

HOTAHOTI WOOD PRODUCTS LIMITED

REPORT OF THE DIRECTORS TO THE MEMBERS

Your Directors have pleasure in submitting their Annual Report together with Audited Statements of Account of the company for the year ended 31st March, 2013.

1. FINANCIAL RESULTS

AMOUNT

Rs.

Profit/(Loss) for the year	265,438
Provision for Taxation:	
Current Tax	38,000
Taxation for earlier years	36,074
Profit after Tax	191,364
Balance brought forward from earlier years	(1,927,121)
	(1,735,757)
Less : Transferred to Reserve u/s 45-1C of the RBI Act, 1934	39,000
Balance (Debit) carried to Balance Sheet	(1,774,757)

2. DIVIDEND

Your Directors regret to recommend declaration of any dividend for the year in view of carry forward of losses.

3. DIRECTORS

Mr. Nazir Ahmed, Director retire by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment

4. DIRECTOR'S RESPONSIBILITY STATEMENT

The Directors confirm

- That in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same.
- That they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.
- That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

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HOTAHOTI WOOD PRODUCTS LTD.



Director

MANAGEMENT DISCUSSION & ANALYSIS

Industry Structure & Development

For several years, NBFCs have rapidly emerged as an important segment of the Indian Financial System. The sector is now being recognized as complementary to the banking sector due to the implementation of innovative marketing strategies, introduction of tailor made products, customer-oriented services, attractive rates of return on deposits and simplified procedures. In fact, NBFCs have emerged as a powerful force for financial inclusion in India. NBFC is a heterogeneous group of financial institutions, performing a wide range of activities like hire-purchase finance, vehicle financing, equipment lease finance, personal loans, working capital loans, consumer loans, housing loans, loans against shares and investments, etc. The role of NBFC as effective financial intermediaries has been well recognised as they have inherent ability to take quicker decisions, assume greater risks, and customize their services and changes more according to the needs of the clients.

The segment has witnessed considerable growth in the last few years and is now being recognised as complementary to the banking sector due to implementation of innovative marketing strategies, introduction of tailor-made products, customer-oriented services, attractive rates of return on deposits and simplified procedures, etc.

Opportunities, Threats, Risks and Concerns

Over the years, your Company has achieved an appropriate balance between risk and returns by setting up an efficient risk mitigation system to meet various forms of financial and other risks. The primary risks that the company is exposed to are, credit risk, market risk and operational risk. Deriving from the long years of experience in financing and trading in securities. Your Company's credit policy framework is designed to provide the right balance between business growth and portfolio quality.

As an NBFC, your company is subjected to both external risk and internal risk. External risk due to interest rate fluctuation, slowdown in economic growth rate, political instability, market volatility, decline in foreign exchange reserves, etc. Internal risks associated with your company's business which includes deployment of funds in specific projects, diversifications into other business operations, retention of talented personnel, managing effective growth rate, volatility in interest rate, NPAs in portfolio, changes in compliance norms and regulations, contingent liabilities, and other legal proceedings. Your company recognizes the importance of risk management, and has invested in people, process and technologies to effectively mitigate the above risks.

d) That they have prepared the annual accounts on a going concern basis.

5. CORPORATE GOVERNANCE

The Company has put in place an adequate system of Corporate Governance. A separate report on Corporate Governance forming part of the Annual Report of the Company is annexed hereto. A certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance Clause of the Listing Agreement is annexed to the report on Corporate Governance.

6. AUDITOR'S REPORT

The Auditors Report on the Accounts is self-explanatory and requires no comments.

7. PARTICULARS OF EMPLOYEES

There was no employee of the Company who received remuneration in excess of the limits prescribed under Section 217(2A) of the Companies Act, 1956 read with the Companies (Statement of Particulars of Employees) Rules, 1975.

8. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO.

Particulars required to be furnished by the Companies (Disclosures of particulars in the Report of the Board of Directors) Rules 1988, under the heads are not applicable to the Company.

9. AUDITORS

The Auditors of your Company M/s Rahul Bansal & Associates, Chartered Accountants, retire at the conclusion of the forthcoming Annual General Meeting and being eligible, offers themselves for re- appointment.

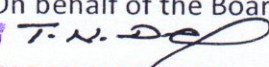
10. ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation for the co-operation and assistance received from shareholders, bankers, regulatory bodies and other business constituents during the year under review.

Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all officers and staff at all level.

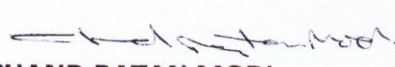
CERTIFIED TO BE TRUE COPY On behalf of the Board

HOTAHOTI WOOD PRODUCTS LTD.


TARAK NATH DEY
MANAGING DIRECTOR


Director

Place: Kolkata
Date: 30th May, 2013


CHAND RATAN MODI
DIRECTOR

Segment-Wise Performance - Finance & Investment

Your Company's operations continue to be mainly focused in the area of Financing & Investment.

Financial Performance

As you know, Your Company is one of the small sized Non-Banking Finance Company (NBFC). It can be seen from the Company's Statement of Accounts that the margins have continuously been squeezed and the Company has incurred I during the year.

Internal Control System

Internal Control measures and systems are established to ensure the correctness of the transactions and safe guarding of the assets. The control systems set on place are checked and duties and responsibilities are explicitly allocated among the staff for ensuring that policies and procedures are managed effectively and that there is full commitment and compliance.

Human Resources

Your Company continues to lay great stress on its most valuable resource - people. Continuous training, both on the job and in an academic setting, is a critical input to ensure that employees at all levels are fully equipped to deliver a wide variety of products and services to the customer of the company. Employee relations continue to be cordial throughout the year.

**ANNEXURE TO DIRECTOR'S REPORT.
REPORT ON CORPORATE GOVERNANCE**

1. COMPANY PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance envisages the attainment of the highest levels of transparency, accountability and in all its interaction with its shareholders, the government, and the society. The Company has implemented and is improving the Corporate Governance with the objective of fulfilling shareholder's expectation in so far as it caters to all interests. As an integral part of business ethics your Company continues to follow the practices in line with the code of Corporate Governance enshrined in the listing agreement.

2. BOARD OF DIRECTORS

a. Composition of Board of Directors and category of individual directors

Name of the Director	Category
Mr. Chand Ratan Modi	Promoter and Non-Executive Director
Mr. Ram Ratan Modi	Promoter and Non-Executive Director
Mr. Champa Lal Pareek	Independent Director
Mr. Tarak Nath Dey	Managing Director
Mr. Rakesh Agarwala	Independent Director
Mr. Nazir Ahmed	Independent Director

b. Board Meetings:

During the financial year 2012-2013, the Board met 5 times on 16th April, 2012, 30th May, 2012, 8th August, 2012, 12th November, 2012 and 24th January, 2013.

No Extra Ordinary General Meeting of the Company was held during the year.

The attendance of each director at Board Meetings and last Annual General Meeting is as follows:

Name of the Directors	No. of Board Meetings attended	Attendance at the last Annual General Meeting
Mr. Chand Ratan Modi	5	Present
Mr. Ram Ratan Modi	5	Present
Mr. Champa Lal Pareek	5	Present
Mr. Tarak Nath Dey	5	Present
Mr. Rakesh Agarwala	5	Present
Mr. Nazir Ahmed	5	Present

c. Membership/Chairmanship of other boards and committees thereof

Name of the Director	* Number of directorship held in other companies	Other committees	
		Member	Chairman
Mr. Chand Ratan Modi	12	4	NIL
Mr. Ram Ratan Modi	11	5	2
Mr. Champa Lal Pareek	12	2	3
Mr. Tarak Nath Dey	7	2	1
Mr. Rakesh Agarwala	3	NIL	2
Mr. Nazir Ahmed	5	5	NIL

* The above listing excludes private companies which are not subsidiaries of a public company, foreign companies and companies under Section 25 of the Companies, Act, 1956.

* The above listing includes only Audit Committee & Shareholders Grievance Committee membership or chairmanship.

d. Details of shareholding of non-executive directors in the Company

Name of the Director	No. of shares
Mr. Chand Ratan Modi	NIL
Mr. Ram Ratan Modi	NIL
Mr. Champa Lal Pareek	NIL
Mr. Rakesh Agarwala	NIL
Mr. Nazir Ahmed	NIL

e. The Company does not have any pecuniary relationship or transaction with Non-Executive Directors during the period under review.

f. Notes on directors seeking reappointment

I. Mr. Nazir Ahmed

Mr. Nazir Ahmed (B.Com, AICWAI), aged about 38 years, is a qualified professional having vide experience of over 16 years both as accountant and as a practicing professional. The Board of Directors believes that the Company will immensely benefit from his vast professional knowledge and experience.

He is holding directorship in five other Public Limited Companies. The name of the Companies in which he is a director are as follows :

1. Sangrahalaya Timber & Crafts Limited
2. North Eastern Publishing & Advertising Company Limited
3. Visisth Chay Vyapar Limited
4. Kamini Finance & Investment Company Limited
5. Purbanchal Prestressed Limited

He is the member of the Audit Committee of the following companies :

1. Sangrahalaya Timber & Crafts Limited
2. North Eastern Publishing & Advertising Company Limited
3. Visisth Chay Vyapar Limited
4. Kamini Finance & Investment Company Limited
5. Purbanchal Prestressed Limited

He is not related o any director of the Company.

3. AUDIT COMMITTEE

The Company complies with the requirements of listing agreement with Stock Exchange and the provision of Section 292A of the Companies Act, 1956 pertaining to the Audit Committee and its functioning.

The Audit committee comprises of 3 directors. The committee continue to function under the Chairmanship of Mr. Champa Lal Pareek, a non-executive independent Director. The other members of the Committee are Mr. Nazir Ahmed, non-executive independent director and Mr. Rakesh Agarwala, a non-executive independent Director.

The committee met 5 times during the year on 3rd April, 2012, 30th May, 2012, 8th August, 2012, 12th November, 2012, and 24th January, 2013.

The attendance of the members of the Committee is given below:

Name of the members	Status	No. of. Meetings attended
Mr.Champa Lal Pareek	Chairman	5
Mr. Nazir Ahmed	Member	5
Mr. Rakesh Agarwala	Member	5

4. REMUNERATION TO DIRECTORS

Details of the remuneration paid to the Directors during the year under review are as follows:

Name of the Director	Salary
Mr. Chand Ratan Modi	NIL
Mr. Ram Ratan Modi	NIL
Mr. Champa Lal Pareek	NIL
Mr. Tarak Nath Dey	NIL
Mr. Rakesh Agarwala	NIL
Mr. Nazir Ahmed	NIL

5. SHAREHOLDERS/ INVESTORS GRIEVANCE REDRESSAL COMMITTEE

a. Composition of the Committee

The Shareholder / Investor Grievance Redressal Committee of the Company look into the redressal of investors complaints on various issues. The Committee functions under

the Chairmanship of Mr. Ram Ratan Modi, a non-executive director. The other members of the Committee are Mr. Chand Ratan Modi and Mr. Champa Lal Pareek. Though the powers to approve share transfers / share transmission are delegated to the Registrars and Share Transfer Agents, all the share transfer/ transmission cases approved by the Registrar are reported to the committee which also keeps a close watch on disposal status of all complaints / grievances of shareholders. During the period under review, no complaints were received by the Company / Registrars and Share Transfer Agents.

b. Name and designation of the Compliance Officer

Mr. Chand Ratan Modi
Director

6. GENERAL BODY MEETING

a. Details of last three Annual General Meetings are as follows:

Financial Year	Location	Date	Time	No.of Special resolutions passed
2011-2012	P.O. Naginimara Dist:- MON, Nagaland	27 th August, 2012	11.30 A.M.	NIL
2010-2011	P.O. Naginimara Dist:- MON, Nagaland	29 th September, 2011	11.30 A.M.	NIL
2009-2010	P.O. Naginimara Dist:- MON, Nagaland	29 th September, 2010	11.30 A.M.	NIL

b. There were no special resolutions required to be passed through postal ballot at any of the above AGMs. None of the resolutions proposed for the ensuing AGM need to be passed by postal ballot.

7. DISCLOSURES

- There was no material/significant transaction with the directors or the Management, their subsidiaries or relatives etc. that has any potential conflict with interests of the company at large.
- There was no significant instance of non-compliance on any matter in respect of which penalties or structure was imposed by the Stock Exchange or SEBI or any other statutory authority during the last three years.
- Non-mandatory requirements of corporate governance have not been adopted.

8. MEANS OF COMMUNICATION

The Company communicates with the shareholders at large through its Annual Reports and by filing of quarterly results with the Statutory Bodies.

9. GENERAL SHAREHOLDER INFORMATION.

a. Date of AGM : 13th August, 2013

Time of AGM : 12 Noon

Place of AGM : At the registered office of the Company at P.O.-Naginimara, Dist: MON, Nagaland

b. Financial Calendar (tentative)

Particulars	Date
Unaudited Financial results for the quarter ending June 30, 2013	On or before 15 th August, 2013
Unaudited Financial results for the quarter ending September 30, 2013	On or before 15 th November, 2013
Unaudited Financial results for the quarter ending December 31, 2013	On or before 15 th February, 2014
Audited Financial results for the year ending March 31, 2014	Last Week of May 2014

c. Book Closure : 6th August, 2013 to 13th August, 2013

d. Dividend payment date: Not applicable since no dividend proposed/declared.

e. Name of the Stock Exchange where listed: The Gauhati Stock Exchange Ltd.
2nd Floor, Shine Tower,
Sati Jaymati Road,
Arya Chowk, Rehabari,
Guwahati - 781008

f. Stock Market Data

In absence of regular trading, stock market data are not available on regular basis.

g. Registrar & Share Transfer Agent : M/s Niche Technologies Pvt. Ltd
D-511, Bagree Market,
71 B.R.B. Basu Road,
Kolkata -700 001

h. Share Transfer Systems

Shares lodged for transfer at the Registrar's address are normally processed within 15 days from the date of lodgment, if documents are complete in all respects. The Authorized Officers of the Registrar and Share Transfer Agent meet as often as required.

i. Distribution of shareholding as on March 31, 2013

Particulars	Shareholders		Equity shares	
	Number	% of total	Number	% of total
Upto 500	980	98.00	97,840	0.49
501 to 1,000	0	0.00	0	0.00
1,001 to 5,000	0	0.00	0	0.00
5,001 to 10,000	0	0.00	0	0.00
10,001 to 50,000	0	0.00	0	0.00
50,001 to 1,00,000	3	0.30	2,23,500	1.12
1,00,001 & above	17	1.70	1,96,78,620	98.39
Total	998	100	1,99,99,960	100

j. Dematerialisation of shares and liquidity

As on March, 31, 2013, 1,27,94,500 shares of Rs.10/- each are held by the shareholders in dematerialized form with NSDL.

k. Outstanding GDRs/ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity

The Company has not issued any GDRs/ADRs/Warrants or any Convertible instruments.

l. Plant Locations

The Company is a Non- Banking Financial Company and hence does not have any plant.

m. Address for Correspondance

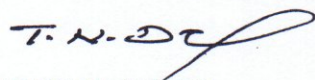
The shareholders may address their correspondence to the secretarial department of the Company at its head office at 5, Gorky Terrace, 2nd Floor, Kolkata – 700017.

n. Code of Business Conduct and Ethics for Directors and Senior Management.

All the Board members and the senior management personnel of the Company have affirmed compliance with the code of conduct for the year ended 31st March, 2013.

For and on behalf of the Board of Directors

Place: Kolkata
Date: 30th May, 2013


TARAK NATH DEY
MANAGING DIRECTOR

INDEPENDENT AUDITOR'S REPORT

**To the Members of
Hotahoti Wood Products Limited**

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of "Hotahoti Wood Products Limited" which comprise the Balance Sheet as at 31 March 2013 and the statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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HOTAHOTI WOOD PRODUCTS LTD.

Chandrasekhar Reddy

Director



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 2013 ; and
- (ii) In the case of the Profit and Loss Statement, of the profit for the year ended on that date ;
- (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") 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;
 - c) The Balance Sheet and Statement of Profit and Loss and Cash Flow dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet and Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e) On the basis of written representations received from the directors as on 31 March 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

Rahul Bansal & Associates
Chartered Accountants

R. Bansal

Rahul Bansal
(Proprietor)
Membership No. 068619
FRM Regn. No 327098E

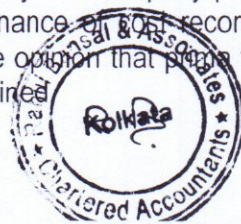


Place: Kolkata

Dated: May 30, 2013

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF THE AUDITORS REPORT TO THE MEMBERS OF
HOTAHOTI WOOD PRODUCTS LIMITED ON THE STATEMENTS OF ACCOUNT AS AT AND FOR THE
YEAR ENDED MARCH 31, 2013.

- (i) The Company does not possess any fixed assets and therefore the question of maintaining relevant records, their physical verification or revaluation does not arise.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.
 - (b) The procedures of physical verification of inventory followed by the management are 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 physical verification.
- (iii) (a) The Company has granted loans to one Company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.188,619/- and the year end balance of loans given to such parties was NIL
 - (b) The rate of interest and other terms and conditions of loans given by the Company are prima facie not prejudicial to the interests of the Company.
 - (c) According to information and explanation given to us, the payment of the principal amount and interest thereon are regular.
- (iv) The Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act 1956.
- (v) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods & services. During the course of our audit, no major weakness has been noticed in the internal controls in respect of these areas.
- (vi) (a) According to the information and explanation given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 have been so entered.
 - (b) In our opinion and according to the information / explanations given to us, there have been no transactions exceeding the value of Rs 5 lac during the year in pursuance of contracts or agreements, which are required to be entered in the Register maintained under section 301 of the Act.
- (vii) The Company has not accepted any deposits from the public.
- (viii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (ix) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of books and records under section 209(1)(d) of the Companies Act, 1956, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.



- (x) There are no undisputed statutory dues.
- (xi) The accumulated losses of the Company have not exceeded fifty percent of the net worth as on 31st March, 2013. The Company has not incurred any cash loss during the current year. However, the Company has incurred cash loss in the immediately preceding financial year.
- (xii) Based on our audit procedures and as per the information and explanations given by the management the Company has no dues to any financial institutions nor has it issued any debentures.
- (xiii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiv) 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.
- (xv) In respect of dealing in shares, securities, debentures and other investments, in our opinion and according to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. Also, the shares, securities, debentures and other investments have been held by the Company in its own name.
- (xvi) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from Bank or Financial Institutions
- (xvii) The Company has not taken any term loan. Therefore the provision of clause 4(xvi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xviii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, the Company has not raised funds on short term basis which have been used for long term investment.
- (xix) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act 1956,
- (xx) The Company has not issued any debentures. Therefore, the provisions of clause 4(xix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xxi) The Company has not raised any money through a public issue during the year.
- (xxii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For Rahul Bansal & Associates
Chartered Accountants

R. Bansal

Rahul Bansal
(Proprietor)

Membership No. 068611

FRM Regd. No 3270988

Place: Kolkata
Dated: May 30, 2013



RAHUL BANSAL & ASSOCIATES

Chartered Accountants

33A Jawaharlal Nehru Road,
Suit # 3,
6th Floor,
Kolkata – 700 071

Phone: 9831111380

Email: carahulbansal@hotmail.com

AUDITORS REPORT ON CORPORATE GOVERNANCE

To the members of
HOTAHOTI WOOD PRODUCTS LIMITED

We have examined the compliance of conditions of Corporate Governance by **HOTAHOTI WOOD PRODUCTS LIMITED**, for the year ended 31st March 2013, as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchange(s).

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 and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that as per the records maintained by the Company, there were no Investor grievances remaining unattended/ pending for more than 30 days.

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

For Rahul Bansal & Associates
Chartered Accountants

R. Bansal

Rahul Bansal
(Proprietor)

Membership No. 068612

FRM Regn. No 327098E

Place: Kolkata

Dated: May 30, 2013



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HOTAHOTI WOOD PRODUCTS LTD.

[Signature]

Director

RAHUL BANSAL & ASSOCIATES
Chartered Accountants

33A Jawaharlal Nehru Road,
Suit # 3,
6th Floor,
Kolkata – 700 071

Phone: 9831111380
Email: carahulbansal@hotmail.com

The Board of Directors,
HOTAHOTI WOOD PRODUCTS LIMITED
P.O.Naginmara
Dist: Mon
Nagaland.

Auditors Report as specified in Paragraph 2 of N B F C Auditors Report (Reserve Bank) Directions,
2008.

We have audited the Balance Sheet of HOTAHOTI WOOD PRODUCTS LIMITED as at 31st March, 2013 and the Profit and Loss Account for the year ended that date and would like to give our Report as specified in Paragraph 2 of N B F C Auditors Report (Reserve Bank) Directions 2008 as under :-

1. The Company is a Registered Non Banking Finance Company under section 45 – IA of the Reserve Bank of India Act, 1934 and a certificate of Registration was duly obtained from R B I.
2. The Company has not accepted any Public Deposit in pursuance of a resolution passed by its Board of Directors for Non acceptance of Public Deposits.

3. The Company has complied with the prudential norms relating to income recognition, accounting standards, asset/classification and provisioning for bad and doubtful debts as applicable to it.

R. Bansal

Rahul Bansal
(Proprietor)

Membership No. 068611
FRM Regn No 3270998

Place: Kolkata

Dated: May 30, 2013



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HOTAHOTI WOOD PRODUCTS LTD.

[Signature]

Director

HOTAHOTI WOOD PRODUCTS LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2013

(Figures in Rs.)

Sl. No.	Particulars	Note No.	As at 31st March, 2013	As at 31st March, 2012
I.	EQUITY AND LIABILITIES			
(1)	<u>Shareholder's Funds</u>			
	(a) Share Capital	2.7	199,999,600	199,999,600
	(b) Reserves and Surplus	2.8	(1,735,757)	(1,927,121)
(2)	<u>Non - Current Liabilities</u>			
	(a) Long Term Borrowngs	2.9	4,784,000	-
	(b) Long Term Provisions	2.10	1,636,506	1,621,811
(3)	<u>Current Liabilities</u>			
	(a) Trade Payables	2.11	176,471	282,925
	(b) Other Current Liabilities	2.12	626,769	1,763,000
	(c) Short-Term Provisions	2.13	38,000	3,841
	Total Equity & Liabilities		205,525,588	201,744,055
II.	ASSETS			
(1)	<u>Non-Current Assets</u>			
	(a) Non-Current Investments	2.14	5,591,130	2,925,000
	(b) Long Term Loans and Advances	2.15	56,502,420	52,777,313
(2)	<u>Current Assets</u>			
	(a) Inventories	2.16	141,455,104	141,455,162
	(b) Cash and Bank Balances	2.17	213,286	861,191
	(c) Short - Term Loans and Advances	2.18	1,763,648	3,725,388
	Total Assets		205,525,588	201,744,055

Significant accounting Policies and Notes on Accounts.

1 & 2

As per our report of even date

For Rahul Bansal & Associates
Chartered Accountants

R. Bansal

Rahul Bansal

(Proprietor)

Membership No. 068619

FRM Regn. No 327098E



CERTIFIED TO BE TRUE COPY

For and on behalf of the Board of Directors

HOTAHOTI WOOD PRODUCTS LTD.

[Signature]

Director

T. N. D. P.

Managing Director

[Signature]

Director

Dated : May 30, 2013

HOTAHOTI WOOD PRODUCTS LIMITED

PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2013

(Figures in Rs.)

Sl. No.	Particulars	Note No.	For the year ended 31st March, 2013	For the year ended 31st March, 2012
(1)	Revenue from operations	2.19	748,281	41,655,066
(2)	Total Revenue		748,281	41,655,066
(3)	<u>Expenses:</u>			
	Purchases of Stock in Trade		-	738,575
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	2.20	58	40,623,848
	Employee Benefit Expense	2.21	138,000	138,000
	Finance Cost	2.22	24,769	-
	Other Expenses	2.23	147,161	156,925
	Provisions	2.24	172,855	246,744
	Total Expenses		482,843	41,904,092
(4)	Profit before exceptional and extraordinary items and tax (2-3)		265,438	(249,026)
(5)	Exceptional Items		-	-
(6)	Profit before extraordinary items and tax (4 - 5)		265,438	(249,026)
(7)	Extraordinary Items		-	-
(8)	Profit before tax (6 - 7)		265,438	(249,026)
(9)	<u>Tax expense:</u>			
	(1) Current tax		38,000	-
	(2) Taxation for earlier years		36,074	(45,563)
(11)	Profit from operations (8 - 9)		191,364	(203,463)
(12)	Earning per equity share:			
	(1) Basic		0.01	(0.01)
	(2) Diluted		0.01	(0.01)

Significant accounting Policies and Notes on Accounts.

1 & 2

As per our report of even date

Rahul Bansal & Associates
Chartered Accountants

R. Bansal

Rahul Bansal
(Proprietor)

Membership No. 068619
FPM Regn. No 327098E



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For and on behalf of the Board of Directors

HOTAHOTI WOOD PRODUCTS LTD.

[Signature]

Director

T.N.D.P.
Managing Director

[Signature]
Director

Dated : May 30, 2013

HOTAHOTI WOOD PRODUCTS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED AS ON 31ST MARCH '2013

Particulars	For the year ended 31 March, 2013		For the year ended 31 March, 2012	
	Rs.	Rs.	Rs.	Rs.
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		265,438		(249,026)
<u>Adjustments for:</u>				
Provision Against Standard Assets		10,855		84,744
Operating profit / (loss) before working capital changes		276,293		(164,282)
<u>Changes in working capital:</u>				
<u>Adjustments for (increase) / decrease in operating assets:</u>				
Inventories	58		40,623,848	
Short-term Loans and Advances	1,961,740		(3,322,895)	
<u>Adjustments for increase / (decrease) in operating liabilities:</u>				
Trade payables	(106,454)		158,894	
Other current liabilities	(1,136,231)		(562,000)	
Provisions	38,000	757,113	(168,902)	36,728,945
Cash from Operating activities		1,033,406		36,564,663
Income Tax	38,000		-	
Taxation for earlier years	36,074	74,074	(45,563)	(45,563)
Net Cash from/(used in) operating activities		959,332		36,610,226
Cash Flow from Investment activities				
(Purchase)/Sale of Investment		(2,666,130)		-
Net Cash (used in) Investing activities		(2,666,130.00)		-
Net Cash from financing activities				
(Increase)/decrease in Long Term Loans & Advances given		(3,725,107)		(35,888,338)
Proceeds from long-term borrowings		4,784,000		-
Net Cash (used in) financing activities		1,058,893		(35,888,338)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		(647,905)		721,888
Cash and cash equivalents at the beginning of the year		861,191		139,304
Cash and cash equivalents at the end of the year		213,286		861,191

As per our report of even date

For Rahul Bansal & Associates
Chartered Accountants

R. Bansal

Rahul Bansal
(Proprietor)

Membership No. 068619
FRM Regn. No 327099E

For and on behalf of the Board of Directors

T. N. D. S.
Managing Director

[Signature]
Director

CERTIFIED TO BE TRUE COPY
HOTAHOTI WOOD PRODUCTS LTD.

[Signature]
Director



Dated : May 30, 2013

HOTAHOTI WOOD PRODUCTS LIMITED

NOTES ON ACCOUNTS AND SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

1 SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

- a) The financial statements have been prepared under the historical cost convention on the basis of a going concern in accordance with the generally accepted accounting principles as adopted consistently by the company and in accordance with the provisions of the Companies Act, 1956.
- b) The company generally follows mercantile system of accounting and recognises significant items of income and expenditure on accrual basis.

1.2 Inventories

Stock-in-trade are valued as follows:-

- a) Unquoted shares : At cost
- Quoted shares : At cost or market value whichever is lower

1.3 Investments

Investments are valued at cost. All the investments are considered to be of long term by the management and decline in market value, if any, is of temporary nature. Bonus/ demerged shares are valued at nil cost.

1.4 RBI Prudential Norms

The Company has complied with the RBI Prudential Norms relating to Income Recognition, Accounting Standard and Asset classification and provisioning for bad and doubtful debts as applicable to it.

2 NOTES ON ACCOUNTS

2.1 There is no contingent liability at the end of the accounting year.

2.2 The Company has not accepted any Public Deposit during the year in pursuance of a resolution passed by the Board of Directors of the Company

2.3 Previous year's figures have been regrouped and reclassified, wherever necessary.

2.4 In terms of Notification No. DNBS.222/ CGM(US)-2011 and DNBS.223/ CGM(US)-2011 both dated January 17, 2011 issued by the Department of Non-Banking Supervision, the Company has made a provision on Standard Assets at 0.25% of the amount outstanding as at the end of the financial year.

2.5 Purchases of Stock in trade

Particulars	Units	Quantity	Value (Rs.)
Unquoted Equity Shares	No.	NIL	NIL
		(270,500)	(738,575)

Note: Figures in bracket relates to the previous year



HOTAHOTI WOOD PRODUCTS LIMITED

NOTES ON ACCOUNTS AND SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31ST MARCH 2013

Notes on Accounts cond...

2.6 Related party transactions

a) Details of related parties:

Description of relationship	Names of Related Parties
Enterprise over which Key managerial personnel are able to exercise significant control	N.K. Concrete Creation Private Limited

b) Details of related party transactions during the year ended 31 March, 2013 and balances outstanding as at 31 March '13:

Particulars	During the year ended 31st March, 2013	During the year ended 31st March, 2012
Loans and Advances Given	125,000	480,000
Loans and Advances Recovered/Adjusted	158,000	447,000
Interest Charged	-	34,021
Interest Received/Adjusted (Gross)	34,021	50,211
Investment in shares	188,620	-
Balances outstanding at the end of the year		
Particulars	As at 31st March, 2013	As at 31st March, 2012
Loans and Advances Given	-	63,619
Investment in shares	188620	-



HOTAHOTI WOOD PRODUCTS LIMITED
Notes forming part of the financial statements as at 31st March, 2013

Note : 2.7 Share Capital

(Figures in Rs.)

Sl. No.	Particulars	As at 31st March, 2013	As at 31st March, 2012
1	<u>Authorized Capital</u> 20010000 Equity Shares of Rs. 10/- each.	200,100,000	200,100,000
		200,100,000	200,100,000
2	<u>Issued, Subscribed & Paid Up Capital</u> 19999960 Equity Shares of Rs. 10/- each	199,999,600	199,999,600
	Total	199,999,600	199,999,600

Reconciliation of the number of shares outstanding

Sl. No.	Particulars	As at 31st March, 2013	As at 31st March, 2012
1	Number of shares at the beginning	19,999,960	19,999,960
	Add: Shares issued during the year	-	-
	Number of shares at the closing	19,999,960	19,999,960

Details of shares held by each shareholder holding more than 5% shares

Sl. No.	Particulars	As at 31st March, 2013		As at 31st March, 2012	
		Total No. Of shares	Holding (%)	Total No. Of shares	Holding (%)
1	Sangrahalaya Timber & Crafts Ltd	1,771,900	8.86	1,771,900	8.86
2	Sudhir Jain	2,300,000	11.50	2,300,000	11.50
3	Maruti Securities Ltd.	5,850,000	29.25	5,850,000	29.25
	Total	9,921,900	49.61	9,921,900	49.61

Note : 2.8 Reserves & Surplus

(Figures in Rs.)

Sl. No.	Particulars	As at 31st March, 2013	As at 31st March, 2012
1	<u>Reserve u/s 45-1C of the RBI Act, 1934</u> As per last Balance Sheet Add: Transferred from Profit & Loss Account	- 39,000 39,000	- - -
2	<u>Surplus / (Deficit) in Statement of Profit and Loss</u> Profit / (Loss) brought forward from previous year Add: Profit / Loss for the year Less: Appropriations Transferred to Reserve u/s 45-1C of the RBI Act, 1934	(1,927,121) 191,364 (1,735,757) 39,000 (1,774,757) (1,735,757)	(1,723,658) (203,463) (1,927,121) - (1,927,121) (1,927,121)
	Total	(1,735,757)	(1,927,121)

Note : 2.9 Long Term Borrowings

(Figures in Rs.)

Sl. No.	Particulars	As at 31st March, 2013	As at 31st March, 2012
1	Unsecured*	4,784,000	-
	Total	4,784,000	-

Rate of Interest and maturity profile of Long Term Borrowings

Sr. No	Rate of Interest	Year 2015-2016
1	9%	4,039,000
2	12%	745,000



HOTAHOTI WOOD PRODUCTS LIMITED

Notes forming part of the financial statements as at 31st March, 2013

Note : 2.10 Long Term Provisions

(Figures in Rs.)

Sl. No.	Particulars	As at 31st March, 2013	As at 31st March, 2012
1	Contingent Provisions Against Standard Assets	136,506	121,811
2	In respect of Non Performing Assets	1,500,000	1,500,000
	Total	1,636,506	1,621,811

Note : 2.11 Trade Payables

(Figures in Rs.)

Sl. No.	Particulars	As at 31st March, 2013	As at 31st March, 2012
1	Trade Payables for Services	176,471	282,925
	Total	176,471	282,925

Note : 2.12 Other Current Liabilities

(Figures in Rs.)

Sl. No.	Particulars	As at 31st March, 2013	As at 31st March, 2012
1	Interest Accrued & Due on borrowings	22,292	-
2	<u>Others Liabilities</u>	604,477	1,763,000
	Total	626,769	1,763,000

Note : 2.13 Short Term Provisions

(Figures in Rs.)

Sl. No.	Particulars	As at 31st March, 2013	As at 31st March, 2012
1	Provisions		
	Income Tax	38,000	-
	Contingent Provisions Against Standard Assets	-	3,841
	Total	38,000	3,841



HOTAHOTI WOOD PRODUCTS LIMITED
Notes forming part of the financial statements as at 31st March, 2013

Note : 2.14 Non-Current Investments

(Figures in Rs.)

Sl No	Particulars	As at 31st March, 2013		As at 31st March, 2012		
1)	<u>Other Investments</u>					
	<u>(a) Investment in Property</u>					
	<u>(a) In Equity Instruments (Unquoted) (fully paid up)</u>					
	<u>In Associates</u>	Face Value	No. of Shares	Amount	No. of Shares	Amount
	N K. Concrete Creation Pvt. Ltd.	10	18,862	188,620	-	-
	<u>In Others</u>					
	Acyumen Barter Pvt Ltd	10	5,000	50,000	5,000	50,000
	Acyumen Tie Up Pvt Ltd	10	5,000	50,000	5,000	50,000
	Acyumen Tracom Pvt Ltd	10	5,000	50,000	5,000	50,000
	Anchor Barter Pvt Ltd	10	5,000	50,000	5,000	50,000
	Nandal Commosales Pvt Ltd	10	5,000	50,000	5,000	50,000
	Carnation Tie Up Pvt Ltd	10	5,000	50,000	5,000	50,000
	Citywings Barter Pvt Ltd	10	5,000	50,000	5,000	50,000
	Delta Barter Pvt Ltd	10	5,000	50,000	5,000	50,000
	DreamValley Tie Up Pvt Ltd	10	5,000	50,000	5,000	50,000
	Faithful Tie Up Pvt Ltd	10	-	-	5,000	50,000
	Faithful Tradecomm Pvt Ltd	10	-	-	5,000	50,000
	Gajbadan Dealtrade Pvt Ltd	10	-	-	5,000	50,000
	Goodhope Dealmark Pvt Ltd	10	-	-	5,000	50,000
	Goodhope Dealtrade Pvt Ltd	10	-	-	5,000	50,000
	Goodhope Merchants Pvt Ltd	10	-	-	5,000	50,000
	Goodhope Tracom Pvt Ltd	10	-	-	5,000	50,000
	Greatful Distributors Pvt Ltd	10	-	-	5,000	50,000
	Guidance Barter Pvt Ltd	10	-	-	5,000	50,000
	Guidance Tradecom Pvt Ltd	10	5,000	50,000	5,000	50,000
	Janardan Distributors Pvt Ltd	10	-	-	2,500	25,000
	Janhit Barter Pvt Ltd	10	5,000	50,000	5,000	50,000
	Jhilmill Commosales Pvt Ltd	10	5,000	50,000	5,000	50,000
	Kannan Tracom Pvt Ltd	10	5,000	50,000	5,000	50,000
	Krish Merchants Pvt Ltd	10	-	-	5,000	50,000
	Jograj Vinimay Pvt Ltd	10	5,000	50,000	5,000	50,000
	Hilton Tie Up Pvt Ltd	10	5,000	50,000	5,000	50,000
	Innova Dealtrade Pvt Ltd	10	-	-	5,000	50,000
	Innova Merchants Pvt Ltd	10	-	-	5,000	50,000
	Infinity Tracom Pvt Ltd	10	-	-	5,000	50,000
	Linkwise Agencies Pvt Ltd	10	-	-	5,000	50,000
	Linkwise Commotrade Pvt Ltd	10	-	-	5,000	50,000
	Linkwise Tracom Pvt Ltd	10	-	-	5,000	50,000
	Lords Commotrade Pvt Ltd	10	-	-	5,000	50,000
	Oliver Commodeal Pvt Ltd	10	5,000	50,000	5,000	50,000
	Oliver Agency Pvt Ltd	10	5,000	50,000	5,000	50,000
	Panchmukhi Vanija Pvt Ltd	10	-	-	5,000	50,000
	Panchratan Commercial Pvt Ltd	10	-	-	5,000	50,000
	Panther Commotrade Pvt Ltd	10	-	-	5,000	50,000
	Prudential Barter Pvt Ltd	10	-	-	5,000	50,000
	Prudential Dealtrade Pvt Ltd	10	-	-	5,000	50,000
	Pushpdant Barter Pvt Ltd	10	-	-	5,000	50,000
	Pushpdant Tie Up Pvt Ltd	10	-	-	5,000	50,000
	Pushpdant Tracom Pvt Ltd	10	-	-	5,000	50,000
	Pushraj Commodeal Pvt Ltd	10	-	-	5,000	50,000
	Pushraj Merchants Pvt Ltd	10	-	-	5,000	50,000
	Pushraj Tie Up Pvt Ltd	10	-	-	5,000	50,000
	Raghav Barter Pvt Ltd	10	5,000	50,000	5,000	50,000
	Signature Commosales Pvt Ltd	10	-	-	5,000	50,000
	Silverson Barter Pvt Ltd	10	5,000	50,000	5,000	50,000
	Silverson Tie Up Pvt Ltd	10	5,000	50,000	5,000	50,000
	bal c/f		118,862	1,188,620	247,500	2,475,000



HOTAHOTI WOOD PRODUCTS LIMITED

Notes forming part of the financial statements as at 31st March, 2013

Note : 2.14 Non-Current Investments cond..

(Figures in Rs.)

Sl. No	Particulars		As at 31st March, 2013		As at 31st March, 2012	
		Face Value	No. of Shares	Amount	No. of Shares	Amount
	bal b/f		118,862	1,188,620	247,500	2,475,000
	Silverson Tradecom Pvt Ltd	10	5,000	50,000	5,000	50,000
	Sunmart Barter Pvt Ltd	10	5,000	50,000	5,000	50,000
	Vedik Vincomm Pvt Ltd	10	-	-	5,000	50,000
	Winsher Tracom Pvt Ltd	10	5,000	50,000	5,000	50,000
	Wonderland Tracom Pvt Ltd	10	-	-	5,000	50,000
	Surabhi Sanitary Wares Private Limited	10	37,500	1,500,000	-	-
	(b) In Mutual Funds (Quoted)		171,362	2,838,620	272,500	2,725,000
			Units	Amount	Units	Amount
	HDFC Midcap Oppurtunities Fund		-	-	10,000	100,000
	SBI Infrastructure Fund		-	-	10,000	100,000
			-	-	20,000	200,000
	Total		171,362	5,591,130	292,500	2,925,000

Sl. No	Particulars	Book Value	Market Value	Book Value	Market Value
1	Aggregate Value of Mutual Funds	-	-	200,000	241,890

Note : 2.15 Long Term Loans and Advances
(Unsecured & Considered Good)

(Figures in Rs.)

Sl. No	Particulars	As at 31st March, 2013	As at 31st March, 2012
(a)	Capital Advances	-	2,202,010
(b)	Loans and Advances to related Party	-	63,619
(c)	Other Loans & Advances	56,502,420	50,511,684
	Total	56,502,420	52,777,313

Note : 2.16 Inventories

(Figures in Rs.)

Sl. No	Particulars	As at 31st March, 2013	As at 31st March, 2012
1	Stock - in - Trade	141,455,104	141,455,162
	Total	141,455,104	141,455,162

Note : 2.17 Cash & Bank Balances

(Figures in Rs.)

Sl. No	Particulars	As at 31st March, 2013	As at 31st March, 2012
	Cash & cash Equivalents		
1	Cash-on-Hand	175,326	3,358
2	Cheques on hand	-	789,474
3	Balance with Banks	37,960	68,359
	Total	213,286	861,191

Note : 2.18 Short Terms Loans and Advances
(Unsecured & Considered Good)

(Figures in Rs.)

Sl. No	Particulars	As at 31st March, 2013	As at 31st March, 2012
1	Loans & Advances to Others		
(a)	Tax Deducted at source	931,609	457,977
(b)	Income Tax Refundable	3,110	176,558
(c)	Share Application Money	-	1,500,000
(d)	Others*	828,929	1,590,853
	Total	1,763,648	3,725,388

* Includes Interest Receivable and Loans to Others



HOTAHOTI WOOD PRODUCTS LIMITED
Notes forming part of the financial statements as at 31st March, 2013

Note : 2.19 Revenue from Operations

(Figures in Rs.)

Sl. No.	Particulars	For the year ended 31st Mar '2013	For the year ended 31st Mar '2012
1	Interest	4,617,494	4,655,985
2	Other Financial Services		
	Sale of Shares	-	41,656,120
	Dividend Income	80,000	75,000
	Profit/(Loss) on sale of investment	57,016	-
	Profit/(Loss) on Future Trading	(4,006,229)	(4,732,039)
	Total	748,281	41,655,066

Note : 2.20 Change in Inventories of Stock-in-Trade

(Figures in Rs.)

Sl. No.	Particulars	For the year ended 31st Mar '2013	For the year ended 31st Mar '2012
1	Opening Stock	141,455,162	182,079,010
2	Closing Stock	141,455,104	141,455,162
	Total	58	40,623,848

Note : 2.21 Employment Benefit Expenses

(Figures in Rs.)

Sl. No.	Particulars	For the year ended 31st Mar '2013	For the year ended 31st Mar '2012
1	Salaries & Allowances	138,000	138,000
	Total	138,000	138,000

Note : 2.22 Finance Cost

(Figures in Rs.)

Sl. No.	Particulars	For the year ended 31st Mar '2013	For the year ended 31st Mar '2012
1	Interest	24,769	-
	Total	24,769	-

Note : 2.23 Other Administrative Expenses

(Figures in Rs.)

Sl. No.	Particulars	For the year ended 31st Mar '2013	For the year ended 31st Mar '2012
1	Rent	6,768	6,768
2	Miscellaneous Expenses	140,393	150,157
	Total	147,161	156,925



HOTAHOTI WOOD PRODUCTS LIMITED
Notes forming part of the financial statements as at 31st March, 2013

Payments to the auditors comprises

(Figures in Rs.)

Sl. No.	Particulars	For the year ended 31st Mar '2013	For the year ended 31st Mar '2012
1	For Statutory Audit	8,427	8,273
2	For Tax Audit	-	4,412
	Total	8,427	12,685

Note : 2.24 Provisions

(Figures in Rs.)

Sl. No.	Particulars	For the year ended 31st Mar '2013	For the year ended 31st Mar '2012
1	Provision for Reversal of Interest on Non-Performing Assets	162,000	162,000
2	Provisions Against Standard Assets	10,855	84,744
	Total	172,855	246,744

As per our report of even date

Rahul Bansal & Associates
Chartered Accountants

R. Bansal

Rahul Bansal
 (Proprietor)

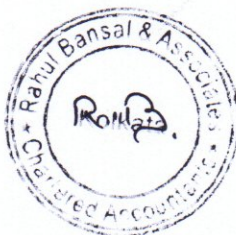
Membership No. 068619
 FIRM Regn. No 327098E

Dated : May 30, 2013

For and on behalf of the Board of Directors

T. N. D. P.
 Managing Director

[Signature]
 Director



HOTA HOTI WOOD PRODUCTS LIMITED

Schedule to the Balance Sheet of Hotahoti Wood Products Ltd

[As required in terms of Paragraph 9BB of Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998]

Particulars

(Rs in Lakhs)

Liabilities Side:

1 Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:

	Amount <u>Outstanding</u>	Amount <u>Overdue</u>
a) Debentures:		
Secured	Nil	Nil
Unsecured	Nil	Nil
(other than falling within the meaning of public deposits)		
b) Deferred Credits	Nil	Nil
c) Term Loans	Nil	Nil
d) Inter corporate loans and borrowing	48.06	0.22
e) Commercial Paper	Nil	Nil
f) Public Deposits	Nil	Nil
g) Other Loans (specify nature)	Nil	Nil
Please see note 1 below		

2 Break up of (1) (f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):

a) In the form of unsecured debentures	Nil	Nil
b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	Nil	Nil
c) Other public deposits	Nil	Nil

Assets side:

Amount Outstanding

3 Break up of Loans and Advances including bills receivables [other than those included in (4) below]:

a) Secured	Nil
b) Unsecured	582.66

4 Break up of of leased assets and stock on hire and hypothecation loans counting towards EL/HP activities

i) Lease assets including lease rentals under sundry debtors:	Nil
a) Financial Lease	
b) Operating Lease	

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

a) Assets on hire	Nil
b) Re possessed Assets	

iii) Hypothecation loans counting towards EL/HP activities:

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



5 Break up of Investments

Current Investments

1. Quoted:

i) Shares:	a) Equity	-
	b) Preference	-
ii) Debentures and Bonds		-
iii) Units of Mutual Funds		-
iv) Government Securities		-
v) Others- Investments in Funds		-

2 Unquoted:

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

Long Term Investments:

1. Quoted:

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

2 Unquoted:

i) Shares:	a) Equity	28.38
	b) Preference	-
ii) Debentures and Bonds		-
iii) Units of Mutual Funds		-
iv) Government Securities		-
v) Others (in property)		27.53

6 Borrower group-wise classification of all leased assets, stock on hire and loans and advances:

please see Note 2 below

Category	Amount Secured	Net of Unsecured	Provisions Total
1. Related Parties"			
a) Subsidiaries	-	-	-
b) Companies in the same group	-	-	-
c) Other related parties	-	-	-
2. Other than related parties	-	582.66	16.37
Total		582.66	16.37



7 Investor group-wise classification of all investments
(current and long term) in shares and securities(both
quoted and unquoted)

Category	Market Value Break up or fair value or NAV	Book Value Net of Provisions
1.Related Parties		
a) Subsidiaries	-	-
b) Companies in the same group	-	-
c) Other related parties	1.89	1.89
2. Other than related parties	26.5	26.5
Total	28.39	28.39

" As per Accounting Standard of ICAI (Please see note 3)

8 Other Information

Particulars

i) Gross Non - performing Assets	-
a) Related Parties	-
b) Other than related parties	27.97
ii) Net Non - performing Assets	-
a) Related Parties	-
b) Other than related parties	15.00
iii) Assets acquired in satisfaction of debts	-

Notes:

1. As defined in Paragraph 2(1)(xii) of the Non Banking Financial Companies Acceptance of Public deposits (Reserve Bank) Directions , 1998

2. Provisioning norms shall be applicable as perscribed in the Non - Banking Financial Companies Prudential Norms(Reserve Bank) Directions, 1998

3. 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(5) above.

For and on behalf of the Board,

CERTIFIED TO BE TRUE COPY

HOTAHOTI WOOD PRODUCTS LTD.

[Signature]

Director

[Signature]

Managing Director

[Signature]

Director

Date: May 30, 2013

