



ntc industries limited

(AN ISO 9001-2008 COMPANY)

REGD. OFFICE : 149 B. T. ROAD, P.O. KAMARHATI, KOLKATA-700 058, PH : 30190500/501, FAX : 2553 2420

FORM A

(Pursuant to Clause 31(a) of the Listing Agreement)

Format of covering letter of the Annual Report to be filed with the Stock Exchange

1.	Name of the Company	ntc industries limited
2.	Annual financial statements for the year ended	31st March, 2014
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not applicable
5.	To be signed by-	

Nilotpall Deb.

Nilotpall Deb
Managing Director

Prem Chand Khator

Prem Chand Khator
Chief Financial Officer(CFO)

Gaurav Somani

Gaurav Somani
Audit Committee Chairman

Deepak Daga

For S.M. Daga & Co.
Chartered Accountants
Firm registration No. 303119E
Deepak Kumar Daga
Partner
Membership No. 059205

Date: 29th day of May, 2014



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(An ISO 9001-2008 Company)

Annual Report 2013 - 14

Forward Looking Statement

In this annual report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make, may contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Nilotpal Deb

Managing Director

Mr. Ravi Prakash Pincha

Non Executive & Independent Director

Mr. Gaurav Somani

Non Executive & Independent Director

Mr. Dilip Chakraborty

Non Executive & Independent Director

CHIEF FINANCIAL OFFICER

Mr. Prem Chand Khator

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Sunil Kumar Varma

AUDITORS

Statutory Auditors

M/s S. M. Daga & Co.

Chartered Accountants

11 Clive Row, 2nd Floor,

Kolkata -700 001

Internal Auditors

M/s R. Kothari & Co.

16A, Shakespeare Sarani

Kolkata - 700071

BANKERS

Axis Bank

Oriental Bank of Commerce

Corporation Bank

Kotak Mahindra Bank

State Bank of India

REGISTRAR & SHARE TRANSFER AGENT

M/s Niche Technologies

Private Limited

SOLICITORS

Mr. Dipayan Choudhury

Advocates

REGISTERED OFFICE

149 B. T. ROAD, Kamarhati,

Kolkata - 700 058.

Phone : +91-33-3019 0512 / 513 / 506

E-mail : info@ntcind.com

website : www.ntcind.com

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FINANCIAL SECTION

**Manufacturer and
supplier of
cigarettes in India
and overseas.**



ABOUT US

ntc industries Ltd. is one of the oldest manufacturer of cigarettes and tobacco products in India. On September 1931 the company was incorporated as National Tobacco Company of India Ltd. In 1994,

The company has a solid foundation with visionary Leadership from the Board of Members who are supported by experienced and dedicated professionals, the best talents in their respective fields, who have helped to achieve optimum efficiency in cigarettes Manufacturing, Marketing & Export Promotions.

ntc is prominent among cigarettes manufacturer in India with a wide range of brands. ntc has a presence in various segment of market. ntc's popular portfolio of brands include Regent, Cool (First Mentholated Cigarettes), No. 10, National Gold Flake, Fine Cut, Maypole, Jaipur, General etc. ntc is the market leader of "roll-your-own-tobacco" (Prince Henry) in India. The company pioneered the introduction of 84 mm King Size filter cigarettes, mentholated cigarettes in India. The company is working with single minded focus on continuous value creation for customer, through significant R&D in creating quality blends, maintaining consistent quality, state of the art manufacturing technology & wide marketing and distribution.



ntc has a modern PMD for tobacco processing of any blend type- Virginia or American. **ntc's** secondary manufacturing division (Making & Packing) is well equipped with full range of modern machineries to produce quality cigarettes as well as excellent finished packets in conformation to International Standards. **ntc** exports cigarettes to South America, African Countries and Middle East Countries.

ntc is also a contract manufacturer and undertakes orders to deliver products blended and packaged to very exact specification of the customers.

Products of **National Tobacco Company of India Ltd** now known as **ntc industries ltd.**, has won recognition for excellence in quality at various forums including The World Tobacco Products Contest in Brussels, Rotterdam, Amsterdam, Paris and Luxemburg.

ntc, in the past, produced brands like Rothmans King Size, Oxford King, under license from Rothmans of Pall Mall.

DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present the 23rd Annual Report together with the Audited Statement of Account for the financial year ended 31st March 2014.

Performance Highlights

The financial results of the Company during the year are given below:

(₹ In Lacs)

Particulars	Financial Year 2013 - 14	Financial Year 2012 - 13
1.a) Income from operations	2323.17	4476.78
b) Other income	123.36	147.50
2. Expenses	2033.38	4132.89
Profit before interest and depreciation	413.15	491.39
Less: a) Finance Cost	104.53	155.21
b) Depreciation	125.34	109.66
Profit/ (Loss) before Exceptional Items	183.28	226.52
Add: Exceptional Items	-	-
Profit before taxation	183.28	226.52
Less:- Provisions for current tax, deferred tax and tax adjustments for earlier years	58.35	56.19
Profit (Loss) After Tax	124.93	170.33
Add: Balance brought forward from last year	1444.41	1274.08
Less: Amount transferred to Reserves	--	--
Balance carried to the Balance Sheet	1569.34	1444.41

Review of operations

The financial year under review was a challenging year due to sluggish economic scenario resulting into slump in demand. Steep hike in excise duty in the union budget 2013 and increase in the price of raw materials made cigarette consumption more costly which resulted in the volume decline.

During the year under review, leaf tobacco trading business stopped due to low margin & volume and due to this the company's financial performance has been adversely affected both in terms of profitability and revenue. Your company's total turnover declined to ₹ 1982.02 Lacs as compared to ₹ 4,822.30 Lacs in the financial year 2012-13. Your Company's PBT fell at ₹ 183.28 Lacs as compared to ₹ 226.52 Lacs in the financial year 2012-13. Exports sales fell to ₹ 900.84 Lacs from ₹ 1739.37 Lacs and domestic sales fell to ₹ 966.16 Lacs from ₹ 1368.81 Lacs.

Dividend

In order to meet its growing funds requirement, and conserve its resources and to plough back its entire profit into the expansion activities, the directors have decided not to recommend dividend for the financial year 2013-14.

Management Discussion and Analysis

A separate report on Management Discussion and Analysis containing a detailed analysis of the Company's performance as per Clause 49 of the Listing Agreement is annexed hereto.

Corporate Governance

A separate report on Corporate Governance along with the Certificate from the Auditors of the Company for its due compliance is annexed hereto, forming part of this Annual Report. A certificate of the CEO / CFO of the Company in terms of sub-clause (v) of Clause 49 of Listing Agreement, inter alia, confirming the correctness of the financial statement, adequacy of the internal control measures and reporting of the matters to the Audit Committee is also annexed.

Directors

In order to align the term of existing Independent Directors with the provisions of the Companies Act, 2013, the Board of Directors in their meeting held on 29th May, 2014 has proposed the appointment of Mr. Ravi Prakash Pincha, Mr. Dilip Chakraborty and Mr. Gaurav Somani as Independent Directors of the Company for a term upto 31st March, 2019, subject to the approval of the members.

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

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of your Company, Mr. Dilip Chakraborty, Director of the Company, is due to retire by rotation at the ensuing Annual General Meeting, and being eligible, offer himself for re-appointment.

The Board of Directors have appointed Mr. Nilotpall Deb as the Managing Director of the Company w.e.f 14.02.2014 for a period of 1(One) year subject to the approval of members in the ensuing Annual General Meeting of the Company.

Your Board of Directors is of opinion that the continued association of the above directors with the Company will be beneficial to the Company and hence recommend their re-appointment for approval of the members.

Mr. Naresh Chandra Chakraborty ceased to be the Managing Director of the Company w.e.f 14th February, 2014. The Board places on record its gratitude for the services rendered by Mr. Naresh Chandra Chakraborty during his tenure as member of the Board.

Human Resources

Your Company believes in best HR practices by providing its employees a world class working environment, giving them equal opportunities to rise and grow. We continue to implement the best of HR policies so as to ensure that talent retention is ensured at all levels. Employee relations continued to be cordial and harmonious at all levels and in all divisions of the Company during the year.

Particulars of Employees :

Presently your Company does not have any employee falling within the scope of Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of the Employees) Rules, 1975.

Health, Safety and Environmental Protection

Your Company has complied with all the applicable laws. The Company has been complying with relevant laws and has been taking all necessary measures to protect the environment and maximize worker protection and safety.

Subsidiary Company

The company does not have any subsidiary company as on 31st March 2014.

Directors' responsibility statement

As required under section 217(2AA) of the Companies Act, 1956, your Directors confirm:-

1. that in the preparation of the annual accounts, the applicable accounting standards have been followed;
2. that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
3. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. that the Directors have prepared the annual accounts on a going concern basis.

Auditors

The Board of Directors of the Company, based on the recommendation of the Audit Committee, proposes the re-appointment of M/s S. M. Daga & Co., Chartered Accountants, as statutory auditors of the Company who hold office until the conclusion of the ensuing Annual General Meeting, and being eligible, have offered themselves for re-appointment. M/s S. M. Daga & Co have signified their consent, in writing, for such appointment along with a certificate stating that their appointment, if made, shall be in accordance with Section 139 read with Section 141 of the Companies Act, 2013.

Auditors' observation

There are no reservations, qualifications or adverse remarks contained in Auditors' Report attached to the Balance Sheet as at 31st March, 2014.

Public deposit

During the year under review, the Company has neither accepted nor renewed any public deposit and has no overdue or unclaimed public deposit, as defined under Section 58 (A) of the Companies Act, 1956, read with Companies (Acceptance of Deposit) Rules, 1975.

Particulars of conservation of energy, technology absorption and foreign exchange earning and outgo

Particulars of conservation of energy, technology absorption and foreign exchange earning and outgo as required under Section 217 (1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are given in the annexure attached hereto and forms a part of this Report.

Acknowledgments

Your Directors wish to place on record their deep sense of appreciation to the shareholders, bankers, business associates, retailers, suppliers, customers, government and other regulatory agencies for their continued support and faith in the Company. Your Board is grateful to the Independent Directors for their valuable contributions. All of them despite other business exigencies have shared their rich experience and knowledge with the management to take your Company forward. Your Directors are also wish to place on record their appreciation for the whole-hearted co-operation, dedication, commitment and contribution made by all the employees and look forward to their continued support. Inspired by this vision, driven by values and powered by internal vitality, your Directors and employees look forward to the future with confidence and stand committed to creating an even brighter future for all stakeholders.

For & on behalf of the Board

Nilotpal Deb
Managing Director

Ravi Prakash Pincha
Director

Place: Kolkata
Date: 29th Day of May, 2014

Annexure to the Director's Report

Disclosure of Particulars under section 217(1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 related to conservation of energy, technology absorption and foreign exchange earnings and outgo:

A. Conservation of energy

The disclosure of particulars relating to conservation of energy in Form A under the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, is not applicable to the Company.

a)	Energy Conservation Measures taken	N.A.
b)	Additional Investments and proposals, being implemented for reduction of consumption of energy	N.A.
c)	Impact of the measures at (a) or (b) above for reduction of energy consumption and consequent impact on the cost of production	N.A.
d)	Total Energy consumption and energy consumption per unit of production	N.A.

B. Technology absorption

The Company is a manufacturing organization and is not engaged in research and development activity. The Company has no particulars related to research and development, technology absorption, adaptation and innovation as per Form B under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

Research & Development (R & D)		2013-14 (₹)	2012-13 (₹)
a)	Specific areas in which R & D carried out	Nil	Nil
b)	Benefits derived as a result of the above R & D	Nil	Nil
c)	Future plan of action	Nil	Nil
d)	Expenditure on R & D		
i)	Capital Expenditure	Nil	Nil
ii)	Recurring Expenditure	Nil	Nil
	Total	Nil	Nil
s	Total R & D expenditure as a percentage of total turnover	Nil	Nil
Technology Absorption, Adaptation and Innovation			
1.	Efforts in brief, made towards technology absorption, adaptation and innovation	Nil	
2.	Benefits derived as a result of the above efforts	Nil	
3.	In case of imported technology (imported during last 5 years reckoned from the beginning of the financial year), following information may be furnished:		
i)	Technology imported	N.A.	
ii)	Year of import	N.A.	
iii)	Has technology been fully absorbed?	N.A.	
iv)	If not fully absorbed, areas where this has not taken place, reasons there for and future plans of action	N.A.	

C. Foreign Exchange Earnings and Outgo

During the year, the Company has exported cigarettes and imported raw materials and spare parts of machines for manufacturing of cigarettes.

a)	Initiatives taken to increase exports, Development of new export markets for products and services and Export Plans: The Company has focused and explored new markets for export of the products manufactured by the Company. The Company has taken various initiatives for increasing exports like strengthening design & development, improving taste and quality of product and increasing manufacturing capacities. The Company has a good network for marketing and export activities and it avails and explores export opportunities based on economic considerations, international market analysis and embarking on new product applications. During the year the Company has exports (FOB value) worth ` 837.94 lacs. (₹ in lacs)		
	b) Total Foreign Exchange earned and used	2013-14	2012-13
	i) Foreign Exchange earned	837.94	1633.18
	ii) Foreign Exchange used		187.40

MANAGEMENT DISCUSSION AND ANALYSIS

As part of the Director's Report or as an addition thereto, a Management Discussion and Analysis Report forming part of the Annual Report to the Shareholders includes discussion on the following matters within the limits set by the company's Competitive position:

Socio Economic Environment, Industry Structure & Material Developments

Though overall global economic condition remained challenging in the year 2013 yet later part of the year seen some positive side raising hopes for good performance in 2014. The result of slowdown in global economic environment also affected Indian economy and the country witnessed a year coupled with so many challenges which led the GDP growth rate being slow down by sub 5% continuously in the 2nd year in a row. While the manufacturing sector and service sector did not raised their growth level, Agriculture sector shown some better performances with the growth of 4.6%. This successive slow down of GDP has effect of less purchasing power in the hands of the general public.

The Union Government in its budget in March 2013 again hiked excise duty by 18% on all segments except 64 mm. Most of the states of the Country also revised upward their VAT tax rates. In Bengal the rates were raised to 35% from 20%. This substantial increase in Taxes resulted in increase in prices and decline in margin and profitability. This also impacted cigarettes manufacturing companies' production capacity and they are bound to lower down the same due to decline in consumption level. However, the company went for its new segment of 64 mm which has helped your company in resisting the taxation impact to some extent.

Strengths & Opportunities

India is the third largest producer and sixth largest exporter of tobacco and tobacco products in the world, reflecting the tremendous success that Indian tobacco companies achieved. While India's share in the world's area under tobacco crop has risen from 9% to 11% in the last three decades, its share in production inched up from 8% to 9% in the tobacco industry. This shows that India has significant opportunity for cigarette industry to extend and consolidate its position in intentional market due to some recent trend like withdrawal/reduction of agricultural subsidy and escalating costing in the traditional cigarette exporting countries. In March 2012 central government provided a new 64 mm segment in the excise tariff. This new segment was developed as a strategy to curb illicit trade. Manufacturers took advantage of this segment and launched various products under this segment as new brands or brands extension.

Threats

The Indian government continues to follow strict rules under WHO FCTC guidelines. The advertisement of tobacco is banned in any form of media. The only way to reach customers is through point of sale (POS). Further campaigning by various government forums and non-government organizations against the use and consumption of tobacco remains the big threat to the industry. The various bans and restrictions on smoking is also supplementing these threats.

Segment Wise / Product Wise Performance

Your Company considers "Manufacturing of Cigarette and Smoking Mixture" as the primary business segment. Therefore segment wise / product wise performance reporting is not applicable to your company.

Risks And Concerns

Continuous increase in excise duty by the central government and the VAT by most of the states have affected the prices of cigarettes in India and creating tough situation for the cigarette manufacturer and restricting growth of the volume. It also helping illicit trade to grow which consist of domestic non duty paid, counterfeit and contraband cigarettes. This non duty paid and contraband imported lower priced cigarettes creating unfair competition and is a great threat to the Indian Cigarette industry.

Besides above, harsh pictorial warnings on all tobacco packaging in India are also a matter of concern. Moreover, in the current market situation there is a stiff competition from big players with regard to marketing of new brands.

Internal Control Systems and Their Adequacy

ntc maintain its commitment to always improve its system designed for internal controls and ensure its effectiveness at the same time. The system which comprised of policy, procedure and internal audit processes. It is safeguarding its assets, ensuring transactions are in accordance with the policies, and are duly authorised to identify possible risk areas and to prevent possibilities of frauds or other irregularities.

The company have skilled and qualified audit committee which met 5 times during the year to review the adequacy and effectiveness of internal control system of the Company and reports placed by a firm of chartered accountants appointed as the internal auditor who has conducted audit to review the existing financial and operating controls. Your company is also ISO 9001:2008 certified for its internal audit function.

Material Developments In Human Resources / Industrial Relations Front

At ntc, we follow a culture that provide a platform for continuous learning and development to meet the challenges posed by ever-changing market realities. Employees are your Company's most valuable assets and the Management recognizes them as the prime machinery of the organization. They are always given the first priority and are provided with all the basic requirements and safety measures for good health and well-being. The Management, in order to create enduring value, has fostered a culture of feeling of being togetherness and attachment amongst employees through participative management practices, open interaction and mutual respect.

Your Company's human resource management systems and processes aim to enhance organizational capability and vitality to seize emerging market opportunities. The strategy of the organization and its ongoing emphasis on developing and nurturing distributed leadership has ensured that each of your Company's business is managed by a team of competent, passionate and inspiring leaders.

Your Company's belief in the mutuality of interests of key stakeholders binds all employees to a shared vision and purpose. The Company continued to maintain healthy industrial relations and did not report any sort of strike or lockout that would have impacted Company's operations.

Cautionary Statement

Statements in the Management Discussion and Analysis describing the industrial expectations are "forward looking statements" within the meaning of applicable securities law and regulations. Actual results could differ materially from those expressed or implied, important factors that could make difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in the government regulations, tax regimes, economic developments in India and other incidental factors.

For and on behalf of the Board

Place: Kolkata
Date: 29.05.2014

Nilotpal Deb
Managing Director

REPORT ON CORPORATE GOVERNANCE

Sound Corporate Governance practices are guided by culture, conscience and mindset of an organization and are based on principles of openness, fairness, professionalism, transparency and accountability with an aim to building confidence of its various stakeholders and paving way for its long-term success. At NTC, Corporate Governance is defined as a systematic process by which companies are directed and controlled keeping in mind the long-term interests of all their stakeholders. Achievement of excellence in good Corporate Governance practices requires continuous efforts and focus on its resources, strengths and strategies towards ensuring fairness and transparency in all its dealings with its stakeholders including society at large. Corporate Governance has indeed assumed greater significance as the world has moved towards closer integration and free trade.

1. Company's philosophy on Corporate Governance

Your Company firmly believes that Corporate Governance is about commitment to values and ethical business conduct. Your Company has a strong legacy of fair, transparent and ethical governance practices and endeavours to improve upon these aspects on an ongoing basis and adopts innovative approaches. The Board of Directors of your Company is responsible for and committed to sound principles of Corporate Governance in the Company. It has been enduring in its philosophy to enhance stakeholders' value and customers' satisfaction by consistently endeavouring to following the best Corporate Governance practices. The Board plays a critical role in overseeing how the management serves the short and long-term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board. The Board updates its policies and guidelines from time to time to address the changing need of the environment in which it operates and to effectively achieve the stated objective of the Company.

2. Board of Directors

In terms of the Corporate Governance policy, all statutory and other significant and material information are placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company as trustees to the shareholders. The Board of Directors ('the Board') is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with the requisite powers, authorities and duties.

Composition

The composition of the Board of Directors of the Company is in conformity with the Code of Corporate Governance as per Listing Agreement with the stock exchanges. The Company has an optimum combination of Executive and Non-Executive Directors. There is one Managing Director, and three Non-Executive Independent Directors on the Board. The Board believes that the current size is appropriate, based on the Company's present circumstances.

The following is the composition of the Board as on 31st March, 2014:

Name of the Director	Designation	Category	No. of Directorship and Committee Membership(s)/ Chairmanship (excluding the Company)		
			Other Directorship(s)*	Committee Membership**	Committee Chairmanship**
Mr. Nilotpal Deb ¹	Managing Director	Executive Director	-		-
Mr. Ravi Prakash Pincha	Director	Non-Executive & Independent Director	11*		4 (including 1** as Chairman)
Mr. Dilip Chakraborty	Additional Director	Non-Executive & Independent Director	-		
Mr. Gaurav Somani	Additional Director	Non-Executive & Independent Director	-		-

*Excludes Directorships in private limited, foreign companies and government companies

**Only memberships/chairmanships of the Audit Committee and Stakeholder Relationship Committee in various public limited companies, considered.

1. Appointed as Managing Director w.e.f 14.02.2014

Notes:

1. None of the Directors hold Directorships in more than 20 companies including 10 public limited companies and private companies which are either subsidiary or holding company of a public company pursuant to Section 165 of the Companies Act, 2013
2. None of the Directors hold Membership and/or Chairmanship of any Committee exceeding 10 Companies and/or 5 Companies respectively as per Clause 49 of the Listing Agreement.
3. The Directorship/Committee membership is based on the Disclosures received from the Directors as on 31.03.2014.

Board meetings:

The Board meets at regular intervals to discuss and decide on Company's business policy and strategy apart from other Board business. The Board/Committee meetings are pre-scheduled and a tentative date of Board and Committee meetings is circulated to the Directors well in advance to facilitate them to plan their schedules and to ensure meaningful participation in the meetings. The Chairman of the Board and the Company Secretary, draft the agenda for each meeting, along with the agenda notes and explanatory statements, are distributed in advance to the Directors. Every Board member is free to suggest items for inclusion on the agenda. The Board meets at least once in a quarter to review the quarterly results and other agendas.

During the financial year ended 31st March, 2014, nine (9) meetings of the Board were held, i.e., on 10/04/2013, 30/05/2013, 14/08/2013, 23/08/2013, 05/11/2013, 13/11/2013, 13/02/2014, 20/03/2014 and 28/03/2014. The maximum interval between any two meetings was well within the maximum allowed gap of four months.

Attendance of Directors at Board Meetings and Annual General Meeting

Director	No. of Board Meetings		Attendance at last AGM (08 th August, 2013)
	Held during directorship	Attended	
Mr. Naresh Chandra Chakraborty *	6	6	Yes
Mr. Ravi Prakash Pincha	9	9	Yes
Mr. Nilotpal Deb**	2	2	No
Mr. Dilip Chakraborty	9	9	No
Mr. Gaurav Somani	9	9	Yes

* Ceased to be the director w.e.f 14.02.2014

** Appointed as director w.e.f 14.02.2014

3. Details of Director seeking appointment/re-appointment at 23rd AGM pursuant to Clause 49 of Listing Agreement of Stock Exchange

Mr. Dilip Chakraborty, retire by rotation and being eligible, seek re-appointment at the ensuing 23rd Annual General Meeting (AGM). Further, it is proposed to appoint Mr Nilotpal Deb as full fledged Director and as Managing Director at the ensuing AGM.

A brief resume of the directors retiring by rotation seeking re-appointment, along with the nature of their expertise and the details of other directorships and the committee positions held by them and their shareholdings have been disclosed to the shareholders through notes/Explanatory Statement annexed to the Notice for the ensuing AGM.

4. Committees of the Board

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/activities which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board, to carry out clearly defined roles. The Board supervises the execution of its responsibilities by the Committee and is responsible for their action. The Minutes of the meetings of all the Committees are placed before the Board for review.

The Board had established the following Committees.

A. Audit Committee

The Audit Committee of the Company acts as a link between the Management, the Statutory and Internal Auditors and the Board of Directors. The Audit Committee, *inter alia*, provides reassurance to the Board on the existence of an effective internal control environment that ensures:

- efficiency and effectiveness of operations;
- safeguarding of assets and adequacy of provisions for all liabilities;
- reliability of financial and other management information and adequacy of disclosures;
- compliance with all relevant statutes.

Composition of the Audit Committee

The Audit Committee comprises of :

Sl. No.	Name	Category	Designation
1	Mr. Gaurav Somani	Non-Executive Independent	Chairman
2	Mr. Dilip Chakraborty	Non-Executive Independent	Member
3	Mr. Nilotpal Deb	Managing Director	Member

All the members of the Committee are financially literate and the Chairman of the Committee has accounting and financial management expertise. The Chief Financial Officer attends the meeting of the Audit Committee and the Company Secretary is the Secretary to the Committee. The constitution of the Committee meets the requirements of Section 177 of the Companies Act, 2013 and Clause 49 of Listing Agreement.

The Audit Committee is empowered, pursuant to its terms of reference, inter alia, to:

- investigate any activity within its terms of reference and to seek any information it requires from any employee;
- obtain legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise, when considered necessary.
- have full access to information contained in the records of the Company

The role of the Audit Committee includes the following:

- (a) Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- (b) Recommending the appointment/re-appointment and removal of statutory auditors, internal auditors and fixation of their remuneration;
- (c) Approval of payment to statutory auditors for any other services rendered by them;
- (d) Reviewing, with the management, the financial statements before submission to the Board, focusing primarily on:
 - Matters required to be included in the Directors' Responsibility Statement, which is to be included in the Board's Report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013 (Clause (2AA) of Section 217 of the Companies Act, 1956).
 - Any changes in accounting policies and practices.
 - Major accounting entries involving estimates based on exercise of judgment by the management.
 - Qualifications in the draft audit report.
 - Significant adjustments arising out of audit.
 - The 'going concern' assumption.
 - Compliance with Accounting Standards.
 - Compliance with stock exchanges and legal requirements concerning financial statements.
 - Any related party transactions.
- (e) Reviewing with the management, the quarterly financial statements before submission to the Board for approval;
- (f) Reviewing with the management, external and internal auditors, the adequacy of internal control systems and the Company's statement on the same, prior to endorsement by the Board;
- (g) Reviewing the adequacy of the internal audit function, reporting structure, coverage and frequency of the internal audit;
- (h) Reviewing reports of internal audit and discussion with internal auditors on any significant finding and follow-up thereon;
- (i) Reviewing the findings of any internal investigations by the internal auditors and the executive management's response on matters where there is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board;
- (j) Discussion with the statutory auditors, before the audit commences on the nature and scope of audit, as well as post-audit discussions, to ascertain any areas of concern and review the comments contained in their draft report;
- (k) To look into the reasons for substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividend) and creditors;
- (l) To review the functioning of the Whistle Blower mechanism, in case the same is existing;
- (m) Approval of appointment of CFO (i.e., the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualification, experience and background, etc. of the candidate;
- (n) Reviewing the Company's financial and risk management policies;
- (o) Considering such other matters as may be required by the Board.

Details of Audit Committee Meetings

The Audit Committee met five times on 10/04/2013, 30/05/2013, 14 /08/2013, 13/11/2013 and 13/02/2014 during the financial year ended 31st March, 2014.

Details of members and their attendance at the Audit Committee meetings:

Sl. No.	Name	Position	No. of Committee Meetings	
			Held	Attended
1	Mr. Gaurav Somani	Chairman	5	5
2	Mr. Dilip Chakraborty	Member	5	5
3	Mr. Naresh Chandra Chakraborty *	Member	5	5
4	Mr. Nilotpal Deb**	Member	Nil	Nil

Note:

* ceased to be director from 14.02.2014

** appointed as Member on 14.02.2014

B. Nomination & Remuneration Committee

The Nomination & Remuneration Committee of the Company, inter alia, recommends to the Board the compensation terms of the Executive Directors and other senior management personnel.

The Committee was re-named by the Board of Directors in their meeting held on 29/05/2014 to align with the requirements of Section 178 of the Companies Act, 2013. The Committee's constitution and terms of reference are in compliance with the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

Composition of the Nomination & Remuneration Committee

The Nomination & Remuneration Committee comprises of three Non-Executive Directors and the Chairman of the Nomination & Remuneration Committee is Independent Director. The Committee determines the remuneration paid/payable to the Managing Director and other Executive Directors subject to the approval of the members.

During the financial year ended 31st March, 2014, two meeting of the Remuneration Committee were held on 23/10/2013 and 07/02/2014.

Details of members and their attendance at the meetings are as follows:

Sl. No.	Name	Position	No. of Committee Meetings	
			Held	Attended
1	Mr. Dilip Chakraborty	Chairman	2	2
2	Mr. Gaurav Somani	Member	2	2
3	Mr. Ravi Prakash Pincha	Member	2	2

Terms of Reference of the Committee, inter alia, includes the following:

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/ or removal.
- To formulate criteria for and carry out evaluation of Independent Directors and the Board;
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees
- To devise a policy on Board diversity
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable

Remuneration Policy

The Company's remuneration strategy aims at attracting and retaining high- calibre talent. The remuneration policy, therefore, is market-led and takes into account respective job profile vis-à-vis the responsibility profile of individuals to attract and retain quality talent and leverage performance significantly.

Details of Remuneration of the Directors for the financial year ended 31st March, 2014

(Amount in ₹)

Director	Consolidated Salary	Perquisites and other Benefits	Performance bonus/ Commission	Sitting Fees	Total
Mr. Naresh Chandra Chakraborty	3,66,250/-	30,589/-	-	-	3,96,839/-
Mr. Nilotpal Deb	85,180/-	-	-	-	85,180/-

No remuneration (including sitting fee) has been paid to the Non-Executive Directors in the financial year 2013-14. The Non-Executive Directors do not hold any shares and/or convertible instruments in the Company and also they do not have any pecuniary relationship or transaction with the Company except Mr. Ravi Prakash Pincha, who holds 5600 shares and Mr. Gaurav Somani, who holds 5500 shares in the Company. The Company has not granted any stock options to its Directors.

C. Stakeholder Relationship Committee

The Stakeholder Relationship Committee of the Company oversees the redressal of shareholders and investor grievances, and approves the sub-division, transfer / transmission of shares, issue of duplicate share certificates, etc. The committee also meets as and when required for approving share transfers. The processing activities with respect to requests received for share transfer are normally completed within 15 working days from the date of receipt of request.

The Committee was re-named by the Board of Directors in their meeting held on 29/05/2014 to align with the requirements of Section 178 of the Companies Act, 2013. The Committee's constitution and terms of reference are in compliance with the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement

Composition of Stakeholder Relationship Committee

The Stakeholder Relationship Committee comprises of Mr. Ravi Prakash Pincha, Mr. Dilip Chakraborty and Mr. Gaurav Somani. All the members of the Committee are Independent Directors. Mr. Ravi Prakash Pincha, Independent Director acts as a Chairman of the Committee. The Company Secretary of the Company is the Secretary of the Committee.

The Committee has met 11 times on 10/04/2013, 10/05/2013, 22/05/2013, 15/07/2013, 25/07/2013, 14/08/2013, 03/10/2013, 13/11/2013, 13/02/2014, 04/03/2014 and 29/03/2014 during the period from 01/04/2013 to 31/03/2014.

Details of members and their attendance at the meetings are as follows:

Sl. No.	Name	Position	No. of Committee Meetings	
			Held	Attended
1	Mr Ravi Prakash Pincha	Chairman	11	11
2	Mr Dilip Chandra Chakraborty	Member	11	11
3	Mr. Gaurav Somani	Member	11	11

Company Secretary & Compliance Officer

Mr. Sunil Kumar Varma, Company Secretary is the Compliance Officer of the Company. The shareholders may send their complaints at investors@ntcind.com.

Details of shareholders' complaints

- (a) Number of shareholders' complaints received during the year : 0 (Zero)
- (b) Number of shareholders' complaints resolved during the year : 0 (Zero)
- (c) Number of complaints not solved to the satisfaction of shareholders : Nil
- (d) Number of complaints pending : Nil

5. Code of Conduct

The Company is consistently endeavouring to conduct its business in accordance with the highest standards of business ethics and complying with applicable laws, rules and regulations.

The Company believes that a good corporate governance structure would not only encourage value creation but also provide accountability and control systems commensurate with the risks involved.

The Board of Directors have adopted the Code of Conduct for the Directors and Senior Management (hereinafter referred to as "the Code") which has been posted on the Company's website www.ntcind.com.

The Code has been circulated to all the members of the Board and Senior Management and the compliance of the same has been affirmed by them. A declaration signed by the Managing Director is given below.

"I hereby confirm that the Company has obtained, from all the members of the Board and Senior Management, affirmation that they have complied with the Code of Conduct for Directors and Senior Management in respect of financial year 2013-14."

Nilotpal Deb
Managing Director

6. Details of General Body Meetings

(a) The date, time and venue of the last 3 Annual General Meetings are as under:-

Financial Year ended	Meeting	Date	Time	Location	No. of Special Resolution, if any, passed
2012-13	22 nd A.G.M	Thursday, 8 th August, 2013	12.30 p.m	The Aryans School, 149 B.T. Road, Kolkata- 700058	-
2011-12	21 st A.G.M	Wednesday, 8 th August, 2012	12.30 p.m	Gyan Manch, 11 , Pretoria Street, Kolkata- 700071	-
2010-11	20 th A.G.M.	Monday 19 th September 2011	9.00 a.m.	Bharatiya Bhasha Parishad, Sitaram Seksaria Auditorium, 4th Floor, 36A, Shakespeare Sarani, Kolkata - 17	1*

* Special Resolution for Alteration of Articles of Association of the Company

- (b) No extra-ordinary general meeting of the shareholders was held during the year.
- (c) No special resolution was passed during the year through postal ballot.
- (d) None of the business proposed to be transacted at the ensuing Annual General Meeting requires passing a resolution through postal ballot.

7. Disclosures

- a) **Disclosures on materially significant related party transactions:** All contracts with our affiliates entered into during the said period have no potential conflict of interests of the Company at large and are being carried out at an arm's length at fair market value. There are no materially significant related party transactions i.e. any transaction of material nature, with its promoters, directors or the management or relatives, etc. that may have potential conflict with the interest of the Company at large, other than in the normal course of business. The transactions with related parties have been disclosed in Note No. 2.29 of Notes to the Accounts forming part of the accounts for the year ended 31st March, 2014.
- b) **Statutory Compliances:** The Company regularly complies with the requirements of the regulatory authorities on the matters relating to the capital market and no penalties / restrictions have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority, during the last three years.
- c) **Whistle Blower policy:** The Company does not have a Whistle Blower policy. However, no personnel of the Company have been denied access to the Audit committee.
- d) **Disclosure of Accounting Treatment:** In preparation of Financial Statements, the Company has followed the Accounting Standards issued by The Institute of Chartered Accountants of India. The significant Accounting Standards have been set out in the notes to Accounts of the Audited Accounts.
- e) **Management Discussion and Analysis Report (MDA) :**MDA forms part of the Directors' Report and the same is attached separately in this Annual Report.
- f) **Compliance of Mandatory Requirements and Adoption of Non-mandatory requirements of Clause 49:** The Company duly complied with all the mandatory requirements of Clause 49 of the Listing Agreement with the Stock Exchanges.

The Company has complied with the non-mandatory requirements of Clause 49 with regard to the constitution of Remuneration Committee.

8. Means of communication

The Company interacts with the Shareholders through the multiple channels of communication such as publication of results, Annual Report and the Company's website. The Company also informs the Stock Exchange in a prompt manner, all price sensitive and all other matters which in its opinion, are material and relevant for the Shareholders.

- a. The quarterly un-audited financial results and annual audited financial results are published in all editions of Business Standard and/or The Financial Express in English, and Kalantar, Dainik Lipi, Duranta Barta and/or Arthik Lipi in Bengali.
- b. The quarterly financial results and annual audited financial results of the Company are sent to The Calcutta Stock Exchange Limited and BSE Limited.
- c. The Company's financial results are also displayed on its website, www.ntcind.com.
- d. In compliance of Clause 47(f) of the Listing Agreement, the Company has designated an e-mail id as investors@ntcind.com especially for its investors.
- e. No presentation was made to the institutional investors or to the analysts during the year under review.
- f. Annual Report, containing inter alia, Director's Report, Auditors' Report, Audited Annual Accounts and other important information were circulated to members and others entitled thereto for financial year 2012-13 and will be circulated for financial year 2013-14.

9. Compliance certificate of the auditors

The statutory auditors have certified that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges and the same is annexed.

10. Reconciliation of Share Capital

As per SEBI (Depositories & Participants) Regulation, 2003, certificate of Reconciliation of Share Capital Audit issued by a Practicing Company Secretary, confirming that the total issued capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL, is placed before the Board on a quarterly basis and also submitted to the stock exchanges.

11. General Shareholders' Information

Details of Annual General Meeting for F. Y. 2013-14

Date	Friday, 5th September, 2014
Venue	The Aryans School, 149, B.T. Road, Kolkata – 700058
Time	9.30 a.m.
Book closure date	From Friday, 29th August, 2014 to Friday, 5th September, 2014 (both days inclusive)

Financial Calendar

Financial year: 1st April, 2014 to 31st March, 2015

For the year ended 31st March, 2014, results were adopted on:

- 14th August, 2013: First quarter (Un-audited)
- 13th November, 2013: Half yearly (Un-audited)
- 13th February, 2014: Third quarter (Un-audited)
- 29th May, 2014: Annual (Audited)

For the year ending 31st March, 2015, the results are likely to be adopted:

- on or before 14th August, 2014 : First quarter (Un-audited)
- on or before 14th November, 2014: Half yearly (Un-audited)
- on or before 14th February, 2015: Third quarter (Un-audited)
- on or before 30th May, 2015: Annual (Audited)

Listing on Stock Exchanges

The shares of the Company are listed on the following Stock Exchanges, namely

Name of the Stock Exchange	Address of the Stock Exchange	Stock Code
The Calcutta Stock Exchange Limited	7, Lyons Range, Kolkata – 700 001 Website: www.cse-india.com	28044
BSE Limited	Phiroz Jeejabhoy Towers, Dalal Street, Mumbai – 400 001 Website: www.bseindia.com	526723

The listing fees for the financial year 2014-15 have been paid to the above Stock Exchanges.

Depositories

Name of the Depository	Address of the Depository	Website
National Securities Depository Ltd.	Trade World, Kamala Mills Compound, Lower Parel, Mumbai – 400 013	www.nsdl.co.in
Central Depository Services (India) Limited	P J Towers, 17th Floor, Dalal Street, Fort, Mumbai – 400 001	www.cdslindia.com

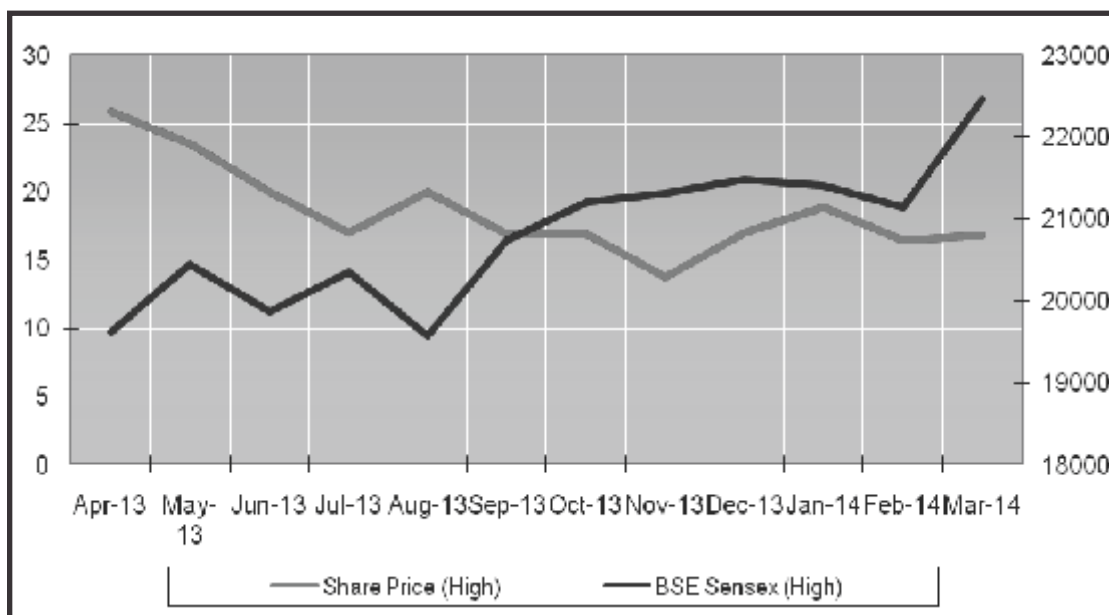
The International Securities Identification Number (ISIN) allotted to Company's securities under the Depository system is INE920C01017. The fees to the depositories for the financial year 2014-15 have been paid.

Market price data

The monthly high and low share price data at the BSE Limited for the financial year 2013-14

Month	Share Price (High)	Share Price (Low)	BSE Sensex (High)	BSE Sensex (Low)
Apr-13	25.85	21.00	19,622.68	18,144.22
May-13	23.50	18.25	20,443.62	19,451.26
Jun-13	20.00	15.00	19,860.19	18,467.16
Jul-13	17.00	14.05	20,351.06	19,126.82
Aug-13	20.00	14.00	19,569.20	17,448.71
Sep-13	16.90	13.80	20,739.69	18,166.17
Oct-13	16.90	12.50	21,205.44	19,264.72
Nov-13	13.75	11.42	21,321.53	20,137.67
Dec-13	17.00	11.90	21,483.74	20,568.70
Jan-14	18.90	13.60	21,409.66	20,343.78
Feb-14	16.45	13.30	21,140.51	19,963.12
Mar-14	16.85	13.25	22,467.21	20,920.98

Performance of Company's Scripts on BSE vs BSE Sensex



Registrar & Share Transfer Agents

M/s Niche Technologies Private Limited

D-511, Bagree Market, 71, B.R.B. Basu Road,
5th Floor, Kolkata – 700 001

Phone No. 033-2234-3576, 2235-7270, 2235-7271

Fax No. 033-2215-6823, e-mail: nichetechpl@nichetechpl.com

Contact Person – Mr. S. Abbas (Sr. Manager – Systems)

Share Transfer System

The RTA performs all share transfer activities, which is a Category-I Registrar and Share Transfer Agent. Therefore, all correspondences should be made to the address mentioned above. Shareholders holding shares in the electronic form should address their correspondence to their respective depository participants.

Distribution of Shareholding

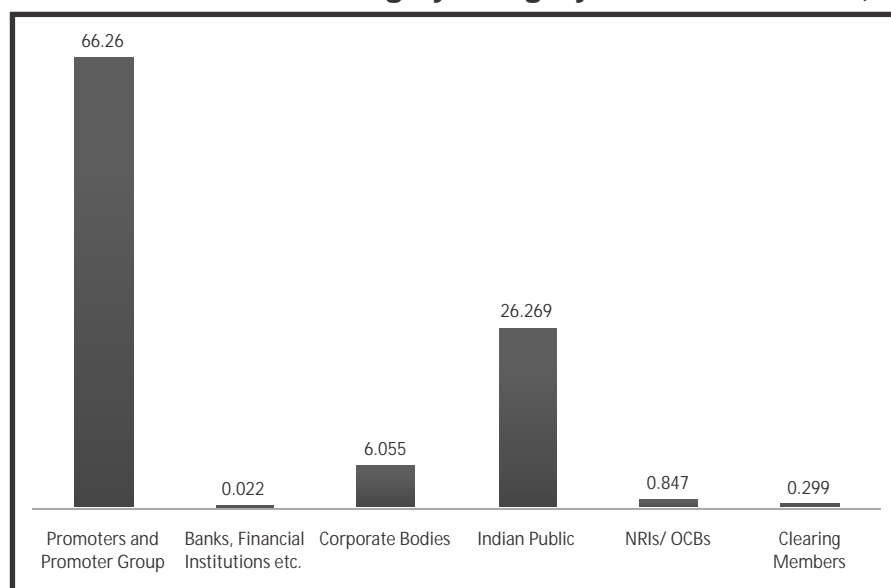
Distribution of shareholding by size as on 31st March, 2014

Range of Shares	Number of Shareholders	% of Shareholders	No. of Shares	% of Shares
Up to 500	5537	86.84	7,59,960	7.06
501 – 1000	418	6.56	3,43,009	3.19
1001 – 5000	323	5.07	7,04,873	6.56
5001 – 10000	42	0.66	2,95,842	2.75
10001 – 50000	41	0.64	8,03,568	7.48
50001 – 100000	4	0.06	2,52,332	2.35
100001 and above	11	0.17	75,90,416	70.61
Total	6516	100	1,07,50,000	100

Distribution of share holding by category as on 31st March, 2014

Category	Number of Shares	% to Total
Promoters and Promoter Group	71,22,955	66.260
Banks, Financial Institutions etc.	2,400	0.022
Corporate Bodies	6,77,558	6.055
Indian Public	28,23,938	26.269
NRIs/ OCBs	91,059	0.847
Clearing Members	32,090	0.299
Total	1,07,50,000	100.00

Distribution of share holding by category as on 31st March, 2014



List of Top Ten Shareholders as on 31st March, 2014

Sl. No.	Name of the Shareholder	No. of Shares held	% of Shareholding
1	Vinod Dugar	2114423*	19.66
2	Sheetal Dugar	1803180	16.77
3	Khatod Investments & Finance Company Limited	921225	8.57
4	Pyramid Sales Private Limited	716122	6.66
5	Sunder Lal Dugar	687900**	6.40
6	Loka Properties Private Limited	377100	3.51
7	Ankur Constructions Private Limited	375000	3.49
8	Maheswari Plaza Resorts Limited	234931	2.19
9	Babita Kishangopal Bang	236300	2.20
10	Yashaswi Dugar	120055	1.12

* includes 46400 shares as Trustee of Rekha Benefit Trust

** includes 67200 shares held as Karta of Moti Lal Dugar (HUF)

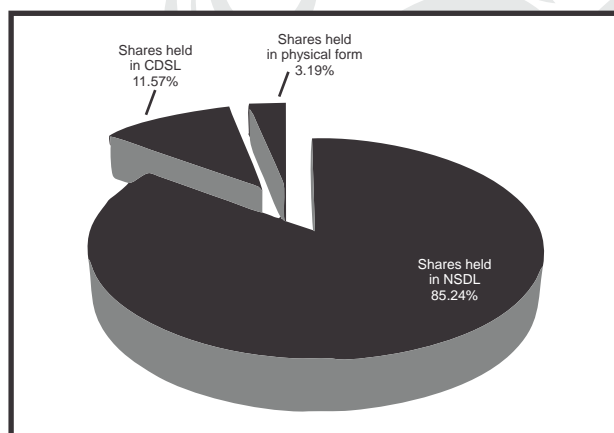
Details of shares held by Directors as on 31st March, 2014

Name of Director	No. of Equity Shares	% of Total holding
Mr. Nilotpal Deb	Nil	Nil
Mr. Ravi Prakash Pincha	5,600	0.052
Mr. Dilip Chakraborty	Nil	Nil
Mr Gaurav Somani	5,500	0.051
Total	11,100	0.103

Dematerialisation of shares and liquidity

Shares held in dematerialised and physical form as on 31st March, 2014

Status of Dematerialisation	No. of Share	% of Total Share
Shares held in NSDL	9163321	85.24%
Shares held in CDSL	1243764	11.57%
Shares held in physical form	342915	3.19%



Outstanding GDR's/ADR's/Warrants or any Convertible Instruments

The Company has not issued any GDR's/ADR's/Warrants/Stock Options or any other Convertible Instruments.

Plant Location and address for correspondence

ntc industries limited
149, B. T. Road, Kamarhati
Kolkata – 700058
Website: www.ntcind.com

CERTIFICATE OF CORPORATE GOVERNANCE

To,
The Members,
ntc industries limited

We have examined the compliance of conditions of Corporate Governance by ntc industries limited (the Company) for the year ended 31st March, 2014, as stipulated in revised Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate Governance as stipulated in the Clause 49 of the above-mentioned Listing Agreement.

On the basis of records maintained by the Company, we state that as on 31st March, 2014, there were no investor grievances remaining pending for a period exceeding one month against the company.

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

For S. M. DAGA & CO.
Chartered Accountants
Firm Registration No. 303119E

Deepak Kumar Daga
Partner
Membership No. 059205

Place: Kolkata
Date: 29th May, 2014

CEO / CFO CERTIFICATION

To,
The Board of Directors,
ntc industries limited

We, Nilotpal Deb, Managing Director , appointed in terms of the Companies Act, 2013 and Prem Chand Khator, Chief Financial Officer, hereby certify to the Board that:

- a) We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2014 and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material factor contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2014 which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee that:
 - i. there have been no significant changes in internal control over financial reporting during the year;
 - ii. there have been no significant changes in accounting policies during the period and
 - iii. there have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **ntc industries limited**

Nilotpal Deb
Managing Director

Prem Chand Khator
Chief Financial Officer

Place: Kolkata
Date: 29th May, 2014



FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To The Members of
ntc industries limited

We have audited the accompanying financial statements of ntc industries limited, which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit & Loss for the year ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements read with other notes give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2014.
- b) In the case of the Statement of Profit & Loss of the Profit for the year ended 31st March, 2014.
- c) In the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditors' Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government in exercise of the power conferred by section 227(4A) of the Companies Act, 1956 (the Act) on the matters specified in paragraph 4 and 5 of the said Order, we report that -

1.
 - a. The company is maintaining proper records showing, full particulars including quantitative details and situation of Fixed Assets.
 - b. In our opinion, the fixed assets have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification..
 - c. In our opinion, substantial part of fixed assets has not been disposed off by the company during the year.
2.
 - a. In our opinion, the inventory of the Company has been physically verified by the management at reasonable intervals during the year. In respect of material lying with third parties, these have substantially been confirmed by them.
 - b. In our opinion, the procedures of physical verification followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. On the basis of our examinations of records of the inventory, in our opinion, the company is maintaining proper records of inventory except in respect of work-in-progress. As in earlier years, work-in-progress has been determined by the management on the basis of physical verification. The discrepancies ascertained on physical verification between the physical stock and the book records of inventory were not material in relation to the operations of the Company.
3.
 - a. The company has granted loan to four parties covered in the register maintained under section 301 of the Companies Act, 1956, during the year. The maximum amount involved during the year was Rs. 6,62,28514/- and the year end balance was nil.
 - b. In our opinion and according to the explanation given to us, the rate of interest and other terms and conditions are not prima facie prejudicial to the interest of the Company.
 - c. The receipt of the principal amount and interest are regular
 - d. There are no overdue amounts of more than rupees one lakh in respect of the loan granted to a body corporate listed in the register maintained under section 301 of the Act.
 - e. The Company has not taken any loans, secured or unsecured from companies, firms or parties covered in the register maintained under section 301 of the Act. Accordingly, paragraphs 4(iii)(e) to 4(iii)(g) of the Order are not applicable.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and 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 we been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.

5.
 - a. In our opinion and according to information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been so entered.
 - b. In our opinion and according to information and explanations given to us, the transactions made in pursuance of contract or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of Rupees Five Lacs in respect of any party during the year, have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. The Company has not accepted any deposit from public.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
9.
 - a. According to the information and explanations given to us and records of the company examined by us, in our opinion, no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
 - b. According to the records of the Company examined by us and according to information and explanations given to us, there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and cess which have not been deposited on account of any dispute except as detailed hereunder:

Name of the Statute	Nature of the Dues	Amount (₹ in Lacs) Lacs)	Forum where the dispute is pending
Central Excise Act, 1944	Excise duty and interest, penalty thereon	8911.29	Assistant/ Additional/ Deputy commissioner, Commissioner, Commissioner (Appeals), Appellate Tribunal & Supreme Court

10. The Company does not have accumulated losses. Further, neither there was any cash loss in the financial year under review nor in the immediately preceding financial year.
11. 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.
12. 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.
13. The provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the company.

14. In our opinion and according to the explanations given to us, proper records have been maintained in respect of transactions and contracts of dealing in shares and securities and timely entries has been made in these records. The shares/securities have been held by the company in its own name.
15. The Company has not given any guarantees for loans taken by others from banks or financial institution.
16. The term loan obtained by the company has been applied for the purpose for which they were raised.
17. According to the information and explanation given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short term basis have been used for long term investments by the company.
18. The company has not made any preferential allotment of shares to parties and companies covered in the registered maintained under section 301 of the Companies Act, 1956.
19. The company has not issued any debentures and hence question of creating security in respect thereof does not arise.
20. The Company has not raised any money by way of public issue during the year.
21. 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 have we been informed of such case by the management.

As required by section 227(3) of the Act, we report that:

- a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of these books.
- c. The Balance Sheet and Statement of Profit & Loss are in agreement with the Books of Account..
- d. In our opinion, the Balance Sheet, the Statement of Profit and Loss comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.
- e. In our opinion and according to the explanations given to us none of the Directors are disqualified from being appointed as directors under clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For S. M. Daga & Co.
Chartered Accountants
Firm Registration No. 303119E

Deepak Kumar Daga
(Partner)
Membership No. 59205
11, Clive Row, Kolkata – 700 001.
The 28th day of May, 2014

BALANCE SHEET

as at 31st March 2014

(Amount in ₹)

Sr. No.	Particulars	Note	As at 31st March, 2014		As at 31st March, 2013	
I. EQUITY AND LIABILITIES						
1. Shareholders' Funds						
	(a) Share Capital	2.1	107,500,000		107,500,000	
	(b) Reserves and Surplus	2.2	198,625,324	306,125,324	186,131,507	293,631,507
2. Non-current Liabilities						
	(a) Long-term Borrowings	2.3	20,000,000		53,509,011	
	(b) Long-term Provisions	2.5	7,092,233	27,092,233	23,592,585	77,101,596
3. Current Liabilities						
	(a) Short-term Borrowings	2.6	25,968,546		21,489,955	
	(b) Trade Payables	2.2.3	22,525,406		62,752,667	
	(c) Other Current Liabilities	2.7	132,426,851		126,684,619	
	(d) Short-term Provisions	2.8	30,749,036	211,669,839	15,071,273	225,998,514
	Total			544,887,396		596,731,617
II. ASSETS						
1. Non-current Assets						
	(a) Fixed Assets	2.9				
	(i) Tangible Assets		219,838,259		176,013,545	
	(ii) Capital work-in-Progress		86,313,821		79,994,193	
			306,152,080		256,007,738	
	(b) Non Current Investments	2.10	6,014,997		6,014,997	
	(c) Deferred Tax Assets (net)	2.4	893,716		3,879,296	
	(d) Long-term Loans and Advances	2.11	51,909,280		51,909,280	
				364,970,073		317,811,312
2. Current Assets						
	(a) Inventories	2.12	37,486,260		57,007,816	
	(b) Trade Receivables	2.13	51,554,185		88,960,428	
	(c) Cash and Bank Balances	2.14	5,808,055		8,802,424	
	(d) Short-term Loans and Advances	2.15	85,068,823	179,917,323	124,149,637	278,920,305
	Total			544,887,396		596,731,617
	Significant accounting policies	1				
	Notes to Accounts	2				

This is the Balance Sheet referred to in our report of even date

For and on behalf of the Board

For S. M. DAGA & CO.
Chartered Accountants
Firm registration No. 303119E

Deepak Kumar Daga
Partner
Membership No. 059205

Nilotpal Deb
Managing Director

Ravi Prakash Pincha
Director

Sunil Kumar Varma
Company Secretary

Place : Kolkata.
Date : 29th day of May, 2014

PROFIT & LOSS ACCOUNT

for the year ended 31st March 2014

(Amount in ₹)

Particulars	Note	As at 31st March, 2014		As at 31st March, 2013	
REVENUE					
Revenue from Operations :					
Sales and Services	2.16	291,050,292		542,289,294	
Less : Excise Duty		58,733,066	232,317,226	94,611,231	447,678,063
Other Income	2.17		12,336,027		14,749,634
Total Revenue			244,653,253		462,427,697
EXPENSES					
Cost of Materials Consumed	2.18		65,335,591		125,964,044
Purchase of Stock in Trade			-		148,514,740
Changes in Inventories of Finished Goods and Stock in Trade	2.19		16,684,544		9,110,256
Employee Benefits Expense	2.20		39,196,427		39,841,251
Finance Costs	2.21		10,453,132		15,521,075
Depreciation	2.9		12,533,956		10,966,020
Other Expenses	2.22		81,918,196		89,590,595
Prior Period Expenses (net)			202,838		267,833
Total Expenses			226,324,684		439,775,814
Profit/(Loss) before Tax (PBT)			18,328,569		22,651,883
Tax Expenses :					
(a) Current Tax			-		7,349,404
(b) Tax adjustments for earlier years			2,849,173		2,684,658
(c) Deferred Tax			2,985,580		(4,415,520)
Profit/(loss) for the period after Tax (PAT)			12,493,816		17,033,341
Earnings Per Share (refer note no. 2.26)			1.16		1.58
Significant accounting policies	1				
Notes to Accounts	2				

This is the Statement of Profit & Loss Account referred to in our report of even date

For and on behalf of the Board

For S. M. DAGA & CO.
Chartered Accountants
Firm registration No. 303119E

Deepak Kumar Daga
Partner
Membership No. 059205

Nilotpal Deb
Managing Director

Ravi Prakash Pincha
Director

Sunil Kumar Varma
Company Secretary

Place : Kolkata.
Date : 29th day of May, 2014

CASH FLOW STATEMENT

for the year ended 31st March 2014

(Amount in ₹)

Sr. No.	Particulars	Note	As at 31st March, 2014	As at 31st March, 2013
A. CASH FLOW FROM OPERATING ACTIVITIES :				
	Net profit before tax as per Statement of Profit & Loss		18,328,569	22,651,883
	Adjustments for :			
	Depreciation	12,533,956		10,966,020
	Bad Debts expenses written off	—		4,406,884
	(Profit) / Loss on sale of fixed assets	—		(27,358)
	Foreign Exchange (gain) / loss on trade receivable	(2,786,794)		(1,951,714)
	Interest paid	9,396,297		14,305,597
	Sundry balances / (liabilities) written back	2,420,373		(73,731)
	Interest received	(8,284,427)		(11,756,022)
	Dividend received	(1,260,000)		(50,000)
	Provision for rental income AS-19	(408,212)		(408,212)
	Provision of Employees' retirement & current benefits	7,469,820	19,081,013	6,690,359
	Operating profit before working capital changes		37,409,582	44,753,706
	(Increase) / Decrease in inventories	19,521,556		309,266
	(Increase) / Decrease in trade and other receivables	81,423,737		(45,923,155)
	Increase / (Decrease) in trade payables	(41,739,338)	59,205,955	56,713,583
	Cash generated from operations		96,615,537	55,853,400
	Less: Direct taxes paid/ (refunds) including interest (net)		(7,375,045)	(3,268,001)
	Cash Flow before exceptional items		89,540,492	52,585,399
	Net cash generated/(used) from operating activities		89,240,492	52,585,399
B. CASH FLOW FROM INVESTING ACTIVITIES :				
	Purchase of fixed assets	(62,678,299)		(17,424,492)
	Proceeds from sale of fixed assets	----		361,310
	(Payment) / refund for long-term advance	----		(100,000)
	(Deposit) / Refund in Fixed Deposits	(630,945)		(68,539)
	Interest received	8,284,427		11,756,022
	Dividend received	1,260,000		50,000
	Net cash from investing activities		(53,764,817)	(5,425,699)
C. CASH FLOW FROM FINANCING ACTIVITIES :				
	Proceeds / (repayment) of long term borrowings	(34,022,518)		(29,577,232)
	Proceeds / (repayment) of short term borrowings	4,478,591		(1,900,872)
	Interest paid	(9,557,063)		(14,305,597)
	Net cash generated/(used) in financing activities		(39,100,990)	(45,783,701)
	Net increase/(decrease) in cash and cash equivalents (A+B+C)		(3,625,315)	1,375,999
	Cash and cash equivalents - Opening balance		4,608,539	3,232,540
	Cash and cash equivalents - Closing balance		983,224	4,608,539
CASH AND CASH EQUIVALENTS COMPRISE :				
	Balances with bank		189,891	2,506,513
	Cash on hand		793,333	2,102,026
			983,224	4,608,539

This is the Cash Flow Statement referred to in our report of even date

For and on behalf of the Board

For S. M. DAGA & CO.
Chartered Accountants
Firm registration No. 303119E

Deepak Kumar Daga
Partner
Membership No. 059205

Nilotpal Deb
Managing Director

Ravi Prakash Pincha
Director

Sunil Kumar Varma
Company Secretary

Place : Kolkata.
Date : 29th day of May, 2014

NOTES TO ACCOUNTS

1. Statement of Significant Accounting Policies

A. Basis of Preparation of Financial Statements

The financial statements are prepared under historical cost convention on accrual basis as a going concern and in accordance with the Generally Accepted Accounting Principles (GAAP), the Companies Act, 1956 and in compliance with Companies (Accounting Standard) Rules, 2006, (as amended) as notified u/s 211(3C) of Companies Act, 1956 except those with significant uncertainty. Accounting policies not stated explicitly otherwise are consistent with Generally Accepted Accounting Principles.

B. Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the balances of assets and liabilities and disclosures relating to contingent liabilities as at the balance sheet date and amounts of income and expenses during the year. Examples of such estimates include income taxes and future obligation under employee retirement benefit plans. Actual results could differ from those estimated. The effects of adjustment arising from revisions made to the estimates are included in the statement of profit and loss of the year in which such revisions are made.

C. Current and Non Current

All the assets and liabilities have been classified as current and non-current as per company's normal operating cycle and other criteria set out in the Revised Schedule VI to the Companies Act, 1956.

D. Revenue Recognition

- a) Revenue from sale of goods are recognised on transfer of all significant risks and rewards of ownership to the buyer. Sales represent invoice value of finished goods sold inclusive of excise duty and VAT/CST but exclude sales returns, claims, rate difference etc.
- b) Revenue from services are recognised on rendering of services to customers except otherwise stated.
- c) Rental income (exclusive of Service Tax) from assets given on operating lease is recognised using straight line method. Contingent rent is recognised as income to reflect systematic allocation of earnings over the lease period. This policy is not applicable for variable rental income under short term license agreement and based on turnover of the tenant.

Other Income:

- d) Interest income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.
- e) Dividend income is recognised when the right to receive is established.

E. Fixed Assets

- i) Tangible assets, including those given on operating lease, are stated at cost of acquisition inclusive of freight incurred, duties and taxes (net of CENVAT/VAT) and incidental expenses less accumulated depreciation.
- ii) Capital work in progress : cost incurred on construction of fixed assets consists of all directly attributable expenditure.

F. Depreciation

Depreciation is provided on fixed assets including those given on operating lease on written down value method at the rates and in the manner specified in Schedule - XIV of the Companies Act, 1956.

G. Impairment of Assets

An asset is treated as impaired when the carrying cost of the same exceeds its recoverable amount. Impairment is charged to statement of profit and loss in the year in which an asset is identified as impaired. The impairment losses recognised in prior accounting period are reversed if there has been a change in the estimate of the recoverable amount.

H. Investments

Investments are bifurcated into non current and current on the basis of intention of holding. Investments that are readily realisable and intended to be held for not more than a year from the date of balance sheet are classified as current investments. All other investments are classified as non current. Current investments are carried at lower of cost or fair market value, determined on an individual investment basis. Noncurrent investments are carried at cost. Provision for diminution in the value of noncurrent investments is made, only if such a diminution is other than temporary.

I. Inventories

- a) Raw materials and Packing materials : At lower of weighted average cost or net realisable value.
- b) Work in progress: At lower of cost or net realisable value.
- c) Finished goods and Stock in trade: At lower of cost or net realisable value.
- d) Stores and spares : At lower of weighted average cost or net realisable value.

J. Cash And Cash Equivalents

Cash and cash equivalents include cash on hand, demand deposits with banks, other short-term highly liquid investments without significant risk and with original maturities of three months or less as per the AS – 3 “CASH FLOW STATEMENT”.

K. Foreign Currency Transactions

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the date of the transactions or that approximates the actual rate at the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the statement of profit and loss for the year.

L. Excise Duty

Excise duty has been accounted for at the time of manufacture of goods, accordingly excise duty on finished goods lying as stock in factory has been considered for valuation.

M. Employee Benefits

a) Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and short term compensated absences, the expected cost of ex-gratia, etc are recognised in the period in which the employee renders the related service.

b) Post-employment benefits

- i) **Defined Contribution Plan:** Employee benefits in the form of Provident fund etc. are considered as defined contribution plan and the contributions are charged to the statement of profit and loss for the year when the contributions to the respective funds are due.
- ii) **Defined Benefit Plan:** Employee benefits in the form of gratuity and leave encashment are considered as defined benefit plan and are provided for on the basis of an independent actuarial valuation, using the projected unit credit method, as at the balance sheet date as per requirements of Accounting Standard- 15 (Revised 2005) on "Employee Benefits". Actuarial gains/losses, if any, are immediately recognised in the statement of profit and loss.

N. Taxation

- a) **Current Tax:** Current tax is determined as the amount of tax payable in respect of taxable income for the year in accordance with the provisions of the Income Tax Act, 1961. Minimum Alternative Tax credit available under section 115JB of the Income Tax Act, 1961 are accounted in the year in which the benefits are claimed.
- b) **Deferred Tax:** Deferred tax is recognised subject to consideration of prudence on the basis of timing differences being the difference between taxable income and accounting income that originate in one period and is capable of reversal in one or more subsequent periods using the tax rates and laws that have been enacted or substantially enacted as at the balance sheet date. Deferred tax asset is recognised and carried forward only to the extent there is reasonable certainty that the asset will be realised in future.

O. Provisions/contingencies

A provision is recognised for a present obligation as a result of past events if it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on best estimate of the amount required to settle the obligation as at the balance sheet date. Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent liability and are disclosed by way of notes to accounts.

P. Prior Period Adjustments

Adjustment of identifiable items of income and expenditure pertaining to prior period are accounted for as prior period adjustments.

Particulars	31st March 2014	31st March 2013
Note 2 - Amounts in the financial statements are presented in Rupees and rounded off to the nearest decimals thereof. Previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation.		
Note 2.1- Share capital		
a. Authorised share capital :		
16,500,000 (Previous year 16,500,000) Equity Shares	165,000,000	165,000,000
3,500,000 (Previous year 3,500,000) Preference Shares	35,000,000	35,000,000
	200,000,000	200,000,000
b. Issued, subscribed and paid-up share capital :		
10,750,000 (Previous year 10,750,000) Equity Shares each fully paid	107,500,000	107,500,000
Total	107,500,000	107,500,000
c. Par value per share		
Class of share		
Equity	10	10
Preference	10	10
d. Reconciliation of equity shares outstanding :		
As at the beginning of the year	10,750,000	10,750,000
Add : Number of shares issued during the year		
Less : Number of shares bought back during the year		
As at the end of the year	10,750,000	10,750,000
e. Rights, preferences & restrictions to shares & restrictions on distribution of dividend and repayment of capital		
The Company has only class of equity shares having par value of Rs.10/- per share. Each shareholder is eligible for one vote per share. Dividend proposed (if any) by the Board of Directors, is subject to the approval of shareholders, except in case of interim dividend. In the event of Liquidation, the shareholders of Ordinary Shares are eligible to receive the remaining assets of the Company after distribution of all the preferential amounts, in proportion to their shareholding.		
f. Shareholders holding more than 5% shares :		
	% Holding Shares held (No.)	% Holding Shares held (No.)
1. Vinod Dugar (Including holding as guardian of Yashaswi Dugar = 120055 shares)	20.35% 2,188,078	20.35% 2,188,078
2. Sheetal Dugar	16.77% 1,803,180	16.77% 1,803,180
3. Pyramid Sales Private Limited	6.67% 716,122	6.67% 716,122
4. Khatod Investments and Finance Company Limited	8.57% 921,225	8.57% 921,225
5. Sunder Lal Dugar (Including holding as Karta of Sundar Lal Dugar (HUF) = 67200 shares)	6.40% 687,900	6.40% 687,900
Total	58.76% 6,316,505	58.76% 6,316,505
g. Share reserved for issue under options and contracts	—	—
h. Commitments for sale of shares / disinvestment	—	—

Particulars	31st March 2014	31st March 2013
Note 2.2- Reserves and Surplus		
a. Capital Reserve (As per last account)	15,250,000	15,250,000
b. Capital Redemption Reserve (As per last account)	26,440,000	26,440,000
c. Surplus, i.e., balance of statement of profit and loss		
As at the beginning of the year	144,441,507	127,408,166
Add : Profit for the year	12,493,816	17,033,341
Surplus - As at the end of the year	156,935,323	144,441,507
Total (a+b+c)	198,625,324	186,131,507
Note 2.3- Long Term Borrowings		
Term loan from bank (Secured)	-	33,509,011
Secured by way of assignment of lease rentals charge and personal guarantee of promoters. The Loan is repayable in 36 monthly instalments of Rs.34.06 Lacs (including interest) starting from 20.03.2012 and last instalment falling due on 20.03.2015. The applicable rate of interest is base rate plus 3.75%.		
From Other (Unsecured) (refer note no:2.32)	20,000,000	20,000,000
Total	20,000,000	53,509,011
Note 2.4- Deferred Tax Asset (net)		
a. Deferred Tax Assets :		
- Provision for Employee Benefits	10,103,978	11,055,060
- Provision for Bad Debts	—	114,071
Total (a)	10,103,978	12,169,131
b. Deferred Tax Liabilities :		
- Depreciation Allowance on Fixed Assets	9,077,818	8,157,391
- Rental income	132,444	132,444
Total (b)	9,210,262	8,289,835
Total (b-a)	893,716	3,879,296
Note 2.5- Long - term provisions		
- Provision for Employee Benefits	7,092,233	23,592,585
Total	7,092,233	23,592,585
Note 2.6- Short - term borrowings		
Working capital loan from bank (Secured, repayable on demand)	25,968,546	21,489,955
For General Business Purpose. Secured by corporate guarantee and by personal guarantee of promoter. The applicable rate of interest is base rate plus 3% (Previous year 4%).		
Total	25,968,546	21,489,955
Note 2.7- Other current liabilities		
Current maturities of long term debt	33,144,890	33,658,397
Interest accrued but not due on Long Term Borrowings	137,347	298,113
Excise duty payable (BDR) (refer note 2.31)	21,548,160	21,548,160
Advance from other than related party	10,354,834	9,350,858
Advance from related party	18,750,000	12,600,000
Other payables	48,060,846	48,670,000
Unclaimed dividend *	430,774	559,091
Total	132,426,851	126,684,619
* There is no amount due and outstanding as on 31st March' 2014 to be credited to Investor Education and Protection Fund.		
Note 2.8- Short-term provisions		
Income Tax	7,349,404	7,713,230
Provision for Employee Benefit	23,399,632	7,358,043
Total	30,749,036	15,071,273

Note 2.9- Fixed assets- Tangible assets and capital work-in-progress

(i) Tangible assets

Sl. No	Description of assets	Gross Block			As at 31.03.14
		As at 01.04.13	Addition during the period	Deductions during the period	
1	Land	70,446,307	-	-	70,446,307
2	Factory Building	39,302,635	-	-	39,302,635
3	Other Building	92,364,908	38,420,274	-	130,785,182
4	Plant & Machinery	90,516,859	17,878,656	-	108,395,515
5	Furniture & fixture	301,806	-	-	301,806
6	Vehicles	2,019,400	-	-	2,019,400
7	Office Equipments	856,590	-	-	856,590
8	Computers	1,224,850	59,741	-	1,284,591
	Total	297,033,355	56,358,671	-	353,392,026
	Previous Year	280,007,525	18,033,944	1,008,115	297,033,354

(ii) Capital work-in-progress

(Amount in ₹)

Sl No	Particular	As on 01.04.2013	Addition	Transfer	As on 31.03.2014	As on 31.03.2013
1	NTC - Residency	36,948,172	-	-	36,948,172	36,948,172
2	Regent Mart	1,217,942	-	1,217,942	0	1,122,679
3	Alu Godown Phase II	6,157,305	18,990,401	-	25,147,706	6,157,305
4	Arvans School	4,931,554	1,752,183	6,683,737	-	4,931,554
4	Hyundai Site	18,598,214	10,298,643	28,896,857	0	18,598,214
5	R Center	10,547,946	-	-	10,547,946	10,547,946
6	R Castle	96,000	-	96,000	-	96,000
7	Building	1,384,700	-	1,384,700	-	1,384,700
8	WIP - Multiplex	112,360	-	112,360	-	112,360
9	WIP-Making & Packing	-	4,925,318	-	4,925,318	-
10	WIP-OLD PL	-	8,744,678	-	8,744,678	-
	Total	79,994,193	44,711,223	38,391,596	86,313,821	79,994,193

(Amount in ₹)

Depreciation			Net Block		
Up to 31.03.13	For the Period	Deduction during the period	Up to 31.03.14	As at 31.03.14	As at 31.03.13
-	-	-	-	70,446,307	70,446,307
29,791,562	941,884	-	30,733,445	8,569,190	9,511,073
34,537,363	4,075,979	-	38,613,342	92,171,840	57,827,545
55,575,372	6,819,178	-	62,394,550	46,000,965	34,941,487
134,029	4,887	-	138,916	162,890	167,777
38,014	425,581	-	463,595	1,555,805	1,981,386
131,271	112,408	-	243,679	612,911	725,319
812,199	154,039	-	966,238	318,353	412,651
121,019,811	12,533,956	-	133,553,766	219,838,261	176,013,545
110,744,380	1,096,021	690,589	121,019,811	-	169,263,146

Particulars	31st March 2014	31st March 2013
Note 2.10- Non Current Investments		
Trade Investments (at Cost) fully paid up		
Investment in Equity Instruments		
Quoted		
RDB Realty & Infrastructure Ltd. (12,60,000 Equity Shares of Rs.10/- each)	6,014,997	6,014,997
Total	6,014,997	6,014,997
Aggregate Book Value of Quoted Investment	6,014,997	6,014,997
Aggregate Market Value of Quoted Investment	15,762,600	21,546,000
Note 2.11- Long - term loans and advances		
(Unsecured)		
Deposit with Excise Authority	11,416,000	11,416,000
Refund receivable from Excise Authority (BDR) (refer note no. 2.31)	40,493,280	40,493,280
Total	51,909,280	51,909,280
Note 2.12- Inventories		
(As taken, valued & certified by the Management) (for valuation refer note no.1(l))		
Raw materials	20,421,214	22,435,996
Finished goods	14,178,850	16,329,910
Stock - in - trade	-	14,533,484
Packing Materials	1,601,729	1,194,672
Stores and spares	1,284,467	2,513,754
Total	37,486,260	57,007,816
Note 2.13- Trade receivables		
(Unsecured, considered good)		
Outstanding for more than six months	7,018,962	20,718,780
Others	44,535,223	68,241,648
Total	51,554,185	88,960,428
Note 2.14- Cash and bank balances		
a. Cash and cash equivalents :		
- Balances with bank	189,891	2,506,513
- Cash on hand (As certified by the management)	793,333	2,102,026
Total (a)	983,224	4,608,539
b. Other bank balances :		
- Unpaid Dividend	430,774	559,091
- Fixed Deposits :		
- For lien against guarantees and letter of credit	4,394,057	3,195,544
- For Joint Special Officer	-	439,250
Total (b)	4,824,831	4,193,885
Total (a+b)	5,808,055	8,802,424
Note 2.15- Short-term loans and advances		
(Unsecured, considered good)		
Advances to Officers of Company	42,710	43,500
Loan to related party	17,955,957	61,426,168
Loan to other parties	18,723,563	-
Balance with Revenue Authorities	19,130,274	14,968,230
Other advances	27,283,419	47,711,739
Insurance claim receivable	1,932,899	-
Total	85,068,823	124,149,637

Particulars	31st March 2014	31st March 2013
Note 2.16- Revenue from operations		
a. Sale of Goods and Services		
- Sale of manufactured goods		
- Domestic	96,615,879	136,880,881
- Export	90,084,308	173,937,133
	186,700,186	310,818,014
- Sale of Stock - in - trade (leaf tobacco)	11,501,380	171,412,169
	198,201,566	482,230,183
b. Other operating incomes		
- Rental Income	89,795,098	59,957,670
- Sale of Export Benefit License	2,960,414	-
- Sale of Manufacturing Waste	93,214	101,441
	92,848,726	60,059,111
Total (a+b)	291,050,292	542,289,294
Note 2.17- Other income		
Interest received	8,284,427	11,756,022
Dividend received (Non Current, Trade Investments)	1,260,000	50,000
Sundry balances / liabilities written back (net)	-	73,731
Foreign currency fluctuation gain	2,786,794	1,951,714
Other receipts	4,805	890,809
Profit on sale of Fixed Asset	-	27,358
Total	12,336,027	14,749,634
Note 2.18 (a) - Cost of materials consumed		
Raw Tobacco	34.70% 22,673,006	38.50% 48,498,172
Filter Rods	22.78% 14,880,321	21.91% 27,598,005
Blank	16.79% 10,971,744	14.52% 18,285,890
Others	25.73% 16,810,520	25.07% 31,581,977
TOTAL	100.00% 65,335,591	100.00% 125,964,044
Note 2.18 (b) - Particulars of materials consumed (% and value)	% consumption / value-consumption	% consumption / value-consumption
Imported	7.99% 5,221,901	15.69% 19,760,743
Indigenous	92.01% 60,113,690	84.31% 106,203,301
Note 2.18 (c) - Raw Material consumed during the year.	31st March 2014	31st March 2013
Opening	23,630,668	15,154,710
Purchase	65,975,001	134,741,377
	89,605,669	149,896,087
Less : Flood Damage	2,247,135	3,01,375
Closing	22,022,943	23,630,668
Consumption	65,335,591	125,964,044

Particulars	31st March 2014	31st March 2013
Note 2.19- Change in inventories of finished goods and stock - in - trade		
a. Opening Stock :		
- Finished goods	16,329,910	12,036,057
- Stock - in - trade	14,533,484	27,937,593
	30,863,394	39,973,650
b. Closing Stock :		
- Finished goods	14,178,850	16,329,910
- Stock - in - trade	-	14,533,484
	14,178,850	30,863,394
(Increase) / Decrease in inventories (a-b)	16,684,544	9,110,256
Note 2.20- Employee benefits expense		
Salaries , wages, bonus, allowances, etc	27,758,530	28,749,931
Contribution to provident and other funds	3,428,655	2,681,672
Staff welfare expenses	1,102,842	2,008,774
Gratuity	6,906,400	6,400,874
Total	39,196,427	39,841,251
Note 2.21- Finance costs		
Interest paid	9,396,297	14,305,597
Finance Charges	1,056,834	1,215,478
Total	10,453,132	15,521,075
Note 2.22- Other expenses		
a. Manufacturing expenses :		
Stores and spares	3,637,192	6,485,153
Power and fuel	7,018,180	9,943,255
Machine repairs	1,151,117	883,457
Inward freight, coolie, cartage	1,928,780	3,011,309
Other manufacturing expenses	2,007,904	3,104,088
	15,743,172	23,427,261
b. Administration expenses :		
Rent	298,309	308,534
Rates and taxes	63,130	28,322
Building Repairs	29,661,995	10,966,307
Other Maintenance	370,314	210,172
Vehicle maintenance expenses	819,871	552,815
Insurance Premium	567,984	439,620
Sundry Balances written off (net)	2,420,373	
Travelling and conveyance	539,857	1,886,828
Postage, telegraph and telephones	445,862	435,258
Printing and stationery	428,124	491,914
Legal and consultancy charges	1,153,941	5,323,106
Bad Debt	-	4,406,884
Electricity charges	869,065	746,639
Land revenue and municipal taxes (net)	682,475	1,114,545
Miscellaneous expenses	799,802	4,727,518
Auditors' remuneration :		
- Audit fee	150,000	50,000
- Tax audit fee	25,000	25,000
	39,296,101	31,713,461
c. Selling and distribution expenses :		
Advertisement and publicity expenses	6,892,500	4,922,045
Sales tax and value added tax	7,087,841	11,731,879
Outward freight and forwarding charges	9,408,365	14,746,964
Brokerage, commission	1,360,413	1,222,023
Distribution expenses	2,129,803	1,826,961
	26,878,922	34,449,872
Total (a+b+c)	81,918,196	89,590,595
Note 2.22 (a) Particulars of stores and spares consumed (% and value)	% consumption /	% consumption /
	value-consumption	value-consumption
Imported	0.00%	4.76%
	-	308,377
Indigenous	100.00%	95.24%
	3,637,192	6,176,776

- 2.23. The Company is in communication with its suppliers to ascertain the applicability of “The Micro, Small and Medium Enterprises Development Act, 2006”. As at the date of this balance sheet the company has not received any communications from any of its suppliers regarding the applicability of the Act to them. This has been relied upon by the auditors.
- 2.24. In the opinion of the Board the current assets, loans and advances are not less than the stated value if realised in ordinary course of business. The provisions for all known liabilities are adequate. There are no contingent liabilities except stated, as informed by the management.
- 2.25. The Business of the company falls under a single segment i.e. Manufacturing of Cigarette and Smoking Mixture. In view of the general classification notified by Central Government in exercise of powers conferred u/s 211(3C) of Companies Act, 1956 for companies operating in single segment, the disclosure requirement as per Accounting Standard - 17 on “Segment Reporting” are not applicable to the company. The company's business is mainly concentrated in similar geographical, political and economical conditions; hence disclosure for geographical segment is also not required.
- 2.26. Earnings Per Share in accordance with AS-20:-

Earnings per share is computed as under:-	2013 - 14	2012 - 13
Profit after tax available for equity share holders (A) (Rs.)	12,493,816	17,033,341
Weighted average number of equity shares outstanding (B) (Nos.)	10,750,000	10,750,000
Face value per equity share (Rs.)	10.00	10.00
Earnings per share - Basic & Diluted (A/B)	1.16	1.58

- 2.27. In terms of AS - 19 on “Leases”, disclosures for operating lease arrangements are as under:

Sl. No.	PARTICULARS	2013-14	2012-13
I	Asset under leasing arrangement - Building *		
	a) Gross Block	20,475,591	20,475,591
	b) Less: Accumulated Depreciation	5,790,970	5,018,095
	c) Net Block	14,684,621	15,457,496
II	Depreciation for the year.	772,875	813,552
III	Total contingent rents recognised as income in the statement of profit and loss for the year.	408,210	408,210
IV	General Description: The company has entered into cancellable operating lease arrangements which vary from 11 months to 21 years considering renewals at regular intervals.		

* Detail of assets does not include value of part of a building given on lease since its separate value could not be ascertained from whole block.

2.28. Post Employment Benefits

- a) Defined Contribution Plans: The Company has recognised an expense of Rs.34, 28,655/- (Previous Year Rs. 26, 81,672/-) towards the defined contribution plans.
- b) Defined Benefit Plans: As per actuarial valuation as on March 31, 2014 and recognised in the financial statements in respect of employee benefit schemes:

(Rs. in Lacs)

PARTICULARS		2013-14		2012-13	
		Gratuity	Leave	Gratuity	Leave
I	Components of employer expense				
1	Current service cost	9.57	1.23	9.59	0.34
2	Interest cost	26.58	1.07	26.18	0.98
3	Expected return on plan assets	-	-	-	-
4	Curtailment cost/ (credit)	-	-	-	-
5	Settlement cost/ (credit)	-	-	-	-
6	Past service cost	-	-	-	-
7	Actuarial losses/ (gains)	32.91	1.5	28.24	1.57
8	Total employer expense recognised in the statement of profit & loss	69.06	3.45	64.01	2.89
Gratuity expense is recognised in "Gratuity" and "Leave Encashment" in "Salary, Wages and Bonus" under Note – 2.20.					
II	Net Asset/ (Liability) recognised in balance sheet				
1	Present value of defined benefit obligation	293.62	11.29	297.00	12.51
2	Fair value of plan assets	-	-	-	-
3	Funded status [Surplus/ (Deficit)]	(293.62)	(11.29)	(297.00)	(12.51)
4	Unrecognised past service costs	-	-	-	-
5	Net Asset/ (Liability) recognised in balance sheet	(293.62)	(11.29)	(297.00)	(12.51)

PARTICULARS		2013 - 14		2012 - 13		
		Gratuity	Leave	Gratuity	Leave	
III	Change in Defined Benefit Obligation (DBO)					
	1	Present value of DBO at the beginning of period	297.00	12.51	284.74	11.88
	2	Current service cost	9.57	(1.23)	9.59	(0.34)
	3	Interest cost	26.58	1.07	26.17	0.98
	4	Curtailment cost / (credit)	-	-	-	-
	5	Settlement cost / (credit)	-	-	-	-
	6	Plan amendments	-	-	-	-
	7	Acquisitions	-	-	-	-
	8	Actuarial losses / (Gains)	32.91	(1.15)	28.24	(1.57)
	9	Benefit payments	(72.44)	(4.67)	(51.74)	(2.27)
	10	Present value of DBO at the end of period	293.62	11.29	297.00	12.51
IV	Change in fair value of assets					
	1	Plan assets at the beginning of period	-	-	-	-
	2	Acquisition adjustment	-	-	-	-
	3	Expected return on plan assets	-	-	-	-
	4	Actual Company contributions	72.44	4.67	51.74	2.27
	5	Actuarial Gain / (Loss)	-	-	-	-
	6	Benefit payments	(72.44)	(4.67)	(51.74)	(2.27)

PARTICULARS		2013-14		2012-13	
		Gratuity	Leave	Gratuity	Leave
7	Plan assets at the end of period	-	-	-	-
V	Actuarial Assumptions				
1	Discount rate	8.25%	8.25%	8.25%	8.25%
2	Expected return on assets	N.A	N.A	N.A	N.A
3	Salary escalations:- Tobacco	5.00%	5.00%	5.00%	5.00%
4	Mortality	LIC (2006-08) Ultimate	LIC (2006-08) Ultimate	LIC (2006-08) Ultimate	LIC (2006-08) Ultimate
5	The Estimates of future salary increases, considered in actuarial valuation takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in employment market.				
6	Discount rate is based upon the market yields available on Government Bonds at the accounting date with a term that matches with that of liabilities				

2.29. Related party disclosures:-

In terms of Accounting Standard-18 on "Related Party Disclosures", related party disclosures are as under:

- (i) Other related parties with whom the company had transactions:-
 (A) Key Management Personnel and their relatives:-

S.No.	Name	Designation /Relationship
1	Naresh Chandra Chakraborty	Managing Director (upto 13/02/2014)
2	Nilotpal Deb	Managing Director (w.e.f 14/02/2014)

- (B) Enterprises over which Key Management Personnel / major shareholders / their relatives have significant influence: -

S.No.	Name of Enterprise	S.No.	Name of Enterprise
1	Maple Tie Up Pvt. Ltd.	6	RD Motor s Private Ltd.
2	EMC Ltd.	7	RDB Rasayans Ltd.
3	Pyramid Sales Private Ltd.	8	Sri S.L.Dugar Charitable Trust
4	RDB Reality & Infrastructure Ltd.	9	SD Infrastructure & Real Estate Pvt. Ltd .
5	Regent Education & Research Foundation		

(ii) Transactions between the Company and related parties and outstanding balances.
(Amount in ₹)

Particulars	Key Management Personnel and their relatives	Enterprises over which KMP and their relatives have significant influence
Rental Income	-	51,391,293
	(-)	(45,634,516)
Interest Income	-	4,759,877
	(-)	(10,935,285)
Remuneration Paid	482,019	-
	(987,000)	(-)
Rent Paid	-	79,053
	(-)	(158,085)
Advance Received	-	81,00,000
	(-)	(9,700,000)
Refund of Advance Received	-	19,50,000
	(-)	(9,000,000)
Loan Given	-	87,014,116
	(-)	(68,736,280)
Refund of Loan with interest	-	134,768,215
	(-)	(110,882,758)
Purchases	-	1,232,420
	(-)	(2,833,762)
Closing Balance		
Trade Receivables	-	16,547,344
	(-)	(6,429,388)
Advance Received	-	18,750,000
	(-)	(12,600,000)
Creditors	-	3,60,000
	(-)	(765,727)
Loan Given	-	17,955,957
	(-)	(61,426,168)

Note: -

- (i) Previous year figures have been given in brackets.
- (ii) As the liability of gratuity and compensated absence are provided on actuarial basis for the company as a whole, the amount pertaining to the directors are not ascertainable and therefore not included in the above
- (iii) Related party relationships are identified by the company on the basis of available information.

2.30. The Hon'ble High Court, Kolkata has confirmed sale of assets of New Tobacco Co. Ltd. (In Liquidation) in favour of the Company vide its order dated 19th April, 2006 and directed the Joint Special Officers to execute the deed and / or deeds of conveyance in respect of immovable properties and to issue necessary sale certificates for plant & machineries and all assets and properties in favour of the Company. Conveyance deeds of properties were to be executed for transfer of title in favour of the Company and the same is in the process.

2.31. In view of the amendment made in the Union Budget 2003 with retrospective effect, the Company is liable to refund excise duty amounting to Rs. 49,238,160/- received/ receivable in terms of notification no.32/99 dated 8th July, 1999 issued by the Central Government, on account of Badarpur unit in Assam and interest thereon amounting to Rs 1,16,220,283/- (PY Rs.1,06,747,438/-) upto 31st March, 2014. The Company had challenged the amendment in Hon'ble High Court, Guwahati and subsequently the matter was transferred to Hon'ble Supreme Court of India. The Hon'ble Supreme Court vide its order dated 19th September, 2005 has confirmed such retrospective amendment made by the Central Government through its Budget Notification. However, the company was of the view that the amendment was not applicable to it and a clarification / modification petition to that effect was filed and admitted by the Hon'ble Supreme Court. On 31st October, 2007, the Central Excise Department had passed a fresh adjudication order confirming the demand and the company has appealed before the Appellate Tribunal which was brought to the notice of the Hon'ble Supreme Court. The Hon'ble Supreme Court disposed off the petition on 25th March, 2008 with a direction that appeal shall be decided by appellate authority on merits and in accordance with law. The appeal filed before the Tribunal was disposed off without relief. The Company moved to Hon'ble Guwahati High court and failed to get any relief. The company has again filled the appeal before the Hon'ble Supreme Court of India which set aside the impugned order and remanded the matter to the High Court with a request to deal with the questions of law. The company is confident to get the full relief as the entire benefit was passed on to the consumer and as such the company does not accept any further liability and no provision is considered necessary based on the expert legal advice. Further to this the company has accounted for during financial year 2000-01 a sum of Rs. 40,493,280/- as excise duty refund receivable (Badarpur) and Rs.21,548,160/- towards excise duty payable (Badarpur) in terms of the above mentioned notification.

2.32 A suit has been filed against the company in the year 1999 for recovery of Rs.20,000,000/- along with interest which is still pending before the Hon'ble High Court, Kolkata. The company disputes the claim of the party and as the matter is subjudice no provision for interest has been made.

2.33. Contingent liabilities :

(₹ in Lacs)

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
a) Interest claims against the company not acknowledged as debt	144.54	144.54
b) Disputed Liabilities relating to Central Excise Demand	8911.29	8816.56

2.34. Foreign exchange earnings and outgo:

a) Earnings in foreign exchange:

(₹ in Lacs)

Description	For the Year ended 31st March 2014	For the Year ended 31st March 2013
F.O.B Value of Export	837.94	1,633.18

- b) Outgo in foreign exchange:
Value of imports calculated on CIF basis

(₹ in Lacs)

Description	For the Year ended 31st March 2014	For the Year ended 31st March 2013
C.I.F Value of Imports		
- Raw Materials	35.83	182.21
- Spares	17.30	5.19
Total	53.14	187.40

Signatories to Note No. 1 & 2 forms part of the financial statement

For and on behalf of the Board

For S. M. DAGA & CO.
Chartered Accountants
Firm registration No. 303119E

Deepak Kumar Daga
Partner
Membership No. 059205

Nilotpall Deb
Managing Director

Ravi Prakash Pincha
Director

Sunil Kumar Varma
Company Secretary

Place : Kolkata.
Date : 29th day of May, 2014





ntc industries limited

149 B. T. Road, Kamarhati, Kolkata - 700 058.

Phone : +91-33-3019 0512 / 513 / 506 | E-mail : Info@ntcind.com





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CIN : L70109WB1991PLC053562

Notice is hereby given that the 23rd Annual General Meeting of the Members of **M/s ntc industries limited** will be held on Friday, 5th September, 2014 at 9.30 a.m. at The Aryans School, 149, B.T. Road, Kolkata-700058, to transact the following businesses:

Ordinary Business

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2014 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Dilip Chakraborty who retires by rotation and being eligible offers himself for re-appointment.
3. To consider and if thought fit, to pass the following resolution, with or without modification(s), as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provision of Section 139 of the Companies Act, 2013 and the rules made there under, and pursuant to the recommendations of the Audit Committee, M/s. S.M. Daga & Co., Chartered Accountants (Firm Registration No. 303119E) be and are hereby re-appointed as the statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of 26th Annual General Meeting (subject to ratification of the appointment by the members at every AGM held after this AGM), on such remuneration and re-imbursalment of out of pocket expenses as may be recommended by the Audit Committee in consultation with auditors and approved by the Board of Directors,”

Special Business

4. **To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013, Mr. Nilotpal Deb (DIN: 06807932), who was appointed as an Additional Director by the Board under Section 161 of the Companies Act, 2013 and Article 83 of the Articles of Association of the Company with effect from 14.02.2014 and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing, under Section 160 of the Companies Act, 2013 from a member signifying his intention to propose him as a candidate for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

“RESOLVED FURTHER THAT pursuant to the provisions of Section 196, 197, 203, and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule V of the Act and Article No. 86 of the Articles of Association of the Company and subject to all the applicable statutory approvals, consent of the Company be and is hereby accorded to the appointment of Mr. Nilotpal Deb as a Managing Director of the Company for a period of 1 (One) year commencing from 14.02.2014 on such terms and conditions including remuneration and other amenities as set out in the agreement dated 13.02.2014 entered into by the Company with Mr. Nilotpal Deb and also set out in Explanatory Statement annexed to the Notice convening this Meeting which is attached herewith.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination & Remuneration Committee constituted by the Board) be and are hereby authorized to vary the terms and conditions including remuneration as specified in the said Agreement as may be considered appropriate subject to the same being in conformity with the provisions of Schedule V of the Companies Act, 1956 for the time being in force or any amendments thereto, as may be agreed to between the Board of Directors and Mr. Nilotpal Deb.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution and to delegate all or any of its power herein conferred to a Director and Company Secretary to give effect to the aforesaid resolutions."

5. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and Article No. 86 of the Articles of Association of the Company, consent of the Company be and is hereby accorded to the appointment of Mr. Naresh Chandra Chakraborty as Managing Director of the Company for a period commencing from 12.11.2013 to 14.02.2014 on the terms and conditions including remuneration and other amenities as set out in the agreement dated 05.11.2013 entered into by the Company with Mr. Naresh Chandra Chakraborty, which agreement also be and is hereby approved."

6. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

"RESOLVED THAT that pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, Mr. Ravi Prakash Pincha (DIN 00094695), Independent Director of the Company whose period of office was liable to determination by retirement of Directors by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto March 31, 2019 and whose office shall not, henceforth, be liable to determination by retirement of Directors by rotation."

7. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

"RESOLVED THAT that pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, Mr. Gaurav Somani (DIN 06428114), Independent Director of the Company whose period of office was liable to determination by retirement of Directors by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto March 31, 2019 and whose office shall not, henceforth, be liable to determination by retirement of Directors by rotation."

8. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

"RESOLVED THAT that pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, Mr. Dilip Chakraborty (DIN 00587989), Independent Director of the Company whose period of office was liable to determination by retirement of Directors by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto March 31, 2019 and whose office shall not, henceforth, be liable to determination by retirement of Directors by rotation."

9. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Special Resolution:

“RESOLVED THAT in supersession of resolution passed under section 293(1)(d) of the Companies Act, 1956 at the Annual General Meeting of the Company held on 29th September, 2007 and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 including any statutory modifications or any amendments or any substitution or re-enactment thereof, if any, for the time being in force and all other applicable Acts, laws, rules, regulations and guidelines for the time being in force, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called “the Board” which term shall be deemed to include any Committee thereof, which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution and with the power to delegate such authority to any person or person(s)) to borrow moneys in excess of the aggregate of the paid up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained / to be obtained from the Company's bankers in the ordinary course of business, shall not exceed the sum of Rs. 100 Crores (Rupees One Hundred Crore).

RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolution, the Board of Directors of the Company be and are hereby authorised to arrange or settle the terms and conditions on which all such monies are to be borrowed from time to time and to take all such actions and to give all such directions and to do all such acts, deeds, matters and things as may be necessary and/or expedient in that behalf.”

**By order of the Board
for ntc industries limited**

**Sunil Kumar Varma
(Company Secretary)**

Place: Kolkata
Date: 29th May, 2014

NOTES:

1. The relevant explanatory statement pursuant to sec 102 of the Companies Act, 2013 in respect of Special Business set out in the notice is enclosed herewith.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, SHOULD BE COMPLETED, STAMPED AND SIGNED AND MUST BE DEPOSITED AT THE COMPANY'S REGISTRAR AND SHARE TRANSFER AGENT NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE ANNUAL GENERAL MEETING.**

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.

3. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. Pursuant to the provision of section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from Friday, 29th August, 2014 to Friday, 05th

5. The information required to be given for appointment and / or re-appointment of Directors under Clause 49 of the Listing Agreement are annexed hereto and forms part of this Notice.
6. Members seeking any information or clarification on Accounts are requested to send written queries to the Company, at least 10 days before the date of the meeting to enable the management to keep the required information available at the Meeting.
7. For convenience of Members and for proper conduct of the Meeting, entry to the Meeting venue will be regulated by attendance slip, which is enclosed with the Annual Report. Members are requested to sign at the place provided on the attendance slip and hand it over at the entrance of the venue.
8. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company's Registrar and Share Transfer Agent (RTA).
9. Non-Resident Indian Members are requested to inform the RTA immediately of:
 - o Change in their residential status on return to India for permanent settlement.
 - o Particulars of their bank account maintained in India with complete name, branch, account type, account number, and address of the Bank with pin code number.
10. As an austerity measure, copies of the Annual Report will not be distributed at the Meeting. Members are requested to bring their copies of the Annual Report to the meeting.
11. No compliment or gift of any nature will be distributed at the Annual General Meeting.
12. The Company has designated an exclusive e-mail ID investors@ntcind.com which would enable the Members to communicate their grievances. The Members may send their grievances, if any, to this e-mail ID for its quick redressal.
13. Pursuant to sub-section (5) of Section 205A of the Companies Act, 1956, dividend for the financial year ended 31st March, 2007 and thereafter, which remain unclaimed/unencashed for a period of 7 years from the date of transfer of the same as referred to in sub-section (1) of Section 205A of the Act, will be transferred to the Investor Education and Protection Fund of the Central Government established under sub-section (1) of Section 205C of the Act. According to the explanation to sub-section (2) of Section 205C of the Act, no claims shall lie against the said Fund or the Company for the amounts of dividend so transferred nor shall any payment be made in respect of such claims.
14. 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 details to the Company/RTA for registration of transmission/transposition, deletion of name etc.
15. Electronic copies of the Annual Report for 2014 are being sent to all the members whose e-mail IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2014 is being sent in the permitted mode.
16. Electronic copy of the Notice of the 23rd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with attendance slip and proxy form is being sent to all the members whose e-mail IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail address, physical copies of the Notice of the 23rd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode. Members may also note that Notice of 23rd Annual General Meeting and Annual Report for 2013-14 will also be available on Company's website www.ntcind.com for their download.

17. The Ministry of Corporate Affairs has taken a 'Green Initiative in Corporate Governance' by allowing paperless compliances by Companies enabling the Members to receive various notices and documents including Annual Report through electronic mode by registering their e-mail addresses with the RTA or with the Company. The Company had supported the said initiative by requesting Members to register their e-mail addresses. To continue with this effort the Company appeals to the Members who have not yet registered their e-mail address with the Company, to register their e-mail address, in respect of electronic holdings with the Depository through their Depository Participants. Members who hold shares in physical form are requested to register their e-mail address with the Company's Registrar & Share Transfer Agent, M/s. Niche Technologies Private Limited at ntc@nicotechpl.com mentioning their Name and Folio No. The Members can also register their e-mail address with the Company by sending an email at investors@ntcind.com mentioning their Name and Folio No.

18. **VOTING THROUGH ELECTRONIC MEANS**

A. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, and Clause 35B of the Listing Agreement, the Company is pleased to provide members, the facility to exercise their right to vote by electronic means at the 23rd Annual General Meeting (AGM) and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL).

B. Similarly, members opting to vote physically can do the same by remaining present at the meeting and should exercise the option for e-voting. However, in case members cast their vote exercising both the options, i.e. physically and e-voting, then votes casted through e-voting shall only be taken into consideration and treated valid whereas votes casted physically at the meeting shall be treated as invalid.

C. The instructions for shareholders voting electronically are as under:

(I) The voting period begins on 1st September, 2014 at 10.00 a.m. and ends on 1st September, 2014 at 6.00 p.m.. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 25th July, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period

(iii) Click on "Shareholders" tab.

(iv) Now, select the "ntc industries limited" from the drop down menu and click on "SUBMIT"

(v) 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.

(vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none">Members who have not updated their PAN with the Company / Depository Participant are requested to enter in capital letters the PAN field of 10 characters as First 2 Characters of the First Holder Name followed by 8 characters consisting of Folio Number prefix by "0" (or 8 characters from right of BO-ID). No special characters or space will be taken from the name and folio number and name shall be excluded of titles like Mr / Mrs / Smt / Miss / Ms / M/s etc. Example: (1) Mr. V. N. Swami and Folio Number is S/0245, the PAN will be VN00S0245 (2) M/s. 4-square Company Ltd. and Folio Number is C-0052 the PAN will be 4S000C0052
DOB	<p>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.</p>
Dividend Bank Details	<p>Enter the Bank Account Number as recorded in your demat account with the depository or in the company records for your folio.</p> <ul style="list-style-type: none">Please Enter the DOB or Bank Account Number in order to Login.If both the details are not recorded with the depository or company then please enter in the Dividend Bank Details field the Number of Shares Held by you as on Cut-Off Date (Record Date) of 25/07/2014.

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) 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.

(xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for the relevant "**ntc industries limited**" on which you choose to vote.

(xiii) 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.

- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) 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.
- (xix) Note for Institutional Shareholders
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) 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.
 - After receiving the login details they have to create a compliance user 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 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.

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 under help section or write an email to helpdesk.evoting@cdslindia.com.

19. The notice of 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 Friday, 25th July, 2014.
20. 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 (Record Date) 25th July, 2014.
21. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
22. Mr. Manoj Kumar Banthia, Practicing Company Secretary, (Membership no.11470, CP No. 7596) of MKB & Associates, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
23. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblocks the votes in the presence of at least two (2) witness not in the employment and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairmen of the Company.
24. The scrutinizer's decision on the validity of e-voting will be final.
25. The results of annual general meeting shall be declared by the Chairman or his authorized representative or any one Director of the Company on or after annual general meeting within the prescribed time limits.
26. The result of the e-voting will be placed on the Company's website at www.ntcind.com and also to be placed at the website of the agency on www.cdslindia.com.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No.4

The Board of Directors of your Company at their meeting held on February 13, 2014 had appointed Mr. Nilotpal Deb as an additional director of the Company.

Pursuant to Section 161 of the Companies Act, 2013, the above director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the company proposing his candidature for appointment as Director of the Company under Section 160 of the Companies Act, 2013. The Board feels that presence of Mr. Nilotpal Deb on the Board is desirable and would be beneficial to the company.

Further, considering the vast experience possessed by Mr. Nilotpal Deb in the areas of activities of the Company, the Board of Directors of your Company at their meeting held on February 13, 2014 had also appointed Mr. Nilotpal Deb as the Managing Director of the Company for a period of 1 (one) year commencing from February 14, 2014.

The terms and conditions of the appointment and remuneration payable to Mr. Nilotpal Deb are provided in the agreement entered between the Company and Mr. Nilotpal Deb, which are briefly stated as follows:

Salary, Remuneration, perquisites and benefits :

1. **Salary:** - Rs.42,590/- (Rupees forty two thousand and five hundred ninety) per month
2. **Perquisites:-**
 - a. Medical Re-imbusement : Rs. 15,000/- per annum.
 - b. Exgratia: Rs. 35,000/- per annum.
 - c. Leave Salary : Rs. 42,600/- per annum.
3. **Employers Contribution to Provident fund :-**
Rs. 2,776/- per month

For Company's business use of telephone and other communication facilities at residence/other places, reimbursement of traveling, entertainment and all other expenses for the purpose of business incurred by him shall not be treated as perquisite.

4. **Minimum Remuneration:-** The above salary will be payable to the Managing Director even in case of loss or inadequacy of profits in respect of any financial year during his tenure of office in compliance with Schedule XIII to the Companies Act, 1956 and Schedule V of the Companies Act, 2013.
5. **Sitting Fees:-** The Managing Director shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof from the date of his appointment.

As per the provisions of Companies Act, 2013 appointment of such Managerial personnel requires approval of the shareholders in the general meeting.

Hence the Board recommends the resolution as set out in item No.4 of the Notice for your approval.

This may also be treated as a Abstract and Memorandum of Interest of the directors pursuant to the provisions of Section 302 of the Companies Act, 1956.

None of the Directors or key managerial personnel of the Company or their relatives, except Mr. Nilotpal Deb, are interested or concerned, financially or otherwise, in the aforesaid resolution except to the extent of their shareholding.

Item No.5

The Board of Directors of your Company at their meeting held on November 05, 2013 had re-appointed Mr. Naresh Chandra Chakraborty as the Managing Director of the Company for a period of 1 (one) year commencing from November 12, 2013. Mr. Chakraborty resigned from the Board of Directors w.e.f 14.02.2014. During his tenure, he was paid a total remuneration of Rs. 3,66,250 (including Rs.30, 589 as exgratia) in terms of the Agreement dated 05.11.2013 entered by the Company with Mr. Chakraborty.

In terms of Section 269 of the Companies Act, 1956 read with Schedule XIII, the approval of the shareholders is required for the above reappointment. Accordingly, your Directors recommend the resolution at Item No. 5 for your approval.

Since Mr. Chakraborty has already resigned from the Board of Directors of the Company, none of the Directors or key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise in this resolution.

Item No.6, 7 & 8

In accordance with the relevant provisions of the Articles of Association of the Company and the erstwhile provisions of the Companies Act, 1956, Mr. Ravi Prakash Pincha, Mr. Gaurav Somani and Mr. Dilip Chakraborty, Independent Directors were appointed by the Members of the Company. The provisions of the Companies Act, 2013 with respect to appointment and tenure of the Independent Directors have come into effect. As per the said provisions, the Independent Directors shall be appointed for not more than two terms of five years and shall not be liable to retire by rotation at every AGM.

Accordingly, in compliance of Section 149, 152, Schedule IV and any other applicable provisions of the Companies Act, 2013, Mr. Ravi Prakash Pincha, Mr. Gaurav Somani and Mr. Dilip Chakraborty, being eligible and offering themselves for appointment, are proposed to be appointed as Independent Directors of the Company who shall hold office from the date of this Annual General Meeting upto 31st March 2019. A Notice pursuant to Section 160 of the Companies Act, 2013, with the required deposit has been received from a shareholder signifying his intention to propose their appointment as Directors of the company.

In the opinion of the Board, Mr. Ravi Prakash Pincha, Mr. Gaurav Somani and Mr. Dilip Chakraborty fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for appointment as Independent Directors of the Company and they are independent of the management. A copy of the draft Letter of Appointment for Independent Directors, setting out terms and conditions of their appointment, is available for inspection at the Registered Office of the Company during business hours on any working day and is also available on the website of the Company www.ntcind.com.

The Board considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail their services as Independent Directors. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Ravi Prakash Pincha, Mr. Gaurav Somani and Mr. Dilip Chakraborty as Independent Directors, for the approval by the shareholders of the Company. A brief profile of proposed Independent Directors, including nature of their expertise, is provided as Annexure to the Notice.

None of the Directors or key managerial personnel of the Company or their relatives, except Mr. Ravi Prakash Pincha, Mr. Gaurav Somani and Mr. Dilip Chakraborty are concerned or interested, financially or otherwise in this resolution, except to the extent of their shareholding.

The Board recommends the resolutions as set out in item No.6, 7 and 8 of the Notice for your approval.

Item No.9

At the Annual General Meeting of the Company held on 29th September, 2007, the Members had, by way of Ordinary Resolutions and in pursuance of the provisions of Section 293(1)(d) of the Companies Act, 1956, given approval for borrowing monies on behalf of the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) in excess of the aggregate of the paid-up capital of the Company and its free reserves, subject to the total outstanding amount so borrowed not exceeding a sum of Rs. 100 crore at any point of time;

Under Section 180 of the Act, the above powers of the Board are required to be exercised only with the consent of the company by a Special Resolution.

The Ministry of Corporate Affairs ("MCA") has vide its General Circular No 4/2014 dated March 25, 2014 clarified that the Resolution passed under Section 293 of the Companies Act, 1956 prior to 12th September, 2013 with reference to borrowings will be valid for a period of one year from the date of notification of Section 180 of the Act and the period expires on 11th September, 2014. Pursuant to the above clarification, it is proposed to seek approval of the Members under Section 180(1)(c) of the Companies Act, 2013..

The Board recommends the resolutions as set out in item No.9 of the Notice for your approval as Special Resolution.

None of the Directors or key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise, in this resolution, except to the extent of their shareholding.

**By order of the Board
for ntc industries limited**

Sunil Kumar Varma
(Company Secretary)

Place: Kolkata
Date: 29th Day of May, 2014

Details of Director Seeking Appointment/Re-Appointment at 23rd Annual General Meeting pursuant to Clause 49 of Listing Agreement with Stock Exchange:

Name of the Director	Mr. Nilotpal Deb	Mr. Naresh Chandra Chakraborty	Mr. Ravi Prakash Pincha
Date of birth	08/11/1957	24/12/1945	12/08/1978
Relationship with other director	None	None	None
Date of appointment	14/02/2014	01/08/2010	02/01/2001
Expertise in specific functional area	Cigarette Industry	Cigarette Industry	Real Estate Business
Brief Profile	Mr. Nilotpal Deb has been associated with the Company since its incorporation. He was appointed on the Board of NTC Industries Ltd. w.e.f. 14th February, 2014. He possesses over 30 years of experience in cigarette industry. Being a visionary team leader, he adorns the Board with his distinctive qualities in production and distribution of the products manufactured by the Company.	Mr. Naresh Chandra Chakraborty having diploma in Marketing & Distribution has been associated with the Company since its incorporation. He was appointed on the Board of NTC Industries Ltd. w.e.f. 01st August, 2010. He possesses over 40 years of experience in cigarette industry.	Mr. Ravi Prakash Pincha is a man with great experience in real estate business. His innovative ideas, experience and exposures have greatly benefitted the Company and which helped to inculcate a creative culture in the Company.
Qualification	Graduate	Graduate	Under- Graduate
No. of equity shares held in the Company	Nil	Nil	5600
List of other companies* in which directorships are held	Nil	Nil	<ol style="list-style-type: none"> 1. RDB Realty & Infrastructure Limited 2. Bhagwati Builders and Developmen Pvt Ltd 3. Kasturi Tie-Up Pvt Ltd 4. Baron Suppliers Pvt Ltd 5. Headman Merchatile Pvt Ltd 6. Bahubali tie-Up Pvt Ltd 7. Triton Commercial Pvt Ltd 8. Bhagwati Plastoworks Pvt Ltd 9. Khatod Investments & Finance Co Ltd 10. Bengal Regent Infrastructure Ltd 11. RDB Regent Retail Ltd
Committee position held in NTC Industries Limited	A. Audit Committee Member	Nil	<p>A. Shareholders Committee Chairman</p> <p>B. Remuneration Committee Member</p>
Committee positions held in Companies other Public	Nil	Nil	<ol style="list-style-type: none"> 1. RDB Regent Retail Limited- <ol style="list-style-type: none"> A. Remuneration Committee Member B. Audit Committee-Member. 2. Khatod Investments & Finance Co Ltd <ol style="list-style-type: none"> A. Shareholders Committee Member

*in other companies Indian public companies and its subsidiaries are considered.

Mr. Dilip Chakraborty	Mr. Gaurav Somani
01/01/1961	14/07/1979
None	None
08/08/2012	15/12/2013
Real Estate Business	Finance
Mr. Dilip Chakraborty is a Mechanical Engineer by profession. He was associated with the Company in the year 2012. He was appointed as Non Executive Director on the Board of Directors of the Company. He worked with many organizations at different managerial positions. His varied experience and exposure is of immense help to the Board to take appropriate strategic decision in a competitive business era.	Mr. Gaurav Somani was appointed on the Board of ntc industries ltd. on 15th November, 2012. He is a commerce graduate. His young age makes him a very enthusiastic Board member. His experience in the area of finance is of immense help to the Board to take appropriate decision in the company's financial matters.
Graduate	Graduate
Nil	5500
Nil	Nil
Nil	Nil
Nil	Nil



ntc industries limited

149 B. T. Road, Kamarhati, Kolkata - 700 058.

Phone : +91-33-3019 0512 / 513 / 506 | E-mail : Investors@ntcind.com | www.ntcind.com
CIN : L70109WB1991PLC053562

ATTENDANCE SLIP

(Please complete this Attendance Slip and hand it over at the entrance of Meeting Hall)

Regd. Folio No./DP ID		Name of the registered Shareholder/Proxy (in BLOCK LETTERS)
Client ID		
No. of Shares held		

I/ We hereby record my/ our presence at the 23rd Annual General Meeting of M/s. ntc industries limited to be held on Friday, 5th September, 2014 at 9.30 a.m. at "The Aryans School", 149, B.T. Road, Kolkata-700058.

Signature of Member(s) or Proxy(s)

ELECTRONIC VOTING PARTICLUARS

EVSN	USER ID	PASSWORD
140807003	Please refer to Note No. 18 in the Notice	

Note: Member's / Proxy holders are requested to bring their copy of Annual Report with them at the meeting.

**ntc industries limited**

149 B. T. Road, Kamarhati, Kolkata - 700 058.

Phone : +91-33-3019 0512 / 513 / 506 | E-mail : Investors@ntcind.com | www.ntcind.com
CIN : L70109WB1991PLC053562**Form No. MGT.11****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]*

CIN :	L70109WB1991PLC053562		
Name of the Company :	ntc industries limited		
Regd Office :	149, B.T. Road, Kamarhati, Kolkata – 700 058		
Name of the Member(s):			
Registered Address:			
E-mail ID:			
Folio No./ Client ID :		DP ID	

I/We being the member(s) of _____ shares of ntc industries limited hereby appoint:

1	Name		E-mail ID	
	Address		Signature	
	or failing him			
2	Name		E-mail ID	
	Address		Signature	
	or failing him			
3	Name		E-mail ID	
	Address		Signature	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23rd Annual General Meeting of the Company to be held on Friday, 5th September, 2014 at 9.30 A.M. at The Aryans School, 149, B.T. Road, Kolkata – 700058 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution no.	Description
Ordinary Business	
1	Adoption of Accounts for the financial year ended 31st March, 2014, the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
2	To appoint a director in place of Mr. Dilip Chakraborty who retires by rotation and being eligible offers himself for re-appointment
3	To appoint M/s S. M. Daga & Co., Chartered Accountants as Statutory Auditors,
Special Business	
4	Ordinary Resolution for appointment of Mr. Nilotpal Deb as Director and Managing Director of the Company.
5	Ordinary Resolution for appointment of Mr. Naresh Chandra Chakraborty as Managing Director of the Company till 13.02.2014.
6	Ordinary Resolution for appointment of Mr. Ravi Prakash Pincha as Independent Director
7	Ordinary Resolution for appointment of Mr. Gaurav Somani as Independent Director
8	Ordinary Resolution for appointment of Mr. Dilip Chakraborty as Independent Director
9	Special Resolution under Section 180(1)(c) for borrowing money in excess of paid up capital and free reserves

Signed this _____ day of _____ 2014.

Signature of the Member : _____

Signature of the Proxy : _____

Revenue
Stamp**Notes:**

- This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the Meeting.
- For the resolutions, explanatory statements and Notes, please refer to the Notice of 23rd Annual General Meeting of the Company.
- Please complete all details including details of member(s) in the above box before submission