



### **Board of Directors**

Sri.Mr.N.Tarachand Dugar	-	Non Executive
Sri.T.Padam Dugar	-	Non Executive
Sri.T.Ramesh Dugar	-	Non Executive
Sr.Prasanth C Jain	-	Non Executive & Independent
Smt.R.Vijayalakshmi	-	Non Executive & Independent
Sri.D.Karunanidhi	-	Non Executive & Independent

### **Registered Office of the Company**

Dugar Towers,  
No.123, Marshalls Road,  
Egmore, Chennai 600 008.  
Tamil Nadu, India

### **Auditors**

M/s. Krishnakumar & Associates,  
Chartered Accountants  
No.33 (Old No.17), School View Road  
R.K.Nagar, Chennai 600028.  
Tel No. 044 – 24614932  
Email: mayor\_kk@hotmail.com

### **Bankers / Financial Institutions**

ICICI Bank Ltd, Egmore Branch,  
Chennai 600008.

### **Registrar and Share Transfer Agents**

#### **Cameo Corporate Services Limited**

“Subramanian Building”  
No.1, Club House Road, Chennai 600 002, Phone No.044-28460390-94,  
Fax No.28460129, Email : cameo@cameoindia.com.

## NOTICE

NOTICE is hereby given that the Twenty First Annual General Meeting of the shareholders of the Company will be held on Friday, 27th day, of September 2013 at 10.00 a.m. at Nahar Hall, Deshbamdhru Plaza, 1st Floor, 47, Whites Road, Royapettah, Chennai 600014, Tamil Nadu, India to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider, and adopt the Audited Balance Sheet as at 31st March 2013 and the Profit & Loss Account for the year ended on that date and the reports of the Directors, Company Secretaries and Auditors thereon.
2. To appoint a Director in place of Mr.T.Ramesh Dugar who retires by rotation and being eligible, offers himself for reappointment
3. To appoint a Director in place of Mr.D.Karunanidhi who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Mrs.R.Vijayalakshmi who retires by rotation and being eligible, offers herself for reappointment
5. To appoint Statutory Auditors and fix their remuneration. M/s.Krishnakumar & Associates, Chartered Accountants, the retiring Auditors of the Company is eligible for reappointment and offers themselves for reappointment.

### SPECIAL BUSINESS

#### **6. Re-appointment of Mr.T.Padam Dugar as Whole-time Director**

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

**“RESOLVED THAT** in accordance with the provisions of Sections 198, 269, 309, read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (“the Act”), the Company hereby approves the re-appointment of Mr.T.Padam Dugar as Whole-

time Director of the Company for a period of five years with effect from 01st October 2013, without remuneration.

**RESOLVED FURTHER THAT** during the tenure as the Whole Time Director Mr.T.Padam Dugar shall be entitled to be paid / reimbursed by the Company all costs, charges, and expenses as may be incurred by him for the purpose of or on behalf of the Company.

**By Order of the Board  
For DUGAR HOUSING DEVELOPMENTS LIMITED**

**N.Tarachand Dugar  
Chairman**

Dated 20th day of August 2013

Registered Office

Dugar Towers, No.123,  
Marshalls Road, Egmore,  
Chennai 600 008, Tamil Nadu, India.

### **NOTES**

1. ***A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.PROXY TO BE VALID MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM IS APPENDED WITH THE ADMISSION SLIP.***

Members / Proxies should bring the attendance slip duly filled in for attending the meeting and corporate members are requested to send a duly certified copy of the Board Resolution / Power of Attorney authorizing their respective to attend and vote at the Annual General Meeting.

2. The Register of Members and Share Transfer Books of the Company shall remain closed from Saturday, 21st day of September, 2013 to Friday, 27th day of September, 2013 (Both days Inclusive) for the purpose of Twenty First Annual General Meeting.



3. The Explanatory statement as required under the provision of the Companies Act, 1956 disclosing all the material facts concerning the special business as set out in the notice is furnished hereunder.
4. Members are hereby requested to send all correspondence concerning transfers, transmissions, subdivision, consolidation of shares or any other share related matters and/or change in address to the Company's Registrar and Share Transfer Agent.
5. Members desiring to have any clarification on account are requested to write to the Company at an early date so as to enable the Company keep the information ready.
6. Members desirous of making a nomination in respect of their shareholding in the Company, as permitted under section 109A of the Companies Act, 1956, are requested to write to the Company's Registrar in the prescribed form. Nomination form may be downloaded from Company's Website [www.dhdlindia.com](http://www.dhdlindia.com).
7. Annual Report is available at the website of the Company at [www.dhdlindia.com](http://www.dhdlindia.com)
8. The SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market, members holdings shares in electronic form are, therefore, requested to submit the PAN to their Depositories Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their Pan Details to the Company / Registrar and Transfer Agents.
9. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Transfer Agents cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars of bank mandates. Such changes are to be advised only to the Depository participant of the members
10. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN Details to the Company / Registrar and Transfer Agents
11. Members who are holding shares under more than one folio under physical form may approach the Company's Share Transfer Agents for consolidation with respective details.
12. Information pursuant to clause 49 of the listing agreement in respect of proposed appointment/ re-appointment of directors
13. The ministry of Corporate Affairs (vide circular Nos.17/2011 and 18/2011 dated April 21,2011 and April 29, 2011 respectively) has undertaken a "Green initiative in the Corporate Governance" and allowed Companies to share service of notice / documents including Annual Report through an electronic mode. To Support this Green initiative of the Government in full measures, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses.
14. Details of Directors seeking appointment / re-appointment at the Annual General Meeting.

1	Name	T.Ramesh Dugar
	Date of Birth	25.01.1971
	Nationality	Indian
	Date of Appointment on the Board	03.04.2002
	Qualifications	B.Com
	Expertise in functional area	Having more than two decades of experience in the field of Finance and general administration.
	No of Shares held	30000
	List of Directorships held in other Companies (Inclusive Dugar Housing Developments Limited)	05
	Chairman / Member of the Committees of the Board of other Companies in which he is Director as on 31.03.2013	Nil

## DUGAR HOUSING DEVELOPMENTS LIMITED

<b>2</b>	Name	D.Karunanidhi
	Date of Birth	26.07.1967
	Nationality	Indian
	Date of Appointment on the Board	31.01.2009
	Qualifications	B.Sc
	Expertise in functional area	More than 20 years experience in Marketing and Planning
	No of Shares held	Nil
	List of Directorships held in other Companies (Inclusive Dugar Housing Developments Limited)	01
	Chairman / Member of the Committees of the Board of other Companies in which he is Director as on 31.03.2013	Nil

<b>3</b>	Name	Mrs.R.Vijayalakshmi
	Date of Birth	27.05.1959
	Nationality	Indian
	Date of Appointment on the Board	29.07.2002
	Qualifications	B.A
	Expertise in functional area	More than 20 years of experience in legal and administration
	No of Shares held	Nil
	List of Directorships held in other Companies (Inclusive Dugar Housing Developments Limited)	01
	Chairman / Member of the Committees of the Board of other Companies in which he is Director as on 31.03.2013	Nil

<b>4</b>	Name	T.Padam Dugar
	Date of Birth	22.04.1967
	Nationality	Indian
	Date of Appointment on the Board	23.10.1992
	Qualifications	B.Com
	Expertise in functional area	Having more than 25 years in depth knowledge and experience in the field of property development and general administration.
	No of Shares held	30000
	List of Directorships held in other Companies (Inclusive Dugar Housing Developments Limited)	07
	Chairman / Member of the Committees of the Board of other Companies in which he is Director as on 31.03.2013	Nil

### EXPLANATORY STATEMENT PURSUANT TO SECTION 173(1)

#### Item No.6 Re-appointment of Mr.T.Padam Dugar as Whole-time Director

Mr.T.Padam Dugar is the Whole-time Director of the Company. His tenure of expires on September 30, 2013. The Board of Directors (based on the recommendation of the Remuneration Committee) at its meeting held on 30th July, 2013 have approved the re-appointment of Mr. T. Padam Dugar as the Whole-time Director for a period of five (05) years with effect from 01st October, 2013 which have been enumerated in the resolution at item No.6 of this notice. The said appointment is in consonance with the provisions of the Companies Act, 1956 read with schedule XIII to the Companies Act. Further, Mr.T.Padam Dugar, is a Promoter Director and having more than 25 years in depth knowledge and experience in the field of property development and general administration.

The Explanatory Statement together with the accompanying notice should be treated as an abstract of terms and condition of his re-appointment and memorandum of concern or interest under Section 302 of the Companies Act, 1956. The re-appointment of Mr. T. Padam Dugar specified in the resolution are now placed before the members for their approval. The Board recommends the resolution as set out in item No.6 of the notice convening annual general meeting for approval of the shareholders as an Ordinary Resolution.

Except Mr. T. Padam Dugar, being the appointee and Mr.Tarachand Dugar, Mr.T.Ramesh Dugar, being relatives, none of the Directors of the Company is concerned or interested in the resolution

**By Order of the Board  
For DUGAR HOUSING DEVELOPMENTS LIMITED**

**N.Tarachand Dugar  
Chairman**

Dated 21st day of May 2013

Registered Office

Dugar Towers, No.123,  
Marshalls Road, Egmore,  
Chennai 600 008, Tamil Nadu, India.



## DIRECTORS' REPORT TO THE MEMBERS

Your Directors have great pleasure in presenting the Twenty First Annual Report on the business and operations of your company together with Audited Accounts of the Company for the year ended 31st March 2013 and the Auditors' report thereon.

### BUSINESS OUTLOOK

The management is cautious that the economy and the business sentiments are weak and is focused on optimization of costs and resources. Increasing offers are becoming available for joint venture developments with relatively small investments in land to take up large projects and this is seen as a credible opportunity for expanding business volume. The company continues to focus its development opportunity for the moment within the city of Chennai and its suburbs and will examine the feasibility of profitable ventures to be taken in other cities in the city of Tamilnadu going forward.

### FINANCIAL RESULTS

Particulars	(Amount In Rs.)	
	Standalone	
	2012-13	2011-12
Other Income	5,45,000	9,75,762
Expenditure	3,33,999	6,03,160
Depreciation and amortization expenses	36,781	36,781
Profit/(Loss) before tax	2,11,001	3,72,602
Less: Provision for		
Current Tax	--	--
Deferred Tax	--	--
Profit / (Loss) after Tax	2,11,001	3,72,602

### BUSINESS OUTLOOK

The management is cautious that the economy and the business sentiments are weak and is focused on optimization of costs and resources. Increasing offers are becoming available for joint venture developments with relatively small investments in land to take up large projects and this is seen as a credible opportunity for expanding business volume. The company continues to focus its development opportunity for the moment within the city of Chennai and its suburbs and will examine the feasibility of profitable ventures to be taken in other cities in the city of Tamilnadu going forward.

### SUBSIDIARIES / JOINT VENTURES

There are no Subsidiaries and Joint Venture Company

### DIVIDEND:

Your Directors are not recommending dividend for the year ended 31st March 2013

### FIXED DEPOSITS

Your Company has not accepted any public deposits from the public or its employees during the year under review and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

## **STATUTORY STATEMENTS**

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

**DUGAR HOUSING DEVELOPMENTS LIMITED** does not carry on any manufacturing activity and accordingly the provision to furnish information as per Section 217 (1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988, particulars relating to Conservation of energy, Research and Development and Technology Absorption is not applicable.

Foreign Exchange Earnings : Nil

Foreign Exchange Outgo : Nil

### **PARTICULARS OF EMPLOYEES**

During the year under review there were no employees covered under section 217(2A) of the Companies Act, 1956.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement u/s 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement your Directors to the best of their knowledge and belief confirm that:

- (i) in the preparation of the annual accounts for the year 2012-13, the applicable Accounting Standards have been followed and there are no material departure;
- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the profit / loss of the Company for that period;
- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act so as to safeguard the assets of the Company and to prevent and detect fraud and other irregularities; and
- (iv) they have prepared the annual accounts on a going concern basis.

### **INTERNAL CONTROLS AND THEIR ADEQUACY:**

The internal control systems are commensurate to the size of the operations of the Company. Whenever it is required, the systems and procedures are upgraded to suit the changing business needs.

### **STATEMENT PURSUANT TO LISTING AGREEMENT**

The company's securities are listed with Bombay Stock Exchange Limited, Mumbai and Madras Stock Exchange Limited, Chennai and it has paid the respective annual listing fees up-to-date and there are no arrears.

### **CORPORATE GOVERNANCE REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS**

A detailed report on Corporate Governance as updated with the particulars of this Financial year, as per the directions from SEBI is annexed to this report (Annexure A') together with Report of the Auditors on the compliance with the said Code and a Report of Management Discussion and Analysis is also annexed separately.

### **REVOCAION OF SUSPENSION IN TRADING OF EQUITY SHARES**

Your Directors happy to inform you that pursuant to the application made to the Bombay Stock Exchange Limited (BSE) for



the best interest of the Company and stakeholders after due compliance of the legal requirements BSE vide their notice No.DCS/COMP/CL47C/MIS/RP/105/511634/2013 dated 28.05.2013 informed the trading members and also to Company that the suspension in trading of equity shares of the Company will be revoked

## **DIRECTORATE**

The Company is managed by Mr.T.Padam Dugar, Whole Time Director, under strict supervision of the Board of Directors. In compliance with the provisions of the Companies Act, 1956 in accordance with the Company's Articles of Association, Mr.T.Ramesh Dugar, Mr.D.Karunanishi and Mrs.R.Vijayalakshmi, retire at this Annual General Meeting and being eligible, offers themselves for re-appointment.

Mr.T.Padam Dugar is the Whole-time Director of the Company. His tenure of expires on September 30, 2013. The Board of Directors (based on the recommendation of the Remuneration Committee) at its meeting held on 30th July, 2013 have approved the re-appointment of Mr.T.Padam Dugar as the Whole-time Director for a period of five (05) years with effect from 01st October, 2013. The Board recommends the resolution as set out in item No.6 of the notice convening annual general meeting for approval of the shareholders as an Ordinary Resolution.

Brief resume of the Directors, seeking re-appointment, nature of their expertise as stipulated under clause 49 of the listing agreement with the Bombay Stock Exchange Limited, is appended to the notice convening the Annual General Meeting.

## **DISCLOSURES OF PARTICULARS OF CONSTITUTING "GROUP" PURSUANT TO REGULATION 3(1)(E) OF THE SEBI(SUBSTANTIAL ACQUISITION OF SHARES & TAKEOVERS) REGULATIONS, 1997.**

Pursuant to an information from the promoters, the name of the promoters and entities comprising group as defined under Monopolies and Restrictive Trade Practice (MRTP) Act, 1969, are as under for the purpose of the SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 1997.

N.Tarachand Dugar	T.Padam Dugar	T.Ramesh Dugar	Dugar Ins India Pvt Ltd
Dugar Forex Ltd	Goodworth Properties	Lazer Housing Private Limited	Pushpa Dugar
P.Annjana Dugar	Shruthi Dugar	Sachi Jain	Jayshree Jain
R.Sonali Dugar	-	-	-

## **COMPLIANCE CERTIFICATE**

As per the Provisions to sub section (1) of Section 383A of Companies Act, 1956 Every Company having a paid up Share Capital of Rs.10 lakhs or more But less than Rs.5 Crores is required to file with the Registrar of Companies a Compliance Certificate from a Company Secretaries in Practice, and the said Certificate required to be attached with the Board's Report.

Members are hereby informed that, M/s.Rabi Narayan & Associates, Company Secretaries, Chennai, is our Company Secretary to issue Compliance Certificate and Compliance Certificate issued by them are enclosed herewith are forming part of this report.

## **AUDITORS**

The retiring auditors, M/s.Krishnakumar & Associates., Chartered Accountants have expressed their willingness to continue in office, if appointed. They have furnished to the Company a certificate of their eligibility for appointment as auditors, pursuant to section 224 (1B) of the Companies Act, 1956.



The Audit committee and the Board of Directors recommend the re-appointment of M/s.Krishnakumar & Associates., Chartered Accountants as Auditors for a further period of one year and to fix their remuneration.

The Auditors Report to the Members does not contain any qualification or adverse remarks.

The Directors take this opportunity to thank our Bankers, ICICI Bank Ltd, Egmore Branch, Chennai 600008, State Government, other statutory bodies for their unstinted and consistent support to the Company. Your Directors place on the record their appreciation of the dedicated service of the employees of the Company at all levels for the growth of the company.

**For and on behalf of the Board of Directors of  
For DUGAR HOUSING DEVELOPMENTS LIMITED**

**N.Tarachand Dugar**    **T.Padam Dugar**  
Director                      Whole Time Director

Place : Chennai

Date : 21.05.2013

#### **ANNEXURE – ‘A’**

#### **TO THE TWENTY FIRST ANNUAL REPORT OF THE BOARD OF DIRECTORS REPORT ON CORPORATE GOVERNANCE**

DUGAR HOUSING DEVELOPMENTS LIMITED is complying with the mandatory requirements of the code of Corporate Governance introduced by the SEBI and incorporated in Clause 49 of the Listing Agreement in all material respect.

DUGAR HOUSING DEVELOPMENTS LIMITED aims to create profitable Developments, Distinguishing characteristics leading to high customer satisfaction with full compliance to building standards, Rules and Regulations.

The Basic philosophy of the company towards Corporate Governance is to protect and enhance the long term value of all the stakeholders – shareholders, clients, creditors and employees. The Company is committed to achieve these objectives within regulatory frame work through transparency in dealings.

#### **BOARD OF DIRECTORS**

The Board of Directors of the Company comprises of a Three Non Independent Directors and Three Non Executive Directors. The Board members possess requisite skills, experience and expertise required that are required to take decisions, which are in the best interest of the Company.

Mr. T.Padam Dugar is the Whole Time Director of the Company. He works under the direction, control and supervision of the Board of Directors and it meets at regular intervals. Policy formulation, evaluation of performance and control functions vest with Board

The Composition of Board, attendance of each Director at the Board Meetings held during the year under review as well as in the last Annual General Meeting and number of other Directorship/ Committee memberships held by them are as follows:-





Name of Director	Designation and Category	No. of Board Meetings in the Year during respective tenure of Directors		Attendance Of Last AGM	Number of directorships held in the Indian Companies (including Dugar Housing Developments Limited)	Number of Board Committee memberships Held in other companies
		Held	Attends			
N.Tarachand Dugar	Director & Non Executive	04	04	Yes	07	Nil
T.Padam Dugar	Director & Non Executive	04	04	Yes	07	Nil
T.Ramesh Dugar	Director & Non Executive	04	04	Yes	05	Nil
Prasanth C Jain	Director, Non Executive & Independent	04	02	Yes	02	Nil
R.Vijayalakshmi	Director, Non Executive & Independent	04	02	Yes	01	Nil
D.Karunanidhi	Director, Non Executive & Independent	04	04	Yes	01	Nil

Further the Board of Directors would like to inform the members that none of the directors are disqualified to act as directors of this company or any other public company under Section 274(1) (g) and other applicable provisions of the Companies Act, 1956.

Further, there were no changes in the composition of the Board of Directors.

The requisite information as prescribed under Clause 49 of the Listing Agreement is placed before the Board from time to time and is generally provided as part of the Agenda papers of the Board Meeting and /or is placed at the table during the course of the meeting.

The Board of Directors met Four (04) times on 30.04.2012, 31.07.2012, 31.10.2012 and 11.01.2013 and in respect of which meetings proper notices were given and the proceedings were properly recorded and signed, in the Minutes Book maintained for the purpose.

The Annual General Meeting for the financial year ended on 31.03.2012 was held on 28.09.2012 by giving due notice to the members of the Company and the resolutions passed there at were recorded in Minutes Book maintained for the purpose.

None of the Director is related to any other Director of the company excepting Mr.T.Padam Dugar, Mr.T.Ramesh Dugar, and Mr.N.Tarachand Dugar, related to each other.

Name of the Directors	No. of Equity Shares as on 31st March 2013
N.Tarachand Dugar	200500
T.Padam Dugar	30000
T.Ramesh Dugar	30000

There are no other shares or convertible instruments held by any other directors

Information about the Directors proposed to be appointed/ re-appointed required to be furnished pursuant to Clause 49 of the listing agreement with the Stock Exchanges is forming part of the notice Of the Twenty First Annual General Meeting to the shareholders of the Company

### **AUDIT COMMITTEE**

Your Company has a qualified and independent Audit Committee. The composition, procedures, powers and role/functions of the audit committee constituted by the company comply with the requirements of Clause 49 of the Listing Agreement.

### **TERMS OF REFERENCE**

Your Company has a qualified and independent Audit Committee. The composition procedures, powers and role/functions of the audit committee constituted by the company comply with the requirements of Clause 49 of the Listing Agreement.

The terms of reference of the Audit Committee included the following:

- Overseeing the company's financial reporting process and the disclosure of its financial information.
- Recommending appointment and removal of the external auditor, fixing of audit fees and approving payments for any other service.
- Reviewing with management the quarterly, half yearly and annual financial statement with primary focus on accounting policies and practices, compliance with accounting standards, any related party transaction and stock exchange and legal requirements concerning financial statements, matter relating to be included in the Director's Responsibility Statement, Changes, if any, in accounting policies and practices and reasons for the same, Major accounting entries involving estimates based on the exercise of judgment by management, Significant adjustments made in the financial statements arising out of audit findings and Qualifications in the draft audit report
- Reviewing adequacy of internal control systems in order to have the effective use and safeguard of resources and compliance with statutes polices and procedures and ensure compliance of internal control systems and reviewing the company's financial and risk management policies.
- Reviewing reports furnished by the Statutory Auditors and ensuring suitable follow up thereon.
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Discussion with internal auditors any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal controls systems of a material nature and reporting the matter to the board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower mechanism, in case the same is existing.



- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The un-audited/ audited financial results of the Company are also specifically reviewed by the Audit Committee before these are submitted to the Board for approval. Minutes of each audit Committee meetings are placed before the Board for information.

## COMPOSITION AND ATTENDANCE

The Audit Committee of the Board consisting of three “Non-Executive & Independent Directors” as members as detailed below and all members have adequate financial and accounting knowledge.

The Audit Committee met Four (04) times during the year on 30.04.2012, 31.07.2012, 31.10.2012 and 02.01.2013 and the details of the number of meetings held and attendance record of the members are as follows:

Name of Directors	Status and Category	No. of Meetings	
		Held	Attended
Prasanth C Jain	Director Non-Executive & Independent	04	04
R.Vijayalakshmi	Director Non-Executive & Independent	04	04
D.Karunanidhi	Director Non-Executive & Independent	04	04

Mr. T.Padam Dugar is the Compliance Officer of the Committee.

## REMUNERATION COMMITTEE

Your Company has constituted a Remuneration Committee under the Chairmanship of Mr.Prasanth C Jain. The Remuneration committee consisting of Mr.Prasanth C Jain, Mrs.R.Vijayalakshmi and Mr.D.Karunanidhi to decide the structure of the Executive Director’s Remuneration. No meeting was held during the year under review.

## EXECUTIVE DIRECTOR

Mr. T.Padam Dugar is the Executive Director.

## NON-EXECUTIVE DIRECTOR

Non-Executive Directors of the Company are remunerated by way of sitting fees for the meetings of the Board/Committees of the Board attended by them, unless waived by them. There was no other payment to the Non-Executive Directors. None of the non-executive directors has pecuniary relationship with company, its promoters, management.

## SHAREHOLDERS/ INVESTOR’S GRIEVANCE COMMITTEE

The shareholders/ Investors Grievance Committee of the Board oversees redressal of shareholder and investors complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc.

## COMPOSITION AND ATTENDANCE

The Shareholders/Investors’ Grievance Committee consist of Mr.Prasanth C Jain, Mrs.R.Vijayalakshmi, and Mr.T.Ramesh

## DUGAR HOUSING DEVELOPMENTS LIMITED

Dugar, where Mr. Prasanth C Jain, is the Chairman of the Committee and they met at regular intervals. Mr.T.Padam Dugar is the Compliance officer of the Committee.

The Company used to give a detailed report on steps taken by it to the Committee to specifically look into redressing shareholders and investor's complaint, break up of the nature of complaints received including number of complaints not resolved to the satisfaction of the complainants. Additionally details of communication received from agencies like Stock Exchanges/SEBI/ Ministries of Companies Affairs were placed with an explanation as to how such communication were responded to and within how may days/ weeks.

The Company has delegated its Registrar and Share Transfer Agent, all shares related works. No complaint of any material nature was received during the year under review.

### COMPLAINEE OFFICER

Mr.T.Padam Dugar, is the Compliance Officer for complying with the requirements of Securities laws and Listing Agreements with the Stock Exchanges in India

### INVESTOR GRIEVANCE REDRESSAL

The number of complaints received and resolved to the satisfaction of investors during the year under review and their back-up are as under:-

Type of Complaints	Number of Complaints
Non Receipt of Annual Reports	-
Non Receipt of Dividend Warrants	-
Non Receipt of Interest / redemption warrants	-
Warrants	-
Non Receipt of Certificates	-
<b>Total</b>	-

### GENERAL BODY MEETINGS:

The details of the Annual General Meetings held during the last three years are as follows: -

Financial Year	Location	Date	Time
2011 - 12	Nahar Hall, Deshbamdhru Plaza, 1st Floor, 47, Whites Road, Royapettah, Chennai - 600 014.	28.09.2012	10.00 a.m.
2010 - 11	Nahar Hall, Deshbamdhru Plaza, 1st Floor, 47, Whites Road, Royapettah, Chennai - 600 014.	30.09.2011	10.00 a.m.
2009 - 10	Nahar Hall, Deshbamdhru Plaza, 1st Floor, 47, Whites Road, Royapettah, Chennai - 600 014.	27.08.2010	10.00 a.m.

All the resolutions as set out in the respective notices were passed by the shareholders. No special resolution was passed during the last three Annual General Meeting. No proposal to pass any resolution through postal ballot.



## **DISCLOSURE MADE BY THE SENIOR MANAGERIAL PERSONNEL TO THE BOARD**

During the year no material transaction has been entered into by the Company with the Senior Managerial personnel where they had or were deemed to have had personal interest that may have potential conflict with the interest of the Company.

## **DISCLOSURES ON MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS**

The details of the transaction with related parties or others if any as prescribed in the listing agreement are being placed before the Audit committee from time to time. Material significant related party transactions during the year 2012-13 have been given in Note No.16.1 of Notes to Accounts to the Annual Accounts for the year 2012-13. There were no other transactions of material nature has been entered into by the Company with related parties (i.e.) Directors or Management, their subsidiaries or relatives that had potential conflict with the interest of the Company at large in the financial year ended March 31, 2013.

## **DISCLOSURE OF ACCOUNTING TREATMENT**

No treatment different from that prescribed in an Accounting Standard have been followed by the Company.

## **RISK MANAGEMENT**

In order to ensure that management controls risk through means of properly defined frame work a report on Risk Management and minimization procedures as received from the Individual functional heads of the Company is placed before the Board of Directors of the Company.

## **CODE OF CONDUCT FOR THE DIRECTORS AND SENIOR MANAGEMENT PERSONNEL**

The Company has laid down a Code of Conduct (Code) for all the Board Members and Senior Management Personnel of the Company. The Code is also posted on the Website of the Company. All Board Members and Senior Management Personnel have affirmed their compliance with the Code for the financial year ended 31st March, 2013. A declaration to this effect signed by Mr.N.Tarachand Dugar, Chairman of the Company forms part of this report.

The Board of Director of the company have adopted the revised (Prohibition of Insider Trading code) modified in terms of amendment notified by the Securities and Exchange Board of India (SEBI) under SEBI (Prohibition of Insider Trading ) Regulations, 1992.

## **CEO/CFO CERTIFICATION**

In terms of Clause 49 (V) of the Listing Agreement, the Certificate duly signed by Mr.T.Padam Dugar, Whole Time was placed before the Board of Directors along with financial statement for the financial year ended March 31, 2013 at its meeting held on 21.05.2013

## **PROCEEDS FROM PUBLIC/RIGHTS/PREFERENTIAL ISSUES, ETC.,**

The Company does not have any unutilized money raised through Public/ Rights/ Preferential Issues, etc.

## **COMPLIANCES BY THE COMPANY**

The Board of Directors is periodically reviewing the Compliance Reports of the Laws applicable to the Company and the Company initiates requisite actions for strengthening of its statutory compliance procedures as may be suggested by the Board from time to time.

## **DETAILS OF NON-COMPLIANCES WITH REGARD TO CAPITAL MARKET.**

The equity of the Company was suspended by BSE under Penal reason. Your Directors happy to inform you that pursuant to

## DUGAR HOUSING DEVELOPMENTS LIMITED

the application made to the Bombay Stock Exchange Limited (BSE) for the best interest of the Company and stakeholders the company is informed that the suspension in trading of equity shares of the Company will be revoked shortly. There were no instances of non-compliance by the Company on any matter related to capital markets during the last three years. Hence there was no penalty, strictures imposed by SEBI/Stock Exchange or any other statutory/local authorities against the Company.

### MEANS OF COMMUNICATION TO SHAREHOLDERS

- Quarterly results are published in Trinity Mirror (in English language) and Makkal Kural (in Tamil Language) These results, inter alia are promptly submitted to the Stock Exchanges to enable them display the same on their website.
- The domain name of the Company's website is www.dhdlindia.com / where general information about the company is available.
- The Management Discussion and Analysis report forms part of the Annual Report.

### GENERAL SHAREHOLDER'S INFORMATION

Financial Calendar (Tentative)

<b>Financial year</b>	April 1, 2013 to March 31, 2014 (Subject to Change)	Dates of book closure	21st September 2013 to 27th September 2013 (Both inclusive)
First Quarter Result	July 30, 2013	Venue and other details of the Annual General Meeting	Day :- Friday
Second Quarter Result and Half-yearly Result	November 12, 2013		Date :- 27th September, 2013
Third Quarter Result	February 12, 2014		Time :- 10.00 a.m.
Fourth Quarter Result	May 12, 2014		Nahar Hall, Deshbamdhru Plaza, 1st Floor, 47, Whites Road, Royapettah, Chennai 600014
Annual Result (Audited)	May 30, 2014	Dividend Payment Date	Within 30 days from the date of Annual General Meeting, if declared.
Annual General Meeting	Within 6 months of the close of the financial year In accordance with Section 166 of the Companies Act, 1956.	Listing on Stock Exchange and Stock Code. The Equity Shares of Rs.10/- each Listed at	The Bombay Stock Exchange, Mumbai and Madras Stock Exchange Limited, Chennai (Annual Listing for fees for the year 2013-14 has been duly paid to the above exchange) – Scrip Code 511634.

Stock Market data for the period April 1, 2012 to March 31, 2013 and Graphical representation of volume of Shares of during April 2012 - March 2013. :- The Company's shares are not actively traded on the Stock Exchange and as such details about the traded price is not available

### DEMATERIALIZATION OF SHARES AND LIQUIDITY

The Equity shares of the Company are made available for dematerialization under depository system operated by the Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL). The Shares of your Company are under compulsory demat settlement mode and can be traded only in the demat form. Shares dematerialized upto March 31, 2013 are under

Sl No.	Particulars of Capital Structure	No. of shares	% of Total issued capital
1.	Listed Capital (Exchange wise) as per Company's Record	30,00,000	100.00
2.	Held in dematerialized Form in CDSL	Nil	0.00
3.	Held in dematerialized Form in NSDL	12,12,200	40.41
4.	Physical	17,87,800	59.59
	Total	30,00,000	100



## REGISTRAR AND SHARE TRANSFER AGENTS (RTA)

Pursuant to regulations 53A of the Securities and Exchange Board of India (Depositories & Participants) Regulations, 1996, the Company has appointed Cameo Corporate Services Limited, a SEBI registered Agency as the Common Registrar and Share Transfer Agent of the Company for both physical and dematerialized segments. Their complete address is as under

“Cameo Corporate Services Limited”

Subramanian Buildings

No.1, Club House Road,

Chennai 600 002,

Phone No.044-28460390-94, Fax No.28460129,

Email: cameosys@satyam.net.in

## SHARE TRANSFER SYSTEM

The shares of the Company are traded on the Stock Exchanges through the Depository System. The demat ISIN in National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) is INE919M01018.

All requests received by the Company/ RTA for dematerialization/ re-materialization, transfers, transmissions, subdivision, consolidation of shares or any other share related matters and/or change in address are disposed off expeditiously.

DISTRIBUTION OF SHARE HOLDING AS ON 31-03-2013				
Category (Amount)	No. of Share / Debenture holders	% of Share / Debenture holders	Share / Debenture Amount in Rs.	% of Share / Debenture
1 - 5000	4950	95.4861	12455000	41.5166
5001 - 10000	148	2.8549	1257000	4.1900
10001 - 20000	24	0.4629	356000	1.1866
20001 - 30000	32	0.6172	810000	2.7000
30001 - 40000	4	0.0771	149000	0.4966
40001 - 50000	5	0.0964	243000	0.8100
50001 - 100000	3	0.0578	250000	0.8333
100001 - and above	18	0.3472	14480000	48.2666
Total :	5184	100.00	30000000	100.00

As required under Circular No.D&CC/FITTC/CER-16/2004 dated 31st December, 2004 issued by the Securities and Exchange Board of India, the Company has appointed a Practicing Company Secretary to do the Secretarial Audit and the report was placed before the Board and sent forthwith to Stock Exchanges for their information and record.



**DUGAR HOUSING DEVELOPMENTS LIMITED**

<b>Categories of Shareholdings as on March 31, 2013</b>			
<b>Sr.No.</b>	<b>Category of Shareholders</b>	<b>No.of shares Held</b>	<b>Percentage of holdings</b>
1.	Promoters	1151500	38.39
2.	Foreign Institutional Investors/Mutual Funds	--	--
3.	Bodies Corporate	145300	4.84
4.	Individual shareholders holding nominal shares Capital upto Rs. 1 lakh	1534600	51.15
5.	Individual Shareholders holding nominal shares Capital in excess of Rs.1 lakh	168000	5.60
6.	Clearing Members	--	--
7.	Hindu Undivided Family	600	0.02
8.	Non Resident Indian	--	--
9.	Foreign National	--	--
<b>Total</b>		<b>3000000</b>	<b>100.00</b>

**COMPANY REGISTRATION DETAILS**

The Company is registered in the State of Tamil Nadu. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L65922TN1992PLC023689

**LEGAL PROCEEDINGS:**

There is no legal proceeding pending against the Company.

**THE COMPANY HAS NOT ISSUED ANY GDRS/ADRS/WARRANTS /CONVERTIBLE INSTRUMENTS.****Address for Communication                    DUGAR HOUSING DEVELOPMENTS LIMITED**

Dugar Towers, 34(123) Marshalls Road, Egmore, Chennai 600008.  
044 – 28587878 / Fax No.044 – 28552244  
www.dhdlindia.com

In terms of clause 47(f) of the Listing Agreement of Stock Exchanges, investors may please use housing@dugar.in, and/or vermiculite@dugar.in as email id for redressal of investor request/complaint.

**MANAGING /WHOLE TIME DIRECTOR'S DECLARATION ON CODE OF CONDUCT**

This is to confirm that the Company has adopted a code of conduct for its employees including the Managing Director. In addition, the Company has adopted a Code of Conduct for its Non Executive Directors. As required by clause 49 of the Listing Agreement the Managing Director's declaration on code of conduct is as under.

I, T.Padam Dugar, Whole Time Director of the Company declare and confirm that the Company has in respect of the financial year ended March 31, 2013 received from the senior Management team of the Company and the members of the Board a declaration of the compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, senior Management team means the Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, employees in the vice president cadre and the Company Secretary as on March 31, 2013

**T.Padam Dugar**  
**Whole Time Director**

Place : Chennai  
Date : 21.05.2013



## **COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE FROM AUDITORS**

The Certificate dated 21st day of May 2013, obtained from Statutory Auditors of the Company M/s.Krishnakumar & Associates., Chartered Accountants, confirming compliance with the Corporate Governance requirements under Clause 49 of the Listing Agreement, is annexed hereto.

**For and on behalf of the Board of Directors of  
For DUGAR HOUSING DEVELOPMENTS LIMITED**

**N.Tarachand Dugar**  
Director

**T.Padam Dugar**  
Whole Time Director

Place : Chennai  
Date : 21.05.2013

## **COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE (Under Clause 49 of the Listing Agreement)**

To the Members of **DUGAR HOUSING DEVELOPMENTS LIMITED**

We have examined the compliance of condition of corporate governance by **DUGAR HOUSING DEVELOPMENTS LIMITED**, for the year ended on March 31,2013 as stipulated in clause 49 of the listing Agreement of the said Company with stock exchange.

The compliance of conditions of the listing agreement is the responsibility of the management. Our examination has been limited to the procedure and implementation thereof, adopted by the company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officials and agents, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with the management

### **For Krishnakumar & Associates**

Chartered Accountants  
Firm Registration No.006853S

**M.Krishna Kumar**  
**Proprietor**  
**Mem No.203929**

Place : Chennai  
Date : 21.05.2013



“APARAJITA”, No.14/20, First Floor, Srinivasa Pillai Street, West Mambalam, [Near Satyanarayana Temple], Chennai 600 033.  
M : + 9840079603 / 8754418023 T : + 91- 44 - 65256632/ 24710523/45513136. www.csrabi.com

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### SECRETARIAL COMPLIANCE CERTIFICATE

(Pursuant to Section 383A of the Companies Act, 1956,  
read with Rule 3 of The Companies (Compliance Certificate) Rules, 2001

CIN. : L65922TN1992PLC023689  
Authorised Capital : Rs.10,00,00,000/-  
Paid Up Capital : Rs.3,00,00,000/-

To

The Members of

**M/s.DUGAR HOUSING DEVELOPMENTS LIMITED**

Dugar Towers, No.123,  
Marshalls Road, Egmore,  
Chennai 600 008, Tamil Nadu, India.

We have examined the registers, records, books and papers of M/s.DUGAR HOUSING DEVELOPMENTS LIMITED (the Company), as required to be maintained under the Companies Act, 1956 (the Act) and the Rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2013. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officials and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under and in case of delay with additional filing fee.
3. The Company, being a Public Limited Company, comments are not required.
4. The Board of Directors duly met Four (04) times respectively on 30.04.2012, 31.07.2012, 31.10.2012 and 11.01.2013 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed, including the circular resolutions passed in the Minutes Books maintained for the purpose.



5. The Company closed its Register of Members, from 21.09.2013 to 27.09. 2013 (both days inclusive) and necessary compliance of section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended on 31.03.2012 was held on 28.09.2012 after giving due notice to the members of the Company and other concerned and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loans to its Directors or persons or firms or Companies, referred in the Section 295 of the Act.
9. The Company has not entered into any arrangement/ contracts falling with the provisions of Section 297 of the Act.
10. The Company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members or Central Government.
12. The Board of Directors or duly constituted Committee of Directors has approved the issue of duplicate share certificates.
13. (i) The Company has delivered all the share certificates on lodgment thereof for transfer, transmission, and there was no allotment of securities during the financial year.  
(ii) & (iii) The Company has not declared any dividend during the year under report, hence comment on this paras are not required  
(iv) The Company was not required to transfer any amount to Investors Education and Protection Fund  
(v) The Company has generally complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment of additional Directors, alternate directors and Directors to fill casual vacancy during the financial year.
15. The Company has not appointed any Managing Director/Whole Time Directors/Manager during the financial year.
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and / or such other authorities as prescribed under the various provisions of the Act during the financial year.
18. The Directors have disclosed their interest in the Firms/Companies to the Board of Director pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any shares, debentures or other securities during the financial year.
20. The Company has not bought back any Shares during the financial year under.

21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus Shares, pending registration of transfer of Shares.
23. The Company has not invited/accepted any deposits, including any unsecured loans falling within the purview of Section 58A and 58AA of the Act, and rules framed there under except from its Promoter Director and the requisite declaration has been obtained from him.
24. The amount borrowed by the Company from Directors, members, public, financial institutions, banks or others during the financial year ending 31st March 2013 is within the borrowing limits of the Company.
25. The Company has not made any loans or advances, Investments or given guarantees or provided securities to other bodies corporate falling within the provision of section 372A of the Act, and consequently no entries have been made in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's Registered Office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the Objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to Share capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of association during the financial year.
31. There was/were no prosecution initiated against or shows cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has not constituted a separate provident fund trust for its employees or class of its employees as contemplated under Section 418 of the Act.

**For Rabi Narayan & Associates**  
Company Secretaries

**Rabi Narayan Pal**  
Partner  
C.P.No.3480

Place : Chennai  
Date : 21.05.2013



Rabi Narayan Pal  
Partner  
C.P.No.3480

Place : Chennai  
Date : 21.05.2013

CIN. : L65922TN1992PLC023689  
Authorised Capital : Rs.10,00,00,000/-  
Paid Up Capital : Rs.3,00,00,000/-

### ANNEXURE – A SECRETARIAL COMPLIANCE CERTIFICATE

Registers and Returns, as Maintained by the Company/  
Registrar and Share Transfer Agent(\*)

SN	Name of Register	Under Section
01	Register of Members/Index of Members (*)	150/151
02	Register of Transfer of Shares(*)	108
03	Copies of the Annual Returns	159
04	Minutes Book of Board of Directors/ Committee of the Board	193
05	Minutes Books of General Body of shareholders	193
06	Books of Accounts	209
07	Register of Directors, MD and Secretary`	303
08	Register of Directors' Shareholdings	307
09	Register of Contracts and Disclosure	301

### ANNEXURE "B" TO SECRETARIAL COMPLIANCE CERTIFICATE

Forms and Returns as filed by the Company with the Registrar of Companies, during the  
financial year ending on 31st March, 2013

S.No.	Forms / Returns	Filed under Section	Date and status of filing
1	Form 66	Compliance Certificate filed U/s 383A for the year ended 31.03.2012	14.12.2012 Delay
2	Form No.23 AC & ACA(XBRL)	Filed U/s.220(1) for the year ended 31.03.2012	14.12.2012 No Delay
3	Annual Return /Form-20B	Filed U/s 159 for the Annual General Meeting held on 28-09-2012	18.03.2013 Delay

Company Law Board : Nil  
Regional Director : Nil  
Ministry of Corporate Affairs : Nil

**MANAGEMENT DISCUSSION AND ANALAYSIS REPORT:**

The management is cautious that the economy and the business sentiments are weak and is focused on optimization of costs and resources.

**OPPORTUNITY:**

Increasing offers are becoming available for joint venture developments with relatively small investments in land to take up large projects and this is seen as a credible opportunity for expanding business volume. The company continues to focus its development opportunity for the moment within the city of Chennai and its suburbs and will examine the feasibility of profitable ventures to be taken in other cities in the city of Tamilnadu going forward.

**RISK CONCERN AND THREATS:**

The availability of labour, labour management and retention of labour continue to be challenging for timely execution of the projects. High Inflation, depreciation of rupee, high interest costs are all matters of concern, which will impact the project costs and the buyer's equity in the apartment costs. The slowdown in the economy may bring down the buying interest temporarily and it may have its effect on the financials of the company.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY.**

The Company has adequate internal control systems to monitor internal business process, financial reporting and compliance with applicable laws. The company periodically reviews the adequacy and effectiveness of the control systems. The audit committee at their meeting regularly reviews the significant observations of the compliance and other monitoring reports. The heads of various monitoring / operating cells and statutory auditor are invited to attend the Audit Committee meetings

**DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE.**

**RISK MANAGEMENT:**

The risk management is a corner stone of the management policy by its mitigation and hedging measures. Factors such as high inflation, reducing GDP growth, high interest costs and reducing opportunities weigh heavily in the minds of the management.

**CAUTIONERY STATEMENT**

Certain statements made in this report relating to Company's outlook expectation, estimate etc., may be considered forward looking statements within the meaning of applicable law and regulations. Actual figures may differ from such expectation whether expressed or implied. Several factors could make significant impact on the Company's operation, over which the Company does not have any control.

**For and on behalf of the Board of Directors of  
For DUGAR HOUSING DEVELOPMENTS LIMITED**

**N.Tarachand Dugar**  
Director

**T.Padam Dugar**  
Whole Time Director

Place : Chennai  
Date : 21.05.2013





## INDEPENDENT AUDITOR'S REPORT

To the Members of  
**Dugar Housing Developments Limited.**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Dugar Housing Developments Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

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

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

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

### **Opinion**

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

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Profit and Loss Account, of the Profit for the year ended on that date;
- 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, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

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

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
- c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- e) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

**For M.Krishnakumar & Associates,  
Chartered Accountants  
FRN:006853S**

**M.Krishna Kumar B.Sc FCA  
(Proprietor)  
Membership No. :203929**

Place: Chennai  
Date: 21.05.2013

**The Annexure referred to in paragraph 1 of the Our Report of even date to the members of Dugar Housing Developments Limited on the accounts of the company for the year ended 31st March, 2013.**

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of the Fixed Assets.
  - (b) All the assets have not been physically verified by the management during the year but there is a regular program of physical verification, which in our opinion, is reasonable, having regard to the size of the Company and the nature of its assets. No material discrepancies have been noticed on such verification.
  - (c) During the year, the Company has not disposed off a major part of the plant and machinery. According to the information and explanations given to us, we are of the opinion that the sale of the said part of plant and machinery has not affected the going concern status of the company.
- (ii) (a) The Inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.



- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and book records were not material.
- (iii) (a) The Company had not taken any loans from other companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.  
b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanations given to us, the company has not accepted any Deposits from the Public and hence the provisions of sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 are not applicable.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) We have reviewed the rules prescribed by the Central Government for maintenance of Cost records under Section 209 (1) (d) of the Companies Act, in respect of the Turnover of the Company being less than the prescribed limits and are of the opinion that prima facie the said rules are not applicable to this Company.
- (ix) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Income Tax, Customs Duty and other material statutory dues applicable to it.  
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, customs duty, were in arrears, as at 31st March, 2013 for a period of more than six months from the date they became payable except matters that are currently agitated at various Appellate levels.  
(c) According to the information and explanations given to us, there are no dues of income tax and customs duty that have not been deposited on account of any dispute.  
(x) The company has not incurred cash loss during the financial year covered by our audit and the immediately preceding financial year.  
(xi) In our opinion and according to the information and explanations given to us, the Company has not borrowed monies from any financial institution, banks or debenture holders.  
(xii) We are of the opinion that the Company has not granted any loans on the basis of security by way of pledge of shares, debentures and other securities.

- (xiii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given guarantees for loans taken by others from banks or financial institutions.
- (xvi) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the no funds raised on short-term basis have been used for long-term investment. No long-term funds have been used to finance short-term assets except permanent working capital.
- (xvii) According to the information and explanations given to us the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- (xviii) According to the information and explanations given to us, during the period covered by our audit report, the company has not issued any debentures.
- (xix) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

**For M.Krishnakumar & Associates,**  
Chartered Accountants

M.Krishna Kumar B.Sc FCA  
Proprietor.  
M.No.203929

Place : CHENNAI

Date : 21.05.2013



DUGAR HOUSING DEVELOPMENTS LIMITED						
Balance Sheet as at 31 March, 2013						
Ref No.	Particulars			Notes	As at 31 March, 2013	As at 31 March, 2012
GI 3 GN 6.10					Rs.	Rs.
GI 4 GN 6.14						
<b>A</b>	<b>EQUITY AND LIABILITIES</b>					
<b>1</b>	<b>Shareholders' funds</b>					
	(a) Share capital			3	30,000,000	30,000,000
	(b) Reserves and surplus			4	(28,923,814)	(29,134,814)
					1,076,186	865,186
<b>2</b>	<b>Non-current liabilities</b>					
	(a) Deferred tax liabilities (net)				-	-
	(c) Other long-term liabilities			5	8,767,199	7,959,550
					8,767,199	7,959,550
<b>3</b>	<b>Current liabilities</b>					
	(a) Other current liabilities			6	56,809	15,000
GN 6.17					56,809	15,000
	<b>TOTAL</b>				<b>9,900,195</b>	<b>8,839,736</b>
<b>B</b>	<b>ASSETS</b>					
<b>1</b>	<b>Non-Current assets</b>					
	(a) Fixed assets					
	(I) Tangible assets			7	190,509	227,290
					190,509	227,290
	(b) Non-current investments			8	2,764,525	2,764,525
	(c) Long-term loans and advances			9	6,808,480	5,562,412
					9,573,005	8,326,937

	<b>2</b>	<b>Current assets</b>			
		(a) Cash and cash equivalents	10	43,033	20,557
		(b) Short-term loans and advances	11	93,647	264,953
GN 6.17				136,680	285,510
		<b>TOTAL</b>		<b>9,900,195</b>	<b>8,839,737</b>
		See accompanying notes forming part of the financial statements	<b>15-16</b>		

In terms of our report attached.

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

**For M.Krishnakumar & Associates,  
Chartered Accountants**

**M.Krishna Kumar B.Sc FCA.,  
Proprietor  
M.No.203929 FRN : 006853S**

**N.Tarachand Dugar  
Chairman**

**T.Padam Dugar  
Wholetime Director**

Place : Chennai  
Date : 21.05.2013

Place : Chennai  
Date : 21.05.2013



<b>DUGAR HOUSING DEVELOPMENTS LIMITED</b>				
<b>Statement of Profit and Loss for the year ended 31 March, 2013</b>				
Ref No. GI 3 GN 6.10	Particulars	Note No.	For the year ended 31 March, 2013	For the year ended 31 March, 2012
GI 4 GN 6.14			Rs.	Rs.
	<b>REVENUE</b>			
	1 Other income	12	545,000	975,762
	<b>2 Total revenue</b>		<b>545,000</b>	<b>975,762</b>
	<b>3 EXPENSES</b>			
	(a) Employee benefits expense	13	-	0
	(b) Depreciation and amortisation expense	7	36,781	36,781
	(c) Other expenses	14	297,218	566,379
	<b>Total expenses</b>		<b>333,999</b>	<b>603,160</b>
	<b>4 Profit before tax (2 + 3)</b>		<b>211,001</b>	<b>372,602</b>
	<b>5 Tax expense:</b>			
GN 9.8.1	(a) Current tax expense for current year		-	-
	(b) (Less): MAT credit (where applicable)		-	-
	(c) Net current tax expense		-	-
GN 9.8.2	(d) Deferred tax		-	-
			-	-
	<b>6 Profit for the year (4 + 5)</b>		<b>211,001</b>	<b>372,602</b>
AS 20.8 AS	<b>7 Earnings per share (of Rs.10/- each) on Ordinary Activities:</b>			



20.9 GN 9.11					
		Basic and Diluted	16.2	<b>0.07</b>	<b>0.12</b>
		Weighted Average number of Equity Shares (F.V of Rs.10/- each)		3,000,000	3,000,000
		<b>See accompanying notes forming part of the financial statements</b>			

In terms of our report attached.  
**For M.Krishnakumar & Associates,**  
**Chartered Accountants**

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

**M.Krishna Kumar B.Sc FCA.,**  
**Proprietor**  
**M.No.203929 FRN : 006853S**

**N.Tarachand Dugar**  
**Chairman**

**T.Padam Dugar**  
**Wholetime Director**

Place : Chennai  
 Date : 21.05.2013

Place : Chennai  
 Date : 21.05.2013



<b>DUGAR HOUSING DEVELOPMENTS LIMITED</b>					
Notes forming part of the financial statements					
Note 3 - Share capital					
Particulars	As at 31 March, 2013		As at 31 March, 2012		
	Number of shares	Rs.	Number of shares	Rs.	
(a) AUTHORISED					
Equity shares of Rs.10/- each with voting rights	10,000,000	100,000,000	10,000,000	100,000,000	
(b) ISSUED					
Equity shares of Rs.10/- each with voting rights	3,000,000	30,000,000	3,000,000	30,000,000	
(c) SUBSCRIBED AND FULLY PAID UP					
Equity shares of Rs.10/- each with voting rights	3,000,000	30,000,000	3,000,000	30,000,000	
<b>Total</b>	<b>3,000,000</b>	<b>30,000,000</b>	<b>3,000,000</b>	<b>30,000,000</b>	
Refer Notes (i) to (iv) below					
(I) Reconciliation of number of Shares					
Particulars	As at 31 March, 2013		As at 31 March, 2012		
	Number of shares	Rs.	Number of shares	Rs.	
Equity Shares					
Opening Balance	3,000,000	30,000,000	3,000,000	30,000,000	
Changes during the year	-	-	-	-	
<b>Closing Balance</b>	<b>3,000,000</b>	<b>30,000,000</b>	<b>3,000,000</b>	<b>30,000,000</b>	
(ii) Rights, preferences and restrictions attached to Shares					
<p>The Company has one class of Equity Shares having a face value of Rs.10/- each. Each Shareholder is eligible for one vote per Share held. The dividend proposed, if any, by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in the case of interim Dividend. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.</p>					

**DUGAR HOUSING DEVELOPMENTS LIMITED**

(iii) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates: Nil					
(iv) Details of shares held by each shareholder holding more than 5% shares:					
Class of shares / Name of shareholder		As at 31 March, 2013		As at 31 March, 2012	
		Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights					
N.Tarachand Dugar		200,500	6.68%	200,500	6.68%
Dugar Housing Limited		241,900	8.06%	241,900	8.06%
T.Pushpa Dugar		210,000	7.00%	210,000	7.00%
Note 4 - Reserves and surplus					
Particulars				As at 31 March, 2013	As at 31 March, 2012
				Rs.	Rs.
Surplus/ (Shortfall) in Statement of Profit and Loss					
Opening balance				(29,134,814)	(29,507,416)
Add: Profit for the year				211,001	372,602
Total				(28,923,814)	(29,134,814)
Transferred to:					
General Reserve				-	-
<b>Closing balance</b>				<b>(28,923,814)</b>	<b>(29,134,814)</b>
<b>Total</b>				<b>(28,923,814)</b>	<b>(29,134,814)</b>
Note 5 - Other Long Term Liabilities					
Particulars				As at 31 March, 2013	As at 31 March, 2012
				Rs.	Rs.
(a) Trade Payables					
(l) Accepted				8,767,199	7,959,550
<b>Total</b>				<b>8,767,199</b>	<b>7,959,550</b>



Note 6 - Other current liabilities							
Particulars				As at 31 March, 2013	As at 31 March, 2012		
				Rs.	Rs.		
(a) Other payables							
(i) Contractually reimbursable expenses				56,809	15,000		
(ii) Receipts from customers pending reconciliation				-	-		
				<b>Total</b>	<b>56,809</b>	<b>15,000</b>	
Note 7 - Non Current investments							
Particulars				As at 31 March, 2013		As at 31 March, 2012	
				Quantity	Total	Quantity	Total
				No	Rs.	No	Rs.
Non Current Investments (At cost):							
(a) Investment in equity instruments (Quoted)							
Zen Global Finance Ltd				10,500	178,500	10,500	178,500
Dugar Finance India Ltd				547,175	1,641,525	547,175	1,641,525
IFB Securities Ltd				1,200	12,000	1,200	12,000
Mittal Securities Ltd				1,300	32,500	1,300	32,500
(b) Investment in equity instruments (Unquoted)							
Century Wood Ltd				90,000	900,000	90,000	900,000
Total - Trade (A)					2,764,525	-	2,764,525
Note 9 - Long-term loans and advances							
Particulars				As at 31 March, 2013	As at 31 March, 2012		
				Rs.	Rs.		
(a) Security deposits							
Unsecured, considered good				292,950	292,950		

**DUGAR HOUSING DEVELOPMENTS LIMITED**

(b) Advance income tax				34,832	34,832
(c) Other loans and advances					
Unsecured, considered good with related parties				3,208,590	4,102,738
Unsecured, considered good				3,272,108	1,131,891
				<b>Total</b>	<b>6,808,480</b>
					<b>5,562,411</b>
Note 10 - Cash and Cash Equivalents					
<b>Particulars</b>				<b>As at 31 March, 2013</b>	<b>As at 31 March, 2012</b>
				<b>Rs.</b>	<b>Rs.</b>
(a) Cash on hand				200	200
(b) Balances with banks					
(i) In current accounts				42,833	20,357
(ii) In deposit accounts (Refer Note (I) below)				-	-
				<b>Total</b>	<b>43,033</b>
					<b>20,557</b>
Note 11 - Short-term loans and advances					
<b>Particulars</b>				<b>As at 31 March, 2013</b>	<b>As at 31 March, 2012</b>
				<b>Rs.</b>	<b>Rs.</b>
(a) Sundry Debtors					
Secured, considered good				-	-
Unsecured, considered good				25,194	143,560
				25,194	143,560
				<b>25,194</b>	<b>143,560</b>
(b) Others - Advances for Purchase of Goods and Services					
Secured, considered good				-	-
Unsecured, considered good				68,453	121,393
				68,453	121,393
				<b>68,453</b>	<b>121,393</b>
				<b>Total</b>	<b>93,647</b>
					<b>264,953</b>
Note 12 - Other Income					



Particulars					For the year ended 31 March, 2013	For the year ended 31 March, 2012
					Rs.	Rs.
Income from Services					545,000	975,762
<b>Total</b>					<b>545,000</b>	<b>975,762</b>
Note 13 - Employee benefits expense						
Particulars					For the year ended 31 March, 2013	For the year ended 31 March, 2012
					Rs.	Rs.
Salaries and wages					-	-
Contributions to provident and other funds					-	-
Staff welfare expenses					-	-
<b>Total</b>					<b>-</b>	<b>-</b>
Note 14 - Other expenses						
Particulars					For the year ended 31 March, 2013	For the year ended 31 March, 2012
					Rs.	Rs.
Advertisement					56,295	48,735
AGM Expenses					5,667	46,221
Bank Charges & Commission					1,147	2,035
Communication					-	29,278
Insurance					1,416	3,574
Legal and professional					77,133	109,773
Miscellaneous expenses					10,644	107,887
Payments to auditors (Refer Note (i) below)					15,000	15,000
Postage & Courier					11,719	26,011

**DUGAR HOUSING DEVELOPMENTS LIMITED**

	Printing and stationery				4,611	38,986
	Rates, taxes and Fees				107,169	136,879
	Repairs and maintenance - Office				6,417	2,000
	<b>Total</b>				<b>297,218</b>	<b>566,379</b>
	Note 14 - Other expenses (contd.)					
	Notes:					
	<b>Particulars</b>				<b>For the year ended 31 March, 2013</b>	<b>For the year ended 31 March, 2012</b>
					<b>Rs.</b>	<b>Rs.</b>
	(I) Payments to the auditors comprises (net of service tax input credit, where applicable):					
	As auditors - statutory audit				15,000	15,000
				<b>Total</b>	<b>15,000</b>	<b>15,000</b>
	Note 15 - Additional information to the financial statements					
	Note	Particulars				
		Particulars				
					<b>As at 31 March, 2013</b>	<b>As at 31 March, 2012</b>
					<b>Rs.</b>	<b>Rs.</b>
	15.1	Contingent liabilities and commitments (to the extent not provided for)				
	(I)	Contingent liabilities			3,125,000	3,125,000
	(ii)	Commitments			-	-
	15.2	Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006				
		Particulars			<b>As at 31 March, 2013</b>	<b>As at 31 March, 2012</b>
					<b>Rs.</b>	<b>Rs.</b>
		(I) Principal amount remaining unpaid to any supplier as at the end of the accounting year			-	-



	(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
	(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
	(iv) The amount of interest due and payable for the year	-	-
	(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
	(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-
	Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.		
		<b>For the year ended 31 March, 2013</b>	<b>For the year ended 31 March, 2012</b>
		<b>Rs.</b>	<b>Rs.</b>
15.3	Expenditure in foreign currency:	-	-
15.4	Earnings in foreign exchange	-	-
15.5	Amount of dividend remitted in foreign currency	-	-
	Note 16 - Disclosures under Accounting Standards		
<b>Note</b>	<b>Particulars</b>	<b>For the year ended 31 March, 2013</b>	<b>For the year ended 31 March, 2012</b>
		<b>Rs.</b>	<b>Rs.</b>
16.1	Related party transactions		
16.1. a	Details of related parties:		
	<b>Description of relationship</b>	<b>Names of related parties</b>	
	<b>Associates</b>	Dugar Housing Limited Lazer Housing Private Limited Dugar Properties Private Limited Dugar Housing (Firm) Dugar Finance India Limited Dugar Insulations India Private Limited	



**DUGAR HOUSING DEVELOPMENTS LIMITED**

	Key Management Personnel (KMP)	Mr.N.Tarachand Dugar, Chairman Mr.T.Padam Dugar, Director				
	Relatives of KMP	Mrs.T.Pushpa Dugar, wife of N.Tarachand Dugar Mrs.P.Annjana Dugar, wife of T.Padam Dugar Mrs.R.Sonali Dugar, wife of T.Ramesh Dugar				
	Note: Related parties have been identified by the Management.					
	Details of related party transactions during the year ended 31 March, 2013 and balances outstanding as at 31 March, 2013:					Rs.
16.1.b	<b>Particulars</b>	<b>Associates</b>	<b>KMP</b>	<b>Relatives of KMP</b>	<b>Entities in which KMP/relatives of KMP have significant influence</b>	<b>Total</b>
	Loans and advances	(953,560)	2,826,000	(190,000)	-	1,682,440
		(80,000)	(625,291)	(15,000)	-	(720,291)
	Note: Figures in bracket relates to the previous year					
<b>Notes</b>	<b>Particulars</b>				<b>For the year ended 31 March, 2013</b>	<b>For the year ended 31 March, 2012</b>
					<b>Rs.</b>	<b>Rs.</b>
16.2	Earnings per share					
	Net profit for the year				211,001	372,602
	Less: Extraordinary Items				-	-
	Net profit from Ordinary activities for the year attributable to the equity shareholders				211,001	372,602
	Weighted average number of equity shares				3,000,000	3,000,000
	Par value per share (Rs.)				10	10
	Earnings per Shares (including Extraordinary Items)				0.07	0.12
	Earnings per share (excluding Extraordinary Items)				0.07	0.12



**DUGAR HOUSING DEVELOPMENTS LIMITED**

**Note 7 - Fixed assets**

Tangible assets	Gross block			Accumulated depreciation and impairment					Net block	
	Balance as at 1 April, 2012	Additions	Disposals	Balance as at 31 March, 2013	Balance as at 1 April, 2012	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Other adjustments for Leased Assets	Balance as at 31 March, 2013	Balance as at 31 March, 2012
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
(a) Office equipment Owned	787,713	-		787,713	681,382	23,341		-	704,723	106,331
(d) Plant & Machinery Owned	905,570	-		905,570	825,320	8,917		-	834,237	80,250
(e) Furniture & Fixtures Owned	74,654	-		74,654	33,945	4,523			38,468	40,709
<b>Total</b>	<b>1,767,937</b>	<b>-</b>	<b>-</b>	<b>1,767,937</b>	<b>1,540,647</b>	<b>36,781</b>	<b>-</b>	<b>-</b>	<b>1,577,428</b>	<b>227,290</b>
<b>Previous Year</b>	<b>1,767,937</b>	<b>-</b>	<b>-</b>	<b>1,767,937</b>	<b>1,503,867</b>	<b>36,781</b>	<b>-</b>	<b>-</b>	<b>1,540,648</b>	<b>264,071</b>

(ii) Details of assets acquired under hire purchase agreements:

Particulars	Gross block		Net Block	
	31 March 2012	31 March 2011	31 March 2012	31 March 2011
	Rs.	Rs.	Rs.	Rs.

**DUGAR HOUSING DEVELOPMENTS LIMITED**  
Notes forming part of the financial statements

**GN 8.7.1 Note 12 - Fixed assets (contd.)**

Ref. No.	Particulars					
GN 9.5.6	<b>C. Depreciation and amortisation relating to continuing operations:</b>					
BS 6.I.iv	<b>Particulars</b>	<b>For the year ended 31 March, 2012</b>		<b>For the year ended 31 March, 2011</b>		
		<b>Rs.</b>		<b>Rs.</b>		
	Depreciation and amortisation for the year on tangible assets as per Note 12 A	36,781		36,781		
	Depreciation and amortisation for the year on intangible assets as per Note 12 B					
	Less: Utilised from revaluation reserve Depreciation and amortisation relating to discontinuing operations (Refer Note 30.11)					
	<b>Depreciation and amortisation relating to continuing operations</b>	<b>36,781</b>		<b>36,781</b>		
	<b>Notes:</b> (i) Details of amounts written off on reduction of capital or revaluation of assets or sums added to assets on revaluation during the preceding 5 years:					
BS 6.J.iii	<b>Particulars</b>	<b>Year</b>				
		<b>31 March, 2012</b>	<b>31 March, 2011</b>	<b>31 March, 2010</b>	<b>31 March, 2009</b>	<b>31 March, 2008</b>
		<b>Rs.</b>	<b>Rs.</b>	<b>Rs.</b>	<b>Rs.</b>	<b>Rs.</b>
	Opening balance					
	Written off on reduction of capital Date Amount Written off on revaluation Date Amount Added on revaluation Date Amount					
<b>Balance as at 31 March</b>						



## A. CASH FLOW FROM OPERATING ACTIVITIES

	31.03.2013 Rs. in Lakhs	31.03.2012 Rs. in Lakhs
Net Profit / Loss before tax	2.11	3.73
Add:		
Depreciation	0.37	0.36
Operating profit before working Capital changes	2.48	4.09
(increase) / Decrease in stock of shares		
(increase) / Decrease in Loans & Advances	-10.75	43.29
(increase) / Decrease in Current Liabilities	0.42	-0.02
Cash generated from operating activities	-7.85	47.36
Direct tax paid	0.00	
Interest paid	0.00	
Net Cash from operating activities	-7.85	47.36
<b>B. CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Purchase of fixed assets	0.00	0.00
Sale of fixed assets	0.00	0.00
Net cash used in investing activities	0.00	
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Secured Loans	0	0
Unsecured Loans	8.07	-47.31
Net Cash used in financing activities	8.07	-47.31
Net increase in Cash & Cash equivalents (A+B+C)	0.22	0.05
Opening Cash & Cash equivalents	0.21	0.16
Closing Cash & Cash equivalents	0.43	0.21

In terms of our report attached.

For and on behalf of the Board of Directors

**For M.Krishnakumar & Associates,  
Chartered Accountants**

**M.Krishna Kumar B.Sc FCA.,  
Proprietor  
M.No.203929 FRN : 006853S**

**N.Tarachand Dugar  
Chairman**

**T.Padam Dugar  
Wholetime Director**

Place : Chennai  
Date : 21.05.2013

Place : Chennai  
Date : 21.05.2013

DUGAR HOUSING DEVELOPMENTS LIMITED		
Notes forming part of the financial statements		
Ref No.	Note	Particulars
	<b>1</b>	<b>Corporate information</b>
		Dugar Housing Developments Limited (referred to as "DHDL" or the "Company") is engaged in the business of Property Development and Construction activities.
		The Company's registered office is in Chennai, Tamilnadu, India.
AS 1.1	<b>2</b>	<b>Significant accounting policies</b>
	<b>a</b>	<b>Basis of accounting and preparation of financial statements</b>
		The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956 except in the case of Revenue Recognition and Employee Benefits more fully explained in Notes 2 (d) and 2(l) below. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.
	<b>b</b>	<b>Use of estimates</b>
		The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.
	<b>c</b>	<b>Depreciation and amortization</b>
AS 6.29 AS 26.63 AS 26.78		Depreciation has been provided on the Written Down Value method as per the rates prescribed in Schedule XIV to the Companies Act, 1956.



AS 26.90.a AS 26.90.b AS 26.94.a		Assets costing less than Rs.5,000 each are fully depreciated in the year of capitalization
	<b>d</b>	<b>Revenue recognition</b>
AS 7.38.b AS 7.38.c AS 9.12		<u>Property Development</u>
		In respect of Contract, the Company follows the Completed Contract of method of Accounting revenue and costs. Under the method, revenue is recognised only when the Project is completed or substantially completed.
		Project Promotion fees is the fee charged to Customers on allotment of flats at a specific rate per Square Feet of Built up Area to be constructed in consideration of the various services rendered by the Company by promoting the respective projects. The same is recognised as Income upon signing the construction agreement with the Customers and is not linked to the status of completion of the Project.
AS 9.13	<b>e</b>	<b>Other income</b>
		Other Income including Interest income is accounted on accrual basis.
	<b>f</b>	<b>Fixed Assets</b>
AS 10.20 AS 10.23 AS 10.8.2		Fixed Assets are stated at Cost, less accumulated depreciation / amortization. Costs include all expenses incurred to bring the asset to its present location and condition.
AS 10.24		Fixed Assets individually costing Rs.5,000/- or less are fully depreciated during the year.
	<b>g</b>	<b>Foreign currency transactions and translations</b>
		<u>Initial recognition</u>
AS 11.9 AS 11.21		Transactions in foreign currencies entered into by the Company and its integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.
		<u>Measurement of foreign currency monetary items at the Balance Sheet date</u>

AS 11.11 AS 11.21		<p>Foreign currency monetary items of the Company outstanding at the Balance Sheet date are restated at the year-end rates.</p> <p>In the case of integral operations, assets and liabilities (other than non-monetary items), are translated at the exchange rate prevailing on the Balance Sheet date. Non-monetary items are carried at historical cost. Revenue and expenses are translated at the average exchange rates prevailing during the year. Exchange differences arising out of these translations are charged to the Statement of Profit and Loss.</p>
	<b>h</b>	<b>Investments</b>
AS 13.28 AS 13.31 AS 13.32 AS 13.35.a		<p>Long-term investments, are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.</p>
	<b>i</b>	<b>Employee benefits</b>
		Employee benefits include provident fund, gratuity fund and compensated absences.
AS 15.45		<u>Defined contribution plans</u>
		The Company's contribution to provident fund and superannuation fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.
AS 15.55 AS 15.57 AS 15.65 AS 15.92 AS 15.94 AS 15.120.a AS 15.120.b		<u>Defined benefit plans</u>
		For defined benefit plans in the form of gratuity fund, the cost of providing benefits is not ascertainable as the Company is yet to evolve a scheme for the same.
AS 15.10 AS 15.11		<u>Short-term employee benefits</u>
		The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under : (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and (b) in case of non-accumulating compensated absences, when the absences occur.
AS 15.129		<u>Long-term employee benefits and post employment benefits</u>



		The Company does not have a Scheme for Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service. The Company does not have a scheme for providing Post Employment benefits to its employees.
	<b>j</b>	<b>Earnings per share</b>
AS 20.10 AS 20.26 AS 20.29 AS 20.32 AS 20.35 AS 20.39		Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share, if any, is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.
	<b>k</b>	<b>Taxes on Income</b>
AS 22.20 AS 22.21 AS 22.15 AS 22.17 AS 22.26 AS 22.29		<p>Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.</p> <p>Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.</p>



		<p>Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.</p>
		<p>Current and deferred tax relating to items directly recognised in equity are recognised in equity and not in the Statement of Profit and Loss.</p>
	<b>l</b>	<b>Impairment of assets</b>
<p>AS 28.6 AS 28.47 AS 28.57 AS 28.103</p>		<p>The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.</p>
	<b>m</b>	<b>Provisions and contingencies</b>
<p>AS 29.14 AS 29.35 AS 29.27</p>		<p>A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.</p>



# DUGAR

## HOUSING DEVELOPEMENTS LIMITED

Registered Office : Dugar Towers, No.123, Marshalls Road, Egmore, Chennai - 600 008, Tamil Nadu, India.

### PROXY FORM

DP ID	Client ID
Registered Folio No.*	No. of Shares

I / We,

Name(s) in Full	Father/Husband's Name	Address as registered with the Company

being a member(s) of DUGAR HOUSING DEVELOPEMENTS LIMITED do hereby appoint \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ (or failing him \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ as my / our proxy and to vote for me / us on my / our behalf at the 21th Annual General Meeting of the Company scheduled to be held on Friday, 27th day of September 2013 at 10.00 a.m. at Nahar Hall, Deshbamdhru Plaza, 1st Floor, 47, Whites Road, Royapettah, Chennai 600014, Tamil Nadu, India and at any adjournment thereof.

Signed by the said \_\_\_\_\_ this \_\_\_\_ day of \_\_\_\_ 2013 affix

Re.1 Revenue Stamp
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\* As applicable for investor holding shares in physical form

**Note:** The proxy form duly completed must be deposited so as to reach the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting.

### DUGAR HOUSING DEVELOPEMENTS LIMITED

Registered Office : Dugar Towers, No.123, Marshalls Road, Egmore, Chennai - 600 008, Tamil Nadu, India.

### ATTENDANCE SLIP

**PLEASE COMPLETE THIS ATTENDANCE SLIP BEFORE YOU COME TO THE MEETING AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL**

DP ID	Client ID
Registered Folio No.*	No. of Shares

I / We,

Name(s) in Full	Father/Husband's Name	Address as registered with the Company

I hereby record my presence at the 21th Annual General Meeting of the Company at Nahar Hall, Deshbamdhru Plaza, 1st Floor, 47, Whites Road, Royapettah, Chennai 600014, Tamil Nadu, India on 27th day of September 2013 at 10.00 a.m.

Member's / Proxy's Signature

\* as applicable for investor holding shares in physical form

