

# HOTAHOTI WOOD PRODUCTS LIMITED

(CIN: L20211NL1984PLC002149)

ANNUAL REPORT 2018-19

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## **BOARD OF DIRECTORS:**

|                    |  |
|--------------------|--|
| Tarak Nath Dey:    | Managing Director (DIN: 00343396)                          |
| Chand Ratan Modi:  | Non- Executive & Non- Independent Director (DIN: 00343685) |
| Chanchal Rungta:   | Non –Executive Non-Independent Director (DIN: 07590027)    |
| Champa Lal Pareek: | Independent Director (DIN: 00030815)                       |
| Avi Lunia:         | Independent Director (DIN: 07687360)                       |

## **COMMITTEES OF THE BOARD:**

### **Audit Committee Members:**

|                                 |                              |
|---------------------------------|------------------------------|
| Mr. Champa Lal Pareek: Chairman | Mr. Chand Ratan Modi: Member |
| Mr. Avi Lunia: Member           |                              |

### **Nomination & Remuneration Committee Members:**

|                                 |                              |
|---------------------------------|------------------------------|
| Mr. Champa Lal Pareek: Chairman | Mr. Chand Ratan Modi: Member |
| Mr. Avi Lunia: Member           |                              |

### **Stakeholders Committee Members:**

|                                |                              |
|--------------------------------|------------------------------|
| Mr Champa Lal Pareek: Chairman | Mrs. Chanchal Rungta: Member |
| Mr. Avi Lunia: Member          |                              |

## **OTHER KEY MANAGERIAL PERSON:**

Ms. Tripty Modi: Chief Financial Officer

Mr. Naveen Shankar Jain: Compliance Officer and Company Secretary

**BANKER:** Axis Bank

## **AUDITORS:**

|                          |   |
|--------------------------|---|
| Statutory & Tax Auditor: | M/s. S. Mandal & Co., Chartered Accountants,<br>29 D, Seven Tanks Lane, Dumdum Jn. Kolkata-700030                                 |
| Secretarial Auditor:     | Priya Mankani, Practicing Company Secretary,<br>Block-309, Flat-2A, Fort Residency, S.N. Roy Road,<br>New Alipore, Kolkata-700038 |
| Internal Auditor:        | Mohit Surtani, 26/1A, S.N. Roy Road, Kolkata-700038   |

**REGISTRAR & SHARE TRANSFER AGENT:** M/s Niche Technologies Private Limited, 7<sup>th</sup> Floor, Room No. 7A & 7B, 3A, Auckland Road, Elgin, Kolkata-700 017

**SHARES LISTED WITH:** Metropolitan Stock Exchange of India Limited

**REGISTERED OFFICE ADDRESS:** P.O. Naginimora, MON, Nagaland-798622

**CORPORATE OFFICE:** 4, Synagogue Street, 4<sup>th</sup> Floor, Room No. 405, Kolkata-700001

## N O T I C E

Notice is hereby given that the 35<sup>th</sup> Annual General Meeting of the members of **HOTAHOTI WOOD PRODUCTS LIMITED** will be held on Monday, 23<sup>rd</sup> September, 2019 at 10:00 A.M. at the registered office at P.O. Naginimora, MON, Nagaland- 798622 to transact the following business:

### **Ordinary Business:**

1. To receive, consider and adopt the Audited Financial Statement for the financial year ended March 31, 2019 and Reports of the Directors and Auditors thereon.
2. To appoint a director in place of Mrs. Chanchal Rungta (DIN: 07590027), who retires by rotation and being eligible, offers herself for re-appointment.

### **3. Appointment of auditor:**

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification, thereof, M/s. S.Mandal & Co., Chartered Accountants, (Firm Registration No. 314188E) be and is hereby appointed as the Statutory Auditors of the Company and to hold the office from the conclusion of 35th Annual General Meeting till the conclusion of 40th Annual General Meeting of the Company at a remuneration to be decided by the Board of Directors in consultation with the Auditors plus applicable service tax and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit.”

By Order of the Board of Directors

**For Hotahoti Wood Products Limited**



**Tarak Nath Dey**  
**Director**  
**DIN: 00343396**

Place: Kolkata  
Date: 28.05.2019

**NOTES:**

1. A Member entitled to attend and vote at the Annual General Meeting ('AGM') may appoint a proxy to attend and vote on his behalf. A proxy need not be a Member of the Company.

Proxies, in order to be effective, must be received at the Registered Office of the Company at P O- Naginimora, Mon, Nagaland- 798622, not less than forty-eight hours before the commencement of the AGM.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent 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 a proxy for any other person or shareholder.

During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged with the Company, at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.

2. Pursuant to Section 113 of the Companies Act, 2013, corporate members are requested to send a certified copy of the Board Resolution/Authorization together with specimen signature authorizing their representative, intending to attend and vote at the AGM.
3. Members are requested to bring their copies of Annual Report to the Meeting, in order to register the attendance, at the venue of the Annual General Meeting, members are requested to bring their folio number/demat account number/DP ID-Client ID to enable us to provide a duly filled attendance slip for your signature and participation at the meeting.
4. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. The Register of Members of the Company will remain closed from Tuesday, September 17, 2019 to Monday, September 23, 2019 (both days inclusive) for the purpose of Annual General Meeting.
6. In case any member is desirous to receive communication from the Company in electronic form, they may register their email address with Company or with their depository participant or send their consent at the Registered Office of the Company along with their folio no. and valid email address for registration.
7. In terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, the Resolutions proposed at this AGM will be transacted through remote e-voting (facility to cast vote from a place other than the venue of the AGM) and for which purpose the

8. Company has engaged the services of CDSL. The Board of Directors of the Company has appointed Ms. Priya Mankani, Practicing Company Secretary (Certificate of Practice Number- 17947), as the Scrutinizer for this purpose. The detailed instructions for e-voting are given as a separate attachment to this notice. The e-voting period begins on Friday, September 20, 2019 at 9.00 AM and ends on Sunday, September 22, 2019 at 5.00 PM.
9. Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members as on September 16, 2019 (cut-off date). Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by remote e-voting.
10. Additional Information pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as Listing Regulations) on Director seeking appointment / re-appointment at this AGM is furnished herewith annexure to the Notice. The directors have furnished their consent for appointment / re-appointment as required under the Companies Act, 2013 and the Rules thereunder.
11. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The Nomination Form SH 13 prescribed by the Government can be obtained from the Company at its Registered Office.
12. Members, who wish to obtain information on the Company or desire to view the Financial Statements, may visit the Company's corporate website or send their queries at least 10 days before the AGM to the Registered Office of the Company.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company.



**Additional information on Director recommended for re-appointment as required under Regulation 36 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015**

|  |  |
|--|--|
| <b>Name of the Director</b>  | <b>Mrs. Chanchal Rungta</b>  |
| Date of Birth  | 02/08/1991   |
| Date of Appointment  | 13/08/2016   |
| Relationship with Directors  | Daughter of Mr. Chand Ratan Modi   |
| Expertise in Specific functional area  | Business Administration  |
| Qualification  | MSc. In Economics  |
| Board Membership of Companies as on March 31, 2019                               | 1. Visisth Chay Vyapar Ltd<br>2. Hotahoti Wood Products Ltd<br>3. North Eastern Publishing and Advertising Co Ltd.<br>4. Purbanchal Prestressed Ltd<br>5. Maurya Trading Co. Ltd<br>6. Kamini Finance And Investment Company Ltd |
| Chairman/Member of the Committees of the Board of Directors as on March 31, 2019 | 1  |
| Number of Shares held in the Company as on March 31, 2019                        | -  |

**INSTRUCTION FOR VOTING THROUGH ELECTRONIC MEANS**

Dear Member,

In compliance with Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 108 of the Companies Act, 2013, read with the applicable rules, the Company is pleased to provide e-voting facility to all its Members, to enable to cast their vote electronically instead of dispatching the physical postal ballot form by post. The Company has engaged the services of CDSL for the purpose of providing e-voting facility to all its members.

**The process and manner for remote e-voting are as under:**

- i. The remote e-voting period commences on 20<sup>th</sup> September, 2019 (9:00 am) and ends on 22<sup>nd</sup> September 2019 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 16<sup>th</sup> September, 2019, may cast their vote by remote e-voting.

The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

- ii. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
- iii. Click on "Shareholders" tab.
- iv. Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID.
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID.
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. 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.
- vii. If you are a first time user follow the steps given below:

|                           | For Members holding shares in Demat Form and 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).<br>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.<br>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<br>RA00000001 in the PAN field. |
| DOB                       | Enter the Date of Birth as recorded in your demat account with the depository or in the company records for your folio in dd/mm/yyyy format.  |
| Bank Account Number (DBD) | Enter the Bank Account Number as recorded in your demat account with the depository or in the company records for your folio.<br>Please Enter the DOB or Bank Account Number in order to Login.<br>If both the details are not recorded with the depository or company then please enter the member-id / folio number in the Bank Account Number details field as mentioned in above instruction (iv).  |



- viii. After entering these details appropriately, click on "SUBMIT" tab.
- ix. Members holding shares in physical form will then directly reach 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.
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi. Click on the EVSN for the relevant Company Name i.e. HOTAHOTI WOOD PRODUCTS LIMITED on which you choose to vote.
- xii. 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.
- xiii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv. 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.
- xv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvii. If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii. Note for Institutional Shareholders & Custodians :
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a compliance user which should be created using the admin login and password. The Compliance user would be able to link the account(s) for 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.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xix. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact them at 1800 200 5533.
- xx. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.

#### **GENERAL INSTRUCTIONS:**

1. Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote through e-mail at [mankani.pria@gmail.com](mailto:mankani.pria@gmail.com) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) on or before 22<sup>nd</sup> September, 2019, up to 5:00 pm without which the vote shall not be treated as valid.
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 of 16<sup>th</sup> September, 2019. A person who is not a member as on cut-off date should treat this notice for information purpose only.
3. The notice of the Annual General Meeting will be sent to the members, whose names appear in the register of members / Depositories as at closing hours of business on 16<sup>th</sup> August, 2019.
4. The shareholders shall have one vote per equity share held by them as on the cut-off date of 16<sup>th</sup> September, 2019. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
5. Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 16<sup>th</sup> September, 2019 and not casting their vote electronically, may only cast their vote at the Annual General Meeting.

6. Notice of the AGM along with attendance slip, proxy form along with the process, instructions and the manner of conducting e-voting is being sent electronically to all the members whose e-mail IDs are registered with the Company / Depository Participant(s). For members who request for a hard copy and for those who have not registered their email address, physical copies of the same are being sent through the permitted mode.
7. Investors, who became members of the Company subsequent to the dispatch of the Notice / Email and hold the shares as on the cut-off date i.e. 16<sup>th</sup> September, 2019 requested to send the written / email communication to the Company at [hwpl17@gmail.com](mailto:hwpl17@gmail.com) by mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-voting.
8. Ms. Priya Mankani, Practicing Company Secretary (Certificate of Practice Number-17947) has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting at the AGM in a fair and transparent manner. The Scrutinizer will submit, not later than 3 working days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
17. The Results declared along with the Scrutinizer's Report shall be placed on the website of CDSL. The same will be communicated to the listed stock exchanges viz. Metropolitan Stock Exchange of India.

By Order of the Board of Directors

**For Hotahoti Wood Products Limited**



**Tarak Nath Dey**  
**Director**  
**DIN: 00343396**

Place: Kolkata  
Date: 28.05.2019

HOTAHOTI WOOD PRODUCTS LTD.  
P.O- NAGINIMORA, MON, NAGALAND- 798622  
Email Id: [hwpl17@gmail.com](mailto:hwpl17@gmail.com), Phone No: 033-66133300  
CIN: L20211NL1984PLC002149  
Website: [www.hwpl.co.in](http://www.hwpl.co.in)

**ATTENDANCE SLIP**

*(To be handed over at the entrance of the Meeting Hall)*

Folio No.: \_\_\_\_\_ DP-ID No.: \_\_\_\_\_ Client-ID No. \_\_\_\_\_

Name of Member(s): \_\_\_\_\_

Name of the Proxy holder: \_\_\_\_\_

Registered Address: \_\_\_\_\_

Number of Shares Held \_\_\_\_\_

*I, hereby record my presence at the 35<sup>th</sup> ANNUAL GENERAL MEETING of the Company held on Monday the 23<sup>rd</sup> day of September, 2019 at 10.00 a.m. at P.O. Naginimora, MON, Nagaland- 798622.*

\_\_\_\_\_  
*Signature of the Member / Representative / Proxy Holder\**

*\* Strike out whichever is not applicable*

### FORM OF PROXY

*(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)*

Folio No.: \_\_\_\_\_ DPID No.: \_\_\_\_\_ Client ID No.: \_\_\_\_\_

Name of the Member(s): \_\_\_\_\_ Email Id: \_\_\_\_\_

Registered

Address: \_\_\_\_\_

I/We, being members, holding shares of HOTAHOTI WOOD PRODUCTS LIMITED hereby appoint:

1. Name: \_\_\_\_\_ E-mail Id \_\_\_\_\_  
Address: \_\_\_\_\_ or failing him/her

2. Name: \_\_\_\_\_ E-mail Id \_\_\_\_\_  
Address: \_\_\_\_\_ or failing him/her

3. Name: \_\_\_\_\_ E-mail Id \_\_\_\_\_  
Address: \_\_\_\_\_

as my / our Proxy to vote for me / us, on my / our behalf at the **35<sup>th</sup> ANNUAL GENERAL MEETING** of the Company held on Monday the **23<sup>rd</sup> day of September, 2019** and at any adjournment thereof in respect of the following resolutions:

1. Adoption of Balance Sheet, Statement of Profit & Loss, Report of Auditors and Board of Directors for the year ended 31<sup>st</sup> March, 2019.
2. Re-Appointment of Mrs. Chanchal Rungta (DIN No. 07590027) as a Director who is retiring by rotation.
3. Appointment of S.Mandal & Co., ( Firm Registration No. 314188E) as Statutory Auditors of the Company.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2019. Signature of Member \_\_\_\_\_

Revenue

Signature of Proxy holder(s): 1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

**HOTAHOTI WOOD PRODUCTS LTD.**  
P.O- NAGINIMORA, MON, NAGALAND- 798622  
Email Id: [hwpl17@gmail.com](mailto:hwpl17@gmail.com), Phone No: 033-66133300  
CIN: L20211NL1984PLC002149  
Website: [www.hwpl.co.in](http://www.hwpl.co.in)

**NOTE:** *The Form of Proxy duly completed must be deposited at the Registered Office of the Company, P.O Naginimora, MON, Nagaland- 798622 not later than 48 hours before the time for holding the meeting*

**ANNEXURE TO THE NOTICE FOR THE 35<sup>th</sup> ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD ON 23<sup>rd</sup> SEPTEMBER, 2019**

Name & Registered Address  
of Sole/First named Member:

Joint Holders Name (If any) :

Folio No. / DP ID & Client ID:

No. of Equity Shares Held :

Dear Shareholder,

**Subject: Process and manner for availing E-voting facility:**

Pursuant to Provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide E-voting facility to the members to cast their votes electronically on all resolutions proposed to be considered at the Annual General Meeting (AGM) to be held on Monday, 23<sup>rd</sup> September, 2019 at 10.00 A.M. at P.O. Naginimora, MON, Nagaland- 798622 and at any adjournment thereof.

The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide the e-voting facility. The e-voting facility is available at the link <https://www.evotingindia.com>

The Electronic Voting Particulars are set out below:

| <b>EVSN<br/>(Electronic Voting<br/>Sequence Number)</b> | <b>User ID</b> | <b>PAN / Sequence No.</b> |
|---|----------------|---------------------------|
|   |                |                           |



**HOTAHOTI WOOD PRODUCTS LTD.**  
P.O- NAGINIMORA, MON, NAGALAND- 798622  
Email Id: [hwpl17@gmail.com](mailto:hwpl17@gmail.com), Phone No: 033-66133300  
CIN: L20211NL1984PLC002149  
Website: [www.hwpl.co.in](http://www.hwpl.co.in)


The E-voting facility will be available during the following voting period:

| <b>Remote e-Voting Start On</b>                               | <b>Remote e-Voting End On</b>                                 |
|---|---|
| <b>20<sup>th</sup> September, 2019 at 9:00 A.M.<br/>(IST)</b> | <b>22<sup>nd</sup> September, 2019 at 5:00 P.M.<br/>(IST)</b> |

Please read the instructions mentioned in the Notice of AGM before exercising your vote.

By Order of the Board

**For Hotahoti Wood Products Limited**



Tarak Nath Dey  
Director  
(00343396)

Place: Kolkata

Date: 28.05.2019

Encl: AGM Notice / Attendance Slip / Proxy Form

**HOTAHOTI WOOD PRODUCTS LTD.**  
P.O- NAGINIMORA, MON, NAGALAND- 798622  
Email Id: [hwpl17@gmail.com](mailto:hwpl17@gmail.com), Phone No: 033-66133300  
CIN: L20211NL1984PLC002149  
Website: [www.hwpl.co.in](http://www.hwpl.co.in)

**Route map for the location of the venue of the 35th Annual General Meeting of the Hotahoti Wood Products Limited is given below:**



**DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2018-2019**

**To,  
The Members,**

Your directors have pleasure in presenting the 35<sup>th</sup> Annual Report on the business and operations of the company together with the Audited Statement of Accounts for the year ended 31st March, 2019.

**Financial Highlights**

During the year under review, performance of your company as under:

| <b>Particulars</b>                                    | <b>Year Ended 31st<br/>March, 2019</b> | <b>Year Ended 31st<br/>March, 2018</b> |
|---|--|--|
| Profit/ Loss before Taxation                          | (89,09,655)                            | 12,84,671                              |
| <b>Less: Tax Expenses</b>                             |  |  |
| Current Tax   | -                                      | -                                      |
| <b>Profit/(Loss) after Tax</b>                        | (89,09,655)                            | 12,84,671                              |
| Add: Balance Brought Forward from last year           | (7,41,138)                             | (20,25,809)                            |
| Transferred to Reserve u/s 45-IC of the RBI Act, 1934 | -                                      | -                                      |
| Taxation for Earlier Year                             | -                                      | -                                      |
| <b>Balance Profit/ (Loss) c/d to Balance Sheet</b>    | <b>(96,50,793)</b>                     | <b>(7,41,138)</b>                      |

**State of Company's Affairs and Future Outlook**

The performance of the Company depends upon host of factors and it is trying to overcome various market risks and other external factors which affects its progress.

A detailed exercise is being carried out to identify, evaluate, manage and monitor non-business risks. We remain optimistic about the performance of the company hence it has widens its activities in Capital Market and is looking into the opportunities in debt market and hedge market too, further exploring other ventures for the benefit of the Shareholders.

**Share Capital**

The paid up Equity Share Capital as on March 31, 2019 was Rs. 19.99 crores. During the year under review, the Company has not issued any shares or any convertible instruments.

**Dividend**

Your Directors regret to recommend declaration of any dividend for the year due to loss during the year.

**NBFC Reserve Fund**

During the year under review, no sum was transferred to the NBFC Reserve Fund due to loss during the year as required by the provisions of Section 45IC of RBI Act, 1934.

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### **Amount transferred to Reserves**

Due to loss during the year, the Company does not recommend transfer of any amount to reserves.

### **Material Changes Affecting the Financial Position of the Company**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report.

### **Change in the nature of Business, if any**

The Company is engaged in Non-Banking Financial activity and is duly registered with the RBI as an NBFC Company.

### **Particulars of Loan, Guarantees and Investments under Section 186**

Section 186 of the Companies Act, 2013 does not apply to the Company because the company being a Non-Banking Financial Company makes loans and investments in its ordinary course of business.

### **Related Party Transactions**

All Related Party Transactions ("RPT") entered into during the financial year were on an arm's length basis and in the ordinary course of business. There are no materially significant Related Party Transactions made by the Company with Promoters, Directors, Related Parties or other designated persons which may have a potential conflict with the interest of the Company at large.

The Board has formulated a Related Party Transactions Policy for the purpose of identification and monitoring of such transactions.

Particulars of contracts or arrangements made with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed form AOC-2 is appended as Annexure-I to the Board's report.

### **Internal Control Systems and their Adequacy**

The Company has adequate system of internal control to safeguard and protect itself from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The internal auditor of the Company checks and verifies the internal control and monitors them in accordance with policy adopted by the Company.

### **R.B.I Directive to NBFC**

The Company did not invite or accept any deposits from the public during the financial year ended 31st March, 2019. For the current financial year commencing on 1st April, 2019 the Board of Directors of the Company has confirmed by a Board Resolution dated 10<sup>th</sup> April, 2019 that the Company shall not invite or accept any deposit from public during the Financial Year 2019-2020.

### **Conservation of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo**

The provision of Section 134(m) of the Companies Act, 2013 do not apply to the Company. There was no foreign inflow or outflow during the year under review.

**Details of Subsidiary, Joint Venture or Associates**

The Company does not have any Subsidiary, Joint Venture and Associate Company within the purview of the Companies Act, 2013.

**Risk Management Policy**

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.

**Directors**

As per the provisions of the Companies Act, 2013, Mrs. Chanchal Rungta (DIN No. 07590027) will retire by rotation at the ensuing annual general meeting and being eligible offered herself for re-appointment. The Board recommends her re-appointment.

As on date the following are the directors of the Company:

| SL NO | NAME              | DESIGNATION          |
|-------|-------------------|----------------------|
| 1     | Tarak Nath Dey    | Managing Director    |
| 2     | Chanchal Rungta   | Director             |
| 3     | Chand Ratan Modi  | Director             |
| 4     | Avi Lunia         | Independent Director |
| 5     | Champa Lal Pareek | Independent Director |

**Number of Board Meetings**

During the Financial Year 2018-19, the Board met 8 times on 10<sup>th</sup> April, 2018; 29<sup>th</sup> May, 2018; 2<sup>nd</sup> August, 2018; 5<sup>th</sup> September, 2018; 29<sup>th</sup> September, 2018; 12<sup>th</sup> November, 2018; 31<sup>st</sup> January, 2019 and 5<sup>th</sup> March, 2019.

**Details of significant & material orders passed by the regulators or courts or tribunal**

No significant & material orders has been passed by any regulator or court or tribunal against the Company.

**Receipt of any commission by MD/ WTD from a Company or for receipt of commission/ remuneration from its Holding or Subsidiary**

The Company has not received any commission by MD/ WTD from a Company, its holding or subsidiary.

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### **Vigil Mechanism**

In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behavior the Company has adopted a vigil mechanism policy.

### **Corporate Governance and Management Discussion Analysis**

The Company has in place the SEBI regulations pertaining to Corporate Governance. During the year, the Company had 5 member in the Board consisting of one Managing Director, 2 Non-Executive Independent Director, one Non-Executive Non-Independent Director and one Non- Executive Promoter Director.

The Corporate Governance Certificate for the year ended March 31, 2019 is issued by Ms. Priya Mankani, Practicing Company Secretaries, of the Company.

The Company has in place an Insider Trading Code for compliance with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. Details of securities transaction by insiders are placed before the Board of Directors of the Company and also notified to the Stock Exchanges.

Tarak Nath Dey, Managing Director and Ms. Tripty Modi, Chief Financial Officer, have given their certificate under Regulation 17(8) read with Part B of Schedule II of SEBI-LODR regarding annual financial statements for the year ended March 31<sup>st</sup>, 2019 to the Board of Directors and the same has been attached with this report as Annexure-II. The Managing Director has given certificate under Regulation 34(3) read with Part D of Schedule V of SEBI-LODR regarding compliance with the Code of Conduct of the Company for the year ended March 31<sup>st</sup>, 2019 which is attached as Annexure-III and forms a part of this Report of Directors.

Management Discussion and Analysis as required by Schedule V of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 has been incorporated in this report as separate annexure-IV

### **Declaration by Independent Directors:**

The independent directors have declared to the company stating their independence pursuant to Section 149(6) of the Company's Act 2013, and the same was noted by the Board of Directors at its meeting.

An independent director shall hold office for a term of five consecutive years on the Board of the Company, but it shall be eligible for reappointment for next five years on passing of Special Resolution by the Company and disclosure of such in Board's Report.

### **Key Managerial Person:**

Ms. Tripty Modi have been designated as the Key Managerial Personnel of the Company (KMP) pursuant to the provisions of sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Ms. Vijaylakshmi Rathi was appointed as the Company Secretary and the Compliance Officer of the Company from 29.10.2018 resigned on 01.03.2019. Further Mr. Naveen Shankar Jain was appointed as the Company Secretary and the Compliance Officer from 01.03.2019.

### **Audit Committee**

The Audit committee comprises of 3 directors. The committee functions under the Chairmanship of Mr. Champa Lal Pareek, a Non-Executive Independent Director. The other



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members of the Committee are Mr. Chand Ratan Modi and Mr. Avi Lunia. The Managing Director and the Chief Financial Officer are permanent invitees to the meeting.

The details of the related party transactions are placed before the Audit committee periodically. Any recommendations (if any) placed by the Committee is considered and adopted by the Board. All persons have direct access to the Chairman for sharing their grievances. The Audit Committee also has the responsibility to assess risks and find corrective measures to mitigate the same.

The committee met 4 times during the year on 29<sup>th</sup> May, 2018; 2<sup>nd</sup> August, 2018; 12<sup>th</sup> November, 2018 and 31<sup>st</sup> January, 2019.

### **Nomination & Remuneration Committee Policy**

A Remuneration Committee was constituted by the Board of Directors to consider, analyze, determine and approve on behalf of the Board and on behalf of the shareholders the remuneration to be paid to the executive directors of the Company. The committee functions under the Chairmanship of Mr. Champa Lal Pareek, a Non-Executive Independent Director. The other members of the Committee are Mr. Chand Ratan Modi and Mr. Avi Lunia.

### **Stakeholder Relationship Committee**

The Stakeholder Relationship Committee comprises of 3 Directors. The committee functions under the Chairmanship of Mr. Champa Lal Pareek, a Non-Executive Independent Director. The other members of the Committee are Mrs. Chanchal Rungta and Mr. Avi Lunia.

The Registrars and Transfer Agents of the Company is Niche Technologies Pvt. Ltd. The shares of the Company are listed on the Metropolitan Stock Exchange of India Limited.

### **Transfer of Unclaimed Dividend to Investor Education and Protection Fund**

Since there was no unpaid/unclaimed Dividend declared and paid last year, the provisions of Section 125 of the Companies Act, 2013 do not apply.

### **Extract of Annual Return**

The extract of Annual Return, in format MGT 9, for the Financial Year 2018-2019 has been enclosed with this report.

### **Auditors**

#### **1. Statutory Auditors**

M/s. S. Mandal & Co. (Firm Registration No: 314188E), Chartered Accountants, have been appointed as statutory auditors of the Company at the 35<sup>th</sup> Annual General Meeting for a period of five years. As per the Companies (Amendment) Act, 2017, the auditors are not subjected to ratification by members at every consequent Annual General Meeting. Therefore, no ratification of appointment of Statutory Auditors will be sought from the members of the Company at the AGM. The observation made in the Auditor's Report read together with relevant notes thereon are self-explanatory and hence, do not call for any further comments under Section 134 of the Companies Act, 2013. Further, there has been no fraud reported by

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Auditors under sub section (12) of Section 143 other than those which are reportable to the Central Government.

## **2. Secretarial Auditor**

Pursuant to the provision of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014, the Company has appointed Ms. Priya Mankani, to undertake the Secretarial audit of the Company. The Secretarial Audit Report is annexed herewith as Annexure-VI.

## **3. Internal Auditor**

Mr. Mohit Surtani, Company Secretary, perform the duties of Internal Auditor of the Company and his report is reviewed by the Audit Committee from time to time.

### **Explanation to Auditor's Remarks**

The observation made in the Auditor's Report read together with relevant notes thereon are self-explanatory and hence, do not call for any further comments under Section 134 of the Companies Act, 2013.

### **Corporate Social Responsibility (CSR) Policy**

The provisions of Section 135 of the Companies Act, 2013 related to Corporate Social Responsibility is not applicable to the Company during the year.

### **Number of Complaints relating to Sexual Harassment in the last financial year and pending as on the end of the financial year**

No cases of Sexual Harassment were reported in the financial year. This is supported by Sexual Harassment Policy which ensures a free and fair enquiry process with clear timelines.

### **Listing**

The shares of the Company are listed on the Metropolitan Stock Exchange of India Limited.

### **E Voting**

The Company will provide e-voting facility to all members to enable them to cast their vote electronically on all Resolutions set-fourth in the notice. This is pursuant to section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management & Administration) Rules, 2014 and Regulations, 2015. The instructions for e-voting have been provided in the Notice.

### **Directors Responsibility Statement**

In accordance with the provisions of Section 134(5) of the Companies Act 2013, your directors confirm that:

- a) in the preparation of the annual accounts for the financial year ended 31st March, 2019, the applicable accounting standards had been followed along with proper explanation relating to material departures;

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- b) the directors had 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 as at 31st March, 2019 and of the loss of the Company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### Acknowledgment

The Directors express their sincere appreciation to the valued shareholders, bankers and clients and others associated with the Company for their support

For& Behalf of the Board of Directors



Tarak Nath Dey  
Managing Director  
DIN: 00343396



Chand Ratan Modi  
Director  
DIN: 00343685

Place: Kolkata

Date: 28.05.2019

**ANNEXURE-I****Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto**

1. Details of contracts or arrangements or transactions not at arm's length basis – NIL.

All transactions entered into by the Company during the year with related parties were on arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis  
A.

**List of Related Parties and Relationship**

| Name of the Related Party                       | Relationship                         |
|---|--------------------------------------|
| Tripty Modi                                     | KMP                                  |
| North Eastern Publishing & Advertising Co. Ltd. | ENTERPRISES WITH COMMON DIRECTORSHIP |
| Purbanchal Prestressed Ltd.                     |                                      |
| Kamini Finance & investment Co. Ltd.            |                                      |
| Gulmohur Trading Pvt. Ltd.                      |                                      |
| Chemo Traders Pvt. Ltd.                         |                                      |
| Maa Karni Finance Pvt. Ltd.                     |                                      |
| Visisth Chay Vyapar Ltd.                        |                                      |
| Citystar Infrastructures Ltd.                   | INTEREST OF RELATIVES                |
| Citystar Foods Pvt. Ltd.                        |                                      |
| Citystar Agro Industries Pvt. Ltd.              |                                      |
| Ganguly Citystar Enterprises LLP                | DIRECTOR'S INTEREST IN LLP           |
| Citystar Ganguly Projects LLP                   |                                      |

| Name of the Related Party        | Nature of Transaction        | During the year 2018-19<br>31st March, 2019 | During the year 2017-18<br>31st March, 2018 |
|----------------------------------|------------------------------|---|---|
| Tripty Modi                      | Remuneration                 | 3,00,000                                    | 5,40,000                                    |
| Gulmohur Trading Private Limited | Creditor for Sundry Expenses | 6,000                                       | -   |

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|  |                                    |              |            |
|--|------------------------------------|--------------|------------|
| North Eastern Publishing & Adv. Co. Ltd. | Rent                               | 8,928        | 8,928      |
| Citystar Infrastructures Ltd             | Loan Taken (with Interest thereon) | (167,65,000) | 334,15,585 |
| Citystar Infrastructures Ltd             | Purchase/Sale of Investment        | 3,55,69,000  | 355,69,000 |

| Name of the Related Party        | Nature of Balance | As at<br>31st March, 2019 | As at<br>31st March, 2018 |
|----------------------------------|-------------------|---------------------------|---------------------------|
| Tripty Modi                      | Amount Payable    | 6,72,280                  | 10,25,000                 |
| Citystar Infrastructures Ltd     | Amount Payable    | 7,75,66,758               | 943,31,758                |
| Citystar Foods Pvt Ltd           | Amount Receivable | 1,36,07,907               | 1,36,07,907               |
| Citystar Agro Industries Pvt Ltd | Amount Receivable | 40,000                    | 40,000                    |

B. Date(s) of approval by the Board, if any: The transaction is on arms' length basis and in the ordinary course of business and so the approval of the Board for this purpose is not required.

C. Amount paid as advances, if any - Nil

**For and on behalf of the Board of Directors**

|   |  |   |
|---|--|---|
|  |  |  |
| Tarak Nath Dey  | Chand Ratan Modi   | Tripty Modi   |
| Managing Director   | Director   | Chief Finance Officer   |
| DIN: 00343396   | DIN: 00343685  |   |

Place: Kolkata


Date: 28.05.2019

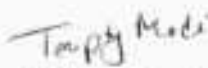
**ANNEXURE-II****CERTIFICATION BY THE MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER ON FINANCIAL STATEMENTS OF THE COMPANY**

*(Pursuant to Regulation 17(8) read with Schedule II Part B of the SEBI (LODR) Regulations, 2015)*

We, Tarak Nath Dey, Managing Director and Ms. Tripty Modi, Chief Financial Officer certify that:

1. We have reviewed financial statements and the cash flow statement for the year ended March 31<sup>st</sup>, 2019 and that to the best of our knowledge and belief:
  - These statements do not contain any materially untrue statement or omit any material fact nor contain statements that might be misleading, and
  - These statements present true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or in violation of the Company's code of conduct;
3. We accept responsibility for establishing and maintaining internal controls, we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of the internal controls, if any, of which we are aware and the steps that we have taken to rectify the identified deficiencies; and
4. We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
  - (i) Significant changes, if any, in the internal control over financial reporting during the year;
  - (ii) Significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
  - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

  
**Tarak Nath Dey**  
**Managing Director**

  
**Tripty Modi**  
**Chief Financial Officer**


Place: Kolkata  
 Date: 28.05.2019



**ANNEXURE-III****ANNUAL CERTIFICATE UNDER REGULATION 34(3)  
READ WITH PART PARA D OF SCHEDULE V OF THE SEBI (LISTING  
OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

As required under Regulation 34(3) read with Part D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, hereby declare that all the members of the Board of Directors and senior management personnel have affirmed compliance with the Code of Conduct, as applicable to them, for the year ended 31st March, 2019.

**Place: Kolkata**  
**Date: 28.05.2019**

  
**Tarak Nath Dey**  
**Managing Director**

## **ANNEXURE IV**

### **Management Discussion and Analysis Report**

Your Directors are pleased to present the Management Discussion and Analysis Report for the year ended 31<sup>st</sup> March, 2019.

The Management Discussion and Analysis have been included in accordance with the Code of Corporate Governance as approved by the Securities Exchange Board of India (SEBI). This report has been annexed with the financial statements of the Company to set a background to the workings of the Company. The estimates relating to the financial statements are prepared on reasonable basis and reflect the true picture of the state of affairs of the Company and the profits/ loss for the year.

The report provides an overview of the sector in which the company functions, its goals, performances, risks, threats, initiatives and strategies and also the route which the Company plans to take in the future. These estimates and outlooks are prone to fluctuations in the economy and may vary from time to time depending upon the market situations.

### **Non-Banking Finance Company (NBFC) Outlook**

NBFC's form an integral part of the country's financial structure. They not only compliment the functioning of banks but also facilitate inclusive growth of the economy. The role of NBFC's as effective financial intermediaries has been well recognized as they have inherent ability to take quicker decisions, assume greater risks, and customize their services and charges more according to the needs of the clients. Moreover, NBFCs assume significance in the small business segment as they primarily cater to the credit requirements of the unorganized sector such as wholesale & retail traders, small-scale industries. NBFCs have been playing a very important role both from the macro-economic perspective and as integral part of the Indian financial system, enhancing competition and diversification in the financial sector. It can be said without a doubt that NBFC's have scripted a great success story. From a growth of 8.6% in 2006 to 14% in 2015 to about 17-18% in the financial year 2018, NBFC's are estimated to see the upward trend of growth in the current financial year too.

### **Business**

The company is engaged in the business of investment in securities and providing loans and advances. The Company is registered as Non-deposit taking Non-Banking Finance Company with the Reserve Bank of India. Since the asset size of the Company is not more than Rs 100 crores it is presently Non Systemically Important Non-Deposit taking NBFC.

### **Financials:**

The details of the financial performance of your Company are reflected in the Balance Sheet, Profit & Loss Account and other Financial Statements, appearing separately. Highlights are provided below:

| <b>Particulars</b>                         | <b>2019</b>  | <b>2018</b>  |
|--|--------------|--------------|
| Revenue from Operations                    | 10,55,81,020 | 12,12,32,882 |
| Other Income                               | -            | -            |
| Total Revenue                              | 10,55,81,020 | 12,12,32,882 |
| Profit Before Interest, Depreciation & Tax | (89.09,655)  | 17,34,671    |

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The Company witnessed marginal change in the revenues which come straight from sale of investments, the Company held. The investment could not fetch enough profits and by the end of financial year, the company incurred losses. Moreover, due to increased finance costs and other expenses (including salaries and allowances) the Company marked losses in the current financial year and stood insufficient for declaring dividends.

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and the cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

### **Opportunities, Threats and Risks**

Being in the financial sector subjects the Company to the typical risks that any financial institution faces. The fluctuations in the economic conditions poses threats to the functioning of NBFCs. To minimize these risks the Company takes sufficient steps to scan the external environment regularly.

The Company has laid down a well-defined risk management mechanism covering the risk mapping, risk exposure and risk mitigation process. A detailed exercise is being carried out to identify, evaluate, manage and monitor non-business risks. The Audit Committee and the Board periodically review the risks and suggest steps to be taken to manage/ mitigate the same through a properly defined framework.

### **Human Resource/ Industrial relations**

The company recognises the importance and contribution of its human resources for its growth and development of its people. The Company has cordial relations with employees and staff. There are no HR relations problems during the year and the Company does not anticipate any material problems on the count in the current year.

### **Internal Control Systems and Adequacy**

The Company has disciplined approach to cost and follows prudential norms in every sphere of its activities. The Profit making is put at the center of decision making. The cost are budgeted, reviewed and monitored. The Company has established internal control systems for ensuring optimum use of resources and safeguarding the assets. The Internal Control Systems and procedure are adequate and commensurate with the size of the Company. These business control procedures ensure efficient use and protection of the resources and compliance with the policies, procedures and status.

### **Cautionary Statement**

The statements in Management Discussion and Analysis Report describing our Company's objectives, expectations or predictions may be forwarded looking within the meaning of applicable regulations and other legislations. Actual results may differ materially from those expressed in the statement. Important factors that could influence Company's operations include global and domestic financial market conditions affecting the interest rates, availability of resources for the financial sector, market for lending, changes in regulatory directions issued by the Government, tax laws, economic situation and other relevant factors.

## ANNEXURE-A

## FORM NO. MGT 9

## EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management &amp; Administration) Rules, 2014.

## I REGISTRATION &amp; OTHER DETAILS:

|     |  |   |
|-----|--|---|
| i   | CIN  | L20211NL1084PLC002149   |
| ii  | Registration Date  | 08-03-1984  |
| iii | Name of the Company  | HOTAHOTI WOOD PRODUCTS LIMITED  |
| iv  | Category/Sub-category of the Company                                       | Company Limited By Shares/ Non govt Company   |
| v   | Address of the Registered office & contact details                         | P.O. NAGINIMORA, MCN, NAGALAND - 798622, Phone No. 033-66133300   |
| vi  | Whether listed company   | YES   |
| vii | Name, Address & contact details of the Registrar & Transfer Agent, if any. | Niche Technologies Private Limited<br>3A Auckland Place, 2nd Floor, Room No. 7A & 7B, Kolkata 700 017,<br>Phones - (033) 2280 6616 / 17 / 18; Fax - (033) 2280 6619<br>Email - nichetechpl@nicetechpl.com |

## II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

| Sl No | Name & Description of main products/services | NIC Code of the Product /service | % to total turnover of the company |
|-------|--|----------------------------------|------------------------------------|
|       |  |                                  |                                    |

## III PARTICULARS OF HOLDING, SUBSIDIARY &amp; ASSOCIATE COMPANIES

NIL

| Sl No | Name & Address of the Company | CIN/GLN | HOLDING/<br>SUBSIDIARY/<br>ASSOCIATE | % OF<br>SHARES<br>HELD | APPLICABLE<br>SECTION |
|-------|-------------------------------|---------|--------------------------------------|------------------------|-----------------------|
| 1     |                               |         |                                      |                        |                       |

## IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

| Category of Shareholders   | No. of Shares held at the beginning of the year (As on 01.04.2017) |           |            |                   | No. of Shares held at the end of the year (As on 31.03.2018) |           |            |                   | % change during the year |  |
|--|--|-----------|------------|-------------------|--|-----------|------------|-------------------|--------------------------|--|
|  | Demat  | Physical  | Total      | % of Total Shares | Demat  | Physical  | Total      | % of Total Shares |                          |  |
| <b>A. Promoters</b>  |  |           |            |                   |  |           |            |                   |                          |  |
| (1) Indian   |  |           |            |                   |  |           |            |                   |                          |  |
| a) Individual/HUF  |  |           |            |                   |  |           |            |                   |                          |  |
| b) Central Govt or State Govt  |  |           |            |                   |  |           |            |                   |                          |  |
| c) Bodies Corporates   | 26,57,700  |           | 26,57,700  | 13.289%           | 26,57,700  |           | 26,57,700  | 13.289%           |                          |  |
| d) Bank/FI   |  |           |            |                   |  |           |            |                   |                          |  |
| e) Any other   |  |           |            |                   |  |           |            |                   |                          |  |
| <b>SUB TOTAL (A) (1)</b>   | 26,57,700  |           | 26,57,700  | 13.289%           | 26,57,700  |           | 26,57,700  | 13.289%           |                          |  |
| (2) Foreign  |  |           |            |                   |  |           |            |                   |                          |  |
| a) NRI- Individuals  |  |           |            |                   |  |           |            |                   |                          |  |
| b) Other Individuals   |  |           |            |                   |  |           |            |                   |                          |  |
| c) Bodies Corp.  |  |           |            |                   |  |           |            |                   |                          |  |
| d) Banks/FI  |  |           |            |                   |  |           |            |                   |                          |  |
| e) Any other   |  |           |            |                   |  |           |            |                   |                          |  |
| <b>SUB TOTAL (A) (2)</b>   |  |           |            |                   |  |           |            |                   |                          |  |
| <b>Total Shareholding of Promoter</b>  |  |           |            |                   |  |           |            |                   |                          |  |
| <b>(A)= (A)(1)+(A)(2)</b>  | 26,57,700  |           | 26,57,700  | 13.289%           | 26,57,700  |           | 26,57,700  | 13.289%           |                          |  |
| <b>B. PUBLIC SHAREHOLDING</b>  |  |           |            |                   |  |           |            |                   |                          |  |
| (1) Institutions   |  |           |            |                   |  |           |            |                   |                          |  |
| a) Mutual Funds  |  |           |            |                   |  |           |            |                   |                          |  |
| b) Banks/FI  |  |           |            |                   |  |           |            |                   |                          |  |
| c) Central govt  |  |           |            |                   |  |           |            |                   |                          |  |
| d) State Govt  |  |           |            |                   |  |           |            |                   |                          |  |
| e) Venture Capital Fund  |  |           |            |                   |  |           |            |                   |                          |  |
| f) Insurance Companies   |  |           |            |                   |  |           |            |                   |                          |  |
| g) FII's   |  |           |            |                   |  |           |            |                   |                          |  |
| h) Foreign Venture Capital Funds   |  |           |            |                   |  |           |            |                   |                          |  |
| i) Others (specify)  |  |           |            |                   |  |           |            |                   |                          |  |
| <b>SUB TOTAL (B)(1)</b>  |  |           |            |                   |  |           |            |                   |                          |  |
| (2) Non Institutions   |  |           |            |                   |  |           |            |                   |                          |  |
| a) Bodies corporates   |  |           |            |                   |  |           |            |                   |                          |  |
| i) Indian  | 135,44,420   | 14,00,000 | 149,44,420 | 74.722%           | 135,44,420   | 14,00,000 | 149,44,420 | 74.722%           |                          |  |
| ii) Overseas   |  |           |            |                   |  |           |            |                   |                          |  |
| b) Individuals   |  |           |            |                   |  |           |            |                   |                          |  |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakhs          |  | 97,840    | 97,840     | 0.489%            |  | 97,840    | 97,840     | 0.489%            |                          |  |
| ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakhs | 23,00,000  |           | 23,00,000  | 11.500%           | 23,00,000  |           | 23,00,000  | 11.500%           |                          |  |
| c) Others (specify)  |  |           |            |                   |  |           |            |                   |                          |  |
| <b>SUB TOTAL (B)(2)</b>  | 158,44,420   | 14,97,840 | 173,42,260 | 86.711%           | 158,44,420   | 14,97,840 | 173,42,260 | 86.711%           |                          |  |
| <b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>                                | 158,44,420   | 14,97,840 | 173,42,260 | 86.711%           | 158,44,420   | 14,97,840 | 173,42,260 | 86.711%           |                          |  |
| <b>C. Shares held by Custodian for GDRs &amp; ADRs</b>                             |  |           |            |                   |  |           |            |                   |                          |  |
| <b>Grand Total (A+B+C)</b>   | 185,02,120   | 14,97,840 | 199,99,960 | 100%              | 185,02,120   | 14,97,840 | 199,99,960 | 100%              |                          |  |

(iii) SHARE HOLDING OF PROMOTERS

| Sl. No. | Shareholders Name                     | Shareholding at the beginning of the year |                                  |  | Shareholding at the end of the year |                                  |  | % change in share holding during the year |
|---------|---------------------------------------|---|----------------------------------|--|-------------------------------------|----------------------------------|--|---|
|         |                                       | No. of shares                             | % of total shares of the company | % of shares pledged encumbered to total shares | No. of shares                       | % of total shares of the company | % of shares pledged encumbered to total shares |   |
| 1.      | NORTH EASTERN PULP & ADI CO. LTD.     | 9,00,000                                  | 4.50%                            | -  | 9,00,000                            | 4.50                             | -  |   |
| 2.      | PURBANCHAL PRESTRESSED LIMITED        | 7,85,800                                  | 3.93%                            | -  | 7,85,800                            | 3.93                             | -  |   |
| 3.      | SHANGRAHALAYA TIMBER & CRATTS LIMITED | 9,71,900                                  | 4.86%                            | -  | 9,71,900                            | 4.86                             | -  |   |
|         | Total                                 | 26,57,700                                 | 13.29%                           | -  | 26,57,700                           | 13.29                            | -  |   |

(iv) CHANGE IN PROMOTERS' SHARE HOLDING (SPECIFY IF THERE IS NO CHANGE)

No Change in Promoters Holding

| Sl. No. |   | Share holding at the beginning of the Year |                                  | Cumulative Share holding during the year |                                  |
|---------|---|--|----------------------------------|--|----------------------------------|
|         |   | No. of Shares                              | % of total shares of the company | No. of shares                            | % of total shares of the company |
|         | At the beginning of the year  | -  | -                                | -  | -                                |
|         | Give also the transfer/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.) | -  | -                                | -  | -                                |
|         | At the end of the year  | -  | -                                | -  | -                                |

(v) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters & Holders of GDRs & ADRs)

| Sl. No. | For Each of the Top 10 Shareholders      | Shareholding at the beginning of the year |                                  | Shareholding at the end of the year |                                  |
|---------|--|---|----------------------------------|-------------------------------------|----------------------------------|
|         |  | No. of shares                             | % of total shares of the company | No. of shares                       | % of total shares of the company |
| 1.      | SWRUTI SECURITIES LIMITED                | 58,50,000                                 | 29.25                            | 58,50,000                           | 29.25                            |
| 2.      | SUDHARWIN                                | 23,00,000                                 | 11.50                            | 23,00,000                           | 11.50                            |
| 3.      | LIFTAM MACHINERY & SUPPLY CO. PVT. LTD.  | 9,95,000                                  | 4.98                             | 9,95,000                            | 4.98                             |
| 4.      | MERLIN RESOURCES PRIVATE LIMITED         | 9,90,000                                  | 4.95                             | 9,90,000                            | 4.95                             |
| 5.      | MAURYA TRADING COMPANY LIMITED           | 9,26,800                                  | 4.63                             | 9,26,800                            | 4.63                             |
| 6.      | LUNARWIRE TRADING PVT. LTD.              | 9,00,000                                  | 4.50                             | 9,00,000                            | 4.50                             |
| 7.      | KAMPA FINANCE & INVESTMENT CO. LTD.      | 8,70,000                                  | 4.35                             | 8,70,000                            | 4.35                             |
| 8.      | STEWART INVESTMENT & FINANCIAL PVT. LTD. | 8,00,000                                  | 4.00                             | 8,00,000                            | 4.00                             |
| 9.      | VISUTHI HARY VADAP LTD.                  | 8,00,000                                  | 4.00                             | 8,00,000                            | 4.00                             |
| 10.     | MEGA RESOURCES LIMITED                   | 8,00,000                                  | 4.00                             | 8,00,000                            | 4.00                             |

(vi) Shareholding of Directors & KMP

| Sl. No. | For Each of the Directors & KMP   | Shareholding at the end of the year |                                  | Cumulative Shareholding during the year |                                  |
|---------|---|-------------------------------------|----------------------------------|---|----------------------------------|
|         |   | No. of shares                       | % of total shares of the company | No. of shares                           | % of total shares of the company |
|         | At the beginning of the year  | -                                   | -                                | -                                       | -                                |
|         | Give also the increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.) | -                                   | -                                | -                                       | -                                |
|         | At the end of the year  | -                                   | -                                | -                                       | -                                |



| Indebtedness of the Company including interest outstanding/accrued but not due for payment |                                     |                    |              |
|--|-------------------------------------|--------------------|--------------|
|  | Secured loans<br>excluding deposits | Unsecured<br>loans | Deposits     |
| Total<br>Indebtedness  |                                     |                    |              |
| Indebtedness at the beginning of the<br>financial year                                     |                                     |                    |              |
| (i) Principal Amount   |                                     | 1,102,57,806       | 1,102,57,806 |
| (ii) Interest due but not paid   |                                     | 143,91,555         | 143,91,555   |
| (iii) Interest accrued but not due   |                                     |                    |              |
| Total (i+ii+iii)   |                                     | 1,246,49,361       | 1,246,49,361 |
| Change in indebtedness during the<br>financial year  |                                     |                    |              |
| Additions  |                                     | 651,09,498         | 651,09,498   |
| Reductions   |                                     | 292,69,826         | 292,69,826   |
| Net Change   |                                     | 358,39,672         | 358,39,672   |
| Indebtedness at the end of the<br>financial year   |                                     |                    |              |
| (i) Principal Amount   |                                     | 1,598,75,033       | 1,598,75,033 |
| (ii) Interest due but not paid   |                                     | 204,50,986         | 204,50,986   |
| (iii) Interest accrued but not due   |                                     |                    |              |
| Total (i+ii+iii)   |                                     | 1,803,26,019       | 1,803,26,019 |

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole time director and/or Manager - Nil**

| Sl. No. | Particulars of Remuneration   | Name of the MD/WTD/Manager | Total Amount |
|---------|---|----------------------------|--------------|
| 1       | Gross salary  |                            |              |
|         | (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 |                            |              |
|         | (b) Value of perquisites, u/s 17(2) of the Income Tax Act, 1961                     |                            |              |
|         | (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961       |                            |              |
| 2       | Stock option  |                            |              |
| 3       | Swamp Equity  |                            |              |
| 4       | Commission  |                            |              |
|         | as % of profit  |                            |              |
|         | Others, specify   |                            |              |
| 5       | Others, please specify  |                            |              |
|         | Total (A)   |                            |              |
|         | Ceiling as per the Act  |                            |              |

**B. Remuneration to other directors - Nil**

| Sl. No. | Particulars of Remuneration                    | Name of the Directors | Total Amount |
|---------|--|-----------------------|--------------|
| 1       | Independent Directors                          |                       |              |
|         | (a) Fee for attending board/committee meetings |                       |              |
|         | (b) Commission                                 |                       |              |
|         | (c) Others, please specify                     |                       |              |
|         | Total (1)                                      |                       |              |
| 2       | Other Non Executive Directors                  |                       |              |
|         | (a) Fee for attending board/committee meetings |                       |              |
|         | (b) Commission                                 |                       |              |
|         | (c) Others, please specify                     |                       |              |
|         | Total (2)                                      |                       |              |
|         | Total (B) = (1+2)                              |                       |              |
|         | Total Managerial Remuneration                  |                       |              |
|         | Overall Ceiling as per the Act                 |                       |              |

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD - (in lac)**

| Sl. No. | Particulars of Remuneration   | Key Managerial Personnel |                   |      |             |
|---------|---|--------------------------|-------------------|------|-------------|
|         |   | CEO                      | Company Secretary | CFO  | Tripty Mod. |
| 1       | Gross Salary  |                          |                   |      |             |
|         | (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 |                          |                   |      |             |
|         | (b) Value of perquisites, u/s 17(2) of the Income Tax Act, 1961                     |                          |                   |      |             |
|         | (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961       |                          |                   |      |             |
| 2       | Stock Option  |                          |                   |      |             |
| 3       | Swamp Equity  |                          |                   |      |             |
| 4       | Commission  |                          |                   |      |             |
|         | as % of profit  |                          |                   |      |             |
|         | Others, specify   |                          |                   |      |             |
| 5       | Others, please specify  |                          |                   |      |             |
|         | Total   |                          | 0.10              | 0.00 | 0.10        |

## VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES - NIL

| Type                         | Section of the Companies Act | Brief Description | Details of Penalty/Punishment/Compounding fees imposed | Authority (RD/NCLT/Court) | Appeal made if any (give details) |
|------------------------------|------------------------------|-------------------|--|---------------------------|-----------------------------------|
|                              |                              |                   |  |                           |                                   |
| A. COMPANY                   |                              |                   |  |                           |                                   |
|                              | NONE                         |                   |  |                           |                                   |
| Penalty                      |                              |                   |  |                           |                                   |
| Punishment                   |                              |                   |  |                           |                                   |
| Compounding                  |                              |                   |  |                           |                                   |
|                              |                              |                   |  |                           |                                   |
| B. DIRECTORS                 |                              |                   |  |                           |                                   |
|                              | NONE                         |                   |  |                           |                                   |
| Penalty                      |                              |                   |  |                           |                                   |
| Punishment                   |                              |                   |  |                           |                                   |
| Compounding                  |                              |                   |  |                           |                                   |
|                              |                              |                   |  |                           |                                   |
| C. OTHER OFFICERS IN DEFAULT |                              |                   |  |                           |                                   |
|                              | NONE                         |                   |  |                           |                                   |
| Penalty                      |                              |                   |  |                           |                                   |
| Punishment                   |                              |                   |  |                           |                                   |
| Compounding                  |                              |                   |  |                           |                                   |

**ANNEXURE A1**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED MARCH 31<sup>st</sup>, 2019**

*(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014)*

To,  
The Members,  
Hotahoti Wood Products Limited  
P-44, Nagarmora, Mohi,  
Simlataland-700002

1. We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Hotahoti Wood Products Limited (hereinafter called the Company) for and during the financial year ended March 31<sup>st</sup>, 2019. Secretarial Audit was conducted on test check basis, in a manner that provided us a reasonable basis for evaluating the corporate conducts, statutory compliances and expressing our opinion thereon.
2. Based on our verification of the M/s. Hotahoti Wood Products Limited books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit. We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31<sup>st</sup>, 2019, complied with the statutory provisions listed hereunder and also that the Company has Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.
3. We have examined the books, papers, minutes book, forms and returns filed and other records maintained by M/s. Hotahoti Wood Products Limited for and during the financial year ended March 31<sup>st</sup>, 2019 according to the provisions of:
  - (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
  - (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
  - (iii) The depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

- (vi) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment (Overseas Direct Investment and External Commercial Borrowings).
- (vii) The Regulations and Guidelines prescribed under the Securities Exchange Board of India Act, 1992 (SEBI Act) viz:
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 N.A.
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client.
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, and N.A.
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 N.A.
  - (i) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015.
- 4. We have also examined compliance with the applicable clauses of the following:
  - (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
  - (ii) The Listing Agreements entered into by the Company with Metropolitan Stock Exchange of India Limited (MSF).
- 5. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.
- 6. We further report that:
  - The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
  - Adequate notice is given to all directors to schedule the Board meetings, agenda and detailed notes on agenda were sent at least seven days in advance.
  - Majority decisions are carried through while dissenting members' views are captured and recorded as part of the minutes.
- 7. We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines, such as laws



**Annexure A**

**(To the Secretarial Audit Report of M/s. Hotahoti Wood Products Limited  
for the financial year ended 31.03.2019)**

To,

The Members

Hotahoti Wood Products Limited

P.O. Naginimora, Moh.

Nagaland-798632

Our Secretarial Audit Report for the financial year ended 31.03.2019 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever reported, we have obtained the Management Representation about the compliance of laws, rules and regulation and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Mankani & Associates  
Practising Company Secretaries



*Priya Mankani*

Priya Mankani

Proprietor

Membership No. 34744

CP No. 17947

Place: Kolkata

Date: 28.05.2019



## CORPORATE GOVERNANCE REPORT

Given below are the Corporate Governance policies of the Company. As can be seen the Company's corporate governance practices and disclosures have been complied well with in accordance to the provisions of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements, Regulations, 2015). Corporate Governance is a set of standards which aims to improve the Company's image, efficiency and effectiveness. It is the road map, which guides and directs the Board of Directors of the Company to govern the affairs of the Company in a manner most beneficial to all the Shareholders, the Creditors, the Government and the Society at large.

This Corporate Governance Report relating to the year ended March 31<sup>st</sup>, 2019 has been issued in compliance with the Regulation 34(3) read along with Clause C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and forms a part of the Report of the Directors to the Members of the Company and the same is given below.

### 1. OUR COMPANY'S PHILOSOPHY ON CODE OF CONDUCT:

The Company recognises its role as a corporate citizen and endeavours to adopt the best practices and highest standards of Corporate Governance through transparency in business ethics, accountability to its customers, government and others. The Company's activities are carried out in accordance with good practices and the Company is constantly striving to better them and adopt the best practices.

#### OUR MISSION:

- to provide a healthy working environment for our employees where they are properly recognised and rewarded.
- to continuously evaluate the working and performance of the employees so as to polish their skills and improve the working standards.

## 2. BOARD OF DIRECTORS

### 2.1 Composition and Category of Directors

In order to maintain its principle of fairness and adequate transparency in the day to day functioning of the business, the Company has adopted for an optimum mix of executive and non-executive Directors on its Board.

The Board of Directors as on March 31<sup>st</sup>, 2019 consists of five Directors of which there are 4 Non-Executive Directors and one Managing Director as follows:

| Name of the Director  | Category               | Particulars   |
|-----------------------|------------------------|---|
| Mr. Tarak Nath Dey    | Managing Director      | Appointed for a period of 5 years with effect from 3 <sup>rd</sup> March, 2010 and was reappointed again for a period of 5 years. |
| Mr. Champa Lal Pareek | Non-Executive Director | Appointed as an Independent Director with effect from 2 <sup>nd</sup> January 1997.   |

|                      |                                   |  |
|----------------------|-----------------------------------|--|
| Mr. Chand Ratan Modi | Promoter & Non-Executive Director | He is the promoter director of the Company with effect from 22 <sup>nd</sup> August, 1999. |
| Mr. Avi Lunia        | Non-Executive Director            | Appointed as an Independent Director with effect from 6 <sup>th</sup> February, 2018.      |
| Mrs. Chanchal Rungta | Non-Executive Director            | Appointed as a Non-Independent Director with effect from 13 <sup>th</sup> August, 2016.    |

## 2.2 Key Managerial Personnel

Ms. Tripty Modi was appointed as the Chief Financial Officer of the Company on 26<sup>th</sup> August, 2016. She is required to directly report to the Board of Directors and also sits on the Board. She does not hold any shares of the Company.

Mr. Naveen Shankar Jain was appointed as the Company Secretary and Compliance Officer of the Company with effect from 5<sup>th</sup> March, 2019. Ms. Vijaylakshmi Rathi preceded the position of the Company Secretary and resigned from the Board on 28<sup>th</sup> February, 2019.

## 2.3 Board Meetings, Annual General Meetings and Attendance

During the financial year ended 31<sup>st</sup> March, 2019, the Board met 8 times on 10<sup>th</sup> April, 2018, 29<sup>th</sup> May, 2018, 2<sup>nd</sup> August, 2018, 5<sup>th</sup> September, 2018, 29<sup>th</sup> September, 2018, 12<sup>th</sup> November 2018, 31<sup>st</sup> January, 2019 and 5<sup>th</sup> March, 2019. The Annual General Meeting was held on 22<sup>nd</sup> August, 2018.

The attendance of the Directors on these dates is provided in the table below:

| NAMES OF THE DIRECTOR | NO. OF BOARD MEETINGS |          | ATTENDANCE AT AGM |
|-----------------------|-----------------------|----------|-------------------|
|                       | HELD                  | ATTENDED |                   |
| CHAND RATAN MODI      | 8                     | 8        | YES               |
| TARAK NATH DEY        | 8                     | 8        | YES               |
| CHAMPA LAL PAREEK     | 8                     | 8        | YES               |
| AVI LUNIA*            | 8                     | 8        | NO → 11/12/18     |
| CHANCHAL RUNGTA       | 8                     | 8        | YES               |

Mr. Champa Lal Pareek, the Chairman to the Audit Committee was also present during the Annual General Meeting held on 22<sup>nd</sup> August, 2018. The Chief Financial Officer, Ms. Tripty Modi, who is a permanent invitee to the Board of Directors meeting, also attended all the Board meetings. It was decided that Mrs. Chanchal Rungta shall resign by rotation and will be eligible for re-appointment.

## 2.4 Directorships and Committee membership

None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees as specified in Regulation 26 of SEBI (Listing

Obligations and Disclosure Requirements) Regulations, 2015 across all Companies in India of which they are a Director.

## 2.5 **Board Committees**

The Board of Directors have constituted the following committees:

- a) Audit Committee
- b) Nomination and Remuneration Committee
- c) Stakeholder Relationship Committee

The responsibility of the Risk Management and adherence to risk management plan, procedures and any risk related matters are delegated to the Audit Committee only. Hence there is no separate risk management committee.

## 3. **AUDIT COMMITTEE**

### 3.1 **Composition:**

The Audit committee comprises of 3 directors. The committee functions under the Chairmanship of Mr. Champa Lal Pareek, a Non-Executive Independent Director. The other members of the Committee are Mr. Chand Ratan Modi and Mr. Avi Lunia. The Managing Director and the Chief Financial Officer are permanent invitees to the meeting.

The details of the related party transactions are placed before the Audit committee periodically. Any recommendations (if any) placed by the Committee are considered and adopted by the Board. All persons have direct access to the Chairman for sharing their grievances. The Audit Committee also has the responsibility to assess risks and find corrective measures to mitigate the same. The Minutes of the Audit Committee are circulated to all Directors and are discussed at the Board Meetings.

The committee met 4 times during the year on 29<sup>th</sup> May, 2018, 2<sup>nd</sup> August, 2018, 2<sup>nd</sup> November, 2018 and 31<sup>st</sup> January, 2019.

### 3.2 **Terms of Reference:**

The Terms of Reference of the Audit Committee covers all areas mention under Section 177 of the Companies Act, 2013 and Regulation 18 read with Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board has also included in terms of reference of the Audit Committee the monitoring, implementing and review of risk management plan as required under Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and therefore a separate Risk Management Committee hasn't been formed. The broad terms of reference of Audit Committee includes review of financial reporting process and all financial results, statements, disclosures and recommend the same to the Board, review the internal audit reports and discuss the same with the internal auditors, review internal control systems and procedures, evaluation of internal financial controls and risk management systems and their effectiveness, to meet the statutory auditors and discuss their findings, their scope of audit, post audit discussion, auditor's independence, adequacy of internal audit functions, audit qualifications, if any, appointment/ removal and remuneration of auditors, changes in accounting policies and practices, reviewing approval and disclosure of all related party transactions, reviewing with the management the performance of the statutory and internal auditors and their remuneration, compliance

**INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members  
Himalaya Wood Products Limited  
P.O. Nagarpur, Min.  
Nagaland-786022

- V. We have examined and reviewed the compliance of the conditions of Corporate Governance by M/s Himalaya Wood Products Limited (hereinafter referred to as "the Company") for the period ended 31st March, 2019 as stipulated in the Listing Agreement of the said Company with Stock Exchanges) and SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 to the extent applicable.
6. The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
7. In our opinion and to 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.
10. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Mankani & Associates  
Practicing Company Secretaries



Place: Kolkata  
Date: 28.05.2019

Membership No. 34744  
CP No. 17947

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
*(Pursuant to Regulation 34(1) and Schedule V Part C Annex I (iii) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,  
**The Members of**  
**Hotahoti Wood Products Limited**  
P.O. Naginimora, Mon, Nagaland- 798622

I have examined the company's notices, certificates, returns and disclosures received from the Directors of Hotahoti Wood Products Limited having CIN L2021 (N) 0864011005149 and having registered office at P.O. Naginimora, Mon, Nagaland- 798622 (hereinafter referred to as "the Company"), produced before me as the Company for the purpose of issuing this Certificate in accordance with Regulation 34(1) read with Schedule V Part C, Sub-Clause (iii) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Director Identification Number (DIN) status at the portal [www.sebi.gov.in](http://www.sebi.gov.in)) as considered necessary, no explanation furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company, as stated below for the Financial Year ending on 31<sup>st</sup> March, 2019, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

| Sr. No. | Name of Director     | DIN      | Date of appointment |
|---------|----------------------|----------|---------------------|
| 1.      | Uday Nishi Deb       | 00143306 | 03.03.2019          |
| 2.      | Chiranjit K. Pooja   | 00034818 | 03.03.2019          |
| 3.      | Chitra Ranjit Meitei | 00343903 | 02.06.2009          |
| 4.      | Chanchal Kumar       | 00000000 | 03.03.2019          |
| 5.      | Arjit Deb            | 00000000 | 03.03.2019          |

I hereby certify that the company has complied with the provisions of Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the company has complied with the provisions of Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Place: Kolkata  
Date: 28.05.2019

For Mankani & Associates  
Practicing Company Secretaries

  
 Mankani & Associates  
 Chartered Accountants  
 CP No. 17947  
 Kolkata  
 Membership No. 34744  
 CP No. 17947

**INDEPENDENT AUDITORS' REPORT**

To

The Members of **HOTAHOTI WOOD PRODUCTS LIMITED**

**Report on the audit of the financial Statements**

**Opinion**

We have audited the accompanying financial statements of **HOTAHOTI WOOD PRODUCTS LIMITED** ("the Company"), which comprise the balance sheet as at March 31, 2019, Statement of Profit and Loss and statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the **Companies Act, 2013** ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its profit for the year ended on that date.

**Basis for opinion**

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

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

**Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**Information other than the financial statements and auditors' report thereon**

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any





In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's responsibility for the financial statements**

The Company's board of directors are responsible for the matters stated in section 134 of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The board of directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates



Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on other legal and regulatory requirements.**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure "A"**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (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 aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the **Companies (Accounts) Rules, 2014**;
  - (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the



With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;

- a. The Company does not have any pending litigations which would impact its financial position;
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

**For Rahul Bansal & Associates**

Chartered Accountants

Firm Registration No. 327098E

*R. Bansal*



**CA Rahul Bansal**

Partner

Membership No. 068619

Place : Kolkata

Dated: 28th May 2019

## Annexure "A" to the Independent Auditor's Report\*

(Referred to in paragraph 1 under 'Report on other legal and regulatory requirements' section of our report to the members of **HOTAHOTI WOOD PRODUCTS LIMITED** of even date)

1. The Company has not possessed any Fixed Assets and therefore the question of maintaining relevant records, their physical verification or revaluation does not arise.
2. The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. According to the information and explanations given to us and as examined by us, no material discrepancies were noticed on such verification.
3. According to information and explanation given to us, the company has not granted any loan, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register required under section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the order is not applicable.
4. In our opinion and according to information and explanation given to us, the company has not granted any loans or provided any guarantees or given any security or made any investments to which the provision of section 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3 (iv) of the order is not applicable.
5. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits and accordingly paragraph 3 (v) of the order is not applicable.
6. The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the activities of the company and accordingly paragraph 3 (vi) of the order is not applicable.
7. In respect of statutory dues:
  - (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been generally regularly deposited during the year by the company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.
  - (b) According to the information and explanations given to us and the records of the company examined by us, there are no dues of income-tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute.
8. In our opinion and according to the information and explanations given to us, the company has no outstanding dues to any financial institutions or banks or any government or any debenture holders during the year. Accordingly, paragraph 3 (viii) of the order is not applicable.
9. The Company has not raised any money by way of initial public offer or further



public offer (including debt instruments) and has not taken any term loans during the year. Accordingly, paragraph 3 (ix) of the order is not applicable.

10. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
11. According to the information and explanations given to us and based on our examination of the records of the company, we report that the Company has not paid managerial remuneration to any of its managerial persons and therefor it is not required to comply with the provision of section 197 of the Companies Act, 2013.
12. The Company is not a Nidhi Company and accordingly, paragraph 3 (xii) of the order is not applicable to the Company.
13. According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the order is not applicable.
15. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the order is not applicable.
16. According to the information and explanations given to us and based on our examination of the records of the company, the company is not required to be registered under section 45-1A of the Reserve Bank of India Act 1934.

**For Rahul Bansal & Associates**

Chartered Accountants

Firm Registration No. 327098E

*R. Bansal*

**CA Rahul Bansal**

Partner

Membership No. 068819

Place : Kolkata

Dated: 28th May 2019





**HOTAHOTI WOOD PRODUCTS LIMITED**  
**BALANCE SHEET AS AT 31ST MARCH, 2019**

| Sl. No. | Particulars                           | Note No. | As at 31st March, 2019 | As at 31st March, 2018 |
|---------|---------------------------------------|----------|------------------------|------------------------|
| I.      | <b>EQUITY AND LIABILITIES</b>         |          |                        |                        |
| (1)     | <u>Shareholder's Funds</u>            |          |                        |                        |
|         | (a) Share Capital                     | 2.7      | 199,999,600            | 199,999,600            |
|         | (b) Reserves and Surplus              | 2.8      | (9,556,593)            | (646,938)              |
| (2)     | <u>Non - Current Liabilities</u>      |          |                        |                        |
|         | (a) Long Term Borrowings              | 2.9      | 116,004,336            | 139,075,037            |
|         | (b) Long Term Provisions              | 2.10     | 1,989,132              | 2,001,455              |
| (3)     | <u>Current Liabilities</u>            |          |                        |                        |
|         | (a) Trade Payables                    | 2.11     | 1,382,407              | 330,691                |
|         | (b) Other Current Liabilities         | 2.12     | 21,956,448             | 44,892,876             |
|         | (c) Short-Term Provisions             | 2.13     | 450,000                | 450,000                |
|         | <b>Total Equity &amp; Liabilities</b> |          | <b>332,225,330</b>     | <b>386,102,721</b>     |
| II.     | <b>ASSETS</b>                         |          |                        |                        |
| (1)     | <u>Non-Current Assets</u>             |          |                        |                        |
|         | (a) Non-Current Investments           | 2.14     | 50,672,942             | 51,422,942             |
|         | (b) Long Term Loans and Advances      | 2.15     | 122,282,883            | 143,272,841            |
| (2)     | <u>Current Assets</u>                 |          |                        |                        |
|         | (a) Inventories                       | 2.16     | 155,949,943            | 188,162,343            |
|         | (b) Cash and Bank Balances            | 2.17     | 124,943                | 441,295                |
|         | (c) Short - Term Loans and Advances   | 2.18     | 3,194,619              | 2,803,300              |
|         | <b>Total Assets</b>                   |          | <b>332,225,330</b>     | <b>386,102,721</b>     |

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**  
(Partner)  
Membership No. 068619  
FRM Regn No. 327098E

Dated :28th Day of May 2019  
Place: Kolkata

For and on behalf of the Board of Directors

*T.N. Dey*  
Tarak Nath Dey  
Managing Director  
00343396

*Chand Ratan Modi*  
Chand Ratan Modi  
Director  
00343685



*Naveen Shankar Jain*  
Naveen Shankar Jain  
(Company Secretary)

*Tripty Modi*  
Tripty Modi  
(CFO)



# HOTAHOTI WOOD PRODUCTS LIMITED

## PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2019

| Sl. No. | Particulars   | Note No. | For the year ended 31st March, 2019 | For the year ended 31st March, 2018 |
|---------|---|----------|-------------------------------------|-------------------------------------|
| (1)     | Revenue from operations   | 2.19     | 105,581,020                         | 121,232,882                         |
| (2)     | Total Revenue   |          | 105,581,020                         | 121,232,882                         |
| (3)     | <u>Expenses:</u>  |          |                                     |                                     |
|         | Purchases of Stock in Trade   |          | 77,232,331                          | 138,047,538                         |
|         | Changes in inventories of finished goods, work-in-progress and Stock-in-Trade | 2.20     | 32,212,400                          | (30,132,275)                        |
|         | Employee Benefit Expense  | 2.21     | 350,000                             | 540,000                             |
|         | Finance Cost  | 2.22     | 4,413,469                           | 10,558,069                          |
|         | Other Expenses  | 2.23     | 294,798                             | 372,215                             |
|         | Provisions  | 2.24     | (12,323)                            | 112,663                             |
|         | Total Expenses  |          | 114,490,675                         | 119,498,211                         |
| (4)     | Profit before exceptional and extraordinary items and tax (2-3)               |          | (8,909,655)                         | 1,734,671                           |
| (5)     | Exceptional Items   |          | -                                   | -                                   |
| (6)     | Profit before extraordinary items and tax (4 - 5)                             |          | (8,909,655)                         | 1,734,671                           |
| (7)     | Extraordinary Items   |          | -                                   | -                                   |
| (8)     | Profit before tax (6 - 7)   |          | (8,909,655)                         | 1,734,671                           |
| (9)     | <u>Tax expense:</u>   |          |                                     |                                     |
|         | (1) Current tax   |          | -                                   | 450,000                             |
| (10)    | Profit from operations (8 - 9)  |          | (8,909,655)                         | 1,284,671                           |
| (11)    | Earning per equity share:   |          |                                     |                                     |
|         | (1) Basic   |          | (0.45)                              | 0.06                                |
|         | (2) Diluted   |          | (0.45)                              | 0.06                                |

Significant accounting Policies and Notes on Accounts.

1 & 2

As per our report of even date

For and on behalf of the Board of Directors

**For Rahul Bansal & Associates**

Chartered Accountants

*R. Bansal*

**Rahul Bansal**

(Partner)

Membership No. 068619

FRM Regn No. 327098E

Dated :28th Day of May 2019

Place: Kolkata



*T. N. Dey*

Tarak Nath Dey  
Managing Director  
00343396

*Chand Ratan Modi*

Chand Ratan Modi  
Director  
00343685

*Naveen Shankar Jain*

Naveen Shankar Jain  
(Company Secretary)

*Tripty Modi*

Tripty Modi  
(CFO)

## HOTAHOTI WOOD PRODUCTS LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED AS ON 31ST MARCH 2019

| Particulars   | For the year ended<br>31st March, 2019 |                    | For the year ended<br>31st March, 2018 |                    |
|---|--|--------------------|--|--------------------|
|   | Rs.                                    | Rs.                | Rs.                                    | Rs.                |
| <b>A. Cash flow from operating activities</b>                         |  |                    |  |                    |
| Net Profit / (Loss) before extraordinary items and tax                |  | (8,909,655)        |  | 1,734,671          |
| <u>Adjustments for:</u>   |  |                    |  |                    |
| Provision Against Standard Assets                                     |  | (12,323)           |  | 112,663            |
| Operating profit / (loss) before working capital changes              |  | (8,921,978)        |  | 1,847,334          |
| <u>Changes in working capital:</u>                                    |  |                    |  |                    |
| Adjustments for (increase) / decrease in operating assets:            |  |                    |  |                    |
| Inventories   | 32,212,400                             |                    | (30,132,275)                           |                    |
| Trade Receivables   | -                                      |                    | -                                      |                    |
| Short-term Loans and Advances   | (391,319)                              |                    | (1,878,823)                            |                    |
| Adjustments for increase / (decrease) in operating liabilities:       |  |                    |  |                    |
| Trade payables  | 1,051,716                              |                    | (39,974)                               |                    |
| Other current liabilities   | (22,936,428)                           |                    | 29,653,517                             |                    |
| Provisions  | 450,000                                | 10,386,369         | 450,000                                | (1,947,555)        |
| <b>Cash from Operating activities</b>                                 |  | <b>1,464,391</b>   |  | <b>(100,221)</b>   |
| Income Tax  | 450,000                                |                    | 450,000                                |                    |
| Taxation for earlier years  | -                                      | 450,000            | -                                      | 450,000            |
| <b>Net Cash from/(used in) operating activities</b>                   |  | <b>1,014,391</b>   |  | <b>(550,221)</b>   |
| <b>Cash Flow from Investment activities</b>                           |  |                    |  |                    |
| (Purchase)/Sale of Investment   |  | 750,000            |  | (750,000)          |
| <b>Net Cash (used in) Investing activities</b>                        |  | <b>750,000</b>     |  | <b>(750,000)</b>   |
| <b>Net Cash from financing activities</b>                             |  |                    |  |                    |
| (Increase)/decrease in Long Term Loans & Advances given               |  | 20,989,958         |  | (32,189,421)       |
| Proceeds from long-term borrowings                                    |  | (23,070,701)       |  | 28,777,231         |
| <b>Net Cash (used in) financing activities</b>                        |  | <b>(2,080,743)</b> |  | <b>(3,412,190)</b> |
| <b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b> |  | <b>(316,353)</b>   |  | <b>(4,712,410)</b> |
| Cash and cash equivalents at the beginning of the year                |  | 441,295            |  | 5,153,706          |
| <b>Cash and cash equivalents at the end of the year</b>               |  | <b>124,943</b>     |  | <b>441,295</b>     |

As per our report of even date  
For Rahul Bansal & Associates  
Chartered Accountants

R. Bansal

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

Dated: 28th Day of May 2019  
Place: Kolkata



For and on behalf of the Board of Directors

T. N. Dey Chand Ratan Modi  
Managing Director Director  
00343396 00343685

Naveen Shankar Jain  
(Company Secretary)

Tripti Modi  
(CFO)

**1 SIGNIFICANT ACCOUNTING POLICIES****1.1 Basis of preparation of financial statements**

a) The Accounts have been prepared under the historical cost convention on an Accrual basis and in accordance with the Accounting Standards notified under the relevant provisions of the Companies act, 2013 and are consistent with generally accepted accounting principles and conform to the statutory provisions and practices prevailing in the industry. All the figures have been rounded off to nearest rupees.

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
- b) Quoted shares : At cost or market value whichever is lower
- c) Fats: At cost

**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.

**1.5 Estimates**

The preparation of financial statements requires use of estimates and assumptions to be made that affect the reported amounts of assets, liabilities and disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenue and expenses during the period. Difference between actual amount and estimates are recognised in the period in which the results are known / materialized.

**1.6 Taxes On Income**

Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961.

**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 The Provision Against Non Performing Assets have been made as per prudential norms of RBI.

2.4 In terms of Notification No. RBI/2014-2015/299 DNBR(PD) C.C.No.002/03 10.001/2014-15 issued by the Department of Non-Banking Supervision, the Company has made a provision on Standard Assets at 0.40% of the amount outstanding as at the end of the financial year.

**2.5 Purchases of Stock in trade**

| Particulars            | Units | Quantity  | Value (Rs.)   |
|------------------------|-------|-----------|---------------|
| Quoted Equity Shares   | No.   | 362,000   | 77,232,331    |
|                        |       | (533,112) | (138,646,582) |
| Unquoted Equity Shares | No.   | -         | -             |
|                        |       | (100)     | (955)         |

Note: Figures in bracket relates to the previous year



## 2.6 List of Related Parties and Relationship

**Name of the Related Party**

Tripty Mod

North Eastern Publishing &amp; Adv Co Ltd

Purbanchal Prestressed Ltd

Kamini Finance &amp; Inv. Co Ltd

Gulmohur Trading Pvt Ltd

Chemo Traders Pvt Ltd

Maa Kamini Finance Pvt Ltd

Visish Chay Vyapar Ltd

Citystar Infrastructures Ltd

Citystar Foods Pvt Ltd

Citystar Agro Industries Pvt Ltd

Ganguly Citystar Enterprises LLP

Citystar Ganguly Projects LLP

**Relationship**

KMP

ENTERPRISES WITH COMMON  
DIRECTORSHIP

INTEREST OF RELATIVES

DIRECTOR'S INTEREST IN LLP

| Name of the Related Party             | Nature of Transaction              | During the year 2018-19 | During the year 2017-18 |
|---------------------------------------|------------------------------------|-------------------------|-------------------------|
| Gulmohur Trading Pvt Ltd              | Creditor for Sundry Expenses       | 6,000                   | -                       |
| Tripty Mod                            | Remuneration                       | 300,000                 | 540,000                 |
| North Eastern Publishing & Adv Co Ltd | Rent                               | 8,928                   | 8,928                   |
| Citystar Infrastructures Ltd          | Loan Taken (with interest thereon) | (18,765,000)            | 33,415,585              |
| Citystar Infrastructures Ltd          | Purchase/Sale of Investment        | 35,569,000              | 35,569,000              |

| Name of the Related Party        | Nature of Balance | As at 31st March, 2019 | As at 31st March, 2018 |
|----------------------------------|-------------------|------------------------|------------------------|
| Tripty Mod                       | Amount Payable    | 672,280                | 1,025,000              |
| Citystar Infrastructures Ltd     | Amount Payable    | 77,566,758             | 94,331,758             |
| Citystar Foods Pvt Ltd           | Amount Receivable | 13,607,907             | 13,607,907             |
| Citystar Agro Industries Pvt Ltd | Amount Receivable | 40,000                 | 40,000                 |




**HOTAHOTI WOOD PRODUCTS LIMITED**  
Notes forming part of the financial statements as at 31st March, 2019

**Note : 2.7 Share Capital**

| Sl. No. | Particulars  | As at<br>31st March, 2019 | As at<br>31st March, 2018 |
|---------|--|---------------------------|---------------------------|
| 1       | <u>Authorized Capital</u><br>20010000 Equity Shares of Rs. 10/- each                       | 200,100,000               | 200,100,000               |
|         |  | 200,100,000               | 200,100,000               |
| 2       | <u>Issued, Subscribed &amp; Paid Up Capital</u><br>19999960 Equity Shares of Rs. 10/- each | 199,999,600               | 199,999,600               |
|         | <b>Total</b>   | <b>199,999,600</b>        | <b>199,999,600</b>        |

**Reconciliation of the number of shares outstanding**

| Sl. No. | Particulars                            | As at<br>31st March, 2019 | As at<br>31st March, 2018 |
|---------|--|---------------------------|---------------------------|
| 1       | Number of shares at the beginning      | 19,999,960                | 19,999,960                |
|         | Add: Shares issued during the year     | -                         | -                         |
|         | <b>Number of shares at the closing</b> | <b>19,999,960</b>         | <b>19,999,960</b>         |

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

| Sl. No. | Particulars            | As at<br>31st March, 2019 |              | As at<br>31st March, 2018 |              |
|---------|------------------------|---------------------------|--------------|---------------------------|--------------|
|         |                        | Total No.<br>Of shares    | Holding (%)  | Total No.<br>Of shares    | Holding (%)  |
| 1       | Maruti Securities Ltd. | 5,850,000                 | 29.25        | 5,850,000                 | 29.25        |
| 2       | Sudhir Jain            | 2,300,000                 | 11.50        | 2,300,000                 | 11.50        |
|         | <b>Total</b>           | <b>8,150,000</b>          | <b>40.75</b> | <b>8,150,000</b>          | <b>40.75</b> |

**Note : 2.8 Reserves & Surplus**

| Sl. No. | Particulars   | As at<br>31st March, 2019 | As at<br>31st March, 2018 |
|---------|---|---------------------------|---------------------------|
| 1       | <u>Reserve u/s 45-IC of the RBI Act, 1934</u><br>As per last Balance Sheet<br>Add: Transferred from Profit & Loss Account                           | 94,200<br>-               | 94,200<br>-               |
|         |   | 94,200                    | 94,200                    |
| 2       | <u>Surplus / (Deficit) in Statement of Profit and Loss</u><br>Profit / (Loss) brought forward from previous year<br>Add: Profit / Loss for the year | (741,138)<br>(8,909,655)  | (2,025,809)<br>1,284,671  |
|         |   | (9,650,793)               | (741,138)                 |
|         | Less: Appropriations<br>Taxation for earlier years<br>Transferred to Reserve u/s 45-IC of the RBI Act, 1934   | -<br>-<br>-               | -<br>-<br>-               |
|         |   | (9,650,793)               | (741,138)                 |
|         | <b>Total</b>  | <b>(9,556,593)</b>        | <b>(546,938)</b>          |

**Note : 2.9 Long Term Borrowings**

| Sl. No. | Particulars  | As at<br>31st March, 2019 | As at<br>31st March, 2018 |
|---------|--------------|---------------------------|---------------------------|
| 1       | Unsecured*   | 116,004,336               | 139,075,037               |
|         | <b>Total</b> | <b>116,004,336</b>        | <b>139,075,037</b>        |

**Rate of Interest and maturity profile of Long Term Borrowings**

| Sr. No. | Rate of Interest | Year<br>2020-2021 |
|---------|------------------|-------------------|
| 1       | 8%               | ₹ 61,821,806      |
| 2       | 9%               | ₹ 550,000         |
| 3       | 12%              | ₹ 40,500,000      |
| 3       | 15%              | ₹ 13,132,530      |



**HOTAHOTI WOOD PRODUCTS LIMITED**  
**Notes forming part of the financial statements as at 31st March, 2019**

**Note : 2.10 Long Term Provisions**

| Sl. No. | Particulars                                   | As at<br>31st March, 2019 | As at<br>31st March, 2018 |
|---------|---|---------------------------|---------------------------|
| 1       | Contingent Provisions Against Standard Assets | 489,132                   | 501,455                   |
| 2       | In respect of Non Performing Assets           | 1,500,000                 | 1,500,000                 |
|         | <b>Total</b>                                  | <b>1,989,132</b>          | <b>2,001,455</b>          |

**Note : 2.11 Trade Payables**

| Sl. No. | Particulars                 | As at<br>31st March, 2019 | As at<br>31st March, 2018 |
|---------|-----------------------------|---------------------------|---------------------------|
| 1       | Trade Payables for Services | 1,382,407                 | 330,691                   |
|         | <b>Total</b>                | <b>1,382,407</b>          | <b>330,691</b>            |

**Note : 2.12 Other Current Liabilities**

| Sl. No. | Particulars                          | As at<br>31st March, 2019 | As at<br>31st March, 2018 |
|---------|--------------------------------------|---------------------------|---------------------------|
| 1       | Interest Accrued & Due on borrowings | 21,515,290                | 20,450,996                |
| 2       | Overdraft( Excess cheque overdrawn)  | -                         | 489,073                   |
| 3       | Others Liabilities                   | 441,158                   | 23,952,807                |
|         | <b>Total</b>                         | <b>21,956,448</b>         | <b>44,892,876</b>         |

**Note : 2.13 Short Term Provisions**

| Sl. No. | Particulars               | As at<br>31st March, 2019 | As at<br>31st March, 2018 |
|---------|---------------------------|---------------------------|---------------------------|
| 1       | Provisions For Income Tax | 450,000                   | 450,000                   |
|         | <b>Total</b>              | <b>450,000</b>            | <b>450,000</b>            |

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**HOTAHOTI WOOD PRODUCTS LIMITED**  
Notes forming part of the financial statements as at 31st March, 2019

Note - 2.14 Non-Current Investments

| Sl. No. | Particulars  | Face Value | As at 31st March, 2019 |           | As at 31st March, 2018 |           |
|---------|--|------------|------------------------|-----------|------------------------|-----------|
|         |  |            | No. of Shares          | Amount    | No. of Shares          | Amount    |
| 1)      | <b>Other Investments</b>                           |            |                        |           |                        |           |
|         | (a) Investment in Property                         |            | -                      | 2,752,510 | -                      | 2,752,510 |
|         | (b) In Equity Instruments (Unquoted/Bully and ill) |            |                        |           |                        |           |
|         | <b>In Others</b>                                   |            |                        |           |                        |           |
|         | Aaryan Barter Pvt Ltd                              | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Aaryan Tie Up Pvt Ltd                              | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Aaryan Tracom Pvt Ltd                              | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Anchor Barter Pvt Ltd                              | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Nandlal Commodities Pvt Ltd                        | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Carson Tie Up Pvt Ltd                              | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Citywings Barter Pvt Ltd                           | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Delta Barter Pvt Ltd                               | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | GreenValley Tie Up Pvt Ltd                         | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Guidance Tradecent Pvt Ltd                         | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Megha Conclave Private Limited                     | 10         | 28,000                 | 280,000   | 28,000                 | 280,000   |
|         | Jarhit Barter Pvt Ltd                              | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Jhilmil Commodities Pvt Ltd                        | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Kanwal Tracom Pvt Ltd                              | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Jograj Vinmay Pvt Ltd                              | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Hilton Tie Up Pvt Ltd                              | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Moondhar Barter Pvt Ltd                            | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Modul Tracom Pvt Ltd                               | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Nissan Barter Pvt Ltd                              | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Nissan Tracom Pvt Ltd                              | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | N.K. Concrete Creation Pvt. Ltd.                   | 10         | 684,724                | 6,847,240 | 684,724                | 6,847,240 |
|         | Parag Commodities Pvt Ltd                          | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Pearl Barter Pvt Ltd                               | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Popstar Tracom Pvt Ltd                             | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Popstar Vinmay Pvt Ltd                             | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Prantik Vinmay Pvt Ltd                             | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Popstar Barter Pvt Ltd                             | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Pushkar Tracom Pvt Ltd                             | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Rajshree Commodities Pvt Ltd                       | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Transways Commodities Pvt Ltd                      | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Transways Dealtrade Pvt Ltd                        | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Rangoli Commodities Pvt Ltd                        | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Vista Commodities Pvt Ltd                          | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Vista Barter Pvt Ltd                               | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Escort Tie Up Pvt Ltd                              | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Escort Tracom Pvt Ltd                              | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Escort Vinmay Pvt Ltd                              | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Kelvin Commodities Pvt Ltd                         | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Kelvin Tie Up Pvt Ltd                              | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Dove Commodities Pvt Ltd                           | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Dove Tie Up Pvt Ltd                                | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Kelvin Tracom Pvt Ltd                              | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Hytone Commodities Pvt Ltd                         | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Hytone Dealtrade Pvt Ltd                           | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Hytone Vinmay Pvt Ltd                              | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Hytone Ventrade Pvt Ltd                            | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Intimate Commodities Pvt Ltd                       | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Intimate Dealtrade Pvt Ltd                         | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Keystar Suppliers Pvt Ltd                          | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Keystar Ventrade Pvt Ltd                           | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Glaze Tie Up Pvt Ltd                               | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Glaze Tracom Pvt Ltd                               | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Neptune Ventrade Pvt Ltd                           | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Rangoli Commodities Pvt Ltd                        | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Transways Traders Pvt Ltd                          | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Transways Vaniya Pvt Ltd                           | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |
|         | Limelight Commodities Pvt Ltd                      | 10         | 1,800                  | 18,000    | 1,800                  | 18,000    |

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**HOTAHOTI WOOD PRODUCTS LIMITED**  
Notes forming part of the financial statements as at 31st March, 2018

**Note - 2.14 Non-Current Investments**

| Sl. No. | Particulars                      |    | As at<br>31st March, 2018 | As at<br>31st March, 2018 |
|---------|----------------------------------|----|---------------------------|---------------------------|
|         | Jewelrys Tie Up Pvt Ltd          | 10 | 1,600                     | 16,000                    |
|         | Superior Barter Pvt Ltd          | 10 | 1,600                     | 16,000                    |
|         | Superior Dealtrade Pvt Ltd       | 10 | 1,600                     | 16,000                    |
|         | Superior Vincom Pvt Ltd          | 10 | 1,600                     | 16,000                    |
|         | Theme Barter Pvt Ltd             | 10 | 1,600                     | 16,000                    |
|         | Wizard Vaniya Pvt Ltd            | 10 | 1,600                     | 16,000                    |
|         | Pustkar Dealtrade Pvt Ltd        | 10 | 1,600                     | 16,000                    |
|         | Dhanvathi Tie Up Pvt Ltd         | 10 | 1,600                     | 16,000                    |
|         | Dayanathi Vintrade Pvt Ltd       | 10 | 1,600                     | 16,000                    |
|         | Sukhjit Barter Pvt Ltd           | 10 | 1,600                     | 16,000                    |
|         | Crossway Commtrade Pvt Ltd       | 10 | 1,600                     | 16,000                    |
|         | Aravali Tradecom Pvt Ltd         | 10 | 1,600                     | 16,000                    |
|         | Comfort Commodial Pvt Ltd        | 10 | 1,600                     | 16,000                    |
|         | Fort Tradelinks Pvt Ltd          | 10 | 1,600                     | 16,000                    |
|         | Impression Vaniya Pvt Ltd        | 10 | 1,600                     | 16,000                    |
|         | Purple Vintrade Pvt Ltd          | 10 | 1,600                     | 16,000                    |
|         | Vision Dealtrade Pvt Ltd         | 10 | 1,600                     | 16,000                    |
|         | Bonanza Tradecom Pvt Ltd         | 10 | 1,600                     | 16,000                    |
|         | Crossroad Agencies Pvt Ltd       | 10 | 1,600                     | 16,000                    |
|         | Blue Star Sales Agencies Pvt Ltd | 10 | 1,600                     | 16,000                    |
|         | Gateway Vintrade Pvt Ltd         | 10 | 1,600                     | 16,000                    |
|         | Maria Dealtrade Pvt Ltd          | 10 | 1,600                     | 16,000                    |
|         | Nowedge Commtrade Pvt Ltd        | 10 | 1,600                     | 16,000                    |
|         | Nutech Commodial Pvt Ltd         | 10 | 1,600                     | 16,000                    |
|         | Agriin Commodial Pvt Ltd         | 10 | 1,600                     | 16,000                    |
|         | Cindrella Tradecom Pvt Ltd       | 10 | 1,600                     | 16,000                    |
|         | Dreamlight Barter Pvt Ltd        | 10 | 1,600                     | 16,000                    |
|         | Dreamlight Commtrade Pvt Ltd     | 10 | 1,600                     | 16,000                    |
|         | Everlink Barter Pvt Ltd          | 10 | 1,600                     | 16,000                    |
|         | Everlink Commodial Pvt Ltd       | 10 | 1,600                     | 16,000                    |
|         | Fresh Commtrade Pvt Ltd          | 10 | 1,600                     | 16,000                    |
|         | Fresh Vinmay Pvt Ltd             | 10 | 1,600                     | 16,000                    |
|         | Fresh Vintrade Pvt Ltd           | 10 | 1,600                     | 16,000                    |
|         | Goodview Barter Pvt Ltd          | 10 | 1,600                     | 16,000                    |
|         | Hansaah Tracom Pvt Ltd           | 10 | 1,600                     | 16,000                    |
|         | Indivar Barter Pvt Ltd           | 10 | 1,600                     | 16,000                    |
|         | Sector Vaniya Pvt Ltd            | 10 | 1,600                     | 16,000                    |
|         | Evernew Tradecom Pvt Ltd         | 10 | 1,600                     | 16,000                    |
|         | Gitter Commodial Pvt Ltd         | 10 | 1,600                     | 16,000                    |
|         | Happy Tradecom Pvt Ltd           | 10 | 1,600                     | 16,000                    |
|         | Majority Suppliers Pvt Ltd       | 10 | 1,600                     | 16,000                    |
|         | Seaside Dealcom Pvt Ltd          | 10 | 1,600                     | 16,000                    |
|         | Suryakandhari Sales Pvt Ltd      | 10 | 1,600                     | 16,000                    |
|         | Wizard Vinmay Pvt Ltd            | 10 | 1,600                     | 16,000                    |
|         | Falcon Vintrade Pvt Ltd          | 10 | 1,600                     | 16,000                    |
|         | Glaze Vaniya Pvt Ltd             | 10 | 1,600                     | 16,000                    |
|         | Golden Valley Dealers Pvt Ltd    | 10 | 1,600                     | 16,000                    |
|         | Manna Dealtrade Pvt Ltd          | 10 | 1,600                     | 16,000                    |
|         | Regal Dealtrade Pvt Ltd          | 10 | 1,600                     | 16,000                    |
|         | Rover Commodial Pvt Ltd          | 10 | 1,600                     | 16,000                    |
|         | Sonata Tradelink Pvt Ltd         | 10 | 1,600                     | 16,000                    |
|         | Sunbright Barter Pvt Ltd         | 10 | 1,600                     | 16,000                    |
|         | Bavcon Tradelink Pvt Ltd         | 10 | 1,600                     | 16,000                    |
|         | Dreamland Vincom Pvt Ltd         | 10 | 1,600                     | 16,000                    |
|         | Sukhsagar Tradelink Pvt Ltd      | 10 | 1,600                     | 16,000                    |
|         | Reward Vintrade Pvt Ltd          | 10 | 1,600                     | 16,000                    |
|         | Samapan Distributors Pvt Ltd     | 10 | 1,600                     | 16,000                    |
|         | Superior Commtrade Pvt Ltd       | 10 | 1,600                     | 16,000                    |
|         | Theme Tie Up Pvt Ltd             | 10 | 1,600                     | 16,000                    |
|         | Wise Barter Pvt Ltd              | 10 | 1,600                     | 16,000                    |
|         | Glaze Commodial Pvt Ltd          | 10 | 1,600                     | 16,000                    |
|         | Topaz Vincom Pvt Ltd             | 10 | 1,600                     | 16,000                    |
|         | Advent Dealers Pvt Ltd           | 10 | 1,600                     | 16,000                    |
|         | Agriin Vaniya Pvt Ltd            | 10 | 1,600                     | 16,000                    |
|         | Aankar Barter Pvt Ltd            | 10 | 1,600                     | 16,000                    |
|         | Ambition Dealtrade Pvt Ltd       | 10 | 1,600                     | 16,000                    |
|         | Cindrella Vaniya Pvt Ltd         | 10 | 1,600                     | 16,000                    |
|         | Fairplay Vaniya Pvt Ltd          | 10 | 1,600                     | 16,000                    |
|         | Fourfold Vintrade Pvt Ltd        | 10 | 1,600                     | 16,000                    |
|         | Futura Commodial Pvt Ltd         | 10 | 1,600                     | 16,000                    |
|         | Grace Tradecom Pvt Ltd           | 10 | 1,600                     | 16,000                    |

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**HOTAHOTI WOOD PRODUCTS LIMITED**  
Notes forming part of the financial statements as at 31st March, 2019

Note 2.14 Non-Current Investments

| Sl. No. | Particulars                  |    | As at<br>31st March, 2019 |           | As at<br>31st March, 2018 |           |
|---------|------------------------------|----|---------------------------|-----------|---------------------------|-----------|
|         | Indrolake Vincom Pvt Ltd     | 10 | 1,600                     | 16,000    | 1,600                     | 16,000    |
|         | Liberal Dealtrade Pvt Ltd    | 10 | 1,600                     | 16,000    | 1,600                     | 16,000    |
|         | Cinestella Vincom Pvt Ltd    | 10 | 1,600                     | 16,000    | 1,600                     | 16,000    |
|         | Citizen Vitrade Pvt Ltd      | 10 | 1,600                     | 16,000    | 1,600                     | 16,000    |
|         | Sunman Vaniya Pvt Ltd        | 10 | 1,600                     | 16,000    | 1,600                     | 16,000    |
|         | Touchpoint Traders Pvt Ltd   | 10 | 1,600                     | 16,000    | 1,600                     | 16,000    |
|         | Trend Tie Up Pvt Ltd         | 10 | 1,600                     | 16,000    | 1,600                     | 16,000    |
|         | Wellman Agents Pvt Ltd       | 10 | 1,600                     | 16,000    | 1,600                     | 16,000    |
|         | Zenstar Dealtrade Pvt Ltd    | 10 | 1,600                     | 16,000    | 1,600                     | 16,000    |
|         | Zenstar Tie Up Pvt Ltd       | 10 | 1,600                     | 16,000    | 1,600                     | 16,000    |
|         | Zenstar TradeLink Pvt Ltd    | 10 | 1,600                     | 16,000    | 1,600                     | 16,000    |
|         | Zenstar Vinmay Pvt Ltd       | 10 | 1,600                     | 16,000    | 1,600                     | 16,000    |
|         | Zigma Dealers Pvt Ltd        | 10 | 1,600                     | 16,000    | 1,600                     | 16,000    |
|         | Touchstone Agents Pvt Ltd    | 10 | 1,600                     | 16,000    | 1,600                     | 16,000    |
|         | Fairland Vinmay Pvt Ltd      | 10 | 1,600                     | 16,000    | 1,600                     | 16,000    |
|         | Linkpoint Dealers Pvt Ltd    | 10 | 1,600                     | 16,000    | 1,600                     | 16,000    |
|         | Paradise Commodore Pvt Ltd   | 10 | 1,600                     | 16,000    | 1,600                     | 16,000    |
|         | Prantik Tracom Pvt Ltd       | 10 | 1,600                     | 16,000    | 1,600                     | 16,000    |
|         | Prantik Vaniya Pvt Ltd       | 10 | 1,600                     | 16,000    | 1,600                     | 16,000    |
|         | Premshri Commodities Pvt Ltd | 10 | 1,600                     | 16,000    | 1,600                     | 16,000    |
|         | Primesse Barker Pvt Ltd      | 10 | 1,600                     | 16,000    | 1,600                     | 16,000    |
|         | Quantum Vincom Pvt Ltd       | 10 | 1,600                     | 16,000    | 1,600                     | 16,000    |
|         | Rajnikar Tradecom Pvt Ltd    | 10 | 1,600                     | 16,000    | 1,600                     | 16,000    |
|         | Rocky Agents Pvt Ltd         | 10 | 1,600                     | 16,000    | 1,600                     | 16,000    |
|         | Sapphire Commodore Pvt Ltd   | 10 | 1,600                     | 16,000    | 1,600                     | 16,000    |
|         | Seaview Dealtrade Pvt Ltd    | 10 | 1,600                     | 16,000    | 1,600                     | 16,000    |
|         | Stylish Dealtrade Pvt Ltd    | 10 | 1,600                     | 16,000    | 1,600                     | 16,000    |
|         | Zenstar Tracom Pvt Ltd       | 10 | 1,600                     | 16,000    | 1,600                     | 16,000    |
|         | Bela Tracom Pvt Ltd          | 10 | 1,600                     | 16,000    | 1,600                     | 16,000    |
|         | Fort Commodities Pvt Ltd     | 10 | 1,600                     | 16,000    | 1,600                     | 16,000    |
|         | Indigo Dealmark Pvt Ltd      | 10 | 1,600                     | 16,000    | 1,600                     | 16,000    |
|         | Indigo Tracom Pvt Ltd        | 10 | 1,600                     | 16,000    | 1,600                     | 16,000    |
|         | Seaside Tracom Pvt Ltd       | 10 | 1,600                     | 16,000    | 1,600                     | 16,000    |
|         | Sukhjit Vitrade Pvt Ltd      | 10 | 1,600                     | 16,000    | 1,600                     | 16,000    |
|         | Manmohan Tracom Pvt Ltd      | 10 | 1,600                     | 16,000    | 1,600                     | 16,000    |
|         | Moondhar Tracom Pvt Ltd      | 10 | 1,600                     | 16,000    | 1,600                     | 16,000    |
|         | Escort Dealmark Pvt Ltd      | 10 | 1,600                     | 16,000    | 1,600                     | 16,000    |
|         | Starmark Commodities Pvt Ltd | 10 | 1,600                     | 16,000    | 1,600                     | 16,000    |
|         | Oliver Agency Pvt Ltd        | 10 | 1,800                     | 18,000    | 1,800                     | 18,000    |
|         | Raghu Barker Pvt Ltd         | 10 | 1,800                     | 18,000    | 1,800                     | 18,000    |
|         | Silverson Tie Up Pvt Ltd     | 10 | 1,800                     | 18,000    | 1,800                     | 18,000    |
|         | bal c/f                      |    | 983,524                   | 9,835,240 | 983,524                   | 9,835,240 |

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**HOTAHOTI WOOD PRODUCTS LIMITED**  
**Notes forming part of the financial statements as at 31st March, 2019**

**Note - 2.14 Non-Current Investments**

| Sl No | Particulars                            | Face Value | As at 31st March, 2019 |                   | As at 31st March, 2018 |                   |
|-------|--|------------|------------------------|-------------------|------------------------|-------------------|
|       |  |            | No. of Shares          | Amount            | No. of Shares          | Amount            |
|       | bal b/f                                |            | 983,524                | 9,835,240         | 983,524                | 9,835,240         |
|       | Silverton Tradecom Pvt Ltd             | 10         | 1,800                  | 18,000            | 1,800                  | 18,000            |
|       | Sunmart Barter Pvt Ltd                 | 10         | 1,800                  | 18,000            | 1,800                  | 18,000            |
|       | Winstler Tracom Pvt Ltd                | 10         | 1,800                  | 18,000            | 1,800                  | 18,000            |
|       | Kakapo Gihoniman Pvt Ltd               | 10         | 1,000                  | 10,000            | 1,000                  | 10,000            |
|       | Gengone Housing Pvt Ltd                | 10         | 1,000                  | 10,000            | 1,000                  | 10,000            |
|       | Castowaris Grike Pvt Ltd               | 10         | 1,000                  | 10,000            | 1,000                  | 10,000            |
|       | Grobsake Nirman Pvt Ltd                | 10         | 1,000                  | 10,000            | 1,000                  | 10,000            |
|       | Siballa Infrastructures Pvt Ltd        | 10         | 1,000                  | 10,000            | 1,000                  | 10,000            |
|       | Tanamou Developers Pvt Ltd             | 10         | 1,000                  | 10,000            | 1,000                  | 10,000            |
|       | Quetral Housing Pvt Ltd                | 10         | 1,500                  | 15,000            | 1,500                  | 15,000            |
|       | Onole Housing Pvt Ltd                  | 10         | 1,500                  | 15,000            | 1,500                  | 15,000            |
|       | Cochid Housing Pvt Ltd                 | 10         | 1,500                  | 15,000            | 1,500                  | 15,000            |
|       | Keshel Infrastructure Pvt Ltd          | 10         | 1,500                  | 15,000            | 1,500                  | 15,000            |
|       | Sandgrouse Land Developers Pvt Ltd     | 10         | 1,500                  | 15,000            | 1,500                  | 15,000            |
|       | Cockoo Nirman Pvt Ltd                  | 10         | 1,500                  | 15,000            | 1,500                  | 15,000            |
|       | Emu Developers Pvt Ltd                 | 10         | 1,500                  | 15,000            | 1,500                  | 15,000            |
|       | Korondor Builders Pvt Ltd              | 10         | 1,500                  | 15,000            | 1,500                  | 15,000            |
|       | Kashphool Abashon Pvt Ltd              | 10         | 1,500                  | 15,000            | 1,500                  | 15,000            |
|       | Salemender Niketan Pvt Ltd             | 10         | 1,500                  | 15,000            | 1,500                  | 15,000            |
|       | Bekelum House Builders Pvt Ltd         | 10         | 1,500                  | 15,000            | 1,500                  | 15,000            |
|       | Buzzard Gihoshova Pvt Ltd              | 10         | 1,500                  | 15,000            | 1,500                  | 15,000            |
|       | Muzetee Realty Pvt Ltd                 | 10         | 1,500                  | 15,000            | 1,500                  | 15,000            |
|       | Tapaculo Gihoniman Pvt Ltd             | 10         | 1,500                  | 15,000            | 1,500                  | 15,000            |
|       | Thornbill Grike Pvt Ltd                | 10         | 1,500                  | 15,000            | 1,500                  | 15,000            |
|       | Manukin Developers Pvt Ltd             | 10         | 1,500                  | 15,000            | 1,500                  | 15,000            |
|       | Keshel Housebuilders Pvt Ltd           | 10         | 1,500                  | 15,000            | 1,500                  | 15,000            |
|       | Pakshing Niketan Pvt Ltd               | 10         | 1,500                  | 15,000            | 1,500                  | 15,000            |
|       | Shuli Kurjootha Pvt Ltd                | 10         | 1,500                  | 15,000            | 1,500                  | 15,000            |
|       | Vireo Housing Pvt Ltd                  | 10         | 1,500                  | 15,000            | 1,500                  | 15,000            |
|       | Grasshopper Nirman Pvt Ltd             | 10         | 1,500                  | 15,000            | 1,500                  | 15,000            |
|       | Grike Housing Pvt Ltd                  | 10         | 1,500                  | 15,000            | 1,500                  | 15,000            |
|       | Canamel Gihootha Pvt Ltd               | 10         | 1,500                  | 15,000            | 1,500                  | 15,000            |
|       | Stork Hi Rise Pvt Ltd                  | 10         | 1,500                  | 15,000            | 1,500                  | 15,000            |
|       | Pardolote Gihoniman Pvt Ltd            | 10         | 1,500                  | 15,000            | 1,500                  | 15,000            |
|       | Calbino Alabika Pvt Ltd                | 10         | 1,500                  | 15,000            | 1,500                  | 15,000            |
|       | Asparagus Gihoniman Pvt Ltd            | 10         | 1,500                  | 15,000            | 1,500                  | 15,000            |
|       | Custard Grike Pvt Ltd                  | 10         | 1,500                  | 15,000            | 1,500                  | 15,000            |
|       | Godhul Kunjalay Pvt Ltd                | 10         | 1,500                  | 15,000            | 1,500                  | 15,000            |
|       | Intouch Trading Pvt Ltd                | 10         | 597,120                | 36,036,192        | 597,120                | 36,036,192        |
|       | Surobhi Sanitary Wares Private Limited | 10         | 37,500                 | 1,500,000         | 37,500                 | 1,500,000         |
|       | Bluesiem Developers Private Limited    | 10         | -                      | -                 | 1,000                  | 250,000           |
|       | Broadbill Realty Private Limited       | 10         | -                      | -                 | 1,000                  | 250,000           |
|       | Flame Lily Builders Private Limited    | 10         | -                      | -                 | 1,000                  | 250,000           |
|       |  |            | 1,673,044              | 47,920,432        | 1,676,044              | 48,670,432        |
|       | <b>Total</b>                           |            | <b>1,673,044</b>       | <b>50,672,942</b> | <b>1,676,044</b>       | <b>51,422,942</b> |

| Sl No | Particulars                               | Book Value | Market Value | Book Value | Market Value |
|-------|---|------------|--------------|------------|--------------|
|       | Aggregate Value of Unquoted Equity Shares | 47,920,432 | -            | 48,670,432 | -            |
|       | Aggregate Value of Quoted Equity Shares   | -          | -            | -          | -            |

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**HOTAHOTI WOOD PRODUCTS LIMITED**  
**Notes forming part of the financial statements as at 31st March, 2019**

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

(Figures in Rs.)

| Sl. No | Particulars            | As at<br>31st March, 2019 | As at<br>31st March, 2018 |
|--------|------------------------|---------------------------|---------------------------|
| (a)    | Other Loans & Advances | 122,262,883               | 143,272,841               |
|        | <b>Total</b>           | <b>122,262,883</b>        | <b>143,272,841</b>        |

**Note : 2.16 Inventories**

(Figures in Rs.)

| Sl. No | Particulars        | As at<br>31st March, 2019 | As at<br>31st March, 2018 |
|--------|--------------------|---------------------------|---------------------------|
| 1      | Stock - in - Trade | 155,949,943               | 188,162,343               |
|        | <b>Total</b>       | <b>155,949,943</b>        | <b>188,162,343</b>        |

**Note : 2.17 Cash & Bank Balances**

(Figures in Rs.)

| Sl. No | Particulars                        | As at<br>31st March, 2019 | As at<br>31st March, 2018 |
|--------|------------------------------------|---------------------------|---------------------------|
|        | <u>Cash &amp; cash Equivalents</u> |                           |                           |
| 1      | Cash-in-Hand                       | 115,907                   | 93,725                    |
| 2      | Cheque in hand                     | -                         | 347,570                   |
| 3      | Balance with Banks                 | 9,036                     | -                         |
|        | <b>Total</b>                       | <b>124,943</b>            | <b>441,295</b>            |

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

(Figures in Rs.)

| Sl. No | Particulars                           | As at<br>31st March, 2019 | As at<br>31st March, 2018 |
|--------|---------------------------------------|---------------------------|---------------------------|
| 1      | <u>Loans &amp; Advances to Others</u> |                           |                           |
| (a)    | Tax Deducted at source                | 1,003,669                 | 1,658,777                 |
| (b)    | Others*                               | 2,190,950                 | 1,144,523                 |
|        | <b>Total</b>                          | <b>3,194,619</b>          | <b>2,803,300</b>          |

\* Includes Interest Receivable and Loans to Others, GST Credit

*[Handwritten Signature]*



**HOTAHOTI WOOD PRODUCTS LIMITED**  
**Notes forming part of the financial statements as at 31st March, 2019**

**Note : 2.19 Revenue from Operations**

| Sl. No. | Particulars                           | For the year ended<br>31st March, 2019 | For the year ended<br>31st March, 2018 |
|---------|---------------------------------------|--|--|
| 1       | Interest                              | 694,632                                | 8,786,644                              |
| 2       | Other Financial Services              |  |  |
|         | Sale of Shares                        | 105,294,741                            | 112,011,693                            |
|         | Dividend                              | 199,000                                | -                                      |
|         | Profit/(Loss) on Speculation of Share | (607,353)                              | (50,152)                               |
|         | Profit/(Loss) on Future Trading       | -                                      | 484,696                                |
|         | <b>Total</b>                          | <b>105,581,020</b>                     | <b>121,232,882</b>                     |

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

| Sl. No. | Particulars   | For the year ended<br>31st March, 2019 | For the year ended<br>31st March, 2018 |
|---------|---------------|--|--|
| 1       | Opening Stock | 188,162,343                            | 158,030,068                            |
| 2       | Closing Stock | 155,949,943                            | 188,162,343                            |
|         | <b>Total</b>  | <b>32,212,400</b>                      | <b>(30,132,275)</b>                    |

**Note : 2.21 Employment Benefit Expenses**

| Sl. No. | Particulars           | For the year ended<br>31st March, 2019 | For the year ended<br>31st March, 2018 |
|---------|-----------------------|--|--|
| 1       | Salaries & Allowances | 350,000                                | 540,000                                |
|         | <b>Total</b>          | <b>350,000</b>                         | <b>540,000</b>                         |

**Note : 2.22 Finance Cost**

| Sl. No. | Particulars  | For the year ended<br>31st March, 2019 | For the year ended<br>31st March, 2018 |
|---------|--------------|--|--|
| 1       | Interest     | 4,413,469                              | 10,558,069                             |
|         | <b>Total</b> | <b>4,413,469</b>                       | <b>10,558,069</b>                      |

**Note : 2.23 Other Expenses**

| Sl. No. | Particulars            | For the year ended<br>31st March, 2019 | For the year ended<br>31st March, 2018 |
|---------|------------------------|--|--|
| 1       | Rent                   | 8,928                                  | 8,928                                  |
| 2       | Professional Fees      | 61,850                                 | 81,900                                 |
| 3       | Listing Fees           | 55,000                                 | 40,250                                 |
| 4       | Custodial Fees         | 45,000                                 | 155,250                                |
| 5       | Miscellaneous Expenses | 124,020                                | 85,887                                 |
|         | <b>Total</b>           | <b>294,798</b>                         | <b>372,215</b>                         |

**Payments to the auditors comprises**

| Sl. No. | Particulars         | For the year ended<br>31st March, 2019 | For the year ended<br>31st March, 2018 |
|---------|---------------------|--|--|
| 1       | For Statutory Audit | 8,500                                  | 8,500                                  |
| 2       | - Internal Audit    | 10,000                                 | 7,500                                  |
| 3       | - Tax Audit         | 4,000                                  | 4,000                                  |
|         | <b>Total</b>        | <b>22,500</b>                          | <b>20,000</b>                          |

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**HOTAHOTI WOOD PRODUCTS LIMITED**  
Notes forming part of the financial statements as at 31st March, 2019

Note : 2.24 Provisions

| Sl. No. | Particulars                        | For the year ended 31st March, 2019 | For the year ended 31st March, 2018 |
|---------|------------------------------------|-------------------------------------|-------------------------------------|
| 1       | Provisions Against Standard Assets | (12.323)                            | 112.663                             |
|         | Total                              | (12.323)                            | 112.663                             |

Note : 2.25 :

Previous year / period figures have been regrouped / reclassified wherever necessary to correspond with the current period classification / disclosure.

As per our report of even date

**For Rahul Bansal & Associates**  
Chartered Accountants

*R. Bansal*

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

Dated : 28th Day of May 2019  
Place: Kolkata

For and on behalf of the Board of Directors

*T. N. Dey*

**Tarak Nath Dey**  
Managing Director  
00343396

*Chand Ratan Modi*

**Chand Ratan Modi**  
Director  
00343685

*Naveen Shankar Jain*

**Naveen Shankar Jain**  
(Company Secretary)

*Tripty Modi*

**Tripty Modi**  
(CFO)

