

HOTAHOTI WOOD PRODUCTS LIMITED

(CIN: L20211NL1984PLC002149)

ANNUAL REPORT 2016-17

SL.NO	CONTENTS	PAGE
1	CORPORATE INFORMATION	i
2	NOTICE	ii-xii
3	DIRECTORS REPORT	1-7
4	ANNEXURE-I (AOC-2)	8-10
5	ANNEXURE-II (MD & CFO CERTIFICATION)	11
6	ANNEXURE-III (MANAGING DIRECTOR'S CERTIFICATION)	12
7	ANNEXURE-IV (MANAGEMENT DISCUSSION & ANALYSIS REPORT)	13-14
8	ANNEXURE-V (MGT-9)	15-19
9	ANNEXURE-VI (SECRETARIAL AUDIT REPORT)	20-22
10	CORPORATE GOVERNANCE REPORT	23-31
11	AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE	32
12	INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS	33-34
13	ANNEXURE-'A' OF AUDITORS' REPORT (CARO, 2016)	35-36
14	ANNEXURE 'B' OF AUDITORS' REPORT (INTERNAL FINANCIAL REPORT)	37-38
15	AUDITOR'S REPORT AS SPECIFIED IN PARAGRAPH 2 OF NBFC AUDITORS REPORT (RESERVE BANK) DIRECTIONS, 2008	39
16	BALANCE SHEET	40
17	STATEMENT OF PROFIT & LOSS	41
18	CASH FLOW STATEMENT	42
19	NOTES ACCOMPANYING FORMING PARTS OF FINNACIAL STATEMENTS (NOTE 1-2.28)	43-55

BOARD OF DIRECTORS:

Chand Ratan Modi:	Non- Independent Director (DIN: 00343685)
Tarak Nath Dey:	Managing Director (DIN: 00343396)
Champa Lal Pareek:	Non –Executive Independent Director (DIN: 00030815)
Sourav Saha:	Non-Executive Independent Director (DIN: 07204106)
Tripty Modi:	Non –Executive Non-Independent Director (DIN: 07203672)
Chanchal Rungta:	Non –Executive Non-Independent Director (DIN: 07590027)

COMMITTEES OF THE BOARD:

Audit Committee Members:

Mr. Champa Lal Pareek: Chairman	Mr. Chand Ratan Modi: Member
Mr. Sourav Saha: Member	

Nomination & Remuneration Committee Members:

Mr. Champa Lal Pareek: Chairman	Mr. Chand Ratan Modi: Member
Mr. Sourav Saha: Member	

Stakeholders Committee Members:

Mr. Chand Ratan Modi: Chairman	Mr. Champa Lal Pareek: Member
Mr. Sourav Saha: Member	

OTHER KEY MANAGERIAL PERSON:

Ms. Tripty Modi: Chief Financial Officer

BANKER: Axis Bank

AUDITORS:

Statutory & Tax Auditor:	M/s. Rahul Bansal & Associates. Chartered Accountants, 33 A, Jawaharlal Nehru Road, Suit #3, 6 th Floor, Kolkata-700071
Secretarial Auditor:	Priya Mankani, Practicing Company Secretary, Block-309, Flat-2A, Fort Residency, S.N. Roy Road, New Alipore, Kolkata-700038
Internal Auditor:	Mohit Surtani, 26/1A, S.N. Roy Road, Kolkata-700038

REGISTRAR & SHARE TRANSFER AGENT: M/s Niche Technologies Private Limited, D-511, Bagree Market, Rash Behari Bose Road- Kolkata-700001

SHARES LISTED WITH: Metropolitan Stock Exchange of India Limited

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

CORPORATE OFFICE: 4, Synagogue Street, 4th Floor, Room No. 405, Kolkata-700001

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

N O T I C E

Notice is hereby given that the next Annual General Meeting of the members of **HOTAHOTI WOOD PRODUCTS LIMITED** will be held on Monday, 21st August, 2017 at 2:00 P.M. at the registered office at P.O. Naginimora, MON, Nagaland- 798622 to transact the following business:

Ordinary Business:

1. Adoption of Account:

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

“RESOLVED THAT the Audited Balance Sheet and statement of Profit and Loss Account and Cash Flow Statement for the financial year ended March 31, 2017 along with the Auditor’s Report and the Directors’ Report as circulated to the shareholders and laid before the meeting, be received, considered and adopted.”

- 2.** To appoint a director in place of Mrs. Chanchal Rungta (DIN: 07590027), who retires by rotation and being eligible, offers herself for re-appointment.

3. Ratification of Auditor:

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

“RESOLVED THAT pursuant to the provisions of section 139 and other applicable provisions of the Companies Act, 2013 and Rules made there under, as amended from time to time, the Company do hereby ratifies the appointment of M/s. Rahul Bansal & Associates, Chartered Accountants, Firm Registration No.327098E, as an Auditor of the Company to hold office from conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting of the Company to be held in the year 2018 at a remuneration to be fixed by the Board of Directors in consultation with the Auditors.

By Order of the Board of Directors

For **Hotahoti Wood Products Limited**

Place: Kolkata
Date: 29.05.2017

Sd/-
Chand Ratan Modi
Director
DIN: 00343685

Corporate Office: 4, Synagogue Street, Room No. 405, 4th Floor, Kolkata-700001
Tel (STD Code): 033 66133300, Fax: 033-66133303

NOTES:

1. A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote in the meeting, instead of himself/ herself and the proxy need not be a member of the company.
2. The instrument appointing the proxy, duly completed, must be deposited at the Company's registered office not less than 48 hours before commencement of the meeting. A proxy form for AGM is enclosed.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percentage of total share capital of the Company carrying voting rights. A member holding more than ten percentage of the company carrying voting right may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholders.
4. Members/ Proxies should bring the Attendance Slip duly filled, enclosed herewith to attend the meeting.
5. The register and share transfer books will remain closed from 15th August, 2017 to 21st August, 2017 (both days inclusive) for the year ended 31st March, 2017 and the AGM.
6. Members holding shares in the electronic mode are requested to direct change of necessary details to their respective Depository Participant(s).
7. Members holding shares in the physical form are requested to address all correspondences to the Registrar and Transfer Agents, Niche Technologies Private Limited., D-511, Bagree Market, 5th Floor, 71, B.R.B. Basu Road, Kolkata – 700001.

8. VOTING THROUGH ELECTRONIC MEANS

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).

II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be

able to exercise their right at the meeting through ballot paper. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

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

- i. The remote e-voting period commences on 18th August, 2017 (9:00 am) and ends on 20th August, 2017 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 14th August, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- ii. The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.
- iii. Click on "Shareholders" tab.
- iv. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vii. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter

	RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account with the depository or in the company records for your folio in dd/mm/yyyy format.
Bank Account Number (DBD)	Enter the Bank Account Number as recorded in your demat account with the depository or in the company records for your folio. 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 the member-id / folio number in the Bank Account Number details field as mentioned in above instruction (iv).

- viii. After entering these details appropriately, click on “SUBMIT” tab.
- ix. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi. Click on the EVSN for the relevant Company Name i.e. HOTAHOTI WOOD PRODUCTS LIMITED on which you choose to vote.
- xii. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xiv. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

- xv. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xvii. If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii. Note for Institutional Shareholders & Custodians :
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a compliance user which should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xix. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com or contact them at 1800 200 5533.
- xx. Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
9. Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote through e-mail at mankani.pria@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com on or before 20th August, 2017, up to 5:00 pm without which the vote shall not be treated as valid.

10. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 14th August, 2017. A person who is not a member as on cut-off date should treat this notice for information purpose only.
11. The notice of the Annual General Meeting will be sent to the members, whose names appear in the register of members / Depositories as at closing hours of business on 23rd June, 2017.
12. The shareholders shall have one vote per equity share held by them as on the cut-off date of 14th August, 2017. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
13. Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 14th August, 2017 and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
14. Notice of the AGM along with attendance slip, proxy form along with the process, instructions and the manner of conducting e-voting is being sent electronically to all the members whose e-mail IDs are registered with the Company / Depository Participant(s). For members who request for a hard copy and for those who have not registered their email address, physical copies of the same are being sent through the permitted mode.
15. Investors, who became members of the Company subsequent to the dispatch of the Notice / Email and hold the shares as on the cut-off date i.e., 14th August, 2017 requested to send the written / email communication to the Company at hwpl17@gmail.com by mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-voting.
16. Ms. Priya Mankani, practicing Company Secretary (Certificate of Practice Number-17947) has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting at the AGM in a fair and transparent manner. The Scrutinizer will submit, not later than 3 days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
17. The Results declared along with the Scrutinizer's Report shall be placed on the website of CDSL. The same will be communicated to the listed stock exchanges viz. Metropolitan Stock Exchange of India.

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Website: www.hwpl.co.in

ATTENDANCE SLIP

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

Folio No.: _____ *DP-ID No.:* _____ *Client-ID No.* _____

Name of Member(s): _____

Name of the Proxy holder: _____

Registered Address: _____

Number of Shares Held _____

*I, hereby record my presence of the ensuing **ANNUAL GENERAL MEETING** of the Company held on Monday the **21st** day of **August, 2017** at **2.00 p.m.** at P.O. Naginimora, MON, Nagaland- 798622.*

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

** Strike out whichever is not applicable*

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

FORM OF PROXY

Folio No.: _____ *DPID No.:* _____ *Client ID No.:* _____

Name of the Member(s): _____ *Email Id:* _____

Registered Address: _____

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

1. *Name:* _____ *E-mail Id* _____

Address: _____ *or failing him/her*

2. *Name:* _____ *E-mail Id* _____

Address: _____ *or failing him/her*

3. *Name:* _____ *E-mail Id* _____

Address: _____

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Website: www.hwpl.co.in

*as my / our Proxy to vote for me / us, on my / our behalf at the ensuing **ANNUAL GENERAL MEETING** of the Company held on Monday, the **21st day of August, 2017** and at any adjournment thereof in respect of the following resolutions:*

1. *Adoption of Balance Sheet, Statement of Profit & Loss, Report of Auditors and Board of Directors for the year ended 31st March, 2017.*
2. *Re-Appointment of Mrs. Chanchal Rungta as Director who is retiring by rotation.*
3. *Ratification of appointment of Auditors.*

Signed this _____ day of _____ 2017. Signature of Member _____

Revenue

Signature of Proxy holder(s): 1. _____

2. _____

3. _____

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

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**ANNEXURE TO THE NOTICE FOR THE ENSUING ANNUAL GENERAL
MEETING OF THE COMPANY TO BE HELD ON 21st AUGUST, 2017**

Name & Registered Address

of Sole/First named Member:

Joint Holders Name (If any) :

Folio No. / DP ID & Client ID:

No. of Equity Shares Held :

Dear Shareholder,

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

Pursuant to Provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide E-voting facility to the members to cast their votes electronically on all resolutions proposed to be considered at the Annual General Meeting (AGM) to be held on Monday, 21st August, 2017 at 2.00 P.M. at P.O. Naganimora, MON, Nagaland- 798622 and at any adjournment thereof.

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

The Electronic Voting Particulars are set out below:

EVSN (Electronic Voting Sequence Number)	User ID	PAN / Sequence No.
170623018		

**Corporate Office: 4, Synagogue Street, Room No. 405, 4th Floor, Kolkata-700001
Tel (STD Code): 033 66133300, Fax: 033-66133303**

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Website: www.hwpl.co.in

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

Remote e-Voting Start On	Remote e-Voting End On
18th August, 2017 at 9:00 A.M. (IST)	20th August, 2017 at 5:00 P.M. (IST)

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

By Order of the Board
For **Hotahoti Wood Products Limited**

Sd/-

Chand Ratan Modi
Director
(00343685)

Place: Kolkata

Date: 15.07.2017

Encl: AGM Notice / Attendance Slip / Proxy Form

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Route Map for Hotahoti Wood Products Limited



Corporate Office: 4, Synagogue Street, Room No. 405, 4th Floor, Kolkata-700001
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DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2016-2017

**To,
The Members,**

Your directors have pleasure in presenting their next Annual Report on the business and operations of the company together with the Audited Statement of Accounts for the year ended 31st March, 2017.

Financial Highlights

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

Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Profit/ Loss before Taxation	(5,31,198)	2,09,651
Less: Tax Expenses		
Current Tax	-	1,01,500
Profit/(Loss) after Tax	(5,31,198)	1,08,151
Add: Balance Brought Forward from last year	(15,56,762)	(16,43,531)
Transferred to Reserve u/s 45-IC of the RBI Act, 1934	-	22,200
Taxation for Earlier Year	62,151	818
Balance Profit/ (Loss) c/d to Balance Sheet	(20,25,809)	(15,56,762)

State of Company's Affairs and Future Outlook

Guwahati real Estate Limited (Formerly Known as The Guwahati Stock Exchange Ltd. was de-recognized as Stock Exchange by SEBI vide its order dated May 30, 2012, therefore the listing agreements with the said Stock Exchanges came to an end and the securities ceased to be listed and were transferred to dissemination board of BSE.

In terms of SEBI Circular No. CIR/MRD/DSA/05/2015 dated 17.04.2015 companies exclusively listed at De-recognized /Non-Operational/ Exited Stock Exchanges had been allowed a time line of eighteen months within which such companies were required to obtain listing in any other Nationwide stock exchange to provide trading platform to its shareholders or to provide Exit opportunity to its public shareholders.

Equity Shares of Hotahoti Wood Products Limited has been listed and admitted to dealings on the Capital Market Segment of the Metropolitan Stock Exchange of India Ltd. (Formerly known as MCX Stock Exchange Ltd.) w.e.f. March 20, 2017 and the same has been removed from the dissemination board of BSE.

Share Capital

The paid up Equity Share Capital as on March 31, 2017 was Rs. 19.99 crores. During the year under review, the Company has not issued any shares or any convertible instruments.

Dividend

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

NBFC Reserve Fund

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

Amount transferred to Reserves

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

Material Changes Affecting the Financial Position of the Company

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

Change in the nature of Business, if any

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

Particulars of Loan, Guarantees and Investments under Section 186

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

Related Party Transactions

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

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

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

Internal Control Systems and their Adequacy

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

Hotahoti Wood Products Ltd.

R.B.I Directive to NBFC

The Company did not invite or accept any deposits from the public during the financial year ended 31st March, 2017. For the current financial year commencing on 1st April, 2016 the Board of Directors of the Company has confirmed by a Board Resolution dated 25th April, 2017 that the Company shall not invite or accept any deposit from public during the Financial Year, 2017-2018.

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

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

Details of Subsidiary, Joint Venture or Associates

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

Risk Management Policy

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

Directors

As per the provisions of the Companies Act, 2013, Mrs. Chanchal Rungta will retire by rotation at the ensuing annual general meeting and being eligible offered herself for re-appointment. The Board recommends her re-appointment.

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

SL NO	NAME	DESIGNATION
1	Champa Lal Pareek	Independent Director
2	Tarak Nath Dey	Managing Director
3	Chand Ratan Modi	Director
4	Sourav Saha	Independent Director
5	Chanchal Rungta	Director

Number of Board Meetings

During the Financial Year 2016-17, the Board met 10 times on 13th April, 2016; 6th June, 2016; 7th June, 2016; 10th August, 2016; 13th August, 2016; 26th August, 2016; 5th November, 2016; 24th January, 2017; 15th February, 2017 and 27th February, 2017.

Hotahoti Wood Products Ltd.

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

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

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

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

Vigil Mechanism

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

Corporate Governance and Management Discussion Analysis

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

The Corporate Governance Certificate for the year ended March 31, 2017 is issued by Ms. Priya Mankani, Practicing Company Secretaries, of the Company.

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

Tarak Nath Dey, Managing Director and Ms. Tripty Modi, Chief Financial Officer, have given their certificate under Regulation 17(8) read with Part B of Schedule II of SEBI-LODR regarding annual financial statements for the year ended March 31st, 2017 to the Board of Directors and the same has been attached with this report as Annexure-II. The Managing Director has given certificate under Regulation 34(3) read with Part D of Schedule V of SEBI-LODR regarding compliance with the Code of Conduct of the Company for the year ended March 31st, 2017 which is attached as Annexure-III and forms a part of this Report of Directors.

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

Declaration by Independent Directors:

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

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

Key Managerial Person:

The Board appointed Ms. Tripty Modi (DIN: 07203672), as the Chief Financial Officer of the company with effect from August 26, 2016, who shall hold office up to the forth coming Annual General Meeting.

Audit Committee

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

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

The committee met 5 times during the year on 13th April, 2016; 7th June, 2016; 10th August, 2016; 5th November, 2016 and 24th January, 2017.

Nomination & Remuneration Committee Policy

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

Stakeholder Relationship Committee

The Stakeholder Relationship Committee comprises of 3 Directors. The committee functions under the Chairmanship of Mr. Chand Ratan Modi, a Non-Executive Non-Independent Director. The other members of the Committee are Mr. Champa Lal Pareek and Mr. Sourav Saha.

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

Transfer of Unclaimed Dividend to Investor Education and Protection Fund

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

Extract of Annual Return

The extract of Annual Return, in format MGT 9, for the Financial Year 2016-2017 has been enclosed with this report.

Auditors

1. Statutory Auditors

M/s. Rahul Bansal & Associates (Firm Registration No: 327098E), Chartered Accountants, have been appointed as statutory auditors of the Company at the Annual General Meeting held on 18.08.2014 for a period of five years subject to ratification by members at every consequent Annual General Meeting. Therefore, ratification of appointment of Statutory Auditors is being sought from the members of the Company at the ensuing AGM.

2. Secretarial Auditor

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

3. Internal Auditor

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

Explanation to Auditor's Remarks

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

Corporate Social Responsibility (CSR) Policy

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

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

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

Listing

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

E Voting

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

Directors Responsibility Statement

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

- a) in the preparation of the annual accounts for the financial year ended 31st March, 2017, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2017 and of the profit of the Company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Acknowledgment

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

Place: Kolkata
Date: 29.05.2017

For and on behalf of the Board of Directors

Sd/-
Tarak Nath Dey
Managing Director
DIN: 00343396

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

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

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

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

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

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

List of Related Parties and Relationship

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

Hotahoti Wood Products Ltd.

Name of the Related Party	Nature of Transaction	During the year 2016-17 31st March, 2017	During the year 2015-16 31st March, 2017
Tripty Modi	Remuneration	3,00,000	NIL
North Eastern Publishing & Adv. Co Ltd	Rent	8,928	-
North Eastern Publishing & Adv. Co Ltd	Purchase/Sale of Investment		73,50,620
Purbanchal Prestressed Ltd	Purchase/Sale of Investment	96,000	96,000
Kamini Finance & Inv. Co Ltd	Purchase/Sale of Investment	16,000	16,000
Gulmohur Trading Pvt Ltd	Purchase/Sale of Investment	16,000	14,87,500
Chemo Traders Pvt. Ltd	Purchase/Sale of Investment	1,12,000	4,70,500
Maa Karni Finance Pvt Ltd	Purchase/Sale of Investment	16,000	16,000
Visisth Chay Vyapar Ltd	Purchase/Sale of Investment	48,000	2,16,000
Citystar Infrastructures Ltd	Loan Taken <i>(with Interest thereon)</i>	26,79,009	102,76,466
Citystar Infrastructures Ltd	Purchase/Sale of Investment	360,36,192	30,95,000
N K Concrete Creations Pvt Ltd	Purchase/Sale of Investment	-	-

Name of the Related Party	Nature of Balance	As at 31st March, 2017	As at 31st March, 2016
Tripty Modi	Amount Payable	2,00,000	-
Purbanchal Prestressed Ltd	Amount Receivable	-	96,000
Kamini Finance & Inv. Co Ltd	Amount Payable	-	16,000
Gulmohur Trading Pvt Ltd	Amount Payable	-	16,000
Chemo Traders Pvt Ltd	Amount Payable	-	1,12,000
Maa Karni Finance Pvt Ltd	Amount Payable	-	16,000
Visisth Chay Vyapar Ltd	Amount Receivable	-	48,000
Citystar Infrastructures Ltd	Amount Payable	6,09,10,995	5,82,21,986
Citystar Foods Pvt Ltd	Amount Receivable	1,36,07,907	1,36,07,907
Citystar Agro Industries Pvt Ltd	Amount Receivable	40,000	-
Ganguly Citystar Enterprises LLP	Amount Receivable	-	14,229
Citystar Ganguly Projects LLP	Amount Receivable	-	8,96,926
N K Concrete Creations Pvt Ltd	Amount Receivable	68,47,240	68,47,240

Hotahoti Wood Products Ltd.

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

C. Amount paid as advances, if any -

Name of the Related Party	Nature of Transaction	During the year ended 31st March, 2017	During the year ended 31st March, 2016
Citystar Agro Industries Pvt. Ltd.	Loans & Advances	40,000	-
Ganguly Citystar Enterprises LLP	Loans & Advances	14,229	6,49,954
Citystar Ganguly Projects LLP	Loans & Advances	8,96,296	45,35,339

Place: Kolkata
Date: 29.05.2017

For and on behalf of the Board of Directors
Sd/-
Tarak Nath Dey
Managing Director
DIN: 00343396

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

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

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

1. We have reviewed financial statements and the cash flow statement for the year ended March 31st, 2017 and that to the best of our knowledge and belief:
 - These statements do not contain any materially untrue statement or omit any material fact nor contain statements that might be misleading, and
 - These statements present true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or in violation of the Company's code of conduct;
3. We accept responsibility for establishing and maintaining internal controls, we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of the internal controls, if any, of which we are aware and the steps that we have taken to rectify the identified deficiencies; and
4. We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
 - (i) Significant changes, if any, in the internal control over financial reporting during the year;
 - (ii) Significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Sd/-

Tarak Nath Dey
Managing Director

Sd/-

Tripty Modi
Chief Financial Officer

Place: Kolkata
Date: 29.05.2017

ANNEXURE-III

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

As required under Regulation 34(3) read with Part D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, hereby declare that all the members of the Board of Directors and senior management personnel have affirmed compliance with the Code of Conduct, as applicable to them, for the year ended 31st March, 2017.

Sd/-

Place: Kolkata
Date: 29.05.2017

Tarak Nath Dey
Managing Director

ANNEXURE IV

Management Discussion and Analysis Report

Your Directors are pleased to present the Management Discussion and Analysis Report for the year ended 31st March, 2017.

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

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

Non-Banking Finance Company (NBFC) Outlook

NBFC's form an integral part of the country's financial structure. They not only compliment the functioning of banks but also facilitate inclusive growth of the economy. The role of NBFCs as effective financial intermediaries has been well recognized as they have inherent ability to take quicker decisions, assume greater risks, and customize their services and charges more according to the needs of the clients. Moreover, NBFCs assume significance in the small business segment as they primarily cater to the credit requirements of the unorganized sector such as wholesale & retail traders, small-scale industries. NBFCs have been playing a very important role both from the macro-economic perspective and as integral part of the Indian financial system, enhancing competition and diversification in the financial sector. India ratings expects NBFC's to account for over 17% of the total credit in the country by FY 2019 as compared to 13.1% at the end of 2015.

Business

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

Financials:

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

Particulars	2017	2016
Revenue from Operations	1,35,68,085	64,08,890
Other Income	98,071	72,002
Total Revenue	1,36,66,156	64,80,892
Profit Before Interest, Depreciation & Tax	(5,31,198)	2,09,651

The total turnover of the company during the year under review has doubled itself from last year. i.e., 2015-16. The sale of inventories hasn't generated exorbitant profits to the Company though. The Company's expenses have increased due to additional listing expenses after it got itself listed on the Metropolitan Stock Exchange of India Limited. Also, the Company saw a sharp rise in the Finance Cost on account of increased borrowings.

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

Opportunities, Threats and Risks

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

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

Human Resource/ Industrial relations

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

Internal Control Systems and Adequacy

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

Cautionary Statement

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

ANNEXURE-V**FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN****as on financial year ended on 31.03.2017****Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.****I REGISTRATION & OTHER DETAILS:**

i	CIN	L20211NL1984PLC002149
ii	Registration Date	08-03-1984
iii	Name of the Company	HOTAHOTI WOOD PRODUCTS LIMITED
iv	Category/Sub-category of the Company	Company Limited By Shares/ Non-govt Company
v	Address of the Registered office & contact details	P.O.- NAGINIMORA, MON, NAGALAND - 798622, Phone No. 033-66133300
vi	Whether listed company	YES
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Niche Technologies Private Limited D-511, Bagree Market, 71, B.R.B. Basu Road, Kolkata - 700001 Phone No.: 033 2235-7270/7271 Fax: 033 - 2215 6823 Email : nichetechpl@nichetechpl.com

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

NIL

SI No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1					

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

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2016)				No. of Shares held at the end of the year (As on 31.03.2017)				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
A. Promoters										
(1) Indian										
a) Individual/HUF	-	-	-	-	-	-	-	-	-	-
b) Central Govt.or State Govt.	-	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	25,57,700	1,00,000	2657700	13.289%	26,57,700	-	2657700	13.289%	-	0.00
d) Bank/FI	-	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-	-
SUB TOTAL:(A) (1)	25,57,700	1,00,000	26,57,700	13.289%	26,57,700	-	26,57,700	13.289%	-	0.00
(2) Foreign										
a) NRI- Individuals	-	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-	-
SUB TOTAL (A) (2)	-	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter										
(A)= (A)(1)+(A)(2)	2557700	1,00,000	26,57,700	13.289%	2657700	-	26,57,700	13.289%	-	0.00
B. PUBLIC SHAREHOLDING										
(1) Institutions										
a) Mutual Funds	-	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-	-
c) Central govt	-	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(1):	-	-	-	-	-	-	-	-	-	-
(2) Non Institutions										
a) Bodies corporates										
i) Indian	69,46,800	70,07,620	139,54,420	69.772%	135,44,420	14,00,000	149,44,420	74.722%	-	0.05
ii) Overseas	-	-	-	-	-	-	-	-	-	-
b) Individuals										
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	-	97,840	97840	0.489%	-	97,840	97840	0.489%	-	0.00
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	32,90,000		32,90,000	16.450%	23,00,000	-	23,00,000	11.500%	-	(0.05)
c) Others (specify)	-	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(2):	32,90,000	71,05,460	173,42,260	86.711%	158,44,420	14,97,840	173,42,260	86.711%	-	0.00
Total Public Shareholding (B)= (B)(1)+(B)(2)	102,36,800	71,05,460	173,42,260	86.711%	158,44,420	14,97,840	173,42,260	86.711%	-	0.00
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	127,94,500	72,05,460	199,99,960	100%	185,02,120	14,97,840	199,99,960	100%	-	0.00

(ii) SHARE HOLDING OF PROMOTERS -

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

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

No Change in Promoters Holding

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

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

Sl. No		Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
	For Each of the Top 10 Shareholders				
1	MARUTI SECURITIES LIMITED	58,50,000	29.25	58,50,000	29.25
2	SUDHIR JAIN	23,00,000	11.50	23,00,000	11.50
3	UTTAM MACHINERY & SUPPLY CO. PVT. LTD.	9,95,000	4.98	9,95,000	4.98
4	UTSAV PAREKH	9,90,000	4.95	-	-
5	MERLIN RESOURCES PRIVATE LIMITED	-	-	9,90,000	4.95
6	MAURYA TRADING COMPANY LIMITED	9,26,800	4.63	9,26,800	4.63
7	GULMOHUR TRADING PVT LTD	9,00,000	4.50	9,00,000	4.50
8	KAMINI FINANCE & INVESTMENT CO. LTD	8,70,000	4.35	8,70,000	4.35
9	STEWART INVESTMENT & FINANCIAL PVT LTD	8,00,000	4.00	8,00,000	4.00
10	VISISTH CHAY VYAPAR LTD	8,00,000	4.00	8,00,000	4.00
11	MEGA RESOURCES LIMITED	8,00,000	4.00	8,00,000	4.00

(v) Shareholding of Directors & KMP

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

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment					
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness	
Indebtedness at the beginning of the financial year					
i) Principal Amount	-	614,16,806	-	614,16,806	
ii) Interest due but not paid	-	87,86,313	-	87,86,313	
iii) Interest accrued but not due	-	-	-	-	
Total (i+ii+iii)	-	702,03,119	-	702,03,119	
Change in Indebtedness during the financial year					
Additions	-	697,72,346	-	697,72,346	
Reduction	-	187,86,104	-	187,86,104	
Net Change	-	509,86,242	-	509,86,242	
Indebtedness at the end of the financial year					
i) Principal Amount	-	1067,97,806	-	1067,97,806	
ii) Interest due but not paid	-	143,91,555	-	143,91,555	
iii) Interest accrued but not due	-	-	-	-	
Total (i+ii+iii)	-	1211,89,361	-	1211,89,361	

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager: NIL

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

B. Remuneration to other directors: - NIL

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

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD -

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
1	Gross Salary	CEO	Company Secretary	CFO Tripty Modi	Total
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.			3,00,000	3,00,000
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	as % of profit				
	others, specify				
5	Others, please specify				
	Total			3,00,000	3,00,000

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

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

ANNEXURE-VI
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31ST, 2017

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

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

1. We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Hotahoti Wood Products Limited (hereinafter called the Company) for and during the financial year ended March 31st, 2017. Secretarial Audit was conducted on test check basis, in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.
2. Based on our verification of the M/s. Hotahoti Wood Products Limited books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31st, 2017, complied with the statutory provisions listed hereunder and also that the Company has Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:
3. We have examined the books, papers, minutes book, forms and returns filed and other records maintained by M/s. Hotahoti Wood Products Limited for and during the financial year ended March 31st, 2017 according to the provisions of:
 - (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - (iii) The depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - (v) The Regulations and Guidelines prescribed under the Securities Exchange Board of India Act, 1992 ('SEBI Act') viz:-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999-N/A;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and-N/A;
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998-N/A;
 - i) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015;
4. We have also examined compliance with the applicable clauses of the following:
 - (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
 - (ii) The Listing Agreements entered into by the Company with Metropolitan Stock Exchange of India Limited (MSEI).
 5. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.
 6. We further report that,
The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
 7. Adequate notice is given to all directors to schedule the Board meetings, agenda and detailed notes on agenda were sent at least seven days in advance.
 8. Majority decisions is carried through while dissenting members' views are captured and recorded as part of the minutes.
 9. We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines, such as laws related to taxation, local laws applicable to the area of operation of business and other laws generally applicable to the Company.
 10. This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Place: Kolkata
Date: 29.05.2017

Sd/-
Priya Mankani
Company Secretary
Mem No: 34744
CP. No. 17947

‘Annexure A’
(To the Secretarial Audit Report of M/S. Hotahoti Wood Products Limited
for the financial year ended 31.03.2017)

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

Our Secretarial Audit Report for the financial year ended 31.03.2017 of even date is to be read along with this letter.

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

Sd/-

Priya Mankani
Company Secretaries
Mem No. 34744
CP No. 17947

Place: Kolkata
Date: 29.05.2017

CORPORATE GOVERNANCE REPORT

Corporate Governance is a set of standards which aims to improve the Company's image, efficiency and effectiveness. It is the road map, which guides and directs the Board of Directors of the Company to govern the affairs of the Company in a manner most beneficial to all the Shareholders, the Creditors, the Government and the Society at large.

The Securities and Exchange Board of India ("SEBI") on 2nd September, 2015, issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "Listing Regulations") with an aim to consolidate and streamline the provisions of the Listing Agreements for different segments of capital markets to ensure better enforceability. The Listing Regulations were made effective from 1st December, 2015 (effective date). Accordingly, all listed entities were required to enter into the Uniform Listing Agreement within 6 (six) months from the effective date. Your Company has accordingly entered into Listing Agreement with Metropolitan Stock Exchange of India.

This Corporate Governance Report relating to the year ended March 31st, 2017 has been issued in compliance with the Regulation 34(3) read along with Clause C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and forms a part of the Report of the Directors to the Members of the Company and the same is given below.

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

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

OUR MISSION:

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

2. BOARD OF DIRECTORS

2.1 Composition and Category of Directors

The Board of Directors as on March 31st, 2017 consists of five Directors of which there are 4 Non-Executive Directors and one Managing Director as follows:

Name of the Director	Category	Particulars
Mr. Champa Lal Pareek	Non-Executive Director	Appointed as an Independent Director with effect from 2 nd January 1997.
Mr. Chand Ratan Modi	Promoter & Non-Executive Director	He is the promoter director of the Company with effect from 22 nd August, 1999.
Mr. Tarak Nath Dey	Managing Director	Appointed for a period of 5

		years with effect from 3 rd March, 2010 and was reappointed again for a period of 5 years.
Mr. Sourav Saha	Non-Executive Director	Appointed as an Independent Director with effect from 6 th June, 2015.
Mrs. Chanchal Rungta	Non-Executive Director	Appointed as a Non-Independent Director with effect from 13 th August, 2016.

2.2 Key Managerial Personnel

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

2.3 Board Meetings, Annual General Meetings and Attendance

During the financial year ended 31st March, 2017, the Board met 10 times on 13th April, 2016, 6th June, 2016, 7th June, 2016, 10th August, 2016, 13th August, 2016, 26th August 2016, 5th November 2016, 24th January, 2017, 15th February, 2017 and 27th February, 2017. The Annual General Meeting was held on 27th September, 2016.

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

NAMES OF THE DIRECTOR	NO. OF BOARD MEETINGS		ATTENDANCE AT AGM
	HELD	ATTENDED	
CHAND RATAN MODI	10	10	YES
TARAK NATH DEY	10	10	YES
CHAMPA LAL PAREEK	10	10	YES
SOURAV SAHA	10	10	YES
CHANCHAL RUNGTA	10	5	YES

Mr. Champa Lal Pareek, the Chairman to the Audit Committee was also present during the Annual General Meeting held on 27th September, 2016. The Chief Financial Officer, Ms. Tripty Modi, who is a permanent invitee to the Board of Directors meeting also attended all the Board meetings. It was decided that Mr. Chanchal Rungta shall resign by rotation and will be eligible for re-appointment.

2.4 Directorships and Committee membership

None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees as specified in Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 across all Companies in India of which they are a Director.

2.5 **Board Committees**

The Board of Directors have constituted the following committees:

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

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

3. **AUDIT COMMITTEE**

3.1 **Composition:**

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

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

The committee met 5 times during the year on 13th April, 2016; 7th June, 2016; 10th August, 2016; 5th November, 2016 and 24th January, 2017.

3.2 **Terms of Reference:**

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

Hotahoti Wood Products Ltd.

and the Company's financial and risk management plan and policies and its implementation, disaster recovery policies and compliance with statutory requirements.

3.3 Internal Audit

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

3.4 Attendance

During the Financial year ended March 31st, 2017, the Audit Committee met 5 times on 13th April, 2016, 7th June, 2016, 10th August, 2016, 5th November, 2016 and 24th January, 2017. The following table shows the attendance of the members during the Audit Committee meeting:

NAME OF THE MEMBERS	NO. OF AUDIT COMMITTEE MEETINGS		
	HELD	ATTENDED	
CHAND RATAN MODI	5	5	
CHAMPA LAL PAREEK	5	5	
SOURAV SAHA	5	5	

Mr. Tarak Nath Dey, Managing Director and Ms. Tripty Modi, Chief Financial Officer also attended all these meetings.

4. NOMINATION AND REMUNERATION COMMITTEE

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

5. STAKEHOLDER RELATIONSHIP COMMITTEE

5.1 Composition:

The Stakeholder Relationship Committee comprises of 3 Directors. The committee functions under the Chairmanship of Mr. Chand Ratan Modi, a Non-Executive Independent Director. The other members of the Committee are Mr. Champa Lal Pareek and Mr. Sourav Saha.

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

5.2 Details of Complaints from shareholders:

Pursuant to Regulation 13(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, below is the Statement of Investor Complaints for the year ended 31st March, 2017.

SL NO.	PARTICULARS	NO. OF COMPLAINTS
1.	Pending at the beginning of the year with the Company	Nil
2.	Received during the year by the Company	Nil
3.	Redressed during the year by the Company	Nil
4.	Pending at the end of the year with the Company	Nil

6. GENERAL BODY MEETINGS

6.1 Particulars of last three Annual General Meetings are given below:

Relating to Financial Year ended on	Venue of AGM	Date of AGM	Time of AGM
2014	P.O. NAGINIMORA, Mon, Nagaland – 798622	18.08.2014	10.00 A.M.
2015	P.O. NAGINIMORA, Mon, Nagaland – 798622	29.09.2015	10.00 A.M.
2016	P.O. NAGINIMORA, Mon, Nagaland – 798622	27.09.2016	11.00 A.M.

6.2 Special Resolution

A Special Resolution was passed in the Annual General Meeting in the previous year on 27th September, 2016 for Adoption of New set of Articles of Association and Memorandum of Association.

At the Annual General Meeting to be held in the current year on 21st August, 2017, no proposal has been made to be passed by the Special Resolution.

Postal Ballot: No resolutions were passed by the Postal Ballot in any of the previous three Annual General Meetings.

7. Means of Communication

7.1 The financial results and the quarterly shareholding pattern are electronically transmitted to the stock exchanges and are also updated on the Company's website www.hwpl.co.in. Quarterly results are emailed to all Members whose email is registered with the Company.

7.2 Shareholder communication including Notices and annual reports are being sent to the email addresses of Members available with the Company. Annual Accounts are sent to members at least 25 days before the Annual General Meeting.

Hotahoti Wood Products Ltd.

7.3 The company's website www.hwpl.co.in makes online announcements of Board meeting dates, results of the meetings, quarterly financial results, announcements of the date of Annual General Meeting and proposed dividend, changes in Directors and other announcements. The website also provides quarterly shareholding pattern.

7.4 Address for Communication: All communication regarding share transactions, change of address, bank mandates, nominations etc. should be addressed to the Registrars and Share Transfer Agents of the Company on the following address:

Niche Technologies Private Limited
D-511 Bagree Market, 5th Floor,
71 B.R.B. Basu Road,
Kolkata-700001
Phone: (033) 2235-7271/7270/3070
Fax: (033) 2215-6823
Email: nichetechpl@nichtechpl.com

Shareholders are encouraged to correspond with the Registrars & Share Transfer Agents and the Company via email to speed up the response, reduce paperwork and also to help us address the complaints faster. Shareholders are requested to mention the Folio Nos (DP-Id and Client Id in case of demat shares), phone or mobile number and their Email Id so that we can contact them and redress their complaints immediately. However, for instructions like change of bank mandate, change of address, transfers & transmission of shares etc. letters duly signed by the shareholders concerned should be sent otherwise such requests cannot be processed by the Registrars. Email IDs of the shareholders will have to be registered with the Company to enable the Company or the Registrars to communicate electronically.

8. GENERAL SHAREHOLDER INFORMATION

8.1 Date, Time, Venue of the Annual General Meeting:

The Annual General Meeting of the Company will be held on 21st August, 2017 at 10.00 A.M. at P.O. Naginimora, Mon, Nagaland-798622.

8.2 Financial Year:

The Financial Year of the Company ended on March 31st, 2017.

8.3 Record Date & Cut-Off Date:

The Cut-Off Date is 14th August, 2017 for determining who will be entitled to vote electronically on the resolutions mentioned in the Notice convening the Annual General Meeting by remote-voting and also vote at the meeting venue.

8.4 Electronic Voting:

Pursuant to Section 108 and other applicable as per Company's Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and other applicable requirements, voting at the Annual General Meeting will be made through electronic voting. The electronic voting ("E-Voting") period will be from 9.00 A.M. on 18th August to 5.00 P.M. on 20st August, 2017, both days inclusive.

No special resolution is proposed to be conducted through postal ballot or electronic voting.

Hotahoti Wood Products Ltd.

Scrutiniser for electronic voting: Ms. Priya Mankani, Practicing Company Secretaries (Membership No: 34744 and C.P. No. 17947) of Block-309, Flat 2A, Fort Residency, 38 S.N.Roy Road, New Alipore, Kolkata-700038, Phone: 7407223556, Email ID: makani.pria@gmail.com) has been appointed as the scrutiniser to scrutinise the electronic voting process and the voting at the venue of the Annual General Meeting in a fair and transparent manner and to give her report to the Chairman.

8.5 Listing on Stock Exchanges:

The shares of the Company are listed on the following Stock Exchange:

Metropolitan Stock Exchange of India

Scrip Code: HOTAHOTI

Vibgyor Towers, 4th Floor,

Plot No. C 62, G Block,

Opp. Trident Hotel,

Bandra Kurla Complex, Bandra (E)

Mumbai-400098

For dematerialisation of Equity shares of the Company of the Face Value Rs 10/- each, the ISIN No. allotted to the Company is INE925E01012.

The annual listing fees have been paid and all requirements of the stock exchanges where the shares are listed, including submission of quarterly reports and certificates, are complied with.

8.6 Registrars and Share Transfer Agents

The share management work, both physical and demat, is being handled by the Registrars and Share Transfer Agents of the Company whose name and address is given below:

Niche Technologies Private Limited

D-511 Bagree Market, 5th Floor,

71 B.R.B. Basu Road,

Kolkata-700001

Phone: (033) 2235-7271/7270/3070

Fax: (033) 2215-6823

Email: nichetechpl@nichetechpl.com

Contact Person: Ashok Sen

8.7 Share Transfer Agent

Share Transfer requests valid and complete in all respects are normally processed within 15 days. Power has been delegated to the Company Secretary and the Registrar and Transfer Agents for expediting share transfers. Valid requests for demat of shares are completed within 10 days. The Company's shares are compulsorily traded in the dematerialized form. The ISIN No. allotted to the Company is INE925E01012.

8.8 Distribution of Shareholding as on March 31st, 2017

SHARES HELD	NO. OF SHARES HELD	%
IN PHYSICAL MODE	14,97,840	7.489
DEMAT WITH NSDL	1,85,02,120	92.511
DEMAT WITH CDSL	0	0.000
TOTAL	1,99,99,960	100

NO. OF SHARES	NO. OF SHAREHOLDERS	%	NO. OF SHARES HELD	%
1-500	980	98.0981	97,840	0.4892
501-1000	0	0.0000	0	0.0000
1001-5000	0	0.0000	0	0.0000
5001-10000	0	0.0000	0	0.0000
10001-50000	0	0.0000	0	0.0000
50001-100000	2	0.2002	1,53,500	0.7675
100001 & above	17	1.7017	1,97,48,620	98.7433
TOTAL	999	100	1,99,99,960	100

8.9 Shareholding pattern as on March 31st, 2017

The detailed report on the Shareholding Pattern of the Company as on March 31st, 2017 is prescribed in MGT-9 enclosed to the Boards Report as Annexure-V

8.10 Top ten Shareholders

PARTICULARS	NO. OF SHARES HELD	%
MARUTI SECURITIES LIMITED	58,50,000	29.25
SUDHIR JAIN	23,00,000	11.50
UTTAM MACHINERY & SUPPLY CO. PVT. LTD.	9,95,000	4.98
MERLIN SECURITIES PVT. LTD.	9,90,000	4.95
MAURYA TRADING CO. LTD.	9,26,800	4.634
GULMOHUR TRADING PVT. LTD.	9,00,000	4.50
KAMINI FINANCE & INVESTMENT CO. LTD.	8,70,000	4.35
STEWART INVESTMENT & FINANCIAL PVT. LTD.	8,00,000	4.00
VISISTH CHAY VYAPAR LIMITED	8,00,000	4.00
MEGA RESOURCES LIMITED	8,00,000	4.00

9. DISCLOSURES

- 9.1** Details of transactions with related parties have been reported in Notes of Accounts. These disclosures are also made for the purpose of Regulation 10(1) (a) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. All the transactions with related parties are at arm's length basis and there are no materially significant related party transactions which may have potential conflict with the interests of the Company at large. The Related Party Transaction Policy is available on the Company's website www.hwpl.co.in.
- 9.2** There we no instance of non-compliance by the Company or any penalties or strictures imposed on the Company by stock exchanges or SEBI or any statutory authority on any matter related to capital markets in the past three years.
- 9.3** The Company has established a vigil mechanism system and has in place a "Whistle Blower Policy" the details of which are mentioned on Company's website. Adequate safeguards have been provided against any victimisation of persons who use the vigil mechanism. All persons have been given direct access to the Chairman of the Audit Committee to lodge their grievances. No personnel has been denied access to the Audit Committee to lodge their grievances.
- 9.4** Mandatory requirements and non-mandatory requirements have been complied with except that the Company does not send the half-yearly financial performance to each household of shareholders who do not have their email ID registered with the Company or the Depository Participants.
- 9.5** Management Discussion Analysis Report forms a part of the Directors Report.
- 9.6** No presentations were made to the institutional investors and analysts during the year.
- 9.7** The Company does not have any subsidiary therefore corresponding disclosures have not been made.
- 9.8** There have been no public issues, rights issues or other public offerings during the past five years. The Company has not issued any GDR's or ADR's or warrants or any convertible instruments. Hence corresponding disclosures have not been made.
- 9.9** Other items which are not applicable are not applicable to the Company have not been separately commented upon.

Place: Kolkata

For and on behalf of the Board of Directors

Date: 29.05.2017

Sd/-

Chairman

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

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

- A. We have conducted an audit of compliance of Corporate Governance norms and procedures by the Company being M/s. Hotahoti Wood Products Limited, having its registered office at P.O. Naginimora, Mon, Nagaland-798622 (hereinafter called the Company) during the Financial Year ended March 31st, 2017, and provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, read with other applicable provisions of law during the aforesaid period.
- B. That our audit is an independent audit of compliance of corporate governance norms and procedures as mentioned by M/s. Hotahoti Wood Products Limited. That compliance of corporate governance norms and procedures is the responsibility of the Company. That our audit is neither an opinion on financial statements of the Company nor on future viability of the Company or on effective management of the Company.
- C. In our opinion and to the best of our understanding, based on the records, documents, books and other information furnished to us during the aforesaid audit by the Company, its officers and agents, we confirm that the Company has complied with the corporate governance norms and procedures, as referred above and to the extent applicable to the Company, during the aforesaid period under scrutiny.

Sd/-

Priya Mankani
Company Secretaries
Mem No: 34744
CP. No.: 17947

Place: Kolkata
Date: 29.05.2017

Independent Auditor's Report

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

Report on the Financial Statements

We have audited the attached financial statements of **Hotahoti Wood Products Limited** ('the Company'), which comprise the balance sheet as at 31 March 2017, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act 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 31 March 2017.
- b) in the case of Statement of Profit and Loss, of the loss for the year ended on that date: and
- c) in the case of the Cash Flow Statement, of the Cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our Knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standard specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company does not have any pending litigations which would impact its financial position.
 - ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv) The Company has provided requisite disclosure in the financial statements as to holdings as well as dealing in Specified Bank Notes during the period 8th November, 2016 to 30th December 2016 and these are in accordance with the books of accounts maintained by the company.

For RAHUL BANSAL & ASSOCIATES

Chartered Accountants

Firm Registration number: 327098E

Sd/-

Rahul Bansal

(Partner)

Membership number: 068619

Place: Kolkata

Date: May 29th, 2017

Annexure to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2017, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- (b) As explained to us, fixed assets have been physically verified by the management during the year in accordance with the phased programme of verification adopted by the management which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (ii) The management has conducted physical verification of inventories at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- (iii) According to the information and explanations given to us, the Company has complied with the provisions of Section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of making Loan and investments.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the activities rendered by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, Employee State Insurance (ESI), excise duty, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues, as and when applicable to us, have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March 2017 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no material dues of wealth tax, duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute.
- (c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, wealth tax, service tax, customs duty, excise duty, value added tax and cess which have not been deposited on account of any dispute.
- (viii) The Company did not have any outstanding dues to financial institutions, banks or debenture holders or government during the year.
- (ix) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not raised any money by way of initial public offer / further public offer / debt instruments) and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud on or by the officers and employees of the Company has been noticed or reported during the year.

- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xi) of the order are not applicable to the Company and hence not commented upon.
- (xiii) Based on our audit procedures performed for the purpose of reporting the true and fair, In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.
- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) According to the information and explanations given to us, the Company has complied with the provisions of section 45-IA of the Reserve Bank of India Act, 1934 as and when applicable.

For RAHUL BANSAL & ASSOCIATES

Chartered Accountants

Firm Registration number: 327098E

Sd/-

Rahul Bansal

(Partner)

Membership number: 068619

Place: Kolkata

Date: May 29th, 2017

Annexure - B to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Hotahoti Wood Products Limited** ("the Company") as of 31 March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For RAHUL BANSAL & ASSOCIATES

Chartered Accountants

(Firm Registration Number: 327098E)

Sd/-

Rahul Bansal

Partner

Membership No: 068619

Place: Kolkata

Date: May 29th, 2017

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

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

We have audited the Balance Sheet of HOTAHOTI WOOD PRODUCTS LIMITED as at 31st March, 2017 and the Profit and Loss Account for the year ended on that date and would like to give our Report as specified in Paragraph 2 of N B F C Auditors Report (Reserve Bank) Directions 2008 as under :-

1. The Company is a Registered Non-Banking Finance Company under section 45 – IA of the Reserve Bank of India Act, 1934 and a certificate of Registration was duly obtained from R B I.
2. The Company has not accepted any Public Deposit in pursuance of a resolution passed by its Board of Directors for Non acceptance of Public Deposits.
3. The Company has complied with the prudential norms relating to income recognition, accounting standards, asset/classification and provisioning for bad and doubtful debts as applicable to it.

For Rahul Bansal & Associates
Chartered Accountants

Sd/-

Rahul Bansal

(Partner)

Membership No. 068619

FRM Regn No. 327098E

Place: Kolkata

Dated: May 29th, 2017

HOTAHOTI WOOD PRODUCTS LIMITED

BALANCE SHEET AS AT 31st MARCH, 2017

Sl. No.	Particulars	Note No.	As at 31st March, 2017	As at 31st March, 2016
I.	EQUITY AND LIABILITIES			
(1)	<u>Shareholder's Funds</u>			
	(a) Share Capital	2.7	199,999,600	199,999,600
	(b) Reserves and Surplus	2.8	(1,931,609)	(1,462,562)
(2)	<u>Non - Current Liabilities</u>			
	(a) Long Term Borrowngs	2.9	106,797,806	61,416,806
	(b) Long Term Provisions	2.10	1,888,792	1,707,736
(3)	<u>Current Liabilities</u>			
	(a) Trade Payables	2.11	370,665	212,219
	(b) Other Current Liabilities	2.12	18,739,359	9,439,511
	(c) Short-Term Provisions	2.13	-	139,500
	Total Equity & Liabilities		325,864,613	271,452,810
II.	ASSETS			
(1)	<u>Non-Current Assets</u>			
	(a) Non-Current Investments	2.14	50,672,942	20,015,750
	(b) Long Term Loans and Advances	2.15	111,083,420	84,994,366
(2)	<u>Current Assets</u>			
	(a) Inventories	2.16	158,030,068	164,142,745
	(b) Trade Receivables	2.17	-	154,000
	(c) Cash and Bank Balances	2.18	5,153,706	154,557
	(d) Short - Term Loans and Advances	2.19	924,477	1,991,391
	Total Assets		325,864,613	271,452,810

Significant accounting Policies and Notes on Accounts.

1 & 2

As per our report of even date

For Rahul Bansal & Associates
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-

Rahul Bansal

(Partner)

Membership No. 068619

FRM Regn No. 327098E

Dated :May 29th,2017

Place: Kolkata

Sd/-

Tarak Nath Dey

Managing Director

00343396

Sd/-

Chand Ratan Modi

Director

00343685

HOTAHOTI WOOD PRODUCTS LIMITED

PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31st MARCH, 2017

Sl. No.	Particulars	Note No.	For the year ended 31st March, 2017	For the year ended 31st March, 2016
(1)	Revenue from operations	2.21	13,568,085	6,408,890
(2)	Other Income	2.22	98,071	72,002
(3)	Total Revenue		13,666,156	6,480,892
(4)	<u>Expenses:</u>			
	Purchases of Stock in Trade		-	2,320,276
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	2.23	6,112,677	(1,370,376)
	Employee Benefit Expense	2.24	372,000	72,000
	Finance Cost	2.25	6,228,046	4,931,977
	Other Expenses	2.26	1,141,575	148,633
	Provisions	2.27	343,056	168,731
	Total Expenses		14,197,354	6,271,241
(5)	Profit before exceptional and extraordinary items and tax (2-3)		(531,198)	209,651
(6)	Exceptional Items		-	-
(7)	Profit before extraordinary items and tax (4 - 5)		(531,198)	209,651
(8)	Extraordinary Items		-	-
(9)	Profit before tax (6 - 7)		(531,198)	209,651
(10)	<u>Tax expense:</u>			
	(1) Current tax		-	101,500
(11)	Profit from operations (8 - 9)		(531,198)	108,151
(12)	Earning per equity share:			
	(1) Basic		(0.03)	0.01
	(2) Diluted		(0.03)	0.01

Significant accounting Policies and Notes on Accounts.

1 & 2

As per our report of even date

For Rahul Bansal & Associates
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-

Rahul Bansal

(Partner)

Membership No. 068619

FRM Regn No. 327098E

Dated : May 29th, 2017

Place: Kolkata

Sd/-

Tarak Nath Dey

Managing Director

00343396

Sd/-

Chand Ratan Modi

Director

00343685

HOTAHOTI WOOD PRODUCTS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED AS ON 31st MARCH '2017

Particulars	For the year ended 31st March, 2017		For the year ended 31st March, 2016	
	Rs.	Rs.	Rs.	Rs.
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		(531,198)		209,651
<u>Adjustments for:</u>				
Provision Against Standard Assets		181,056		6,731
Operating profit / (loss) before working capital changes		(350,142)		216,382
<u>Changes in working capital:</u>				
Adjustments for (increase) / decrease in operating assets:				
Inventories	6,112,677		(1,370,376)	
Trade Receivables	154,000		6,985,250	
Short-term Loans and Advances	1,066,914		(48,178)	
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	158,446		(100,094)	
Other current liabilities	9,299,848		4,789,928	
Provisions	(139,500)	16,652,385	68,500	10,325,030
Cash from Operating activities		16,302,243		10,541,412
Income Tax	-		101,500	
Taxation for earlier years	(62,151)	(62,151)	(818)	100,682
Net Cash from/(used in) operating activities activities		16,364,394		10,440,730
Cash Flow from Investment activities				
(Purchase)/Sale of Investment		(30,657,192)		(14,319,720)
Net Cash (used in) Investing activities		(30,657,192)		(14,319,720)
Net Cash from financing activities				
(Increase)/decrease in Long Term Loans & Advances given		(26,089,054)		(2,692,205)
Proceeds from long-term borrowings		45,381,000		6,441,000
Net Cash (used in) financing activities		19,291,946		3,748,795
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		4,999,149		(130,195)
Cash and cash equivalents at the beginning of the year		154,557		284,752
Cash and cash equivalents at the end of the year		5,153,706		154,557

As per our report of even date

For Rahul Bansal & Associates
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-

Rahul Bansal

(Partner)

Membership No. 068619

FRM Regn No. 327098E

Dated : May 29th, 2017

Place: Kolkata

Sd/-

Tarak Nath Dey
Managing Director

00343396

Sd/-

Chand Ratan Modi
Director

'00343685

HOTAHOTI WOOD PRODUCTS LIMITED

NOTES ON ACCOUNTS AND SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2017

1 SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

1.2 Inventories

Stock-in-trade are valued as follows:-

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

1.3 Investments

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

1.4 RBI Prudential Norms

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

1.5 Estimates

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

1.6 Taxes On Income

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

2 NOTES ON ACCOUNTS

- 2.1 There is no contingent liability at the end of the accounting year.
- 2.2 The Company has not accepted any Public Deposit during the year in pursuance of a resolution passed by the Board of Directors of the Company
- 2.3 The Provision Against Non Performing Assets have been made as per prudential norms of RBI.
- 2.4 In terms of Notification No. DNBS.222/ CGM(US)-2011 and DNBS.223/ CGM(US)-2011 both dated January 17, 2011 issued by the Department of Non-Banking Supervision, the Company has made a provision on Standard Assets at 0.35% of the amount outstanding as at the end of the financial year.
- 2.5 Purchases of Stock in trade

Particulars	Units	Quantity	Value (Rs.)
Quoted Equity Shares	No.	-	-
		-	-
Unquoted Equity Shares	No.	-	-
		(204,900)	(2,320,276)

Note: Figures in bracket relates to the previous year

HOTAHOTI WOOD PRODUCTS LIMITED

NOTES ON ACCOUNTS AND SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st
MARCH 2017

2.6 List of Related Parties and Relationship

<u>Name of the Related Party</u>	<u>Relationship</u>
Tripty Modi	KMP
Chanchal Rungta	DIRECTOR
North Eastern Publishing & Adv.Co Ltd	ENTERPRISES WITH COMMON DIRECTORSHIP
Purbanchal Prestressed Ltd	
Kamini Finance & Inv.Co Ltd	INTEREST OF RELATIVES
Gulmohur Trading Pvt Ltd	
Chemo Traders Pvt Ltd	DIRECTOR'S INTEREST IN LLP
Maa Karni Finance Pvt Ltd	
Visith Chay Vyapar Ltd	
Citystar Infrastructures Ltd	
N K Concrete Creations Pvt Ltd	
Citystar Foods Pvt Ltd	
Citystar Agro Industries Pvt Ltd	
Ganguly Citystar Enterprises LLP	
Citystar Ganguly Projects LLP	

<u>Name of the Related Party</u>	<u>Nature of Transaction</u>	<u>During the year 2016-17</u>	<u>During the year 2015-16</u>
Tripty Modi	Remuneration	300,000	NIL
North Eastern Publishing & Adv.Co Ltd	Rent	8,928	-
North Eastern Publishing & Adv.Co Ltd	Purchase/Sale of Investment		7,350,620
Purbanchal Prestressed Ltd	Purchase/Sale of Investment	96,000	96,000
Kamini Finance & Inv.Co Ltd	Purchase/Sale of Investment	16,000	16,000
Gulmohur Trading Pvt Ltd	Purchase/Sale of Investment	16,000	1,487,500
Chemo Traders Pvt Ltd	Purchase/Sale of Investment	112,000	470,500
Maa Karni Finance Pvt Ltd	Purchase/Sale of Investment	16,000	16,000
Visith Chay Vyapar Ltd	Purchase/Sale of Investment	48,000	216,000
Citystar Infrastructures Ltd	Loan Taken(with Interest thereon)	2,679,009	10,276,466
Citystar Infrastructures Ltd	Purchase/Sale of Investment	36,036,192	3,095,000
Citystar Agro Industries Pvt Ltd	Loans & Advances	40,000	-
Ganguly Citystar Enterprises LLP	Loans & Advances	14,229	649,954
Citystar Ganguly Projects LLP	Loans & Advances	896,296	4,535,339
N K Concrete Creations Pvt Ltd	Purchase/Sale of Investment	-	-

<u>Name of the Related Party</u>	<u>Nature of Balance</u>	<u>As at 31st March, 2017</u>	<u>As at 31st March, 2016</u>
Tripty Modi	Amount Payable	200,000	-
Purbanchal Prestressed Ltd	Amount Receivable	-	96,000
Kamini Finance & Inv.Co Ltd	Amount Payable	-	16,000
Gulmohur Trading Pvt Ltd	Amount Payable	-	16,000
Chemo Traders Pvt Ltd	Amount Payable	-	112,000
Maa Karni Finance Pvt Ltd	Amount Payable	-	16,000
Visith Chay Vyapar Ltd	Amount Receivable	-	48,000
Citystar Infrastructures Ltd	Amount Payable	60,910,995	58,221,986
Citystar Foods Pvt Ltd	Amount Receivable	13,607,907	13,607,907
Citystar Agro Industries Pvt Ltd	Amount Receivable	40,000	-
Ganguly Citystar Enterprises LLP	Amount Receivable	-	14,229
Citystar Ganguly Projects LLP	Amount Receivable	-	896,926
N K Concrete Creations Pvt Ltd	Amount Receivable	6,847,240	6,847,240

HOTAHOTI WOOD PRODUCTS LIMITED
Notes forming part of the financial statements as at 31st March, 2017

Note : 2.7 Share Capital

Sl. No.	Particulars	As at 31st March, 2017	As at 31st March, 2016
1	<u>Authorized Capital</u> 20010000 Equity Shares of Rs. 10/- each.	200,100,000	200,100,000
		200,100,000	200,100,000
2	<u>Issued, Subscribed & Paid Up Capital</u> 19999960 Equity Shares of Rs.10/- each	199,999,600	199,999,600
	Total	199,999,600	199,999,600

Reconciliation of the number of shares outstanding

Sl. No.	Particulars	As at 31st March, 2017	As at 31st March, 2016
1	Number of shares at the beginning	19,999,960	19,999,960
	Add: Shares issued during the year	-	-
	Number of shares at the closing	19,999,960	19,999,960

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

Sl. No.	Particulars	As at 31st March, 2017		As at 31st March, 2016	
		Total No. Of shares	Holding (%)	Total No. Of shares	Holding (%)
1	Maruti Securities Ltd.	5,850,000	29.25	5,850,000	29.25
2	Sudhir Jain	2,300,000	11.50	2,300,000	11.50
	Total	8,150,000	40.75	8,150,000	40.75

Note : 2.8 Reserves & Surplus

Sl. No.	Particulars	As at 31st March, 2017	As at 31st March, 2016
1	<u>Reserve u/s 45-1C of the RBI Act, 1934</u>		
	As per last Balance Sheet	94,200	72,000
	Add: Transferred from Profit & Loss Account	-	22,200
		94,200	94,200
2	<u>Surplus / (Deficit) in Statement of Profit and Loss</u>		
	Profit / (Loss) brought forward from previous year	(1,556,762)	(1,643,531)
	Add: Profit / Loss for the year	(531,198)	108,151
		(2,087,960)	(1,535,380)
	Less: Appropriations		
	Taxation for earlier years	62,151	818
	Transferred to Reserve u/s 45-1C of the RBI Act, 1934	-	22,200
		(2,025,809)	(1,556,762)
	Total	(1,931,609)	(1,462,562)

Note : 2.9 Long Term Borrowings

Sl. No.	Particulars	As at 31st March, 2017	As at 31st March, 2016
1	Unsecured*	106,797,806	61,416,806
	Total	106,797,806	61,416,806

Rate of Interest and maturity profile of Long Term Borrowings

Sr. No.	Rate of Interest	Year 2018-2019
1	9%	₹ 84,597,806
2	12%	₹ 15,000,000
3	15%	₹ 7,200,000

HOTAHOTI WOOD PRODUCTS LIMITED
Notes forming part of the financial statements as at 31st March, 2017

Note : 2.10 Long Term Provisions

Sl. No.	Particulars	As at 31st March, 2017	As at 31st March, 2016
1	Contingent Provisions Against Standard Assets	388,792	207,736
2	In respect of Non Performing Assets	1,500,000	1,500,000
	Total	1,888,792	1,707,736

Note : 2.11 Trade Payables

Sl. No.	Particulars	As at 31st March, 2017	As at 31st March, 2016
1	Trade Payables for Services	370,665	212,219
	Total	370,665	212,219

Note : 2.12 Other Current Liabilities

Sl. No.	Particulars	As at 31st March, 2017	As at 31st March, 2016
1	Interest Accrued & Due on borrowings	14,391,555	8,786,313
2	Others Liabilities	4,347,804	653,198
	Total	18,739,359	9,439,511

Note : 2.13 Short Term Provisions

Sl. No.	Particulars	As at 31st March, 2017	As at 31st March, 2016
1	Provisions For Income Tax	-	139,500
	Total	-	139,500

HOTAHOTI WOOD PRODUCTS LIMITED
7Notes forming part of the financial statements as at 31st March, 2017

Note : 2.14 Non-Current Investments

Sl. No	Particulars		As at 31st March, 2017		As at 31st March, 2016	
			No. of Shares	Amount	No. of Shares	Amount
1)	<u>Other Investments</u>					
	<u>(a) Investment in Property</u>		-	2,752,510	-	2,752,510
	<u>(b) In Equity Instruments (Unquoted) (fully paid up)</u>					
		<u>Face Value</u>				
	<u>In Others</u>					
	Acyumen Barter Pvt Ltd	10	1,800	18,000	1,800	18,000
	Acyumen Tie Up Pvt Ltd	10	1,800	18,000	1,800	18,000
	Acyumen Tracom Pvt Ltd	10	1,800	18,000	1,800	18,000
	Anchor Barter Pvt Ltd	10	1,800	18,000	1,800	18,000
	Nandlal Commosales Pvt Ltd	10	1,800	18,000	1,800	18,000
	Carnation Tie Up Pvt Ltd	10	1,800	18,000	1,800	18,000
	Citywings Barter Pvt Ltd	10	1,800	18,000	1,800	18,000
	Delta Barter Pvt Ltd	10	1,800	18,000	1,800	18,000
	DreamValley Tie Up Pvt Ltd	10	1,800	18,000	1,800	18,000
	Deccan Traders Pvt Ltd	10	-	-	250,000	2,500,000
	Guidance Tradecom Pvt Ltd	10	1,800	18,000	1,800	18,000
	Citystar Foods Private Limited	10	-	-	300,000	3,000,000
	Megha Conclave Private Limited	10	28,000	280,000	28,000	280,000
	Janhit Barter Pvt Ltd	10	1,800	18,000	1,800	18,000
	Jhilmill Commosales Pvt Ltd	10	1,800	18,000	1,800	18,000
	Kannan Tracom Pvt Ltd	10	1,800	18,000	1,800	18,000
	Jograj Vinimay Pvt Ltd	10	1,800	18,000	1,800	18,000
	Hilton Tie Up Pvt Ltd	10	1,800	18,000	1,800	18,000
	Moondhar Barter Pvt Ltd	10	1,600	16,000	1,600	16,000
	Mridul Tracom Pvt Ltd	10	1,600	16,000	1,600	16,000
	Nissan Barter Pvt Ltd	10	1,600	16,000	1,600	16,000
	Nissan Tracom Pvt Ltd	10	1,600	16,000	1,600	16,000
	N.K. Concrete Creation Pvt. Ltd.	10	684,724	6,847,240	684,724	6,847,240
	Parag Commosales Pvt Ltd	10	1,600	16,000	1,600	16,000
	Pears Barter Pvt Ltd	10	1,600	16,000	1,600	16,000
	Popstar Tracom Pvt Ltd	10	1,600	16,000	1,600	16,000
	Popstar Vinimay Pvt Ltd	10	1,600	16,000	1,600	16,000
	Prantik Vinimay Pvt Ltd	10	1,600	16,000	1,600	16,000
	Popstar Barter Pvt Ltd	10	1,600	16,000	1,600	16,000
	Pushkar Tracom Pvt Ltd	10	1,600	16,000	1,600	16,000
	Ratnakar Commosales Pvt Ltd	10	1,600	16,000	1,600	16,000
	Transways Commosales Pvt Ltd	10	1,600	16,000	1,600	16,000
	Transways Dealtrade Pvt Ltd	10	1,600	16,000	1,600	16,000
	Rasraj Commotrade Pvt Ltd	10	1,600	16,000	1,600	16,000
	Vista Commosales Pvt Ltd	10	1,600	16,000	1,600	16,000
	Vista Barter Pvt Ltd	10	1,600	16,000	1,600	16,000

HOTAHOTI WOOD PRODUCTS LIMITED
7Notes forming part of the financial statements as at 31st March, 2017

Note : 2.14 Non-Current Investments

Sl. No	Particulars		As at 31st March, 2017		As at 31st March, 2016	
	Lilygold Vincom Pvt Ltd	10	-	-	1,600	16,000
	Dhanlabh Dealtrade Pvt Ltd	10	-	-	1,600	16,000
	Gulshan Merchandise Pvt Ltd	10	-	-	1,600	16,000
	Dhanraksha Tradecom Pvt Ltd	10	-	-	1,600	16,000
	Brijbhumi Tradecom Pvt Ltd	10	-	-	1,600	16,000
	Subhdata Vincom Pvt Ltd	10	-	-	1,600	16,000
	Pushapratn Suppliers Pvt Ltd	10	-	-	1,600	16,000
	Subhddhan Tradecom Pvt Ltd	10	-	-	1,600	16,000
	Topview Vanijya Pvt Ltd	10	-	-	1,600	16,000
	Escort Tie Up Pvt Ltd	10	1,600	16,000	1,600	16,000
	Escort Tracom Pvt Ltd	10	1,600	16,000	1,600	16,000
	Escort Vinimay Pvt Ltd	10	1,600	16,000	1,600	16,000
	Kelvin Commotrade Pvt Ltd	10	1,600	16,000	1,600	16,000
	Kelvin Tie Up Pvt Ltd	10	1,600	16,000	1,600	16,000
	Dove Commodeal Pvt Ltd	10	1,600	16,000	1,600	16,000
	Dove Tie Up Pvt Ltd	10	1,600	16,000	1,600	16,000
	Kelvin Tracom Pvt Ltd	10	1,600	16,000	1,600	16,000
	Hytone Commosales Pvt Ltd	10	1,600	16,000	1,600	16,000
	Hytone Dealtrade Pvt Ltd	10	1,600	16,000	1,600	16,000
	Hytone Vinimay Pvt Ltd	10	1,600	16,000	1,600	16,000
	Hytone Vintrade Pvt Ltd	10	1,600	16,000	1,600	16,000
	Intimate Commosales Pvt Ltd	10	1,600	16,000	1,600	16,000
	Intimate Dealtrade Pvt Ltd	10	1,600	16,000	1,600	16,000
	Keystar Suppliers Pvt Ltd	10	1,600	16,000	1,600	16,000
	Keystar Vintrade Pvt Ltd	10	1,600	16,000	1,600	16,000
	Glaze Tie Up Pvt Ltd	10	1,600	16,000	1,600	16,000
	Glaze Tracom Pvt Ltd	10	1,600	16,000	1,600	16,000
	Neptune Vintrade Pvt Ltd	10	1,600	16,000	1,600	16,000
	Rangoli Commotrade Pvt Ltd	10	1,600	16,000	1,600	16,000
	Transways Traders Pvt Ltd	10	1,600	16,000	1,600	16,000
	Transways Vanijya Pvt Ltd	10	1,600	16,000	1,600	16,000
	Limelight Commosales Pvt Ltd	10	1,600	16,000	1,600	16,000
	Jiwanjyoti Tie Up Pvt Ltd	10	1,600	16,000	1,600	16,000
	Superior Barter Pvt Ltd	10	1,600	16,000	1,600	16,000
	Superior Dealtrade Pvt Ltd	10	1,600	16,000	1,600	16,000
	Superior Vincom Pvt Ltd	10	1,600	16,000	1,600	16,000
	Theme Barter Pvt Ltd	10	1,600	16,000	1,600	16,000
	Wizard Vanijya Pvt Ltd	10	1,600	16,000	1,600	16,000
	Pushkar Dealtrade Pvt Ltd	10	1,600	16,000	1,600	16,000
	Dhanvarsha Tie Up Pvt Ltd	10	1,600	16,000	1,600	16,000
	Dayanidhi Vintrade Pvt Ltd	10	1,600	16,000	1,600	16,000
	Sukhjiti Barter Pvt Ltd	10	1,600	16,000	1,600	16,000
	Crossway Commotrade Pvt Ltd	10	1,600	16,000	1,600	16,000
	Aravali Tradecom Pvt Ltd	10	1,600	16,000	1,600	16,000
	Comfort Commodeal Pvt Ltd	10	1,600	16,000	1,600	16,000
	Fort Tradelinks Pvt Ltd	10	1,600	16,000	1,600	16,000
	Impression Vanijya Pvt Ltd	10	1,600	16,000	1,600	16,000
	Purple Vintrade Pvt Ltd	10	1,600	16,000	1,600	16,000
	Vision Dealtrade Pvt Ltd	10	1,600	16,000	1,600	16,000
	Bonanzo Tradecom Pvt Ltd	10	1,600	16,000	1,600	16,000
	Crossroad Agencies Pvt Ltd	10	1,600	16,000	1,600	16,000

HOTAHOTI WOOD PRODUCTS LIMITED
7Notes forming part of the financial statements as at 31st March, 2017

Note : 2.14 Non-Current Investments

Sl. No	Particulars		As at		As at	
			31st March, 2017		31st March, 2016	
	Blue Star Sales Agencies Pvt Ltd	10	1,600	16,000	1,600	16,000
	Gateway Vintrade Pvt Ltd	10	1,600	16,000	1,600	16,000
	Matrix Dealtrade Pvt Ltd	10	1,600	16,000	1,600	16,000
	Newedge Commotrade Pvt Ltd	10	1,600	16,000	1,600	16,000
	Nutech Commodeal Pvt Ltd	10	1,600	16,000	1,600	16,000
	Agrim Commodeal Pvt Ltd	10	1,600	16,000	1,600	16,000
	Cindrella Tradecom Pvt Ltd	10	1,600	16,000	1,600	16,000
	Dreamlight Barter Pvt Ltd	10	1,600	16,000	1,600	16,000
	Dreamlight Commotrade Pvt Ltd	10	1,600	16,000	1,600	16,000
	Everlink Barter Pvt Ltd	10	1,600	16,000	1,600	16,000
	Everlink Commosales Pvt Ltd	10	1,600	16,000	1,600	16,000
	Fresh Commotrade Pvt Ltd	10	1,600	16,000	1,600	16,000
	Fresh Vinimay Pvt Ltd	10	1,600	16,000	1,600	16,000
	Fresh Vintrade Pvt Ltd	10	1,600	16,000	1,600	16,000
	Goodview Barter Pvt Ltd	10	1,600	16,000	1,600	16,000
	Hamsafar Tracom Pvt Ltd	10	1,600	16,000	1,600	16,000
	Indivar Barter Pvt Ltd	10	1,600	16,000	1,600	16,000
	Booster Vanija Pvt Ltd	10	1,600	16,000	1,600	16,000
	Evernew Tradecom Pvt Ltd	10	1,600	16,000	1,600	16,000
	Glitter Commodeal Pvt Ltd	10	1,600	16,000	1,600	16,000
	Happy Tradecom Pvt Ltd	10	1,600	16,000	1,600	16,000
	Majority Suppliers Pvt Ltd	10	1,600	16,000	1,600	16,000
	Seaside Dealcom Pvt Ltd	10	1,600	16,000	1,600	16,000
	Suryakanchan Sales Pvt Ltd	10	1,600	16,000	1,600	16,000
	Wizard Vinimay Pvt Ltd	10	1,600	16,000	1,600	16,000
	Falcon Vintrade Pvt Ltd	10	1,600	16,000	1,600	16,000
	Glaze Vanija Pvt Ltd	10	1,600	16,000	1,600	16,000
	Golden Valley Dealers Pvt Ltd	10	1,600	16,000	1,600	16,000
	Marina Dealtrade Pvt Ltd	10	1,600	16,000	1,600	16,000
	Regal Dealtrade Pvt Ltd	10	1,600	16,000	1,600	16,000
	Rover Commodeal Pvt Ltd	10	1,600	16,000	1,600	16,000
	Sonata Tradelink Pvt Ltd	10	1,600	16,000	1,600	16,000
	Sunbright Barter Pvt Ltd	10	1,600	16,000	1,600	16,000
	Baviscon Tradelink Pvt Ltd	10	1,600	16,000	1,600	16,000
	Dreamland Vincom Pvt Ltd	10	1,600	16,000	1,600	16,000
	Sukhsagar Tradelink Pvt Ltd	10	1,600	16,000	1,600	16,000
	Reward Vintrade Pvt Ltd	10	1,600	16,000	1,600	16,000
	Samarpan Distributors Pvt Ltd	10	1,600	16,000	1,600	16,000
	Superior Commotrade Pvt Ltd	10	1,600	16,000	1,600	16,000
	Theme Tie Up Pvt Ltd	10	1,600	16,000	1,600	16,000
	Wise Barter Pvt Ltd	10	1,600	16,000	1,600	16,000
	Glaze Commodeal Pvt Ltd	10	1,600	16,000	1,600	16,000
	Topaz Vincom Pvt Ltd	10	1,600	16,000	1,600	16,000
	Advent Dealers Pvt Ltd	10	1,600	16,000	1,600	16,000
	Agrim Vanija Pvt Ltd	10	1,600	16,000	1,600	16,000
	Alankar Barter Pvt Ltd	10	1,600	16,000	1,600	16,000
	Ambition Dealtrade Pvt Ltd	10	1,600	16,000	1,600	16,000
	Cindrella Vanija Pvt Ltd	10	1,600	16,000	1,600	16,000
	Fairplan Vanija Pvt Ltd	10	1,600	16,000	1,600	16,000
	Fourfold Vintrade Pvt Ltd	10	1,600	16,000	1,600	16,000
	Future Commosales Pvt Ltd	10	1,600	16,000	1,600	16,000

HOTAHOTI WOOD PRODUCTS LIMITED

7Notes forming part of the financial statements as at 31st March, 2017

Note : 2.14 Non-Current Investments

Sl. No	Particulars		As at		As at	
			31st March, 2017		31st March, 2016	
	Grace Tradecom Pvt Ltd	10	1,600	16,000	1,600	16,000
	Indraloke Vincom Pvt Ltd	10	1,600	16,000	1,600	16,000
	Liberal Dealtrade Pvt Ltd	10	1,600	16,000	1,600	16,000
	Cindrella Vincom Pvt Ltd	10	1,600	16,000	1,600	16,000
	Citizen Vintrade Pvt Ltd	10	1,600	16,000	1,600	16,000
	Sunmart Vanijya Pvt Ltd	10	1,600	16,000	1,600	16,000
	Touchpoint Traders Pvt Ltd	10	1,600	16,000	1,600	16,000
	Trend Tie Up Pvt Ltd	10	1,600	16,000	1,600	16,000
	Wellman Agents Pvt Ltd	10	1,600	16,000	1,600	16,000
	Zenstar Dealtrade Pvt Ltd	10	1,600	16,000	1,600	16,000
	Zenstar Tie Up Pvt Ltd	10	1,600	16,000	1,600	16,000
	Zenstar Tradelinks Pvt Ltd	10	1,600	16,000	1,600	16,000
	Zenstar Vinimay Pvt Ltd	10	1,600	16,000	1,600	16,000
	Zigma Dealers Pvt Ltd	10	1,600	16,000	1,600	16,000
	Touchstone Agents Pvt Ltd	10	1,600	16,000	1,600	16,000
	Fairland Vinimay Pvt Ltd	10	1,600	16,000	1,600	16,000
	Linkpoint Dealers Pvt Ltd	10	1,600	16,000	1,600	16,000
	Paradise Commodeal Pvt Ltd	10	1,600	16,000	1,600	16,000
	Prantik Tracom Pvt Ltd	10	1,600	16,000	1,600	16,000
	Prantik Vanijya Pvt Ltd	10	1,600	16,000	1,600	16,000
	Premium Commosales Pvt Ltd	10	1,600	16,000	1,600	16,000
	Primerose Barter Pvt Ltd	10	1,600	16,000	1,600	16,000
	Quantum Vincom Pvt Ltd	10	1,600	16,000	1,600	16,000
	Ratnakar Tradecom Pvt Ltd	10	1,600	16,000	1,600	16,000
	Rocky Agents Pvt Ltd	10	1,600	16,000	1,600	16,000
	Sapphire Commodeal Pvt Ltd	10	1,600	16,000	1,600	16,000
	Seaview Dealtrade Pvt Ltd	10	1,600	16,000	1,600	16,000
	Stylish Dealtrade Pvt Ltd	10	1,600	16,000	1,600	16,000
	Zenstar Tracom Pvt Ltd	10	1,600	16,000	1,600	16,000
	Bela Tracom Pvt Ltd	10	1,600	16,000	1,600	16,000
	Fort Commosales Pvt Ltd	10	1,600	16,000	1,600	16,000
	Indigo Dealmark Pvt Ltd	10	1,600	16,000	1,600	16,000
	Indigo Tracom Pvt Ltd	10	1,600	16,000	1,600	16,000
	Seaside Tracom Pvt Ltd	10	1,600	16,000	1,600	16,000
	Sukhjit Vintrade Pvt Ltd	10	1,600	16,000	1,600	16,000
	Manmohan Tracom Pvt Ltd	10	1,600	16,000	1,600	16,000
	Moondhar Tracom Pvt Ltd	10	1,600	16,000	1,600	16,000
	Escort Dealmark Pvt Ltd	10	1,600	16,000	1,600	16,000
	Sevenseas Vinimay Pvt Ltd	10	-	-	1,600	16,000
	Starmark Commosales Pvt Ltd	10	1,600	16,000	1,600	16,000
	Sukhjit Commosales Pvt Ltd	10	-	-	1,600	16,000
	Topswing Properties Pvt Ltd	10	-	-	1,600	16,000
	Topswing Developers Pvt Ltd	10	-	-	1,600	16,000
	Topswing Nirman Pvt Ltd	10	-	-	1,600	16,000
	Nextel Infra Projects Pvt Ltd	10	-	-	1,600	16,000
	Jatadhari Vinimay Pvt Ltd	10	-	-	1,600	16,000
	Olay Vanijya Pvt Ltd	10	-	-	1,600	16,000
	Lifelong Vanijya Pvt Ltd	10	-	-	1,600	16,000
	Olay Agents Pvt Ltd	10	-	-	1,600	16,000
	Starmark Vanijya Pvt Ltd	10	-	-	1,600	16,000
	Mindscale Nirman Pvt Limited	10	-	-	1,800	18,000
	Mindscale Properties Pvt Limited	10	-	-	1,800	18,000
	Nextel Nirman Pvt Limited	10	-	-	1,800	18,000
	Oliver Agency Pvt Ltd	10	1,800	18,000	1,800	18,000
	Raghav Barter Pvt Ltd	10	1,800	18,000	1,800	18,000
	Silverson Tie Up Pvt Ltd	10	1,800	18,000	1,800	18,000
	bal c/f		983,524	9,835,240	1,570,924	15,709,240

HOTAHOTI WOOD PRODUCTS LIMITED
7Notes forming part of the financial statements as at 31st March, 2017

Note : 2.14 Non-Current Investments

Sl. No	Particulars		As at 31st March, 2017		As at 31st March, 2016	
			No. of Shares	Amount	No. of Shares	Amount
	bal b/f		983,524	9,835,240	1,570,924	15,709,240
	Silverson Tradecom Pvt Ltd	10	1,800	18,000	1,800	18,000
	Sunmart Barter Pvt Ltd	10	1,800	18,000	1,800	18,000
	Winsher Tracom Pvt Ltd	10	1,800	18,000	1,800	18,000
	Kakapo Grihonirman Pvt Ltd	10	1,000	10,000	-	-
	Gerygone Housing Pvt Ltd	10	1,000	10,000	-	-
	Cassowaries Griho Pvt Ltd	10	1,000	10,000	-	-
	Grosbeaks Nirman Pvt Ltd	10	1,000	10,000	-	-
	Sittella Infrastructures Pvt Ltd	10	1,000	10,000	-	-
	Tinamou Developers Pvt Ltd	10	1,000	10,000	-	-
	Quetzal Housing Pvt Ltd	10	1,500	15,000	-	-
	Oriole Housing Pvt Ltd	10	1,500	15,000	-	-
	Cichild Housing Pvt Ltd	10	1,500	15,000	-	-
	Keshel Infrastructure Pvt Ltd	10	1,500	15,000	-	-
	Sandgrouses Land Developers Pvt Ltd	10	1,500	15,000	-	-
	Cuckoo Nirman Pvt Ltd	10	1,500	15,000	-	-
	Emu Developers Pvt Ltd	10	1,500	15,000	-	-
	Konondor Builders Pvt Ltd	10	1,500	15,000	-	-
	Kashphool Abashon Pvt Ltd	10	1,500	15,000	-	-
	Salamander Niketan Pvt Ltd	10	1,500	15,000	-	-
	Berkelium House Builders Pvt Ltd	10	1,500	15,000	-	-
	Buzzard Grihoshova Pvt Ltd	10	1,500	15,000	-	-
	Mistletoe Realty Pvt Ltd	10	1,500	15,000	-	-
	Tapaculo Grihanirman Pvt Ltd	10	1,500	15,000	-	-
	Thornbill Griho Pvt Ltd	10	1,500	15,000	-	-
	Manakin Developers Pvt Ltd	10	1,500	15,000	-	-
	Keshel Housebuilders Pvt Ltd	10	1,500	15,000	-	-
	Pakshiraj Niketan Pvt Ltd	10	1,500	15,000	-	-
	Shiuli Kunjosobha Pvt Ltd	10	1,500	15,000	-	-
	Vireo Housing Pvt Ltd	10	1,500	15,000	-	-
	Grasshopper Nirman Pvt Ltd	10	1,500	15,000	-	-
	Grebe Housing Pvt Ltd	10	1,500	15,000	-	-
	Caramel Grihosobha Pvt Ltd	10	1,500	15,000	-	-
	Stork Hi Rise Pvt Ltd	10	1,500	15,000	-	-
	Pardalote Grihanirman Pvt Ltd	10	1,500	15,000	-	-
	Catkins Attalika Pvt Ltd	10	1,500	15,000	-	-
	Asparagus Grihonirman Pvt Ltd	10	1,500	15,000	-	-
	Custard Grihi Pvt Ltd	10	1,500	15,000	-	-
	Godhuli Kunjaloy Pvt Ltd	10	1,500	15,000	-	-
	Intouch Trading Pvt Ltd	10	597,120	36,036,192	-	-
	Surabhi Sanitary Wares Private Limited	10	37,500	1,500,000	37,500	1,500,000
			1,673,044	47,920,432	1,613,824	17,263,240
	Total		1,673,044	50,672,942	1,613,824	20,015,750

Sl. No	Particulars	Book Value	Market Value	Book Value	Market Value
	Aggregate Value of Unquoted Equity Shares	47,920,432	-	17,263,240	-
	Aggregate Value of Quoted Equity Shares			-	-

HOTAHOTI WOOD PRODUCTS LIMITED
Notes forming part of the financial statements as at 31st March, 2017

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

(Figures in Rs.)

Sl. No	Particulars	As at 31st March, 2017	As at 31st March, 2016
(a)	Other Loans & Advances	111,083,420	84,994,366
	Total	111,083,420	84,994,366

Note : 2.16 Inventories

(Figures in Rs.)

Sl. No	Particulars	As at 31st March, 2017	As at 31st March, 2016
1	Stock - in - Trade	158,030,068	164,142,745
	Total	158,030,068	164,142,745

Note : 2.17 Trade Receivables

(Figures in Rs.)

Sl. No	Particulars	As at 31st March, 2017	As at 31st March, 2016
1	Outstanding for a period for less than six months	-	154,000
2	Others	-	-
	Total	-	154,000

Note : 2.18 Cash & Bank Balances

(Figures in Rs.)

Sl. No	Particulars	As at 31st March, 2017	As at 31st March, 2016
	<u>Cash & cash Equivalents</u>		
1	Cash-in-Hand	130,874	106,360
2	Balance with Banks	5,022,832	48,197
	Total	5,153,706	154,557

Note : 2.19 Short Terms Loans and Advances
(Unsecured & Considered Good)

(Figures in Rs.)

Sl. No	Particulars	As at 31st March, 2017	As at 31st March, 2016
1	<u>Loans & Advances to Others</u>		
	(a) Tax Deducted at source	792,352	1,166,053
	(b) Income Tax Refundable	-	726,250
	(c) Others*	132,125	99,088
	Total	924,477	1,991,391

* Includes Interest Receivable and Loans to Others

Note: 2.20 Details of Specified Bank Notes

Particulars	SBNs	Other denomination Notes	Total
Closing Cash in hand as on 08.11.2016	400,000	120,652	520,652
(+) Permitted Receipts	-	-	-
(-) Permitted Payments	-	12,000	12,000
(-)Amount deposited in Banks	400,000	-	400,000
Closing Cash Balance as on 30.12.2016	-	108,652	108,652

HOTAHOTI WOOD PRODUCTS LIMITED
Notes forming part of the financial statements as at 31st March, 2017

Note : 2.21 Revenue from Operations

Sl. No.	Particulars	For the year ended 31st Mar '2017	For the year ended 31st Mar '2016
1	Interest	7,321,456	6,357,314
2	<u>Other Financial Services</u>		
	Sale of Shares	6,246,629	3,942,950
	Profit/(Loss) on sale of investment	-	100,800
	Profit/(Loss) on Future Trading	-	(3,992,174)
	Total	13,568,085	6,408,890

Note : 2.22 Other Income

Sl. No.	Particulars	For the year ended 31st Mar '2017	For the year ended 31st Mar '2016
1	Interest on Income Tax Refund	98,071	72,002
	Total	98,071	72,002

Note : 2.23 Change in Inventories of Stock-in-Trade

Sl. No.	Particulars	For the year ended 31st Mar '2017	For the year ended 31st Mar '2016
1	Opening Stock	164,142,745	162,772,369
2	Closing Stock	158,030,068	164,142,745
	Total	6,112,677	(1,370,376)

Note : 2.24 Employment Benefit Expenses

Sl. No.	Particulars	For the year ended 31st Mar '2017	For the year ended 31st Mar '2016
1	Salaries & Allowances	372,000	72,000
	Total	372,000	72,000

Note : 2.25 Finance Cost

Sl. No.	Particulars	For the year ended 31st Mar '2017	For the year ended 31st Mar '2016
1	Interest	6,228,046	4,931,977
	Total	6,228,046	4,931,977

Note : 2.26 Other Expenses

Sl. No.	Particulars	For the year ended 31st Mar '2017	For the year ended 31st Mar '2016
1	Rent	8,928	7,776
2	Professional Fees	276,552	40,275
3	Listing Fees	603,750	-
4	Custodial Fees	144,810	56,522
5	Miscellaneous Expenses	107,535	44,060
	Total	1,141,575	148,633

Payments to the auditors comprises

Sl. No.	Particulars	For the year ended 31st Mar '2017	For the year ended 31st Mar '2016
1	For Statutory Audit	8,500	8,500
2	- Internal Audit	7,500	-
3	- Tax Audit	4,000	4,000
	Total	20,000	12,500

HOTAHOTI WOOD PRODUCTS LIMITED
Notes forming part of the financial statements as at 31st March, 2017

Note : 2.27 Provisions

Sl. No.	Particulars	For the year ended 31st Mar '2017	For the year ended 31st Mar '2016
1	Provision for Reversal of Interest on Non-Performing Assets	162,000	162,000
2	Provisions Against Standard Assets	181,056	6,731
	Total	343,056	168,731

Note: 2.28 :

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

As per our report of even date

For Rahul Bansal & Associates
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-

Rahul Bansal

(Partner)

Membership No. 068619

FRM Regn No. 327098E

Dated :May 29th,2017

Place: Kolkata

Sd/-

Tarak Nath Dey

Managing Director

00343396

Sd/-

Chand Ratan Modi

Director

00343685