

# NIDHAN COMMERCIAL CO. LTD.

**30<sup>th</sup>**

**Annual Reports  
&**

**Accounts  
2012**

Registered Office:  
97, Park Street, 5<sup>th</sup> Floor, Kolkata – 700 016

*NIDHAN COMMERCIAL COMPANY LIMITED*

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*Board of Directors* : RATANLAL DUGAR  
SURENDRA KUMAR DUGAR  
SANJAY GANDHI

*Auditors* : M/S S. M. DAGA & CO.  
11 – CLIVE ROW,  
KOLKATA – 700 001.

*Registered Office* : 97, PARK STREET,  
5<sup>TH</sup> FLOOR,  
KOLKATA – 700 016

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# NIDHAN COMMERCIAL COMPANY LIMITED

## NOTICE TO THE MEMBERS

Notice is hereby given that the Thirtieth Annual General Meeting of NIDHAN COMMERCIAL COMPANY LIMITED will be held on Tuesday the 25<sup>th</sup> September, 2012 at 11.00 A. M. at the Registered Office of the Company at 97 - Park Street, 5<sup>th</sup> Floor, Kolkata - 700 016 to transact the following business :

### ORDINARY BUSINESS :

1. To receive and adopt the audited Balance Sheet as at 31<sup>st</sup> March, 2012 and Profit & Loss Account for the year ended that date alongwith the reports of the Directors and Auditors thereon.
2. To appoint Director in place of Sri Sanjay Gandhi, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

### NOTES :

A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself, such proxy need not be a member of the Company. Proxies in order to be effective, must be deposited with the Company not less than 48 hours before the meeting.

### Registered Office :

97, Park Street,  
5<sup>th</sup> Floor,  
Kolkata - 700 016.

Dated : 29th August, 2012

By order of the Board -  
For Nidhan Commercial Co. Ltd.

Sd/- Ratanlal Dugar  
Director



# NIDHAN COMMERCIAL COMPANY LIMITED

## DIRECTORS' REPORT TO THE MEMBERS :

Your Directors have pleasure in presenting the Thirtieth Annual Report together with the Audited Accounts for the year ended 31<sup>st</sup> March, 2012.

## FINANCIAL RESULTS :

	<u>Rs.</u>
Profit for the year before Depreciation and Taxation	1156416
Less Depreciation for the year	101047
	-----
Profit after Depreciation	1055369
Less :Provision for Income Tax	(330000)
Add : Provision for Deferred Tax Liability Written Back	1280
Add : Income Tax for Earlier Years	2592
	-----
Profit after Taxation	729241
Add : Credit balance brought forward from last year	6930135
	-----
Leaving a Credit Balance which your Directors propose to carry forward to next year.	7659376
	=====

## DIVIDEND :

In order to conserve resources ,your Directors do not recommend any dividend for the year ended 31<sup>st</sup> March ,2012 under review.

## DIRECTORS :

Sri Sanjay Gandhi , Director of the Company ,retires by rotation at the forth-coming Annual General Meeting ,but being eligible , offers himself for re-appointment.

## PARTICULARS OF EMPLOYEES :

The Company has no employee in the Category Specified U/S 217 (2 A) of the Companies Act , 1956.

## ADDITIONAL INFORMATION REQUIRED UNDER COMPANIES ( DISCLOSURE PARTICULARS ) IN REPORT OF BOARD OF DIRECTORS RULES - 1988 :

Since your Company is engaged in dealing in Jewellery no energy has been consumed.No amount is spent on technology absorption considering the nature of activities undertaken by your company.

There has been no foreign exchange earning and outgo during the year.

DIRECTORS' RESPONSIBILITY STATEMENT PURSUANT TO SECTION 217 (2AA)  
OF THE COMPANIES ACT , 1956.

The Director hereby Confirm :

- i) That in the Preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures ; have been made from the same.
- ii) That 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 at the end of the financial year and of the profit of the Company for that period;
- iii) That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities ;
- iv) That the directors had prepared the annual accounts on a going concern basis.

SECRETARIAL COMPLIANCE CERTIFICATE :

Pursuant to proviso to sub - section (1) of section 383 (A) of the Companies Act , 1956, the Company has obtained Compliance Certificate from a Secretary in whole time practice. A copy of the said Certificate is attached herewith.

AUDITORS :

M/S S. M. Daga & Co., Chartered Accountants , Auditors of the Company will retire at the forth - coming Annual General Meeting and being eligible offer themselves for Re -Appointment.

Registered Office :

97 - Park Street,  
5<sup>th</sup> Floor ,  
Kolkata - 700 016.

Dated : 29th August , 2012

By order of the Board -  
For Nidhan Commercial Co. Ltd.

Sd/- Ratanlal Dugar  
Director



BABU LAL PATNI  
COMPANY SECRETARY

51, NALINI SETT ROAD  
5TH FLOOR, ROOM NO. 19  
KOLKATA - 700 007  
TEL. NO. : 2259 7715 / 6

**COMPLIANCE CERTIFICATE**

Registration No. of the Company : 21-34794  
Nominal Capital : Rs. 2500000/-

To,  
The Members,  
Nidhan Commercial Company Limited  
97, Park Street, 5th Floor,  
Kolkata - 700 016

I have examined the registers, records, books and papers of **NIDHAN COMMERCIAL COMPANY LIMITED** ( the Company ) as required to be maintained under the Companies Act , 1956 ( the Act ) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31<sup>st</sup> March , 2012 ( financial year ). In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company , its officers and agents, I certify that in respect of the aforesaid financial year.

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made thereunder and all the entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate , with the Registrar of Companies , Regional Director , Central Government , Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder except as otherwise stated.
3. The Company being a public limited company , comments are not required.
4. The Board of Directors duly met SIX times respectively on 04.04.11, 14.05.11, 30.06.11, 27.07.11, 28.10.11 and 27.01.12 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company has not closed its Register of Members during the financial year.
6. The Annual General Meeting for the financial year ended on 31st March , 2011 was held on 26<sup>th</sup> August, 2011 , after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.

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7. No Extra – Ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loans to its directors or persons or firms or Companies referred to under Section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of section 297 of the Act.
10. The Company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the Company has not obtained any approvals from the Board of Directors Members or Central Government.
12. The Company has not issued any duplicate share Certificate during the financial year.
13. i) There was no allotment/transfer/transmission of securities during the financial year.  
ii) The Company has not deposited any amount in separate bank account as no dividend was declared during the financial year.  
iii) The Company was not required to post warrants to any member of the Companies as no dividend was declared during the financial year.  
iv) There is no amount lying in unpaid dividend account, application money due for refund and there are no deposits, debentures etc. as on 31st March, 2012.  
v) The company has duly complied with the requirements of section 217 of the Act.
14. The Board of Directors is duly constituted. There was no appointment of directors , additional directors , alternate directors and directors to fill casual vacancy during the year.
15. The Company has not appointed any Managing Director / Whole time Director / Manager during the year.
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board , Regional Director , Registrar of companies and / or such authorities prescribed under the various provisions of the Act.
18. The Directors have disclosed their interest in the other firms / companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.



19. The Company has not issued any shares , debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. The Company has not issued any preference Shares or Debentures.
22. There were no transactions necessitating the Company to keep in abeyance any rights to dividend , rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited / accepted any deposits including any unsecured loans falling within the preview of section 58A during the financial year.
24. The amount borrowed by the Company during the financial year ending 31<sup>st</sup> March , 2012 is within the limit prescribed under section 293(1) (d) of the Act.
25. The Company has not made any fresh loans and investments, or given guarantees or provided securities to other bodies Corporate during the year ended 31<sup>st</sup> March, 2012.
26. The Company has not altered the provisions of the Memorandum with respect of situation of the Company's registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the financial year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. There was no prosecution initiated against or show cause notices received by the Company, during the financial year for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has not deducted any contribution towards Provident Fund during the financial year.

PLACE : KOLKATA  
DATED : 29.08.2012

Signature : Sd/- Babulal Patni  
Name of the : BABU LAL PATNI  
Company Secretary  
C.P. No. : 1321



**NIDHAN COMMERCIAL COMPANY LIMITED****ANNEXURE 'A'****LIST OF REGISTERS MAINTAINED BY THE COMPANY**

<b><u>S.N.</u></b>	<b><u>PARTICULARS</u></b>	<b><u>UNDER SECTION</u></b>
01	Register of Charges	143
02	Register of Members	150
03	Index of Members	151
04	Directors' Minute Book	193
05	Shareholders' Minute Book	193
06	Register of Contracts (part I)	301
07	Register of Contracts (part II)	301
08	Register of Directors	303
09	Register of Directors Shareholdings	307
10	Register of Investments	372A
11	Register of Allotment.	
12	Register of Transfer.	

**ANNEXURE ' B '**

Forms and Returns as filed by the Company with Registrar of Companies Regional Director , Central Government or other authorities during the financial year ended 31st March, 2012.

<b>S.N.</b>	<b>Form No. / Return</b>	<b>Filed Under Section</b>	<b>For</b>	<b>Date of Filing</b>	<b>Whether filed within prescribed Time YES / NO</b>	<b>If delay in filing whether requisite additional fee paid YES / NO</b>
01	Form No. 23AC (XBRL)	220	Balance Sheet as at 31.03. 2011	24.12.11	YES	N.A.
02	Form No. 20B	159	Annual Return made upto 26.08.11	13.09.11	YES	N.A.
03	Form No. 66	Proviso to Section 383A(1)	Compliance Certificate	13.09.11	YES	N.A.

# **S. M. DAGA & CO.**

**CHARTERED ACCOUNTANTS**

## **AUDITORS' REPORT TO THE MEMBERS**

We have audited the attached Balance Sheet of **NIDHAN COMMERCIAL COMPANY LIMITED** as at 31<sup>st</sup> March, 2012 and also the Statement of Profit & Loss for the year ended on that date annexed thereto and the Cash Flow statement for the year ended on that date. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An Audit includes examining, on a test basis, evidence supporting, the amounts and disclosures in the financial statements. An Audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We report that –

1. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
2. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of these books.
3. The Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report are in agreement with the Books of Account.
4. In our opinion, the Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
5. On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2012 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31<sup>st</sup> March, 2012 from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.
6. In our opinion and to the best of our information and according to the explanations given to us, the said account read with notes appearing therein give the information required by the companies Act, 1956 in the manner so required and give true and fair view:
  - (a) In the case of Balance Sheet, of the state of affairs of the company as at 31<sup>st</sup> March, 2012;
  - (b) In the case of Statement of Profit & Loss, of the Profit of the Company for the year ended on that date.



**S. M. DAGA & CO.**  
**CHARTERED ACCOUNTANTS**

- (c) In the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

As required by the Companies (Auditors' Report) Order, 2003 (As Amended) issued by the Central Government in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 and on the basis of such checks of the books and records as we considered appropriate and according to information and explanations given to us, the matters specified in the said order are given hereunder to the extent to which they are applicable.

- i) a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) These fixed assets have been physically verified by the management and no discrepancies have been noticed between the book records and physical inventories.
- c) Based on our scrutiny of records and information and explanations given to us, we report that there was no substantial sale of fixed assets during the year.
- ii) a) The inventories have been physically verified at reasonable intervals by the management.
- b) In our opinion, procedures of physical verification followed by the management are reasonable in relation to the size of the Company and nature of its business.
- c) On the basis of inventory records, in our opinion, the company has maintained proper records of inventory. The discrepancies noticed on such physical verification as compared to book records, which were not material, have been properly dealt within the books of accounts.
- iii) a) The Company has not granted any loan to companies, firms or other parties listed in the registered maintained under Section 301 of the Companies Act, 1956.
- b) Clause 4(iii) (b) (c) and (d) of the aforesaid orders are not applicable.
- c) The Company has taken unsecured loans from two parties covered in the registered maintained under Section 301 of the Companies Act, 1956. The maximum amount outstanding during the year was Rs.1861576/-.
- d) In our opinion, the rate of interest and other terms and conditions of such loans taken by the company are prima facie not prejudicial to the interest of the company.

# **S. M. DAGA & CO.**

## **CHARTERED ACCOUNTANTS**

- e) In our opinion and according to the information and explanation given to us, the company is regular in payment of principal amount and interest as per stipulation.
  
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control systems.
  
- v)
  - a) Based on the audit procedures applied by us and according to information and explanation given to us we are of the opinion that the transactions that need to be entered in the register maintained under section 301 of the companies Act, 1956 have been so entered.
  
  - b) In our opinion and according to the information and explanation given to us, the transactions made in pursuance of such contract or arrangements have been made at rates which are reasonable having regard to prevailing market rates at relevant time.
  
- vi) The Company has not accepted any deposit from public.
  
- vii) In our opinion, company's present internal audit system is commensurate with its size and nature of its business.
  
- viii)
  - a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues as applicable with the appropriate authorities.
  
  - b) According to the records of the company and information and explanation given to us, there are no dues of sales tax, income tax, service tax, customs tax, wealth tax, excise duty and cess which has not been deposited on account of any dispute.
  
- ix) The Company has no accumulated losses as at 31<sup>st</sup> March, 2012 and it has not incurred any cash losses in the financial year ended on that date and in the immediately preceding financial year.
  
- x) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holder as at the Balance Sheet date.



# **S. M. DAGA & CO.**

## **CHARTERED ACCOUNTANTS**

- x i) In our opinion, the company has not granted any loans & advances on the basis of security by way of pledge of shares, debentures and other securities.
- x ii) The provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the company.
- x iii) As per records of the company and information and explanations given to us, the company is not dealing or trading in shares, securities, and debentures and other investments.
- x iv) The Company has not given any guarantee for the loans taken by others from banks or financial institutions during the year
- x v) The company has not obtained any term loan during the year.
- x vi) On the basis of information received from the management and based on our overall analysis of the Balance Sheet of the Company, funds raised on short term basis have not been used for long term investments.
- x vii) The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- x viii) The company has not issued any debentures and hence then question creating security in respect thereof does not arise
- x ix) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor we have been informed of such case by the management.
- x x) Other items of the aforesaid order are not applicable to the Company for the year under review.

11, CLIVE ROW, KOLKATA - 700 001.

DATED, THE 29TH DAY OF AUGUST 2012.

**For S. M. DAGA & CO.**  
CHARTERED ACCOUNTANTS  
Firm Registration No.303119E

Sd/- M. R. DAGA  
PARTNER  
Membership No. 13625

# *STATEMENT OF ACCOUNTS*



# NIDHAN COMMERCIAL COMPANY LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2012

<u>EQUITY AND LIABILITIES</u>	Note No.	As at 31st March 2012				As at 31st March 2011			
		Rs.	P.	Rs.	P.	Rs.	P.	Rs.	P.
<b>1. <u>SHAREHOLDERS' FUND</u></b>									
(a) Share capital	2.1	2,409,500.00					2,409,500.00		
(b) Reserves and Surplus	2.2	7,659,376.08		10,068,876.08		6,930,134.95		9,339,634.95	
<b>2. <u>NON CURRENT LIABILITIES</u></b>									
Deferred Tax Liabilities	2.3			7,695.00				8,975.00	
<b>3. <u>CURRENT LIABILITIES</u></b>									
(a) Short Term Borrowings	2.4	1,680,123.00				1,499,613.00			
(b) Trade Payables	2.5	1,387,290.73				29,525.00			
(c) Other Current Liabilities	2.6	481,453.00				680,510.00			
(d) Short Term Provisions	2.7	506,000.00		4,054,866.73		706,000.00		2,915,648.00	
<b>Total</b>				<b>14,131,437.81</b>		<b>12,264,257.95</b>			
<b><u>ASSETS</u></b>									
<b>1. <u>NON CURRENT ASSETS</u></b>									
(a) Fixed Assets	2.8	557,489.00				653,544.00			
(b) Long-Term Loans & Advances	2.9	977,945.00		1,535,434.00		1,133,246.00		1,786,790.00	
<b>2. <u>CURRENT ASSETS</u></b>									
(a) Inventories	2.10	12,374,103.76				10,131,949.26			
(b) Trade Receivables	2.11	1,884.00				148,789.00			
(c) Cash and Bank Balances	2.12	181,060.05				154,641.69			
(d) Short Term Loans & Advances	2.13	38,956.00		12,596,003.81		42,088.00		10,477,467.95	
<b>Total</b>				<b>14,131,437.81</b>		<b>12,264,257.95</b>			

Significant Accounting Policies 1

The Notes are an integral Part of Financial Statement

As per our Report Annexed  
**For S. M. Daga & Co.**  
Chartered Accountants  
Firm Registration No. 303119E

11, CLIVE ROW, KOLKATA - 700 001

Sd/-M.R.DAGA  
Partner  
Membership No.- 13625

For Nidhan Commercial Co. Ltd.  
Sd/- RATANLAL DUGAR  
Sd/-SURENDRA KUMAR DUGAR  
DIRECTORS

DATED, THE 29TH DAY OF AUGUST, 2012

**NIDHAN COMMERCIAL COMPANY LIMITED**

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2012**

Particulars	Note No.	For the year ended 31st March 2012		For the year ended 31st March 2011	
		Rs.	P.	Rs.	P.
<b><u>REVENUE</u></b>					
(a) Revenue from operations :	2.14		10,936,177.00		9,664,072.00
(b) Other income	2.15		5,760.00		25,613.00
<b>Total revenue</b>			<u>10,941,937.00</u>		<u>9,689,685.00</u>
<b><u>EXPENSES</u></b>					
(a) Cost of Raw Material consumed	2.16		463,195.27		8,368,140.39
(b) Change in Inventories of Finished Goods	2.17		8,194,465.00		-719,022.00
(c) Employee benefits expense	2.18		217,696.00		165,384.00
(d) Other expenses	2.19		708,549.60		583,977.72
(e) Depreciation			101,047.00		118,370.00
(f) Finance Cost	2.20		201,615.00		202,328.00
<b>Total expenses</b>			<u>9,886,567.87</u>		<u>8,719,178.11</u>
<b>Profit before Tax</b>			1,055,369.13*		970,506.89
<b>Tax expenses</b>					
(a) Current tax		330,000.00		300,000.00	
(b) Deferred Tax		-1,280.00		4,110.00	
(b) Tax adjustments for earlier year		-2,592.00	326,128.00	4,401.00	308,511.00
<b>Profit for the year</b>			<u>729,241.13</u>		<u>661,995.89</u>

Significant Accounting Policies 1

The Notes are an integral part of Financial Statements

\* As per our Report Annexed  
**For S. M. Daga & Co.**  
 Chartered Accountants  
 Firm Registration No. 303119E

11, CLIVE ROW, KOLKATA - 700 001  
 DATED, THE 29TH DAY OF AUGUST, 2012

**Sd/-M.R.DAGA**  
 Partner  
 Membership No.- 13625

For Nidhan Commercial Co. Ltd.  
 Sd/- RATANLAL DUGAR  
 Sd/-SURENDRA KUMAR DUGAR  
 DIRECTORS



# **NIDHAN COMMERCIAL COMPANY LIMITED**

## **NOTES FOR THE YEAR ENDED 31ST MARCH, 2012**

### **1. SIGNIFICANT ACCOUNTING POLICIES:**

#### **i) FIXED ASSETS**

Fixed Assets are stated at cost less depreciation. \*

Depreciation on Fixed Assets has been provided in accordance with rates specified under Income Tax Act, 1961. The aggregate depreciation so provided is not less than the depreciation which would have been provided had the rates specified in Schedule XIV of the Companies Act, 1956 been adopted.

#### **ii) INVENTORIES**

Inventories are stated at lower of cost or net realisable value. Cost of finished goods, gold and gold embedded in jewellery is taken at weighted average cost basis. Cost of other items is taken at actual cost basis.

#### **iii) RECOGNITION OF INCOME & EXPENDITURE**

Item of Income & Expenditure are recognised on accrual basis except Insurance claims which is accounted for on cash basis.

#### **iv) EMPLOYEE BENEFITS**

##### **Short Term Employee Benefit :**

The undiscounted amount of Short Term Employee Benefits expected to be paid in exchange of service rendered by employee is recognised on actual basis in the Statement of Profit & Loss in the year when the employee actually renders the service.

##### **Post Employment Benefit :**

No post employment benefits are payable to any employee.

#### **v) TAXATION**

Current Tax is determined on the basis of the amount of tax payable for the year under Income Tax Act. Deferred tax is calculated at current income tax rates enacted or substantially enacted and is recognised on timing difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period.

#### **vi) IMPAIRMENT OF ASSETS**

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Statement of Profit & Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

#### **vii) PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

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

## NIDHAN COMMERCIAL COMPANY LIMITED

### Note - 2.1

	As at 31st Mar 2012		As at 31st Mar 2011	
	Rs.	P.	Rs.	P.
<b><u>SHARE CAPITAL</u></b>				
<b><u>Authorised</u></b>				
2,50,000 Equity Shares of Rs.10/- each	2,500,000.00		2,500,000.00	
<b><u>Issued, Subscribed and Paid Up</u></b>				
2,40,950 Equity Shares of Rs.10/- each fully paid up in cash	2,409,500.00		2,409,500.00	
	<u>2,409,500.00</u>		<u>2,409,500.00</u>	

a) There has been no change / movements in number of shares outstanding at the beginning and at the end of the reporting period.

b) The Company has only one class of issued shares i.e. Equity Shares having per value of Rs.10/- per share. Each holder of Equity Shares is entitled to one vote per share and equal right for dividend. In the event of Liquidation, the equity shareholders are eligible to receive the remaining assets of the company after payment of all preferential amounts in proportion to their share holding.

c) The company does not have any Holding Company /ultimate Holding Company

d) Details of shareholders holding more than 5% shares in the Company.

<u>Equity Shares of Rs.10/- each fully paid</u>	<u>No. of shares</u>	<u>No. of shares</u>
Ajit Kumar Dugar	27,050	27,050
Ratan Lal Dugar	39,200	39,200
Surendra Kumar Dugar	44,800	44,800
Jabar Mal Dugar	17,000	17,000
Smt. Suman Dugar	46,800	46,800
Mukesh Kumar Dugar	13,000	13,000

e) No Equity Shares have been reserved for issue under options and contracts/commitments for the sale of shares/disinvestment as at the Balance Sheet date.

## NIDHAN COMMERCIAL COMPANY LIMITED

<u>Particulars</u>	<u>As at</u>		<u>As at</u>	
	<u>31st March 2012</u>		<u>31st March 2011</u>	
	Rs.	P.	Rs.	P.
<b><u>Note 2.2- Reserves and Surplus</u></b>				
<b><u>Surplus</u></b>				
Brought forward from last year	6,930,134.95		6,268,139.06	
Add: Profit for the year	729,241.13		661,995.89	
<b>Total</b>	7,659,376.08		6,930,134.95	
<b><u>Note 2.3 - Deferred Tax Liabilities</u></b>				
Arising on account of Depreciation		7,695.00		8,975.00
<b>Total</b>		7,695.00		8,975.00
<b><u>Note 2.4 - Short Term Borrowings</u></b>				
(Unsecured)				
Loan from Directors		1,680,123.00		1,499,613.00
<b>Total</b>		1,680,123.00		1,499,613.00
<b><u>Note 2.5- Trade Payables</u></b>				
For goods & services		1,387,290.73		29,525.00
<b>Total</b>		1,387,290.73		29,525.00
<b><u>Note 2.6. - Other Current Liabilities</u></b>				
Interest accrued and due on borrowings		181,453.00		180,510.00
Advance from Customers		300,000.00		500,000.00
<b>Total</b>		481,453.00		680,510.00
<b><u>Note 2.7- Short Term Provisions</u></b>				
Provision for Income tax		460,000.00		660,000.00
Provision for Fringe Benefit Tax		46,000.00		46,000.00
		506,000.00		706,000.00





## NIDHAN COMMERCIAL COMPANY LIMITED

Particulars	As at		As at	
	31st March 2012		31st March 2011	
	Rs.	P.	Rs.	P.
<b><u>Note 2.9- Long Term Loans &amp; Advances</u></b>				
(Unsecured, considered good)				
Deposit	414,850.00		411,850.00	
Payment of Income Tax	499,230.00		646,553.00	
Payment of FBT	44,237.00		44,237.00	
Prepaid Expenses	19,628.00		30,606.00	
<b>Total</b>	<b>977,945.00</b>		<b>1,133,246.00</b>	
<b><u>Note 2.10 - Inventories</u></b>				
(As taken, valued & certified by Management)				
Raw Materials	12,374,103.76		1,937,484.26	
Finished Goods	---		8,194,465.00	
<b>Total</b>	<b>12,374,103.76</b>		<b>10,131,949.26</b>	
<b><u>Note 2.11- Trade Receivables</u></b>				
(Unsecured, considered good)				
Debts outstanding for a period within six months from due date	1,884.00		148,789.00	
<b>Total</b>	<b>1,884.00</b>		<b>148,789.00</b>	
<b><u>Note 2.12- Cash &amp; Bank Balances</u></b>				
Cash & Cash Equivalents				
Balances with bank in current account	117,677.85		90,234.27	
Cash on hand (As certified by Management)	63,382.20		64,407.42	
<b>Total</b>	<b>181,060.05</b>		<b>154,641.69</b>	
<b><u>Note 2.13- Short Term Loans &amp; Advances</u></b>				
Prepaid Expenses	38,956.00		42,088.00	
<b>Total</b>	<b>38,956.00</b>		<b>42,088.00</b>	
<b><u>Note 2.14- Revenue from Operation</u></b>				
Sale of jewellery	10,936,177.00		9,664,072.00	
<b>Total</b>	<b>10,936,177.00</b>		<b>9,664,072.00</b>	
<b><u>Note 2.15- Other Income</u></b>				
Job work charges(Net)	5,760.00		4,780.00	
Profit on sale of Fixed Deposit	---		20,833.00	
<b>Total</b>	<b>5,760.00</b>		<b>25,613.00</b>	

## NIDHAN COMMERCIAL COMPANY LIMITED

<u>Particulars</u>	<u>For the year ended</u>		<u>For the year ended</u>	
	<u>31st March 2012</u>		<u>31st March 2011</u>	
	Rs.	P.	Rs.	P.
<b><u>Note 2.16. - Cost of Material consumed</u></b>				
Raw Material consumed				
Opening Stock	1,937,484.26		1,554,014.13	
Add : Purchase (Including labour charges)	10,899,814.77		8,751,610.52	
	12,837,299.03		10,305,624.65	
Less : Closing Stock(Including goods received from dismantling of Finished Goods)*	12,374,103.76		1,937,484.26	
<b>Total</b>	463,195.27		8,368,140.39	

\*Details of goods received from dismantling of Finished Goods

Gold 18Kt.	4,736,824.20	---
Cut & polished Diamonds	4,915,394.00	---
Others	31,667.98	---
<b>Total</b>	9,683,886.18	---

Details of Raw Materials consumed (Net of goods received from dismantling as above)\*

Gold 18Kt.	-593,248.00	3,548,147.47
Cut & polished Diamonds	895,621.00	4,587,910.00
Others	160,822.27	232,082.92
<b>Total</b>	463,195.27	8,368,140.39

### **Note 2.17 - Change in Inventories of Finished Goods**

Inventories at the beginning of the year		
Finished Goods	8,194,465.00	7,475,443.00
Inventories at the end of the year		
Finished Goods	---	8,194,465.00
<b>Total</b>	8,194,465.00	-719,022.00

### **Note 2.18 - Employee Benefits Expenses**

Salaries	194,400.00	144,000.00
Staff Welfare Expenses	23,296.00	21,384.00
<b>Total</b>	217,696.00	165,384.00



## NIDHAN COMMERCIAL COMPANY LIMITED

### Note 2.19 - Other Expenses

	For the year ended		For the year ended	
	31st March 2012		31st March 2011	
	Rs.	P.	Rs.	P.
Rent	96,000.00		60,000.00	
Rates & Taxes	6,070.00		6,070.00	
Packing Materials	10,460.00		7,650.50	
Insurance charges	41,379.00		36,098.00	
VAT paid	851.00		1,775.00	
Membership & Subscription	4,964.00		3,861.00	
Motor Car Expenses	79,905.22		83,566.53	
Printing & Stationery	21,741.00		14,386.00	
Travelling Expenses	43,600.00		46,110.00	
Dismantling charges	6,900.00		---	
Assortment charges	14,500.00		---	
Telephone charges	68,919.00		64,425.00	
Listing & Filing Fees	13,081.50		13,081.50	
Bank charges	788.00		663.00	
Advertisement	25,982.00		26,474.00	
General charges	445.73		232.98	
Electricity charges	120,623.65		119,193.32	
Security Service charges	41,846.00		22,261.00	
Books & Periodicals	850.00		68.00	
Computer Expenses	19,108.00		5,382.00	
Conveyance charges	14,705.00		13,927.00	
Legal & Professional charges	12,750.00		8,250.00	
Repairs & Maintenance	29,099.00		29,407.89	
Postage & Telegram charges	1,622.50		1,517.00	
Designing charges	10,500.00		---	
Auditors' Remuneration				
As Audit Fees	10,112.00		9,927.00	
For Tax Audit	2,247.00		2,206.00	
For issue of certificate	3,371.00		4,136.00	
For Taxation matters	6,129.00		3,309.00	
	708,549.60		583,977.72	

### Note - 2.20 - Finance Cost

Interest Expenses		
To Directors	201,615.00	200,567.00
To Bank on Car Loan	---	1,761.00
	201,615.00	202,328.00

## NIDHAN COMMERCIAL COMPANY LIMITED

2.21 As the Company's business activity falls within a single business segment viz. Jewellery, the disclosure requirements of Accounting Standards (AS 17) "Segment Reporting" issued by Central Government are not applicable.

2.22 **Related parties disclosure :**

A) Particulars of Associate Companies.

Welworth Investments Private Ltd.

B) Key Management Personnel :

- i) Ratan Lal Dugar (Director)
- ii) Surendra Kumar Dugar (Director)
- iii) Sanjay Gandhi (Director)

C) Transaction with Associate Companies.

	<u>31.3.2012</u>	<u>31.3.2011</u>
Rent paid	96,000.00	60,000.00
Deposit against office premises	391,000.00	391,000.00
Telephone charges received	1,884.00	4,359.00

D) Transaction with Key Management Personnel :

i) Interest paid	201,615.00	200,567.00
ii) Loan taken during the year	---	250,000.00
iii) Loan repaid during the year	---	350,000.00
iv) Loan amount payable at the end of the year	1,861,576.00	1,680,123.00

2.23 **Earning per share :**

	<u>31.3.2012</u>	<u>31.3.2011</u>
Net Profit after Tax (Rs.)	729,241.13	661,995.89
No. of Equity Shares	240,950	240,950
Earning per Share (Rs.)	3.03	2.75

2.24 Disclosure pertaining to Micro, Small & Medium Enterprises (As per information available with the Company).

<u>Sl.No.</u>	<u>Particulars</u>	<u>Rs.</u>	<u>Rs.</u>
1	Principal amount due outstanding	--	--
2	Interest due on (1) above and unpaid	--	--
3	Interest paid to the supplier	--	--
4	Payments made to the supplier beyond the appointed day during the year.	--	--
5	Interest due and payable for the period of delay.	--	--
6	Interest accrued and remaining unpaid	--	--
7	Amount of further interest remaining due and payable in succeeding year.	--	--

2.25 Previous year's figures have been re - arranged / re - grouped to make them comparable with current year's figures.

As per our Report Annexed

**For S. M. Daga & Co.**

Chartered Accountants

Firm Registration No. 303119E

Sd/-M.R.DAGA

Partner

Membership No.- 13625

11, CLIVE ROW, KOLKATA - 700 001

DATED, THE 29TH DAY OF AUGUST, 2012

For Nidhan Commercial Co. Ltd.

Sd/- RATANLAL DUGAR

Sd/-SURENDRA KUMAR DUGAR

DIRECTORS

# NIDHAN COMMERCIAL COMPANY LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012.

	<u>For The Year Ended 31st March, 2012</u>	<u>For The Year Ended 31st March, 2011</u>
<b>A. <u>CASH FLOW FROM OPERATING ACTIVITIES:</u></b>		
Net Profit before tax and extra ordinary items	1,055,369	970,507
<b><u>Adjustment for :</u></b>		
Depreciation	101,047	118,370
Foreign Exchange	NIL	NIL
Profit / Loss on sale of Fixed Assets	NIL	(20,833)
Profit on sale of Investments	NIL	NIL
Interest & Dividend	NIL	NIL
	1,156,416	1,068,044
<b><u>Adjustment for :</u></b>		
Trade Receivable	146,905	(144,265)
Long Term Loans & Advances	155,301	(251,746)
Short Term Loans & Advances	3,132	19,595
Other Current Liabilities	(199,057)	498,371
Inventories	(2,242,154)	(1,102,492)
Trade Payable	1,357,766	498,374
Cash Generated From Operations	378,309	585,881
Interest Paid	NIL	NIL
Direct Taxes Paid	(527,409)	(572,401)
Cash Flow Before Extra Ordinary Items	(149,100)	13,480
Extra Ordinary Items	NIL	NIL
Net Cash Flow From Operating Activities	(149,100)	13,480
<b>B. <u>CASH FLOW FROM INVESTING ACTIVITIES:</u></b>		
Purchase of Fixed Assets	(4,992)	(18,500)
Sale of Fixed Assets	NIL	46,000
Acquisition of companies	NIL	NIL
Purchase of Investment	NIL	NIL
Sale of Investments	NIL	NIL
Interest Received	NIL	NIL
Dividend	NIL	NIL
Net Cash Flow from Investing Activities	(4,992)	27,500

Contd....



# NIDHAN COMMERCIAL COMPANY LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012(Contd).

	<b>For The Year Ended 31st March, 2012 <u>Rs.</u></b>	<b>For The Year Ended 31st March, 2011 <u>Rs.</u></b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Short Term Borrowings	180,510	NIL
Proceeds from Issue of Share Capital	NIL	NIL
Proceed from Long Term Borrowings	NIL	7,328
Re - Payment of Finance Loan Liabilities	NIL	NIL
Dividend Paid	NIL	NIL
Net Cash used in Financing Activities	<u>180,510</u>	<u>7,328</u>
Net increase in cash and cash equivalents (A+B+C)	26,418	48,308
Cash & Cash Equivalent (Opening Balance)	154,642	106,334
Cash & Cash Equivalent ( Closing Balance )	<u>181,060</u>	<u>154,642</u>

As per our Report Annexed  
**For S. M. Daga & Co.**  
Chartered Accountants  
Firm Registration No. 303119E

**Sd/-M.R.DAGA**  
**Partner**  
**Membership No.- 13625**

**For Nidhan Commercial Co. Ltd.**  
**Sd/- RATANLAL DUGAR**  
**Sd/-SURENDRA KUMAR DUGAR**  
**DIRECTORS**

11, CLIVE ROW, KOLKATA - 700 001

DATED, THE 29TH DAY OF AUGUST, 2012