Padmini Technologies Ltd.	10	5,000	20,000	5,000	20,000
Parsvnath Developers Ltd.	5	560	84,000	560	84,000
Patspin India Ltd.	10	500	3,682	500	3,682
Pennar Aluminium Ltd.	10	43,300	262,656	43,300	262,656
Pentamedia Graphics Ltd.	10	31,821	1,094,322	31,821	1,094,322
Pioneer Embroideries Ltd.	10	6,000	352,150	6,000	352,150
Prime Securities Ltd.	10	1,700	40,545	1,700	40,545
Prism Cement Ltd.	10	20,000	142,200	20,000	142,200
Provogue (India) Ltd.	2	4,035	121,050	4,035	121,050

## NOTES forming part of the Financial Statements for the year ended 31st March, 2014 (Contd.)

### NON CURRENT INVESTMENTS

#### (LONG TERM INVESTMENTS) : (Contd.)

Punjab National Bank	10	3,677	1,434,030	3,677	1,434,030
Punjab Wireless Systems Ltd.	10	11,400	1,199,760	11,400	1,199,760
PVP Ventures Ltd.	10	35	5,201	35	5,201
Reliance Industries Ltd.	10	1,568	753,180	1,568	753,180
Sai Service Station Ltd.	10	600	17,520	600	17,520
Samrat Ashoka Ltd.	10	700	11,375	700	11,375
Sasken Communication Ltd.	10	152	39,520	152	39,520
TechMahendra Ltd.( Recd on merger of Satyam Computers Ltd.in the ratio of 2: 17)	10	1,340	1,412,628		
Satyam Computer Ltd. (Merged with TechMehendra)	2	-	-	11,400	1,412,628
Shreerama Multi Tech Ltd.	10	67,959	1,195,805	67,959	1,195,805
Siemens Ltd.	2	4,450	732,706	4,450	732,706
Silverline Technologies Ltd.	10	11,100	2,856,536	11,100	2,856,536
Siris Ltd.	10	300	41,430	300	41,430
SJB Tubes Ltd.	10	6,900	8,625	6,900	8,625
Southern Petrochem Industries Corpn.Ltd.	10	25,000	473,896	25,000	473,896
SQL Star International Ltd.	10	12,880	113,730	12,880	113,730
Sri Adhikari Broth.Television Network Ltd.	10	300	154,140	300	154,140
Striven Multitech Ltd.	10	10,000	93,450	10,000	93,450
State Bank Of India	10	800	526,688	800	526,688
Sesa Sterlite Ltd. ( Recd 61,10,630 eq sh on merger of Sterlite Industries (India) Ltd with Sesa Goa Ltd.in the ratio of 3:5) (Recd 3500 eq sh on merger of Madras Aluminium Co.,Ltd.in the ratio of 7:10)	1	6,114,130	447,101,769	-	-
Sterlite Industries (India) Ltd. (Merged with Sesa Sterlite)	1	-	-	10,184,384	446,680,545
Sterlite Technologies Ltd.	2	1,713,645	12,694,459	1,713,645	12,694,459
Winsome Diamonds & Jewellery Ltd. (Previously known as Suraj Diamonds Ltd.)	10	5,800	143,840	5,800	143,840
Tata Chemicals Ltd.	10	689	10,198	689	10,198
Tata Consultancy Services Ltd.	1	26,564	10,657,335	26,564	10,657,335
Tata Investment Corporation Ltd.	10	6,000	1,221,415	6,000	1,221,415
Tata Motors Ltd.	2	17,100	713,319	17,100	713,319
Tata Steel Ltd.	10	5,652	958,098	5,652	958,098
The Great Eastern Shipping Co.Ltd.	10	5,600	150,800	5,600	150,800
The Madras Aluminium Co.Ltd. (Merged with Sesa Sterlite)	2	-	-	5,000	421,224
The South India Bank Ltd.	1	187,500	578,073	187,500	578,073
Top Telemedia Ltd.	10	4,000	57,600	4,000	57,600
Triveni Sheet Glass Ltd.	10	1,950	102,375	1,950	102,375
TV Today Network Ltd.	5	5,900	560,500	5,900	560,500
TVS Electronics Ltd.	10	900	75,730	900	75,730
United Spirits Ltd.	10	1,205	56,754	1,205	56,754
Usha Martin Industries Ltd.	1	12,500	363,825	12,500	363,825
Usha Martin Infotech Ltd.	1	5,000	429,000	5,000	429,000
Vardhman Special Steels Ltd.	10	2,000	554,297	2,000	554,297
Vardhman Textiles Ltd.	10	10,000	2,217,189	10,000	2,217,189
Vidhi Dystuffs Mfg.Ltd.	1	10,000	16,300	10,000	16,300
Vijaya Bank	10	74,400	1,785,600	74,400	1,785,600
Vippy Solvex Ltd.	10	5,300	15,105	5,300	15,105
Vishwas Steels Ltd.	10	6,900	87,741	6,900	87,741
Wipro Ltd.	2	500	71,375	500	71,375
Siti Cable Network Ltd.	1	4,061	84,435	4,061	84,435
Yes Bank Ltd.	10	15,264	686,880	15,264	686,880
Zee Media Corpn.Ltd	1	849	-	849	-

## NOTES forming part of the Financial Statements for the year ended 31st March, 2014 (Contd.)

### NON CURRENT INVESTMENTS

#### (LONG TERM INVESTMENTS) : (Contd.)

Zee News Ltd.	1	1,401	34,124	1,401	34,124
Zee Entertainment Enterprises Ltd.	1	6,788	344,721	6,788	344,721
6.0% Pref 05MAR22-Zee Entertainment of Re.1/- each (Recd as bonus in the ratio of 20:1)	1	109,200	-	-	-
Zenser Technologies Ltd.	10	6,000	536,465	6,000	536,465
Arshiya International Ltd.	2	4,430	818,475	4,430	818,475
Bajaj Auto Finance Ltd.	10	244	177,505	254	184,064
Bata India Ltd.	10	456	388,347	388	333,036
Bayer Cropscience	10	67	109,060	-	-
Bharat Foeg	2	609	206,730	-	-
Biocon Ltd	2	485	162,886	-	-
Bosch Ltd.	10	26	192,340	26	192,340
City Union Bank Ltd.	2	6,036	204,661	4,829	180,521
City Union Bank Ltd. ( Partly paid up)	2	-	-	1,207	12,070
Dish Tv India Ltd.	5	2,837	175,043	-	-
Divis Laboratories Ltd.	2	150	169,308	153	159,007
Eicher Motors Ltd	10	92	107,348	164	193,846
Eveready Industries	5	2,893	118,585	-	-
Hcl Technologies Ltd.	2	419	291,172	614	426,125
HDFC Bank Ltd.	2	978	610,069	501	307,675
HDFC Ltd.	2	428	310,762	338	238,117
IBN18 Broadcast Ltd.	2	7,215	165,917	15,300	377,535
Icici Bnak Ltd		198	243,335		
Indiabulls Housing Finance Ltd	10	857	167,405	-	-
Indusind Bank Ltd.	10	871	234,834	1,237	293,040
Ing Vysya Bank ltd	10	1,039	319,738	1,041	320,323
IPCA Laboratories Ltd	2	660	369,908	312	158,236
Jammu And Kashmir Bank Ltd.	10	122	111,343	122	111,343
Kajaria Ceramic	5	696	168,008	-	-
Kiri Dyes & Chemicals Ltd.	10	1,044	349,912	1,044	349,912
Larsen & Toubro Ltd		199	244,335		
LIC Housing Finance Ltd.	2	-	-	890	253,626
Mahindra & Mahindra Financial Services Ltd.	2	-	-	1,577	220,141
Maruti Suzuki India Ltd	5	-	-	145	210,819
Max India Ltd.	2	994	192,883	606	123,019
Mundra Port & Sez Ltd.	2	1,015	153,465	-	-
Page Industries Ltd.	10	42	112,704	42	112,704
Pepco Home Finance Ltd	2	1,451	258,654	-	-
PVR Ltd.	2	436	161,586	-	-
Satyam Computers Ltd	2	-	-	4,217	429,126
Siti Cable Network Ltd.	1	8,408	201,325	6,356	145,947
Styrolution ABS (India) Ltd	10	344	150,357	-	-
Supreme Industries LrTd	1	356	143,826	-	-
Tata Consultancy Ltd	1	133	280,826	-	-
TATA Global Beverages Ltd.	1	-	-	1,898	233,453
TechMahendra Ltd		458	396,250		
Thomas Cook India Ltd		2,854	230,471		
United Phosphorus	10	1,841	266,292	1,070	149,890
United Sprints Ltd		118	302,133		
Wipro Ltd		556	286,436		
Wockhardt Ltd.	5	-	-	248	224,795
Yes Bank Ltd		509	185,666		

## NOTES forming part of the Financial Statements for the year ended 31st March, 2014 (Contd.)

### NON CURRENT INVESTMENTS

#### (LONG TERM INVESTMENTS) : (Contd.)

#### B. Un Quoted ( Fully paid up except otherwise stated)

##### Investment in Equity Shares

G R M L Exports Ltd.	10	50,000	753,750	50,000	753,750
Genuine Real Estate Pvt.Ltd.	10	14,324	812,648	14,324	812,648
Nagreeka Fabrics Pvt.Ltd.	100	2,400	240,000	2,400	240,000
Nagreeka Foils Ltd.	10	118,500	1,645,000	118,500	1,645,000
Nagreeka Indcon Products P.Ltd. (Received on demerger of Nagreeka Foils Ltd.)	10	23,700	-	23,700	-
Nagreeka Hydrocarbons Pvt.Ltd. (previously known as Goyal Coal tar Pvt.Ltd.)	100	11,617	1,132,658	11,617	1,132,658
Nagreeka Synthetics Pvt.Ltd.	10	32,000	1,040,000	32,000	1,040,000
Pulkit Properties Pvt.Ltd.	10	80,000	800,000	80,000	800,000

#### C. Un Quoted ( Fully paid up except otherwise stated)

##### Investment in Mutual Funds

CIG Realty Fund of Rs. 10,00,000 each	10	10,000,000		10	10,000,000
India Business Excellence Trust fund of Rs. 10,00,000 each	50	39,188,855		50	39,188,855
India Realty Excellence Trust fund of Rs. 5,00,000 each	50	10,521,872		50	20,146,872
Indiareit Fund of Rs. 1,00,000 each	30	4,821,390		30	5,696,802

<b>Total</b>		<b>648,370,431.66</b>		<b>655,890,133</b>
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<b>Aggregate amount of quoted investments</b>	<b>577,414,259</b>	<b>574,433,548</b>
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<b>Aggregate amount of unquoted investments</b>	<b>70,956,173</b>	<b>81,456,585</b>
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<b>Aggregate market value of quoted investments</b>	<b>1,454,748,824</b>	<b>1,207,044,081</b>
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As at  
31st March, 2014  
Rs.

As at  
31st March, 2013  
Rs.

#### 10. DEFERRED TAX LIABILITY/(ASSETS) :

##### a) Deferred Tax Liability

Depreciation	1,823,417	1,637,883
<b>Total</b>	<b>1,823,417</b>	<b>1,637,883</b>

##### b) Deferred Tax Assets

Long Term Capital Loss	-	-
Short Term Capital Loss	623,443	627,365
Speculation Loss	46,066	127,361
Unabsorbed Depreciation	2,308,307	2,046,822
Business Loss	339,521,828	338,477,342
<b>Total</b>	<b>342,499,644</b>	<b>341,278,890</b>

Deferred Tax Assets (NET)	340,676,227	339,641,007
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#### 11. LONG TERM LOAN AND ADVANCES :

MAT credit entitlement	1,402,939	1,402,939
<b>Total</b>	<b>1,402,939</b>	<b>1,402,939</b>

#### 12. INVENTORIES : Current Investment

Shares & Securities	249,806,264	243,964,725
Land	3,250,000	3,250,000
Residential Flats	19,562,933	19,562,933
<b>Total</b>	<b>272,619,197</b>	<b>266,777,658</b>

**NOTES forming part of the Financial Statements for the year ended 31st March, 2014 (Contd.)**

	As at 31st March, 2014 Rs.	As at 31st March, 2013 Rs.
<b>13. TRADE RECEIVABLE :</b>		
(Unsecured, Considered good)		
Others	52,198,795	1,224,212
<b>Total</b>	<b>52,198,795</b>	<b>1,224,212</b>
<b>14. CASH AND CASH EQUIVALENTS :</b>		
Balances with banks		
i) In current accounts	3,009,630	3,098,733
ii) Unpaid dividend accounts	199,899	200,274
Cash on hand	105,136	127,236
<b>Total</b>	<b>3,314,665</b>	<b>3,426,243</b>
<b>15. SHORT TERM LOANS AND ADVANCES :</b>		
(Unsecured, considered goods)		
Security deposits	129,368	129,368
Advances to staff	50,834	45,834
Others	13,900,000	13,900,000
<b>Total</b>	<b>14,080,202</b>	<b>14,075,202</b>
<b>16. OTHER CURRENT ASSETS :</b>		
Share Application	6,375,000	6,375,000
Mark to Market Margin	718,758,515	347,685,202
Others	13,233,055	341,394
Income tax refund	3,887,023	50,124
<b>Total</b>	<b>742,253,592</b>	<b>354,451,720</b>
<b>17. REVENUE FROM OPERATIONS :</b>		
<b>Sale of products</b>		
Sales Revenue	8,014,786	24,351,992
Other operating revenues	153,891,595	145,927,579
<b>Traded goods</b>		
Sale of Securities	161,906,380	170,279,571
<b>Total</b>	<b>8,014,786</b>	<b>24,351,992</b>
<b>Other operating revenues comprise :</b>		
Dividend	30,260,736	29,058,246
Profit on Derivative Transactions	120,437,910	105,023,893
Interest on Loan/Investment	2,801,200	41,152
<b>Profit From Share Transactions</b>		
Profit on Sale of Long Term Investment	364,822	11,018,620
Profit on Redemption of Debenture	-	78,540
Short Term Profit/ (Loss) on Sale of Shares	24,181	707,129
Miscellaneous Receipts	2,746	-
<b>Total</b>	<b>153,891,595</b>	<b>145,927,579</b>
<b>18. PURCHASE OF TRADED GOODS :</b>		
Purchase of Securities	12,199,756	83,279,364
<b>Total</b>	<b>12,199,756</b>	<b>83,279,364</b>

## NOTES forming part of the Financial Statements for the year ended 31st March, 2014 (Contd.)

	As at 31st March, 2014 Rs.	As at 31st March, 2013 Rs.
<b>19. CHANGES IN INVENTORIES :</b>		
<b>Inventories at the end of the year:</b>		
Land	3,250,000	3,250,000
Residential Flats	19,562,933	19,562,933
Shares & Securities	249,806,264	243,964,725
<b>Total</b>	<b>272,619,197</b>	<b>266,777,658</b>
<b>Inventories at the beginning of the year:</b>		
Land	3,250,000	3,250,000
Residential Flats	19,562,933	19,562,933
Shares & Securities	243,964,725	183,001,738
	<b>266,777,658</b>	<b>205,814,670</b>
<b>Net (increase) / decrease</b>	<b>(5,841,539)</b>	<b>(60,962,988)</b>
<b>20. EMPLOYEE BENEFITS EXPENSE :</b>		
Salaries and wages	604,911	629,322
<b>Total</b>	<b>604,911</b>	<b>629,322</b>
<b>21. FINANCE COSTS :</b>		
Interest on Borrowings	124,715,320	112,041,902
Interest on Venture Capital	-	1,120,274
Interest on Others	337.00	(1,875)
Bank Charges	27,285	29,347
<b>Total</b>	<b>124,742,942</b>	<b>113,189,648</b>
<b>22. OTHER EXPENSES :</b>		
Demat Charges	94,229	20,744
Electricity Charges	161,125	205,577
Listing Fees	122,028	122,996
Office Maintenance Charges	67,912	82,958
Portfolio Management Expenses	262,069	238,211
Repairs and maintenance - Buildings	58,685	125,634
Rates and taxes	78,575	103,686
Securities Transaction Charges	35,177	129,094
Share Maintenance Charges	136,903	110,292
Legal and professional	245,134	459,549
Payments to auditors (Refer Note (i) below)	65,118	48,691
Miscellaneous expenses	393,350	1,257,760
<b>Total</b>	<b>1,720,304</b>	<b>2,905,192</b>
<b>i) Payment to Statutory Auditor as:</b>		
Statutory Audit Fees	28,090	28,090
Tax Audit Fees	5,618	5,618
Other Services	31,410	14,983
	<b>65,118</b>	<b>48,691</b>

## NOTES forming part of the Financial Statements for the year ended 31st March, 2014 (Contd.)

### 23. SEGMENT REPORTING :

The Company's Predominant business is investment in shares, securities and units of Mutual Funds. Other operations being very insignificant, Investment activity is the only reportable business segment as per Accounting standard 17 and there is no separate geographical segment.

### 24. RELATED PARTIES :

#### Key Management Personnels :

Mr. Sushil Patwari : Managing Director  
Mr. Sunil Patwari : Director

#### Associate Concern :

#### NAGREEKA EXPORTS LTD :

Nature of Transactions with whom		<u>2013-14</u>	<u>2012-13</u>
Mr. Sunil Patwari	Director	12,000	12,000

### 25. CAPITAL COMMITMENTS :

Estimated amount of contracts remaining to be executed on Capital Account (Net of Advances) and not provided for Nil (Previous Year Nil)

### 26. CONTINGENT LIABILITIES :

Contingent Liabilities not provided for Rs. Nil ( Previous Year Rs. Nil)

	<u>As at 31st March, 2014</u>	<u>As at 31st March, 2013</u>
	Rs.	Rs.
<b>27. DIRECTORS REMUNERATIONS</b>		
Directors sitting fees	44,000	36,000
<b>28. Basic and diluted earning per share (EPS) of the face value of Rs. 5 each is calculated as under :-</b>		
<b>Net profit as per Profit and Loss Account available for Equity Share Holder</b>	<b>28,287,960</b>	30,780,927
<b>Weighted average number of Equity Shares</b>		
For Basic Earning Per Share	12,615,300	12,615,300
For Diluted Earning Per Share	12,615,300	12,615,300
<b>Earning Per Share ( Weighted Average)</b>		
Basic	2.24	2.44
Diluted	2.24	2.44

29. Aggregate value of the Equity Derivative contracts remaining outstanding as at 31st March, 2014 is Rs.368.46 Crores. (Previous Year Rs.271.29 crores.)

As per our annexed report of even date.

For **H.R.AGARWAL & ASSOCIATES**

Chartered Accountants

**(CA. HARI RAM AGARWAL)**

Partner

Firm's Registration No. 323029E

FCA No. 057625

Place : Kolkata

Date : 29th May, 2014

For and on behalf of the Board of Directors

**SUSHIL PATWARI**

Chairman & Managing Director

**MOHAN KISHEN OGRA**

Director

**VIVEK MISHRA**

Company Secretary

## NOTES forming part of the Financial Statements for the year ended 31st March, 2014 (Contd.)

### 30. Notes to Balance Sheet of a non-deposit taking non-Banking financial company (as required in terms of Paragraph 13) of Non - Liabilities side :

	<u>Amount Outstanding</u>	<u>Rs. in Lacs Amount Overdue</u>
<b>Liabilities Side:</b>		
<b>1. Loans &amp; Advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid :</b>		
a. Debentures :		
Secured	NIL	NIL
Unsecured (Other than falling within the meaning of public deposits)	NIL	NIL
b. Deferred Credits	NIL	NIL
c. Term Loans	NIL	NIL
d. Inter - Corporate Loans & Borrowings	NIL	NIL
e. Other Loans (specify nature)	Short Term Borrowings	NIL
	13,701	
<b>Assets Side:</b>		
<b>2. Break-up of Loans &amp; Advances including bills receivables (other than those included in (4) below) :</b>	<u>Amount Outstanding</u>	
a. Secured	NIL	
b. Unsecured	7,577	
<b>3. Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities :</b>		
i. Lease assets including lease rentals under sundry debtors		
a. Financial Lease	NIL	
b. Operating Lease	NIL	
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	
<b>4. Break-up of Investments :</b>		
Current Investments		
1. Quoted :		
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	
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	
<b>Long Term Investments</b>		
1. Quoted :		
i. Shares		
a. Equity (Net of Provisions)	5,774	
b. Preference	NIL	
ii. Debentures and Bonds	NIL	
iii. Units of Mutual Funds	NIL	
iv. Government Securities	NIL	
v. Others(Please specify)	NIL	



## NOTES forming part of the Financial Statements for the year ended 31st March, 2014 (Contd.)

2. Unquoted :			
i. Shares	a. Equity (Net of Provisions)		64
	b. Preference		
ii. Debentures and Bonds			Nil
iii. Units of Mutual Funds			645
iv. Government Securities			NIL
v. Others(Please specify)			NIL
<b>5. Borrower group-wise classification of assets financed as in (2) and (3) above:</b>		<b>Amount net of Provisions</b>	
<b>Please see Note 2 below</b>			
<b>Category</b>	<b>Secured</b>	<b>Unsecured</b>	<b>Total</b>
<b>I. Related Parties</b>			
a. Subsidiaries	NIL	NIL	NIL
b. Companies in the same Group	NIL	NIL	NIL
c. Other related Parties	NIL	NIL	NIL
<b>II. Other than related Parties</b>	<b>NIL</b>	<b>7,577</b>	<b>7,577</b>
<b>6. Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :</b>		<b>Market value / Breakup of fair value of NAV</b>	<b>Book Value (Net of Provisions)</b>
<b>Please see Note 3 below</b>			
<b>Category</b>			
<b>I. Related Parties</b>			
a. Subsidiaries		NIL	NIL
b. Companies in the same Group		40.58	40.58
c. Other related Parties		NIL	NIL
<b>II. Other than related Parties</b>		<b>15,216</b>	<b>6,443</b>
<b>7. Other Information :</b>			<b>Amount</b>
<b>Particulars</b>			
i. Gross Non- Performing Assets			NIL
a. Related Parties			NIL
b. Other than related Parties			NIL
ii. Net Non- Performing Assets			NIL
a. Related Parties			NIL
b. Other than related Parties			NIL
iii. Assets acquired in satisfaction of debt			NIL

### Notes :

- As defined in Paragraph 2(1)(Xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in the Non-Banking Financial ( Non-Deposit Accepting or Holding ) Companies Prudential Norms (Reserve Bank) Directions, 2007.
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of Investments and other Assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted Investments and break-up/ fair value /NAV in respect of unquoted Investments should be disclosed irrespective of whether they are classified as long term or current in column(4) above.

As per our annexed report of even date.

For **H.R.AGARWAL & ASSOCIATES**

Chartered Accountants

**(CA. HARI RAM AGARWAL)**

Partner

Firm's Registration No. 323029E

FCA No. 057625

Place : Kolkata

Date : 29th May'2014

For and on behalf of the Board of Directors

**SUSHIL PATWARI**

Chairman & Managing Director

**MOHAN KISHEN OGRA**

Director

**VIVEK MISHRA**

Company Secretary

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