

**NORTH EASTERN HANDICRAFTS AND HANDLOOMS
DEVELOPMENT CORPORATION LIMITED**

(A GOVT. OF INDIA ENTERPRISE)



NEHDC

THIRTY SIXTH ANNUAL REPORT

2012-2013

NEHHDC's NETWORK OF OFFICES

REGISTERED OFFICE

C/O PURBASHREE EMPORIUM
NEHHDC LTD.
POLICE BAZAR, SHILLONG - 793001
MEGHALAYA
E-MAIL : nehhdicro@yahoo.co.in
Ph. : 0364-2224477
Fax : 0364-2223513

CORPORATE OFFICE

NEHHDC LTD.
EAST POINT TOWER
BAMUNIMAIDAN
GUWAHATI-781021
E-MAIL : nehhdicro@yahoo.co.in
Ph. : 0361-2654830/2654780/81/2650030/31
FAX : 0361-2655934, 2659909

NEW DELHI OFFICE

A-1/108 SAFDARJUNG ENCLAVE
NEW DELHI - 110029
Ph./Fax : 011-26108232
Ph. : 011-26181333

PURBASHREE SHOWROOMS AND REGIONAL SALES PROMOTION OFFICES

CHENNAI

REGIONAL SALES
PROMOTION OFFICE
CO-OPTEX EXHIBITION
GROUND COMPLEX,
#350, PANTHEON ROAD,
CHENNAI - 600008
Ph. : 044- 28190254

BENGALURU

REGIONAL SALES PROMOTION OFFICE
44 S.N.R. COMPLEX, RAGHAVENDRA NILAYA
OPP. R.K. APARTMENTS
HOYSALA NAGAR,
T.C. PALAYA ROAD, RAMAMURTHY NAGAR,
K.R. PURAM, BANGALORE-560016

KOLKATA

DAKSHINAPAN
C.I.T. COMPLEX
2- GARIAHAT ROAD (SOUTH)
DHAKURIA, KOLKATA-700068
Ph. : 033-24237290

NEW DELHI

REGIONAL SALES PROMOTION OFFICE
A-257, AJAY FARM
DR. AMBEDKAR COLONY,
ANDHERIA MORE, NEAR KISAN HAT
NEW-DELHI-110030

SHILLONG

POLICE BAZAR
OPP. MEGHALAYA TRANSPORT CORPN.
SHILLONG -793001
Ph. : 0364-2224477

GUWAHATI

AMBARI
G.N.B. ROAD
GUWAHATI-781003
Ph. : 0361-2607299

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NORTH EASTERN HANDICRAFTS AND HANDLOOMS DEVELOPMENT CORPORATION LIMITED

BOARD OF DIRECTORS

Chairman	:	Dr. Joginder Paul Sharma, IAS (upto 7th June, 2012) Ms Tshering Yangzom Das, IAS (From 8th June, 2012 upto 12th Feb., 2013) Shri Vijay Bhushan Pathak, IAS (From 13th Feb., 2013 upto 10th June, 2013) Shri Arvind Madhav Singh, IFS (From 11th June, 2013 onwards)
Managing Director	:	Shri Jagdish Borah (upto 21st January, 2013) Shri Dhiraj Thakuria (From 22nd January, 2013 upto till date)
Directors	:	Shri R.N. Choubey, IAS Shri S.S. Gupta, IAS Shri Nirmal Sinha Shri S.K. Gullaiya
Bankers	:	State Bank of India Indian Overseas Bank Canara Bank Axis Bank Ltd.
Auditors	:	M/s Parthasarathy Choudhury & Associates, C.A. Police Bazar, Shillong - 793001
Registered Office	:	C/O Purbashree Emporium, NEHHDC Ltd. Police Bazar, Shillong - 793001
Corporate Office	:	East Point Tower Bamunimaidam, Guwahati-781021

NOTICE

Notice is hereby given that the 36th Annual General Meeting of the members of North Eastern Handicrafts and Handlooms Development Corporation Limited will be held on 27th September, 2013 at 11.30 A.M. in the Registered Office of the Corporation at Shillong to transact the following business :-

- i) To receive and adopt the accounts for the financial year ended 31st March, 2013 and reports of the Directors and the Auditors thereon and also the comments of the Comptroller and Auditor General of India on or supplement to the Auditor's Report.
- ii) To transact any other business that may ordinarily be transacted at the Annual General Meeting with the permission of the Chair.

By order of the Board of North Eastern Handicrafts
and Handlooms Development Corporation Limited

Sd/-
(D. THAKURIA)
Managing Director

Dated the 7th September, 2013

Copy to :

1. The President of India
through the Secretary,
Govt. of India, Ministry of Development of North Eastern Region,
Vigyan Bhavan Annexe, Maulana Azad Road,
New Delhi- 110011.
2. Shri D. Thakuria
Managing Director
C/o Purbashree Emporium, NEHDC Ltd.,
Police Bazar, Shillong-793001

NOTE : A member entitled to attend and vote at the meeting is entitled to appoint another person as his proxy to attend the meeting and vote on his behalf. The proxy need not be a member of the Corporation. The proxy form duly stamped and completed should be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the Annual General Meeting. The proxy form is enclosed.

NORTH EASTERN HANDICRAFTS AND HANDLOOMS DEVELOPMENT CORPORATION LIMITED

Directors' Report

**TO
THE SHARE HOLDERS,
NORTH EASTERN HANDICRAFTS AND
HANDLOOMS DEVELOPMENT CORPORATION LTD.**

Dear Share Holders,

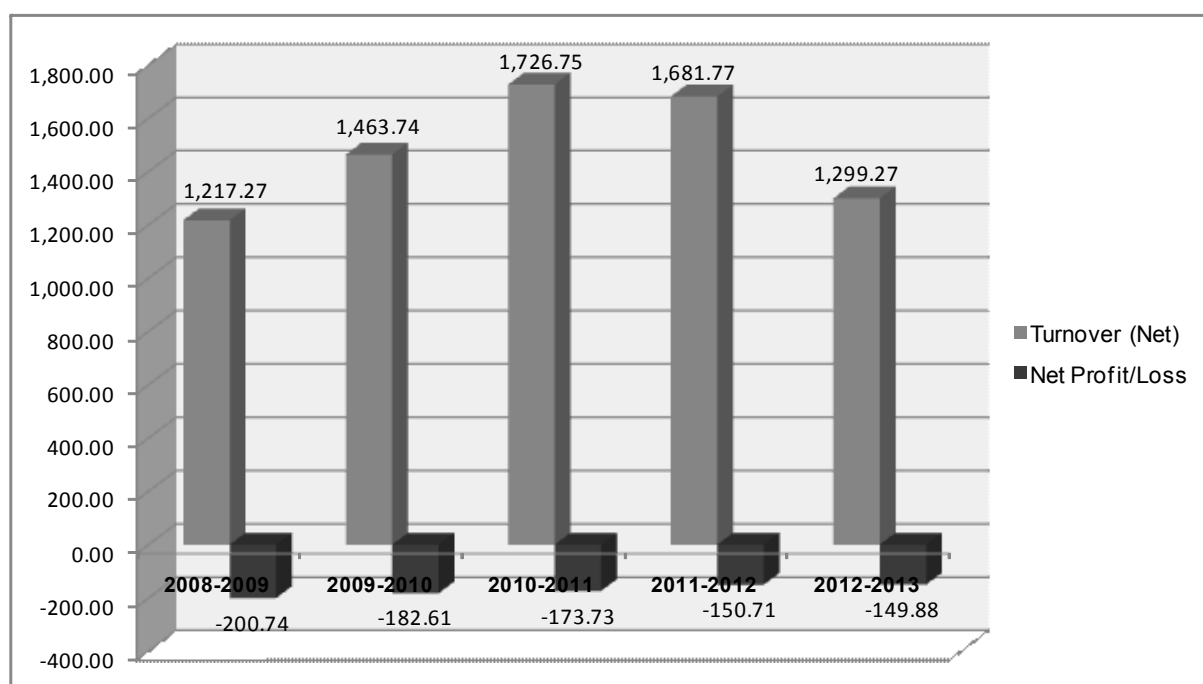
1. I present on behalf of the Board of Directors, the 36th Annual Report on the working of the North Eastern Handicrafts and Handlooms Development Corporation Limited, together with the audited accounts and auditors' report for the financial year ended 31st March, 2013.

2. FINANCIAL PERFORMANCE

The Gross sale turnover of the Corporation during the year 2012-13 was registered at ₹ 1,383.33 lacs and net loss was registered at ₹ 149.88 lacs.

The financial performance over a period of 5 (five) years from 2008-2009 to 2012-2013 is given below:

	(₹ in lacs)				
	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
Turnover (Net)	1,217.27	1,463.74	1,726.75	1,681.77	1,299.27
Net Profit/Loss	(-) 200.74	(-) 182.61	(-) 173.73	(-) 150.71	(-) 149.88



3. SHARE CAPITAL :

The Authorised Share Capital of the Corporation was Rs. 2.00 crore as on 31st March, 2013 which was fully paid up and subscribed by the Government of India.

4. AUDITORS :

M/s Parthasarathy Choudhury & Associates, Chartered Accountants, Shillong were appointed Statutory Auditors for auditing the accounts of the Corporation for the year 2012-13.

5. MARKETING:

Exhibition/Craft Bazaars/NETE/Special Exhibition conducted during 2012-2013.

The Corporation in its endeavour to promote handicrafts and handlooms of North Eastern Region organizes exhibitions, crafts Bazzars (CB), North East Trade Expo (NETE) and special exhibitions all over the country with the active participation of artisans and weavers. Given below are the details of Exhibitions /Crafts Bazaars/ Special exhibitions held during the year 2012-2013 and exhibition plan for the year 2013-14.

EVENTS CONDUCTED DURING 2012-13

Sl. No.	Showroom	Exhibitions (Nos.)	Craft Bazaar (Nos.)	Special Exhbn./NE Trade Expo Mall Events/Own Exhibition (Nos.)
1.	Chennai	2	8	3
2.	Bangalore	1	9	8
3.	Kolkata	2	9	6
4.	New Delhi	4	2	6
5.	Shillong	2	-	2
6.	Guwahati	-	-	-
7.	Regional Office, Guwahati	3	-	8
8.	Liasion Office, New Delhi	-	-	-
Total		14	28	33

EVENTS TO BE CONDUCTED DURING 2013-14

Sl. No.	Showroom	Exhibition (Nos)	Craft Bazaar (Nos.)	Special Exhibitions/ NE Trade Expo (nos.)
1.	Chennai	4	6	4
2.	Bangalore	5	9	5
3.	Kolkata	5	9	2
4.	New Delhi	6	6	6
5.	Shillong	2	-	1
6.	Guwahati	-	-	1
7.	Regional Office, Guwahati	3	-	5
8.	Liasion Office, New Delhi	-	-	1
Total		25	30	25

6. OFFICIAL LANGUAGE POLICY :

Efforts were continued to use of Hindi in Official proceedings and in correspondence. Use of Hindi in tagging personal files, acquittance roles, notings, leave, medical application form, payment and receipt vouchers have been introduced. "Hindi Divas" was observed on the 16th September, 2012. More staff are proposed to be deputed for Hindi training and use of computers in Hindi.

7. VIGILANCE :

Vigilance activity received its due attention. Special attention was paid to the preventive aspects of vigilance. The Vigilance Awareness Week was also observed from 29th October to 3rd Nov., 2012.

8. RESERVATION OF SCs/STs/OBCs/EX-SERVICEMEN/PHYSICALLY HANDICAPPED PERSONS.

Statutory requirements of reservations for different categories of persons are being adhered to. No fresh recruitment have been effected during the year.

9. HUMAN RESOURCE:

As on 31st March, 2013 the Company had an employee strength of 99, out of which 9 were from Scheduled Caste and 21 from Scheduled Tribe.

10. WELFARE MEASURES :

Welfare measures to the employees of the Corporation such as Group Gratuity Scheme, Death Linked Insurance Scheme, Interest Subsidy Advance availed by the employees from Financial Institutions/ Housing Board, Festival Advance and Leave Encashment were continued to be extended.

11. MANAGEMENT DISCUSSION AND ANALYSIS REPORTS :

(i) Industry Structure and Developments

Handicraft and handloom activities in the North East Region are predominantly carried out in the unorganized household sector. Handicraft and Handloom artisans and weavers are mostly household members practicing their activities jointly at their residence who, if need arises employ other artisans and weavers for work. After agriculture, handicrafts and handlooms have been identified as the second largest sector of rural employment in many regions of the country.

The Handicraft and Handloom sector in the North East has shown resilience in the face of uncertainties and the recent past has seen the rise of women entrepreneurs especially in the Handloom sector. This is a positive sign and promises well for the sectors.

The Government of India is also taking measures to see that these two Sectors especially in the North East are further encouraged.

Overall the Handicraft and Handloom market of the North East has the potential to develop and grow in future.

(ii) Strength and weaknesses :

Strengths :

The Corporation by dint of having operated for 36 years in the sector has established strong linkages with the artisans and weavers of the North Eastern states. Training programmes and skill development workshops and seminars have established a goodwill in the sector.

Weaknesses :

Manpower in excess of requirement has impacted the bottom line of the Corporation to a large extent. Lack of Professional in strategic areas of marketing and finance is also a great concern.

(iii) Opportunities and Threats :

Opportunities : The Corporation has set its goals with the following opportunities in mind

- i) Availability of abundant and unique local raw materials.
- ii) Rich and diversified culture producing wide range of unique and exclusive handicrafts.
- iii) Availability of skilled labour in the region.
- iv) Wide range of traditional production skills derived from indigenous knowledge.
- v) High potential for empowerment of women, youth and people with disabilities.
- vi) Increasing emphasis on product development and design up gradation.
- vii) Government support and interest in preserving the traditional crafts and textiles.

Threats : The threats reflected below are not insurmountable and can be overcome.

- i) Lack of design, innovation and technology up gradation.
- ii) Unstructured and individualized production systems.
- iii) Insufficient market information on export trend, opportunities and prices.
- iv) Limited sources for production, distribution and marketing.
- v) Lack of adequate infrastructure, absence of latest technology.
- vi) Decreasing supply of good quality raw materials like Muga and Raidang cane.

The Corporation is planning for the future, will endeavor to turn threats into challenges to be met.

(iv) Risk and concerns :

The Corporation implements various schemes and programmes of the Government to promote the growth of the sector. Withdrawal of these schemes and programmes may affect the profitability and sales turnover of the Corporation.

12. DIRECTORS RESPONSIBILITY STATEMENT

In accordance with Section 217(2AA) of the Companies Act, 1956, the Directors of NEHHDC confirm that -

- (i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- (ii) the accounting policies adopted are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or 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 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) they have prepared the annual accounts on a going concern basis.

13. RIGHT TO INFORMATION ACT :

NEHHDC being a Public Authority as defined under Section 2, Sub-section (h) of the Right to Information Act, 2005, appropriate mechanism has been put in place by the Company for addressing various queries related to RTI Act. During the year 2012-13, the Corporation received fifteen numbers of RTI queries. The Corporation replied to the queries.

14. GOVERNMENT AUDIT REVIEW :

The comments of the Comptroller and Auditor General of India (C&AG) under Section 619 (4) of the Companies Act, 1956 on the accounts of the Company for the year ended 31st March, 2013 is placed next to the Statutory Auditors Report in the printed Annual Accounts of the Company. We are pleased to report that the C&AG has no comments upon or supplement to Statutory Auditors' report under section 619(4) of the Companies Act, 1956.

15. CORPORATE GOVERNANCE

The Corporation is committed to good Corporate Governance as per guidelines.

(i) Board of Directors:

NEHHDC being a Government Company, appointment/nomination of all the Directors is done by the President of India through the Ministry of Development of North Eastern Region. As on 31st March, 2013 there were six Directors on the Board comprising five part time Directors as Government nominee and Managing Director as a Functional Director. Ministry of DoNER has taken up the issue of appointment of Independent Directors.

Four meetings of the Board of Director were held during the financial year 2012-13.

(ii) Code of Conduct:

The Board of Directors has laid down a Code of Conduct for all Board members and Senior Management of the Company. All the members of the Board of Directors have affirmed compliance with the Code

as applicable to them during the year ended March'2013.

(iii) Disclosures :

(A) Basis of related party transactions

(B) Disclosure of Accounting Treatment

The Company follows Accounting Standards issued by the Institute of Chartered Accountants of India and in the preparation of Financial Statements, the Company has not adopted a treatment different from that prescribed in any Accounting Standard.

16. ACKNOWLEDGEMENT :

The Board thanks its valued customers, craftspersons, weavers and entrepreneurs of North Eastern Region for their support and confidence in the organization and expect continuance of mutually supportive relationship in future also.

The Board gratefully acknowledges the support and guidance received from the Ministry of Development of North Eastern Region, Ministry of Textiles, Department of Public Enterprises, Development Commissioner (Handicrafts), Development Commissioner (Handlooms), North Eastern Council, Shillong, State Governments of NE Region and the Bankers. The Directors also express their gratitude to the Comptroller and Auditor General of India, Principal Director of Commercial Audit and Ex-Officio Member, Audit Board-IV and the Statutory Auditors for their valuable guidance and cooperation.

For and on behalf of the Board of Directors
Sd/-

(Dhiraj Thakuria)
MANAGING DIRECTOR

AUDITORS' REPORT

TO,

THE MEMBERS OF
NORTH EASTERN HANDICRAFTS AND HANDLOOMS DEVELOPMENT CORPORATION LTD,
GUWAHATI

REPORT ON THE FINANCIAL STATEMENTS

1. We have audited the accompanying financial statements of NORTH EASTERN HANDICRAFTS AND HANDLOOMS DEVELOPMENT CORPORATION LIMITED, which comprise the Balance Sheet as at 31st March, 2013 and the statement of Profit and Loss for the year ended, and a summary of significant accounting policies and other explanatory information which we have signed under reference to this report.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956. 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 free from material misstatement, whether due to fraud to error.

AUDITOR'S RESPONSIBILITY

3. 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 Accounting 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.
4. 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.
5. We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

6. In our opinion and to the best of our information and according to the explanations given to us, the accompanying 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:

Subject to our comments at Annexure 'B'

- (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 Statement of Profit and Loss, of the Loss for the year ended on that date; and
- (c) **No Cash Flow Statement, has been prepared for the year ended on that date.**

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

7. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report)(Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, (hereinafter referred to as the "Order") and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
8. 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 and Statement of Profit and Loss 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, **partially comply with the recommended Accounting Standards** referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e. **No written representations have been received from the Director regarding their eligibility of being appointed as director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.**

FOR PARTHASARATHY CHOUDHURY & ASSOCIATES
Chartered Accountants
FRN-320111E

PLACE : SHILLONG
DATE : 28-08-2013

Sd/-
PARTHASARATHY CHOUDHURY, FCA
Partner
M.No. 055050

**NORTH EASTERN HANDICRAFTS AND HANDLOOMS
DEVELOPMENT CORPORATION LIMITED**

ANNEXURE - 'A'

Referred to in Paragraph 7 of our report of even date.

1. The Corporation has maintained proper records at its Head Office records showing full particulars including quantitative and situation of its Fixed Assets.
2.
 - a) As per information and explanations given to us and as shown by various reports, the inventory of the Corporation lying at various locations have been physically verified by the management/emporium auditors during the year under audit and in our opinion the frequency of such verification is reasonable.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management of the Corporation are reasonable and adequate in relation to the size of the Corporation and the nature of its business.
 - c) On the basis of our examination and according to the information and explanations given to us, we are of the opinion that the Corporation is maintaining proper records of inventory. As revealed by the inventory verification and valuation reports and according to the information and explanations given to us, the discrepancies noticed on such verification between the physical stocks and the books records were not material.
3.
 - a) According to the information and explanations given to us, and as shown by the books of accounts of the Corporation, the Corporation has neither granted nor taken any Loans, Secured or Unsecured to/from Companies, Firms and/or other parties listed in the Register maintained under section 301 of the Companies Act, 1956.
 - b) In our opinion, since the Corporation has not accepted or granted any loans as stated above, the question of rate of interest being prejudicial to the interest of the Corporation or the regularity of the payment of principal and interest does not arise.
4. 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 Corporation and the nature of its business with regards to purchases of inventory, fixed assets to the sale of goods. During the course of our audit it was observed that an Internal Audit was conducted during the year for three emporiums viz, New Delhi Emporium, Bangalore Emporium & Chennai Emporium. We feel that a more methodical approach to internal audit is required.
5. According to the information and explanations given to us and as shown by the books of accounts, the Corporation has not accepted any deposits from the public. Therefore, the directives issued by the Reserve Bank of India and the provisions of Section 58A and 58AA of the Act and rules framed thereunder, appear inapplicable under the circumstances.
6. According to the information and explanations given to us, earlier the Corporation had internal Audit Cell however functions of internal audit cell has disappeared since many years.

7. As explained to us, the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 has not been prescribed by the Central Government for the Corporation.
8. a) Subject to our separate observations in Annexure-B and according to the information and explanations given to us, the Corporation is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Sales Tax etc. and other material statutory dues applicable to it and according to the information and explanations given to us, no undisputed amounts payable in respect of such dues were in arrears as at the end of the year for a period of more than six months from the date they became payable.
b) According to the information and explanations given to us, the Corporation does not have any dispute.
9. **According to the information and explanations given to us and as revealed by the books of accounts the accumulated losses of the Corporation till the end of the financial year have eroded its net worth.**
10. According to the information and explanations given to us and as shown by the books of accounts the Corporation, the Corporation has not given any guarantee for loans taken by others from bank or financial institutions.
11. Other clauses of the order on which no comments have been made, are either not applicable to the Corporation or these do not require any comments.

PLACE : SHILLONG
DATE : 28-08-2013

FOR PARTHASARATHY CHOUDHURY & ASSOCIATES
Chartered Accountants
FRN-320111E

Sd/-
PARTHASARATHY CHOUDHURY, FCA
Partner
M.No. 055050

**NORTH EASTERN HANDICRAFTS AND HANDLOOMS
DEVELOPMENT CORPORATION LIMITED
ANNEXURE-B**

1. As appears from the accounts and the inventory verification and valuation reports and as per the information and explanations given to us, the Corporation has generally valued the tradable stock at cost based on the physical quantities found during verification as at the end of the financial year under audit. The stock-in-trade identified as damaged/partially damaged by the stock verifiers at various locations has also been valued in the same manner without making any provision for deterioration in value. The stock verifiers at various locations have quantified an amount of ₹15,31,389.55 and ₹ 9,34,207.00 as damaged and partially damaged stock respectively as at 31.03.2013. We are of the opinion that suitable provision should be made in the accounts for deterioration in value of such damaged stocks.
2. The Current Assets of the Dye House are still to be disposed off. The value of Stores and Spares, Raw materials lying at the Dye House are to the tune of ₹ 1,40,638.00 and ₹ 6,46,520.35 respectively and the figures are being presented in the accounts at par with last year's figures without making any provision for deterioration of value in the assets. We are of the opinion that the Current Assets of the Dye House have become obsolete and unusable and apparently are of very little commercial value.
3. The Corporation has not made provisions for interest -both normal and penal, on loans granted by the Government of India on the ground that proposal has been submitted to the Government for conversion of the entire loan amount along with unpaid accumulated interest either into grant or equity or writing it off altogether. The amount of interest at a rate of 14.5% not provided for in the accounts for this year under audit comes to ₹ 551.36 lacs. The quantum of unprovided interest till 31.03.2013 stands at ₹ 5,386.13 lacs and the total liability to the Government as well as accumulated loss upto the financial year 2012-2013 have been understated in the accounts to the extent of ₹ 5,386.13 lacs. However, as per terms and conditions of loan, in the event of default of repayment of interest/ installment, interest @Rs. 17% should have been charged.
4. Trade Receivable amounting to ₹ 28,96,531.37 pertaining to Head Office appearing in the Balance Sheet as at 31.03.2013. Thus the gross figure taking into account the credit balances totaling upto ₹ 2,56,731.74 of Trade Receivable pertaining to Dye House, the total Trade Receivable of the Corporation comes to ₹ 31,53,263.01 out of which of ₹ 8,85,276.36 are quite old and some of them pertain to as early a period as 93-94 and 94-95. In our opinion, these amounts are doubtful of recovery and should be provided for in the accounts, and the same was also suggested in the previous year for making suitable provision for written off.
5. The Corporation accounts for the following on cash basis
– Leave encashment benefit
6. The Trade Payable of ₹ 21,57,737.21 (Cr) and ₹ 8,91,738.00 (Dr) both pertaining to old outstanding more than 4 years are adjusted during the year and ₹ 2,63,517.99 (Cr) are not yet adjusted.
7. The Staff Advances of ₹ 8,94,434.32 (Net Credit Balance ₹ 53,528.86) as at 31.03.2013 contains old outstanding entries advances belonging to ex-employees to the tune of ₹ 54,687.06 are written off during the year as per Board's approval.

8. An advance of ₹ 1,77,250.00 has been made for a plot of land for the Dye House/CFC project since more than 20 years. The Sale Deed was not yet executed and no value had been shown in Fixed Asset. The Corporation had not taken any step to register the land.
9. Rebate receivable from DC(HL) ₹ 11,84,78,3.90 are shown under head Loan & Advances since 1996-97. There is no possibility to realise this rebate amount. Hence it should be written off.
10. No confirmation of following Accounts were made available for verification
 - (i) Bank Balance certificate of following Bank were not available and hence not reconciled

(a) U.B.I. Shillong	-	₹	3,541.00	(Dr.)
(b) U.B.I. Shillong	-	₹	5,344.35	(Dr.)
(c) Imphal	-	₹	12,892.14	(Dr.)
(d) Joyanagar Sales Counter	-	₹	6,456.82	(Cr.)
 - (ii) The aggregate non current Trade Receivable of ₹ 18,04,858.10 and current Trade Receivable of ₹ 10,91,673.17 were unconfirmed.
 - (iii) The aggregate Trade Payable of ₹ 31,51,105.11 were unconfirmed.
 - (iv) Loan & Advances ₹ 5,29,74,866.53 were not reconciled/unconfirmed.
11. Advance to Party/Contractor amounting to ₹ 80,089.00 (Cr) out of total advance of ₹ 3,15,594.00 (Net) pertaining earlier to the year 2005-06, it should be either written off or adjusted.
12. Medical Advance of ₹ 1,621.65 out of total medical advance of ₹ 48,723.65 belongs to expired employees, it should be either written off or be adjusted.
13. The Corporation is running under loss since inception, and non availability of proper details for recognition of any deferred tax assets/liability, hence the deferred tax assets/liability could not be recognized as per AS 22.
14. The Corporation had recognised as per AS 15 in respect of contribution of Provident Fund, Group Gratuity Scheme with LIC except the leave encashment benefit to the employees which would be provided on cash basis, as and when arises.
15. Trade Receivable of ₹ 1,69,279.71 (Dr) and ₹ 1,88,423.70 (Cr) written off during the year.
16. Acknowledgement of the TDS returns filed on line could not be provided to us.

FOR PARTHASARATHY CHOUDHURY & ASSOCIATES
Chartered Accountants
FRN-320111E

PLACE : SHILLONG
DATE : 28-08-2013

Sd/-
PARTHASARATHY CHOUDHURY, FCA
Partner
M.No. 055050

M/s NORTH EASTERN HANDICRAFTS AND HANDLOOMS

BALANCE SHEET AS

Registered Office at Shillong, Meghalaya.

Particulars	Notes	As at 31st March 2013	As at 31st March 2012
		₹	₹
EQUITY & LIABILITIES			
Shareholders' Fund			
Share Capital	1	2,00,00,000.00	2,00,00,000.00
Reserve & Surplus	2	(33,85,82,911.60)	(32,35,94,404.87)
Money Received against share warrants	-	0.00	0.00
Share application money pending allocation			
Non Current Liabilities			
Long Term Borrowing	3	39,19,47,878.00	36,95,97,257.80
Other long term Liabilities			
a) Trade Payable	4	1,75,834.11	53,17,380.61
b) Outstanding Liabilities	4	79,07,741.08	31,96,362.33
Long term Provision	-	0.00	0.00
Deferred Tax Liabilities (Net)	-	0.00	0.00
Current Liabilities			
Trade Payable			
Current	5	29,75,271.00	37,87,863.21
Other Current Liabilities	6	1,04,00,657.78	1,01,77,812.15
Short term provision	-	0.00	0.00
TOTAL		9,48,24,470.37	8,84,82,271.23

SD/-
S.K. GULLAIYA
DIRECTOR
NORTH EASTERN HANDICRAFTS AND HANDLOOMS
DEVELOPMENT CORPORATION LIMITED

SD/-
DHIRAJ THAKURIA
MANAGING DIRECTOR
NORTH EASTERN HANDICRAFTS AND HANDLOOMS
DEVELOPMENT CORPORATION LIMITED

DEVELOPMENT CORPORATION LIMITED
AT 31st. MARCH, 2013

Particulars	Notes	As at 31st March 2013	As at 31st March 2012
		₹	₹
ASSETS			
Non Current Assets			
Fixed Assets			
Tangible Assets	7	43,58,914.85	49,32,184.85
Intangible Assets	–	0.00	0.00
Capital Work in Progress	–	0.00	0.00
Intangible Assets under development	–	0.00	0.00
Deferred Tax Assets	–	0.00	0.00
Non Current Investments	–	0.00	0.00
Long Term Loans and advances- Capital Advance			
Advance for land	–	1,77,250.00	1,77,250.00
Other Non Current Assets			
Long term Trade Receivable	8	18,04,858.10	8,85,276.36
Current Assets			
Current Investment	–	0.00	0.00
Inventories	9	1,11,48,514.50	1,31,03,704.73
Trade Receivables	10	10,91,673.17	34,73,014.75
Cash & Cash Equivalent	11	2,27,91,727.22	32,37,869.28
Short Term Loans & Advances	12	5,29,74,866.53	6,21,59,885.26
Other Current Assets	13	4,76,666.00	5,13,086.00
TOTAL		9,48,24,470.37	8,84,82,271.23
Summary of significant accounting policies	20		

The accompanying notes are an integral part of the financial statements.

Subject to our Audit Report
Dated - 28th August 2013
FOR PARTHASARATHY CHOUDHURY & ASSOCIATES
Chartered Accountants
FRN-320111E

PLACE : SHILLONG
DATE : 28-08-2013

Sd/-
(PARTHASARATHY CHOUDHURY)
Partner
M.No. 055050

M/s NORTH EASTERN HANDICRAFTS AND HANDLOOMS DEVELOPMENT CORPORATION LIMITED

STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st. MARCH, 2013

Registered Office at Shillong, Meghalaya.

Particulars	Notes	As at 31st March 2013	As at 31st March 2012
Revenue		₹	₹
Revenue from Operation	14	12,99,26,696.35	16,81,77,209.43
Other Income	15	23,59,519.32	10,51,116.56
Total Revenue		13,22,86,215.67	16,92,28,325.99
Expenses			
Purchases	-	9,99,10,639.30	13,59,32,561.00
Employee benefit Expenses	17	2,89,42,704.00	2,70,26,651.00
Interest & Finance Cost	18	3,74,684.19	4,33,405.31
Depreciation	7	6,00,777.72	6,73,510.49
Other Expenses	19	73,40,308.11	88,57,567.50
Increase/Decrease of stock	16	19,55,190.23	11,56,667.67
Rent	-	55,37,262.00	44,13,292.00
Rebate & Discount	-	13,35,911.75	19,06,849.25
Total Expenses		14,59,97,477.30	18,04,00,504.22
Profit before Exceptional, Extraordinary items & Taxation		(1,37,11,261.63)	(1,11,72,178.23)
Exceptional Items		0.00	0.00
Profit before Extraordinary items & Taxation		(1,37,11,261.63)	(1,11,72,178.23)
Extraordinary Items (Prior period expenses)	19(A)	(12,77,245.10)	38,99,241.00
Profit before Taxation		(1,49,88,506.73)	(1,50,71,419.23)
Tax Expenses			
Current Tax		0.00	0.00
Deferred Tax charge/credit		0.00	0.00
Profit/(Loss) for the period from continuing operations		(1,49,88,506.73)	(1,50,71,419.23)
Profit/(Loss) from discontinuing operations		0.00	0.00
Tax expenses of discontinuing operations		0.00	0.00
Profit/(Loss) from discontinuing operations (after tax)		0.00	0.00
Profit for the period		(1,49,88,506.73)	(1,50,71,419.23)
Summary of significant accounting policies	20		

The accompanying notes are an integral part of the financial statements.

Subject to our Audit Report

Dated - 28th August 2013

FOR PARTHASARATHY CHOUDHURY & ASSOCIATES

Chartered Accountants

FRN-320111E

Sd/-

(PARTHASARATHY CHOUDHURY)

Partner

M.No. 055050

PLACE : SHILLONG

DATE : 28-08-2013

Sd/-

S.K. Gullaiya

Director

North Eastern Handicrafts and Handlooms
Development Corporation Limited

Sd/-

Dhiraj Thakuria

Managing Director

North Eastern Handicrafts and Handlooms
Development Corporation Limited

M/s NORTH EASTERN HANDICRAFTS AND HANDLOOMS DEVELOPMENT CORPORATION LIMITED

NOTE TO THE ACCOUNTS FOR THE YEAR ENDED 31st. MARCH, 2013

Note : 1 Share Capital

(Figure in ₹)

(Figure in ₹)

Particulars	As at 31/03/2013	As at 31/03/2012
Authorised Share Capital		
2,00,000 Equity Shares of ₹100 each	2,00,00,000.00	2,00,00,000.00
Total	2,00,00,000.00	2,00,00,000.00
Issued, Subscribed and Paid up Capital		
2,00,000 Equity Shares of ₹100 each	2,00,00,000.00	2,00,00,000.00
	2,00,00,000.00	2,00,00,000.00

a. Reconciliation of the number of Shares outstanding

Equity Shares	No of Shares	No of Shares
Number of Equity shares at the beginning of the year	2,00,000	2,00,000
Equity shares issued during the year	Nil	Nil
Less Shares bought back during the year	Nil	Nil
Number of Equity shares at the end of the year	2,00,000	2,00,000

b. Terms and rights attached to equity shares

The Company has only one class of equity shares having a face value of Rs.100/- per share. Each holder of equity shares is entitled to one vote per share.

c. Share held by holding/ultimate holding company and/or their subsidiaries/associates

Out of the equity shares issued by the Company, shares held by its holding Company, ultimate holding Company and their subsidiaries/associates are as below:

Equity Shares held by holding Company	Nil	Nil
---------------------------------------	-----	-----

d. Aggregate number shares issued for consideration other than cash during the period of five years immediately preceding the reporting date

	Nil	Nil
--	-----	-----

e. Aggregate number of Bonus shares issued during the period of five years immediate preceding the reporting date

	Nil	Nil
--	-----	-----

f. Details of shareholders more than 5% shares in the Company

The details of share holders holding more than 5% is as follows:

Sl No.	Name of Shareholder	As on 31.03.2013		As on 31.03.2012	
		No. of Shares	% held	No. of Shares	%held
1.	Government of India	2,00,000	100%	2,00,000	100%

PLACE : SHILLONG

DATE : 28-08-2013

Sd/-

S.K. Gullaiya

Director

North Eastern Handicrafts and Handlooms
Development Corporation Limited

Sd/-

Dhiraj Thakuria

Managing Director

North Eastern Handicrafts and Handlooms
Development Corporation Limited

Subject to our Audit Report

Dated - 28th August 2013

FOR PARTHASARATHY CHOUDHURY & ASSOCIATES

Chartered Accountants

FRN-320111E

Sd/-

(PARTHASARATHY CHOUDHURY)

Partner

M.No. 055050

M/s NORTH EASTERN HANDICRAFTS AND HANDLOOMS DEVELOPMENT CORPORATION LIMITED

NOTE TO THE ACCOUNTS FOR THE YEAR ENDED 31st. MARCH, 2013

Note : 2. Reserve and Surplus

(Figure in ₹)

(Figure in ₹)

Particulars	As at 31/03/2013	As at 31/03/2012
a. Other Reserves :		
Capital Subsidy from IDBI for Dye House	4,25,000.00	4,25,000.00
Capital Subsidy from AIDC for Dye House	17,84,837.00	17,84,837.00
Grants-in-Aid	2,16,96,217.73	2,16,96,217.73
	2,39,06,054.73	2,39,06,054.73
b. General Reserve :		
As per last Balance Sheet	Nil	Nil
Add : Addition during the year	Nil	Nil
c. Profit & Loss Account		
As per last Balance Sheet	(34,75,00,459.60)	(33,24,29,040.37)
Add : Profit transferred on amalgamation	Nil	Nil
Add : Profit/ (Loss) for the year	(1,49,88,506.73)	(1,50,71,419.23)
	(36,24,88,966.33)	(34,75,00,459.60)
	(33,85,82,911.60)	(32,35,94,404.87)

Note : 3. Long Term Borrowing

(Figure in ₹)

(Figure in ₹)

Particulars	As at 31/03/2013	As at 31/03/2012
1. Unsecured		
a. Loan from Govt. of India		
i) For Dye House	1,16,51,000.00	1,16,51,000.00
ii) For Handloom Scheme	35,00,000.00	35,00,000.00
iii) For Cash Loss	36,50,95,276.00	34,50,95,276.00
b. Outstanding on various schemes:		
i) Raw Material Bank	85,43,502.00	85,43,502.00
ii) Other Schemes	26,30,100.00	8,07,479.80
iii) Renovation of Guwahati Emporium	1,53,000.00	0.00
iv) Renovation of Kolkata Emporium	3,75,000.00	0.00
	39,19,47,878.00	36,95,97,257.80

M/s NORTH EASTERN HANDICRAFTS AND HANDLOOMS DEVELOPMENT CORPORATION LIMITED

NOTE TO THE ACCOUNTS FOR THE YEAR ENDED 31st. MARCH, 2013

Unsecured loan from Govt. of India for Cash Loss.

The terms and conditions of the unsecured loan as follows:

- The loan will carry interest @14.5% per annum
- In the event of default in the repayment of principal and or interest, interest @17.00% would be chargeable on all such overdue installment.
- Maturity period of the loan will be 10 years and repayments be made in 10 annual equal installments together with interest on the outstanding balance commencing from the following year. However, 50% of these loans will be effected in 10 annual equal installments. The amounts payable annually (by way of principal and interest) would be recovered in ten equal installments on 15th of every month from June to March every year.

Note : 4 Other Long Term Liabilities

(Figure in ₹)

(Figure in ₹)

Particulars	As at 31/03/2013	As at 31/03/2012
Trade Payable	1,75,834.11	53,17,380.61
Outstanding Liabilities	79,07,741.08	31,96,362.33
Total	80,83,575.19	85,13,742.94

Note : 5 Current Liabilities

(Figure in ₹)

(Figure in ₹)

Particulars	As at 31/03/2013	As at 31/03/2012
a. Trade Payables :		
i) Current	29,75,271.00	37,87,863.21

Note : 6 Other Current Liabilities :

(Figure in ₹)

(Figure in ₹)

Particulars	As at 31/03/2013	As at 31/03/2012
i) Outstanding Liability		
Current	41,76,796.00	47,16,268.75
ii) Other liability	62,23,861.78	54,61,543.40
	1,04,00,657.78	1,01,77,812.15
c. Short Term Provision :	0.00	0.00

PLACE : SHILLONG
DATE : 28-08-2013

Sd/-
S.K. Gullaiya
Director
North Eastern Handicrafts and Handlooms
Development Corporation Limited

Sd/-
Dhiraj Thakuria
Managing Director
North Eastern Handicrafts and Handlooms
Development Corporation Limited

Subject to our Audit Report
Dated - 28th August 2013
FOR PARTHASARATHY CHOUDHURY & ASSOCIATES
Chartered Accountants
FRN-320111E
Sd/-
(PARTHASARATHY CHOUDHURY)
Partner
M.No. 055050

M/s NORTH EASTERN HANDICRAFTS AND HANDLOOMS DEVELOPMENT CORPORATION LIMITED

NOTE TO THE ACCOUNTS FOR THE YEAR ENDED 31st. MARCH, 2013

Note : 8 Long Term Trade Receivable

(Figure in ₹)

(Figure in ₹)

Particulars	As at 31/03/2013	As at 31/03/2012
Long Term Trade Receivable	18,04,858.10	8,85,276.36

Note : 9 Current Assets

Inventories :

(Figure in ₹)

(Figure in ₹)

Particulars	As at 31/03/2013	As at 31/03/2012
(As taken, valued & certified by the management at cost or realisable value whichever is lower)		
i) Stock in trade	1,03,61,356.15	1,23,16,546.38
ii) Stores & Spares	1,40,638.00	1,40,638.00
iii) Raw Materials	6,46,520.35	6,46,520.35
iv) Finished Goods	0.00	0.00
	1,11,48,514.50	1,31,03,704.73

Note : 10

Trade Receivables

(Figure in ₹)

(Figure in ₹)

Particulars	As at 31/03/2013	As at 31/03/2012
(Unsecured, considered good, unless stated otherwise) (List Attached)		
Exceeding six months :		
Considered good	10,91,673.17	34,73,014.75
	10,91,673.17	34,73,014.75

Note : 11

Cash and Cash Equivalent

(Figure in ₹)

(Figure in ₹)

Particulars	As at 31/03/2013	As at 31/03/2012
A) Balance with Banks :		
i) At Regional office, Ghy. :		
With Current Account :		

M/s NORTH EASTERN HANDICRAFTS AND HANDLOOMS DEVELOPMENT CORPORATION LIMITED

NOTE TO THE ACCOUNTS FOR THE YEAR ENDED 31st. MARCH, 2013

SBI, New GHY. Branch A/c No. 10566982760	35,58,284.62	5,60,924.12
Axis Bank Ltd. Paltan Bazar Branch A/c No. 375010200005401	2,48,542.93	3,31,864.17
SBI, Silpukhuri evening Branch, A/c No.32147358428	1,99,800.99	2,11,350.00
ii) At Liason Office, New Delhi With Current Account :		
SBI, R.K. Puram Branch, A/c No. 10932786136	6,21,772.02	2,93,013.02
iii) At Purbashree New Delhi : with Current Account :		
Canara Bank, Parilament Street Branch, A/c No. 1098201005052	2,32,802.59	75,797.93
iv) At Purbashree Shillong : With Current Account :		
SBI, Malki Branch A/c No. 10031890377	12,598.84	12,598.84
SBI, Police Bazar A/c No. 10881228213	4,16,210.02	1,95,786.02
Indian Overseas Bank, Shillong Branch A/c No. 247	14,412.00	82,306.00
UBI, Shillong	5,344.35	5,344.35
UBI, Shillong	3,541.00	3,541.00
H.O. Shillong	0.00	(31,334.62)
v) At Purbashree Bangalaru : with Current Account ;		
SBI, Main Branch, A/c No. 10977240357	66,937.25	69,628.56
SBI, Main Branch, A/c No. 30215344978	11,655.93	12,205.93
Joynagar Sale counter (SBI)	(6,456.82)	(6,456.82)
vi) At Purbashree Chennai : with Current Account :		
SBI, Thousand Light Branch, A/c No. 10640563471	5,19,653.43	5,790.56
SBI, Thousand Light Branch, A/c No. 30193054586	8,626.17	46,176.17
vii) At Purbashree Kolkata : With Current Account :		
SBI, Dhakuria Branch, A/c No. 30220014306	63,360.00	91,201.00
SBI, Dhakuria Branch A/c No. 11052269335	22,61,072.54	5,66,860.44
viii) At Imphal SBI, Imphal	12,892.14	12,892.14
Fixed Deposit with Bank	1,37,33,000.00	2,33,000.00
Total (A)	2,16,84,050.00	27,72,488.81

M/s NORTH EASTERN HANDICRAFTS AND HANDLOOMS DEVELOPMENT CORPORATION LIMITED

NOTE TO THE ACCOUNTS FOR THE YEAR ENDED 31st. MARCH, 2013

Note : 11

B) Cash in hand :

(Figure in ₹)

(Figure in ₹)

	As at 31/03/2013	As at 31/03/2012
At Regional Office, Guwahati	60,156.00	11,401.00
At Purbashree Emporium, Guwahati	97,497.00	8,841.37
Do	(3,553.63)	0.00
At Purbashree Emporium, Shillong	66,042.25	10,750.75
Do	(1,815.50)	0.00
At Purbashree Emporium, New Delhi	7,178.00	53,169.15
Do	10,009.02	0.00
At Purbashree Emporium, Kolkata	1,583.72	17,560.72
At Purbashree Emporium, Bangaluru	13,421.00	12,369.95
At Purbashree Emporium, Chennai	2,647.91	3,985.16
At New Delhi Liason Office	11,804.45	6,713.45
At Purbashree Emporium, Mumbai	0.00	389.92
Total (B)	2,64,970.22	1,25,181.47
C) Remittance in Transit		
Regional Office, Guwahati	8,42,707.00	3,40,199.00
Total (C)	8,42,707.00	3,40,199.00
G. Total (A+B+C)	2,27,91,727.22	32,37,869.28

PLACE : SHILLONG
DATE : 28-08-2013

Sd/-
S.K. Gullaiya
Director

North Eastern Handicrafts and Handlooms
Development Corporation Limited

Sd/-

Dhiraj Thakuria
Managing Director

North Eastern Handicrafts and Handlooms
Development Corporation Limited

*Subject to our Audit Report
Dated - 28th August 2013*

FOR PARTHASARATHY CHOUDHURY & ASSOCIATES
Chartered Accountants

FRN-320111E
Sd/-
(PARTHASARATHY CHOUDHURY)
Partner
M.No. 055050

M/s NORTH EASTERN HANDICRAFTS AND HANDLOOMS DEVELOPMENT CORPORATION LIMITED

NOTE TO THE ACCOUNTS FOR THE YEAR ENDED 31st. MARCH, 2013

Note : 12

Short Term Loans and Advance

(Unsecured considered goods- advances recoverable in cash or kind or Value to be received)

	(Figure in ₹)	(Figure in ₹)
	As at 31/03/2013	As at 31/03/2012
(A) Regional Office		
Staff Advance	8,89,544.32	20,41,524.90
Festival Advance	41,858.45	35,358.45
Advance Wages	6,600.00	0.00
Advance TA/DA	5,13,585.73	2,25,096.73
Medical Advance	48,723.65	1,03,121.65
Advance LTC	0.00	753.30
Imprest Advance	0.00	6,531.00
Advance Rent	2,42,357.25	3,43,357.25
Rebate Receivable from DC Handicrafts	11,84,783.90	11,84,783.90
Group Gratuity Fund	5,000.00	5,000.00
Deposit Against Court Case Reg. R.O.	9,10,730.00	9,10,730.00
Interior Decoration in New Delhi Office	0.00	2,24,800.00
Advance to Party	3,15,594.00	3,15,594.00
TDS Receivable from Party	0.00	35,210.00
TDS on FDR	4,37,541.00	3,66,888.00
Exhibition advance	64,067.80	83,547.80
TDS on Govt. sale	60,955.00	60,955.00
Exhibition Grant Receivable (2010-11)	1,91,42,879.78	2,31,32,081.78
Exhibition Grant Receivable (2011-12)	1,22,06,030.00	2,51,79,104.00
Scheme Expenses Grant Receivables (2011-2012)	32,95,897.20	68,32,110.00
Prepaid Insurance	0.00	7,466.00
Interest on FDR receivable	2,68,629.00	0.00
Exhibition Grant Receivable (2012-13)	1,22,80,569.45	0.00
Total	5,19,15,346.53	6,10,94,013.76
(B) Dye House		
Festival advance	55,548.00	51,298.00
LTC Advance	28,212.00	28,212.00
Advance to Party	8,02,760.00	8,02,760.00
Earnest Money	0.00	3,500.00
Advance to Contractor	1,73,000.00	1,73,000.00
Medical Advance	0.00	7,100.50
Total (B)	10,59,520.00	10,65,871.50
Total (A+B)	5,29,74,866.53	6,21,59,885.26

PLACE : SHILLONG
DATE : 28-08-2013

Sd/-
S.K. Gullaiya
Director

North Eastern Handicrafts and Handlooms
Development Corporation Limited

Sd/-
Dhiraj Thakuria
Managing Director
North Eastern Handicrafts and Handlooms
Development Corporation Limited

*Subject to our Audit Report
Dated - 28th August 2013*
FOR PARTHASARATHY CHOUDHURY & ASSOCIATES
Chartered Accountants
FRN-320111E

Sd/-
(PARTHASARATHY CHOUDHURY)
Partner
M.No. 055050

M/s NORTH EASTERN HANDICRAFTS AND HANDLOOMS DEVELOPMENT CORPORATION LIMITED

NOTE TO THE ACCOUNTS FOR THE YEAR ENDED 31st. MARCH, 2013

Note : 13

Other Current Assets

Particulars	(Figure in ₹)	(Figure in ₹)
	As at 31/03/2013	As at 31/03/2012
Security Deposit:		
Head Office	4,59,261.00	4,95,681.00
Dye House	17,405.00	17,405.00
	4,76,666.00	5,13,086.00

Note 14

Revenue from operations

Particulars	(Figure in ₹)			(Figure in ₹)
	As on 31-03-2013			As on 31-03-2012
	General	Dyehouse	Total	
Sales of Products	12,99,26,696.35	0.00	12,99,26,696.35	16,81,77,209.43
	12,99,26,696.35	0.00	12,99,26,696.35	16,81,77,209.43

Note 15

Other Income

Particulars	(Figure in ₹)			(Figure in ₹)
	As on 31-03-2013			As on 31-03-2012
	General	Dyehouse	Total	
Misc. receipts	4,22,599.20	0.00	4,22,599.20	2,37,837.00
Int. on FDR	7,06,460.00	0.00	7,06,460.00	3,42,904.00
Profit on sale of Fixed assets	0.00	0.00	0.00	1,32,398.16
Excess Provision Written back	11,49,291.11	81,169.01	12,30,460.12	3,37,977.40
	22,78,350.31	81,169.01	23,59,519.32	10,51,116.56

PLACE : SHILLONG
DATE : 28-08-2013

Sd/-
S.K. Gullaiya
Director
North Eastern Handicrafts and Handlooms
Development Corporation Limited

Sd/-
Dhiraj Thakuria
Managing Director
North Eastern Handicrafts and Handlooms
Development Corporation Limited

Subject to our Audit Report
Dated - 28th August 2013
FOR PARTHASARATHY CHOUDHURY & ASSOCIATES
Chartered Accountants
FRN-320111E
Sd/-
(PARTHASARATHY CHOUDHURY)
Partner
M.No. 055050

M/s NORTH EASTERN HANDICRAFTS AND HANDLOOMS DEVELOPMENT CORPORATION LIMITED

NOTE TO THE ACCOUNTS FOR THE YEAR ENDED 31st. MARCH, 2013

Note : 16

(Figure in ₹)

(Figure in ₹)

Particulars	As on 31-03-2013			As on 31-03-2012
	General	Dyehouse	Total	
Opening Stock	1,23,16,546.38	0.00	1,23,16,546.38	1,34,73,214.05
Closing Stock	1,03,61,356.15	0.00	1,03,61,356.15	1,23,16,546.38
Increase/Decrease in Stock	19,55,190.23	0.00	19,55,190.23	11,56,667.67

Note : 17

Employees Benefit Expenses

(Figure in ₹)

(Figure in ₹)

Particulars	As on 31-03-2013			As on 31-03-2012
	General	Dyehouse	Total	
Salaries & Allowances (MD) 7,90,211.00				
Medical Reimbursement (MD) 30,039.00				
Salaries & Allow. (others) 2,08,31,751.00	2,16,52,001.00	37,79,295.00	2,54,31,296.00	2,34,36,799.00
Contribution to PF	23,39,576.00	3,75,509.00	27,15,085.00	27,04,750.00
Staff Welfare	95,059.00	5,000.00	1,00,059.00	1,43,313.00
Gratuity	6,96,264.00	0.00	6,96,264.00	7,41,789.00
	2,47,82,900.00	41,59,804.00	2,89,42,704.00	2,70,26,651.00

Note : 18

Financial Cost

(Figure in ₹)

(Figure in ₹)

Particulars	As on 31-03-2013			As on 31-03-2012
	General	Dyehouse	Total	
Bank Charges	67,786.40	0.00	67,786.40	91,041.52
Commission Paid on Credit Card	3,06,897.79	0.00	3,06,897.79	3,42,363.79
	3,74,684.19	0.00	3,74,684.19	4,33,405.31

PLACE : SHILLONG
DATE : 28-08-2013

Sd/-
S.K. Gullaiya
Director
North Eastern Handicrafts and Handlooms
Development Corporation Limited

Sd/-
Dhiraj Thakuria
Managing Director
North Eastern Handicrafts and Handlooms
Development Corporation Limited

*Subject to our Audit Report
Dated - 28th August 2013*
FOR PARTHASARATHY CHOUDHURY & ASSOCIATES
Chartered Accountants
FRN-320111E
Sd/-
(PARTHASARATHY CHOUDHURY)
Partner
M.No. 055050

M/s NORTH EASTERN HANDICRAFTS AND HANDLOOMS DEVELOPMENT CORPORATION LIMITED

NOTE TO THE ACCOUNTS FOR THE YEAR ENDED 31st. MARCH, 2013

Note : 19

Other Expenses

(Figure in ₹)

(Figure in ₹)

Particulars	As on 31-03-2013			As on 31-03-2012
	General	Dyehouse	Total	
Exhibition Expenses 4,86,70,561.45.00				
Income from Exhibition (-) 4,86,70,561.45.00	0.00	0.00	0.00	2,10,861.00
Repair & Maintenance (H)	29,066.00	0.00	29,066.00	20,842.00
Electricity	7,16,372.00	53,701.00	7,70,073.00	7,32,690.00
Postage; Telegraph; Telephone & Fax	3,11,857.00	0.00	3,11,857.00	2,64,323.00
Travelling & Conveyance	17,79,314.00	16,408.00	17,95,722.00	12,95,783.00
Printing & Stationary	4,33,865.25	518.00	4,34,383.25	4,30,870.00
Vehicle Running Expenses	1,50,336.00	0.00	1,50,336.00	2,82,746.00
Repair & Maintenance	7,27,102.00	1,12,885.00	8,39,987.00	7,59,968.00
Insurance	1,84,037.00	0.00	1,84,037.00	1,47,524.00
Fees & Subscription	32,321.00	0.00	32,321.00	8,869.00
Board Meeting Expenses	66,201.00	0.00	66,201.00	1,04,913.00
Office Expenses	1,17,057.53	0.00	1,17,057.53	1,04,614.00
News Paper & Periodicals	6,003.00	0.00	6,003.00	6,449.00
Advertisement & Publicity	1,23,282.00	0.00	1,23,282.00	1,19,815.00
Misc. Expenses	1,03,019.00	500.00	1,03,519.00	34,053.50
Entertainment	49,420.00	717.00	50,137.00	62,406.00
Renewal & Registration	12,092.00	0.00	12,092.00	36,533.00
Damaged Stock Written off	0.00	0.00	0.00	2,17,730.00
Training Expenses	65,420.00	0.00	65,420.00	56,254.00
Sales Tax	0.00	0.00	0.00	3,15,098.00
Rates & Taxes	32,200.33	0.00	32,200.33	26,384.00
Freight Outward	15,12,928.00	0.00	15,12,928.00	26,84,416.00
Packing & forwarding	49,041.00	0.00	49,041.00	50,462.00
Parliamentary Committee Expenses	25,000.00	0.00	25,000.00	0.00
	65,25,934.11	1,84,729.00	67,10,663.11	79,73,603.50

M/s NORTH EASTERN HANDICRAFTS AND HANDLOOMS DEVELOPMENT CORPORATION LIMITED

NOTE TO THE ACCOUNTS FOR THE YEAR ENDED 31st. MARCH, 2013

Payment to Auditors and Others

(Figure in ₹)

(Figure in ₹)

Particulars	As on 31-03-2013			As on 31-03-2012
	General	Dyehouse	Total	
Audit Fees	25,000.00	0.00	25,000.00	15,000.00
Professional Fees	1,52,295.00	0.00	1,52,295.00	4,58,964.00
Legal Fees	2,21,350.00	0.00	2,21,350.00	0.00
Consultation Fees	2,31,000.00	0.00	2,31,000.00	4,10,000.00
	6,29,645.00	0.00	6,29,645.00	8,83,964.00
	71,55,579.11	1,84,729.00	73,40,308.11	88,57,567.50

Extraordinary Items (Prior period items)

Note 19(A)

(Figure in ₹)

(Figure in ₹)

Particulars	As on 31-03-2013			As on 31-03-2012
	General	Dyehouse	Total	
Travelling & Allowances	18,170.00	0.00	18,170.00	2,81,624.00
Interest payment to Central Bank of India	8,48,000.00	0.00	8,48,000.00	1,70,000.00
Interest received from Fixed Deposit (IOB, Shillong)	(1,57,171.00)	0.00	(1,57,171.00)	0.00
Purchase of Handicraft Items	0.00	0.00	0.00	48,000.00
Miscellaneous Expenses	2,28,572.60	18,025.50	2,46,598.10	56,177.00
Professional Fees	3,21,648.00	0.00	3,21,648.00	0.00
Rent	0.00	0.00	0.00	17,93,903.00
Consultancy Fees	0.00	0.00	0.00	15,49,537.00
	12,59,219.60	18,025.50	12,77,245.10	38,99,241.00

PLACE : SHILLONG
DATE : 28-08-2013

Sd/-
S.K. Gullaiya
Director
North Eastern Handicrafts and Handlooms
Development Corporation Limited

Sd/-
Dhiraj Thakuria
Managing Director
North Eastern Handicrafts and Handlooms
Development Corporation Limited

Subject to our Audit Report
Dated - 28th August 2013
FOR PARTHASARATHY CHOUDHURY & ASSOCIATES
Chartered Accountants
FRN-320111E
Sd/-
(PARTHASARATHY CHOUDHURY)
Partner
M.No. 055050

M/s North Eastern Handicrafts and Handlooms ANNEXED THERETO AND FORMING PART OF

Note : 7 (A) Head Office

SL. NO.	PARTICULARS	ORIGINAL COST					
		AS AT 31.03.2012	ADDITION DURING THE YEAR	SALES DURING THE YEAR	TOTAL AS AT 31.03.2013	LESS AGAINST GRANT FROM GOVT.	COST AS AT 31.03.2013
1.	2	3	4	5	6	7	8
1.	Vehicle	17,04,052.50	0.00	0.00	17,04,052.50	0.00	17,04,052.50
2.	Office Equipment	6,40,143.72	0.00	0.00	6,40,143.72	0.00	6,40,143.72
3.	Showroom	42,36,036.37	0.00	0.00	42,36,036.37	0.00	42,36,036.37
4.	Musical Instruments	16,853.00	0.00	0.00	16,853.00	0.00	16,853.00
5.	Furniture and Fixtures	6,85,806.10	0.00	0.00	6,85,806.10	0.00	6,85,806.10
6.	Airconditioner & Refrigerator	1,83,073.29	0.00	0.00	1,83,073.29	0.00	1,83,073.29
7.	Looms	45,012.20	0.00	0.00	45,012.20	0.00	45,012.20
8.	Bi-cycle	5,002.85	0.00	0.00	5,002.85	0.00	5,002.85
9.	T.V. Set	46,325.00	0.00	0.00	46,325.00	0.00	46,325.00
10.	Computer	92,718.00	0.00	0.00	92,718.00	0.00	92,718.00
11.	Peripherals of Computer	0.00	0.00	0.00	0.00	0.00	36,980.00
12.	Electrical Equipment	65,320.00	0.00	0.00	65,320.00	0.00	65,320.00
13.	Books	0.00	0.00	0.00	0.00	0.00	0.00
Total (A)		77,20,343.03	0.00	0.00	77,20,343.03	0.00	77.57,323.03
Previous Year		74,36,681.03	7,30,651.00	3,78,661.64	77,88,670.39	0.00	77,88,670.39

SD/-
S.K. GULLAIYA
DIRECTOR
NORTH EASTERN HANDICRAFTS AND HANDLOOMS
DEVELOPMENT CORPORATION LIMITED

SD/-
DHIRAJ THAKURIA
MANAGING DIRECTOR
NORTH EASTERN HANDICRAFTS AND HANDLOOMS
DEVELOPMENT CORPORATION LIMITED

Development Corporation Limited

THE BALANCE SHEET AS AT 31st. MARCH, 2013

DEPRECIATION			NET VALUE		
UPTO 31.03.2012	DEPR. FOR THE YEAR 2012-2013	UPTO 31.03.2013	ASAT 31.03.2013	ASAT 31.03.2012	RATE %
9	11	12	13	14	
11,03,580.26	1,55,462.26	12,59,042.52	4,45,009.98	6,00,472.24	26%
5,07,262.94	18,483.72	5,25,746.66	1,14,397.06	1,32,880.78	14%
18,50,983.11	2,38,505.33	20,89,488.44	21,46,547.93	23,85,053.26	10%
16,341.57	71.14	16,412.71	440.29	511.43	14%
5,76,200.25	19,838.66	5,96,038.91	89,767.19	1,09,605.85	18%
1,25,356.07	8,028.47	1,33,384.54	49,688.75	57,717.22	14%
40,940.08	566.43	41,506.51	3,505.69	4,072.12	14%
4,566.95	87.18	4,654.13	348.72	435.90	20%
34,610.64	1,629.47	36,240.11	10,084.89	11,714.36	14%
32,258.53	24,183.79	56,442.32	36,275.68	60,459.47	40%
0.00	5,143.92	5,143.92	31,836.08	0.00	14%
25,523.10	5,535.75	31,058.85	34,261.15	39,796.90	14%
0.00	0.00	0.00	0.00	9,472.28	13.91%
43,17,623.50	4,77,536.12	47,95,159.62	29,62,163.41	34,12,191.81	
41,97,168.49	5,50,268.89	43,76,478.58	34,12,191.81	32,39,512.54	

*Subject to our Audit Report
Dated - 28th August 2013*
FOR PARTHASARATHY CHOUDHURY & ASSOCIATES
Chartered Accountants
FRN-320111E

Sd/-
(PARTHASARATHY CHOUDHURY)
Partner
M.No. 055050

PLACE : SHILLONG
DATE : 28-08-2013

M/s North Eastern Handicrafts and Handlooms ANNEXED THERETO AND FORMING PART OF

Note : 7 (B) Dye House

SL NO.	PARTICULARS	ORIGINAL COST		
		AS AT 31.03.2012	ADDITION DURING THE YEAR	COST AS AT 31.03.2013
1	2	3	4	5
1.	Building	22,38,246.26	0.00	22,38,246.26
2.	Factory Building	24,66,086.00	0.00	24,66,086.00
3.	Laboratory & Equipments	12,531.08	0.00	12,531.08
4.	Electrical Equipments	19,167.30	0.00	19,167.30
5.	Office Equipments	16,470.80	0.00	16,470.80
6.	Furniture & Fixture	1,31,464.76	0.00	1,31,464.76
7.	Looms	55,978.79	0.00	55,978.79
8.	Vehicle	57,278.00	0.00	57,278.00
9.	Temporary Shed	13,659.25	0.00	13,659.25
Total (B)		50,10,882.24	0.00	50,10,882.24
Previous Year		50,10,882.24	0.00	50,10,882.24

SD/-
S.K. GULLAIYA
DIRECTOR
NORTH EASTERN HANDICRAFTS AND HANDLOOMS
DEVELOPMENT CORPORATION LIMITED

SD/-
DHIRAJ THAKURIA
MANAGING DIRECTOR
NORTH EASTERN HANDICRAFTS AND HANDLOOMS
DEVELOPMENT CORPORATION LIMITED

Development Corporation Limited
THE BALANCE SHEET AS AT 31st MARCH, 2013

DEPRECIATION			NET VALUE	
UPTO 31.03.2012	DEPRECIATION FOR THE YEAR	UPTO 31.03.2013	AS AT 31.03.2013	AS AT 31.03.2012
6	7	8	9	10
10,22,206.98	36,483.41	10,58,690.39	11,79,555.87	12,16,039.28
21,80,513.18	82,367.27	22,62,880.45	2,03,205.55	2,85,572.82
12,531.08	0.00	12,531.08	0.00	0.00
19,167.30	0.00	19,167.30	0.00	0.00
16,470.80	0.00	16,470.80	0.00	0.00
1,13,083.82	4,390.92	1,17,474.74	13,990.02	18,380.94
55,978.79	0.00	55,978.79	0.00	0.00
57,278.00	0.00	57,278.00	0.00	0.00
13,659.25	0.00	13,659.25	0.00	0.00
34,90,889.20	1,23,241.60	36,14,130.80	13,96,751.44	15,19,993.04
33,67,647.60	1,23,241.60	34,90,889.20	15,19,993.04	16,43,234.64

Subject to our Audit Report
Dated - 28th August 2013
 FOR PARTHASARATHY CHOUDHURY & ASSOCIATES
 Chartered Accountants
 FRN-320111E

Sd/-
 (PARTHASARATHY CHOUDHURY)
 Partner
 M.No. 055050

PLACE : SHILLONG
 DATE : 28-08-2013

M/S NORTH EASTERN HANDICRAFTS AND HANDLOOMS DEVELOPMENT CORPORATION LIMITED

Note - 20

NOTES ON ACCOUNTS

1. MAJOR ACCOUNTING POLICIES :
 - A. Fixed Assets : Fixed assets are stated at cost less accumulated depreciation.
 - B. Stock in Trade : Stock in trade has been valued at cost or market price whichever is lower. Raw materials have been valued at cost or market price whichever is lower.
 - C. Depreciation : Depreciation on Fixed Assets of Dye House/CFC has been provided on straight line method at old rates whereas on other assets depreciation has been provided at WDV method at the rates provided in Schedule XIV of the Companies Act, 1956 as amended. The Corporation has not charged the Depreciation on pro-rata basis. However the Corporation has charged full year depreciation on the assets purchased during the year irrespective of their date of purchase.
 - D. The assets and liabilities are stated at historical cost.
 - E. The Corporation adopts accrual basis of accounting.
 - F. Sales and receipts are stated at net figures and are exclusive of rebate and discount on consignment sales.
2. Interest on Government loan @14.5% is not provided, as proposal for conversion of the entire loan amount with interest into grant/equity/write off has been submitted in the Revival Plan to BRPSE. However, the unprovided interest on Government loan is ₹ 5,386.13 lacs (previous year ₹4,834.77 lacs). However, as per terms and conditions of loan, in the event of default of repayment of interest/installment, interest @17% should have been charged.
3. An advance of ₹. 1,77,250.00 had been made for a plot of land for the Dye House/CFC Project. The Sales Deed is yet to be executed and therefore, no value of land has been taken under Fixed Assets and the amount paid has been treated as advance since 1985-86.
4. Because of the innumerable items traded, the quantitative details in respect of Purchases, Sales, Opening Stock and Closing stock could not be provided.
5. Travelling expenses includes Managing Director's travelling expenses amounting to ₹ 6,65,893.00 (Previous year ₹ 3,53,153.00)
6. Medical expenses includes Managing Director's medical expenses amounting to ₹ 30,039.00 (Previous year ₹ 48,293.00).
7. Salaries and allowances include Rs. 7,90,211.00 (previous year ₹ 8,65,992.00) paid to Managing Director as salary and allowances.
8. Previous year's figures have been regrouped and/or rearranged wherever considered necessary.
9. Outstanding on various schemes of Govt. of India is an amount which represents money still to be utilised.
10. The Corporation has not prepared trading account of Dye House as the same is not in operation and was closed down in 1994 as per Govt. order.

11. An amount of ₹ 54,682.58 being staff advance against ex-employees of the Corporation has been taken into the Profit & Loss Account as written off as per approval of Board.
12. An amount of ₹ 11,84,829.70 being the long term trade payable has been taken into Profit & Loss Account as written back as per approval of the Board.
13. An amount of ₹ 19,143.99 being the long term trade receivable has been taken into Profit & Loss Account as written back as per approval of the Board.
14. The Corporation follow Accounting Standard AS12 while Accounting for various grants-in-aid received during the year. The grant in-aid are mainly for conducting exhibitions.
15. There was dispute with the promoter of Regional Office building for the balance payment and suit has been filed in Hon'ble Gauhati High Court. An amount of ₹ 9,10,730.00 deposited to Hon'ble Gauhati High Court as per court order has been shown under the Head of Loan and Advances. The Sale Deed is yet to be executed.
16. An amount of ₹ 8,48,000.00 paid to the Central Bank of India, against delayed payment of compromised amount of ₹ 33.40 lacs as per approval of Board has been charged to Profit & Loss Account under Extra Ordinary Items (prior period expenses).
17. Outstanding liabilities provided for ₹ 79,07,741.08 comprises of ₹ 57,47,071.00 towards rental liabilities for Delhi Emporium as follows:-

Year	Amount
2011-2012	₹ 26,68,207.00
2012-2013	₹ 30,78,864.00
Total	₹ 57,47,071.00

SD/-
S.K. GULLAIYA
 DIRECTOR
 NORTH EASTERN HANDICRAFTS AND HANDLOOMS
 DEVELOPMENT CORPORATION LIMITED

SD/-
DHIRAJ THAKURIA
 MANAGING DIRECTOR
 NORTH EASTERN HANDICRAFTS AND HANDLOOMS
 DEVELOPMENT CORPORATION LIMITED

PLACE : SHILLONG
 DATE : 28-08-2013

*Subject to our Audit Report
 Dated - 28th August 2013*
 FOR PARTHASARATHY CHOUDHURY & ASSOCIATES
 Chartered Accountants
 FRN-320111E

Sd/-
 (PARTHASARATHY CHOUDHURY)
 Partner
 M.No. 055050

M/s NORTH EASTERN HANDICRAFTS AND HANDLOOMS DEVELOPMENT CORPORATION LIMITED

NOTE TO THE ACCOUNTS FOR THE YEAR ENDED 31st. MARCH, 2013

Note : 21

Other Liabilities

(A) Regional Office

Particulars	(Figure in ₹)	(Figure in ₹)
	As at 31/03/2013	As at 31/03/2012
Wages payable	13,867.00	889.00
GIP	5,668.50	1,69,267.50
Salary Payable	18,55,664.69	17,20,919.69
EMWF	92,900.00	83,619.00
Bank loan to staff	24,674.00	28,774.00
Professional Tax	11,102.00	8,568.00
Income Tax	1,03,414.00	58,185.00
LIC	83,391.00	75,191.00
CPF Employees share	2,01,267.00	56,576.00
Handicrafts Museum Project payable	1,18,680.00	1,99,272.00
Medical payable	57,947.00	59,557.00
Study Analysis of Tribal Textile payable	53,638.00	30,638.00
Union	7,087.00	3,733.00
Professional fees payable	60,000.00	60,000.00
Exhibition expenses payable	8,46,900.00	10,98,696.00
House rent payable	35,780.00	14,000.00
Design Tech. Dev. Workshop payable	6,94,246.00	27,000.00
IDTDP payable	0.00	5,62,500.00
Canteen subsidy payable	0.00	6,875.00
DSCD Program payable	0.00	9,000.00
Misc. exp. payable	0.00	121.00
VAT payable	25,567.28	2,32,900.90
Fashion Show payable	70,000.00	35,270.00
TDS on party	45,065.00	52,898.00
HBA recovery	4,898.76	4,898.76
Earnest money	71,131.25	71,131.25
N.E. Publication payable	35,280.00	35,280.00
IDTDP payable	0.00	1,31,746.00
Communal Harmony	2,245.00	0.00
NETE payable	7,29,025.00	0.00
Design Bank Project payable	1,50,000.00	0.00
IIHF payable	2,76,372.00	0.00
Trainee Expenses payable	240.00	0.00
TDS payable	25,785.00	0.00
Advt. & Publicity payable	50,960.00	0.00
Total	57,52,795.48	48,37,506.10

M/s NORTH EASTERN HANDICRAFTS AND HANDLOOMS DEVELOPMENT CORPORATION LIMITED

NOTE TO THE ACCOUNTS FOR THE YEAR ENDED 31st. MARCH, 2013

(B) DYE HOUSE

Particulars	(Figure in ₹)	(Figure in ₹)
	As at 31/03/2013	As at 31/03/2012
CPF Employees share	0.00	1,42,582.00
Salary Payable	4,50,808.30	4,64,794.30
Conveyance payable	3,800.00	3,800.00
Medical payable	16,458.00	12,861.00
Total	4,71,066.30	6,24,037.30
G. Total (A + B)	62,23,861.78	54,61,543.40

SD/-
S.K. GULLAIYA
DIRECTOR

NORTH EASTERN HANDICRAFTS AND HANDLOOMS
DEVELOPMENT CORPORATION LIMITED

SD/-
DHIRAJ THAKURIA
MANAGING DIRECTOR

NORTH EASTERN HANDICRAFTS AND HANDLOOMS
DEVELOPMENT CORPORATION LIMITED

PLACE : SHILLONG
DATE : 28-08-2013

*Subject to our Audit Report
Dated - 28th August 2013*
FOR PARTHASARATHY CHOUDHURY & ASSOCIATES
Chartered Accountants
FRN-320111E

Sd/-
(PARTHASARATHY CHOUDHURY)
Partner
M.No. 055050

M/s North Eastern Handicrafts and Handlooms Development Corporation Limited
STOCK STATEMENT AS ON 31st MARCH' 2013

SI.No.	PARTICULARS	HANDICRAFTS	HANDLOOMS	YARN	CANE	TOTAL
1.	Bangalore Showroom	14,43,767.55	3,04,089.70	0.00	0.00	17,47,857,.25
2.	Chennai Showroom	4,54,242.50	1,84,619.00	0.00	0.00	6,38,861.50
3.	Kolkata Showroom	7,95,696.00	9,14,558.00	0.00	0.00	17,10,254.00
4.	Shillong Showroom	1,84,528.50	4,54,129.90	0.00	0.00	6,38,658.40
5.	Guwahati Showroom	4,33,038.00	9,65,943.00	0.00	0.00	13,98,981.00
6.	Central Ware House	4,69,854.00	31,745.00	0.00	0.00	5,01,599.00
7.	New Delhi Showroom	19,06,282.50	11,88,252.50	0.00	0.00	30,94,535.00
8.	Dye House/CPC/ Crafts Museum	6,810.00	0.00	2,11,625.00	0.00	2,18,435.00
9.	Cane (Raw Material Bank)	0.00	0.00	0.00	4,12,175.00	4,12,175.00
TOTAL		56,94,219.05	40,43,337.10	2,11,625.00	4,12,175.00	1,03,61,356.15

SD/-
S.K. GULLAIYA
 DIRECTOR

NORTH EASTERN HANDICRAFTS AND HANDLOOMS
 DEVELOPMENT CORPORATION LIMITED

SD/-
DHIRAJ THAKURIA
 MANAGING DIRECTOR

NORTH EASTERN HANDICRAFTS AND HANDLOOMS
 DEVELOPMENT CORPORATION LIMITED

Subject to our Audit Report
Dated - 28th August 2013

FOR PARTHASARATHY CHOUDHURY & ASSOCIATES
 Chartered Accountants
 FRN-320111E

PLACE : SHILLONG
 DATE : 28-08-2013

Sd/-
 (PARTHASARATHY CHOUDHURY)
 Partner
 M.No. 055050

M/s North Eastern Handicrafts and Handlooms Development Corporation Limited
EXPENDITURE STATEMENT
EXHIBITION/NECF/CRAFTS BAZAAR/NETE (2012-13)

PLACE	NO. OF EXHB.	SANCTION AMOUNT EACH EXHIBITION	FUND RECEIVED	EXPENDITURE INCURRED	REIMBUR-SABLE
KOLKATA					
Exhibition	3	2,20,000.00	0.00	8,27,747.00	
Craft Bazar/NECF	9	13,50,000.00	70,81,875.00	1,05,85,469.00	
NETE	1	17,50,000.00	13,12,500.00	14,73,980.00	
BANGALORE					
Exhibition	Nil	2,20,000.00			
NECF/CB	6	13,50,000.00	47,21,250.00	69,30,791.45	
NETE	2	36,04,000.00	27,03,000.00	35,60,270.00	
CHENNAI					
Exhibition	4	2,20,000.00			
NECF/CB	9	13,50,000.00	70,81,875.00	1,10,25,083.00	
NETE	2	15,08,000.00	11,31,000.00	0.00	
NEW DELHI EMPORIUM					
Exhibition	4	2,20,000.00	0.00	0.00	
NECF/CB	4	13,50,000.00	31,47,500.00	56,15,591.00	
NETE	Nil				
SHILLONG					
Exhibition	3	2,20,000.00	0.00	5,34,316.00	
GUWAHATII					
Exhibition	3	2,20,000.00	0.00	5,92,371.00	
NETE	2	22,54,000.00	16,90,500.00	27,26,744.00	
NECF/C B	2	13,50,000.00	15,73,750.00		
MALL EXHIBITION					
National Skill Foundation of India, New Delhi, Bangalore and Kolkata			46,27,000.00	0.00	
Kolkata Emporium			0.00	24,453.00	
New Delhi Emporium			0.00	38,853.00	
Bangalore Emporium			0.00	38,119.00	
IIHF' 2013, Chennai			4,93,375.00	4,39,627.00	
NEDFI Exhibition, Ghy			1,23,500.00	0.00	
TOTAL			3,56,87,125.00	4,79,67,694.45	1,22,80,569.45

PLACE : SHILLONG
DATE : 28-08-2013

Sd/-
S.K. Gullaiya
Director
North Eastern Handicrafts and Handlooms
Development Corporation Limited

Sd/-
Dhiraj Thakuria
Managing Director
North Eastern Handicrafts and Handlooms
Development Corporation Limited

*Subject to our Audit Report
Dated - 28th August 2013*
FOR PARTHASARATHY CHOUDHURY & ASSOCIATES
Chartered Accountants
FRN-320111E
Sd/-
(PARTHASARATHY CHOUDHURY)
Partner
M.No. 055050

ANNEXURE - C

M/s North Eastern Handicrafts and Handlooms Development Corporation Limited STOCK STATEMENT (DAMAGE) AS ON 31st MARCH' 2013

Sl. No.	Particulars	Handicrafts		Handlooms		H/C & H/L	H/C & H/L
		Fully Damage	Partially Damage	Fully Damage	Partially Damage	Fully Damage	Partially Damage
1.	Bangalore Showroom	5,23,242.05	1,36,993.50	0.00	0.00	5,23,242.05	1,36,993.50
2.	Chennai Showroom	25,833.50	77,252.00	1,663.00	26,869.00	27,496.50	1,04,121.00
3.	Kolkata Showroom	2,48,565.00	0.00	69,885.00	0.00	3,18,450.00	0.00
4.	Shillong Showroom	16,870.00	1,010.00	22,798.00	0.00	39,668.00	1,010.00
5.	Guwahati Showroom	35,096.00	0.00	29,895.00	3,39,782.00	64,991.00	3,39,782.00
6.	Central Warehouse	1,51,753.00	0.00	31,745.00	0.00	1,83,498.00	0.00
7.	New Delhi Showroom	2,59,474.00	3,14,916.50	1,14,570.00	37,384.00	3,74,044.00	3,52,300.50
Total		12,60,833.55	5,30,172.00	2,70,556.00	4,04,035.00	15,31,389.55	9,34,207.00

SUMMARY

Sl. No.	Particulars	Fully Damage	Partially Damage	Grand Total
1.	Handicrafts	12,60,833.55	5,30,172.00	17,91,005.55
2.	Handlooms	2,70,556.00	4,04,035.00	6,74,591.00
	Total	15,31,389.55	9,34,207.00	24,65,596.55

SD/-
S.K. GULLAIYA
DIRECTOR
NORTH EASTERN HANDICRAFTS AND HANDLOOMS
DEVELOPMENT CORPORATION LIMITED

SD/-
DHIRAJ THAKURIA
MANAGING DIRECTOR
NORTH EASTERN HANDICRAFTS AND HANDLOOMS
DEVELOPMENT CORPORATION LIMITED

*Subject to our Audit Report
Dated - 28th August 2013*
FOR PARTHASARATHY CHOUDHURY & ASSOCIATES
Chartered Accountants
FRN-320111E

PLACE : SHILLONG
DATE : 28-08-2013

Sd/-
(PARTHASARATHY CHOUDHURY)
Partner
M.No. 055050

COMMENT OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619 (4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF NORTH EASTERN HANDICRAFTS AND HANDLOOMS DEVELOPMENT CORPORATION LIMITED FOR THE YEAR ENDED 31st MARCH, 2013.

The preparation of financial statements of **North Eastern Handicrafts and Handlooms Development Corporation Limited** for the year ended 31 March 2013 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 619 (4) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under Section 227 of the Companies Act, 1956 based on independent audit in accordance with the Standards of Auditing prescribed by their professional body, The Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated **28.08.2013**.

I, on behalf of the Comptroller and Auditor General of India, have decided not to review the report of the Statutory Auditors on the accounts of **North Eastern Handicrafts and Handlooms Development Corporation Limited** for the year ended 31st March 2013 and as such have no comment to make under Section 619 (4) of the Companies Act, 1956.

For and on behalf of the Comptroller
and Auditor General of India

Place: New Delhi

Date : 26.09.2013

(Atreyee Das)

Pr. Director of Commercial Audit &
Ex-Officio Member, Audit Board-IV