

NuCent Estates Limited



Annual Report
2008-09

BOARD OF DIRECTORS

Mr Ajit Khandelwal
Mr Alok Kumar Jaipuria
Mr Ratan Lal Sureka
Mr Sushil Kumar Mor

AUDITORS

Singhi & Co.,
Chartered Accountants
1B, Old Post Office Street
Kolkata 700 001

REGISTERED OFFICE

A3, Gillander House,
8, Netaji Subhas Road
Kolkata 700 001
Mobile : 9830134381
Fax (033) 22800813,
Email : nucentestates@gmail.com

REGISTRAR & SHARE TRANSFER AGENT

Niche Technologies Private Limited
D-511, Bagree Market,
71, B R B Basu Road,
Kolkata 700 001
Phone : 2234-3576/2235-7270/7271/3070
Fax : 2215-6823
Email nichetechpl@nichetechpl.com

Notice

Notice is hereby given that the Twenty-fifth Annual General Meeting of the company will be held at Rotary Sadan, 94/2, Chowringhee Road, Kolkata 700 020 on Wednesday, 23rd day of September, 2009 at 10.30 a.m. to transact the following business :

AS ORDINARY BUSINESS

1. To receive, consider and adopt the Profit and Loss Account for the year ended March 31, 2009 and the Balance Sheet as on that date and the Reports of the Directors' and Auditor's thereon.
2. To appoint a Director in place of Mr Alok Jaipuria who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors for the period commencing from the conclusion of this annual general meeting till the conclusion of the next annual general meeting and to authorise the Board to fix their remuneration.

Regd. Office :
A-3, Gillander House,
8, Netaji Subhas Road,
Kolkata 700 001
Date : 30th June, 2009

By Order of the Board

R L Sureka
Director

NOTES:

1. **A member entitled to attend and vote may appoint a proxy to attend and on poll to vote in his stead. A proxy need not be a member of the company. Proxies to be effective, should be deposited at the registered office not later than 48 hours before the commencement of the meeting.**
2. The Register of Members and the Share Transfer Register will remain closed from Wednesday, 16th September, 2009 to Wednesday, 23rd September, 2009 (both days inclusive).
3. Members holding their shares in physical form are requested to convert their shares into dematerialised form. The ISIN No. of the company is INE980A01023.
4. Members are requested to inform of any change in their address immediately, mentioning their folio number.
5. Members desirous of obtaining any information/clarification(s) concerning the accounts and operations or intending to raise any query are requested to forward the same at least 10 days before the date of meeting at the registered office, so that the same may be attended to appropriately.
6. Brief resume of the director to be re-appointed is annexed.

Regd. Office :
A-3, Gillander House,
8, Netaji Subhas Road,
Kolkata 700 001
Date : 30th June, 2009

By Order of the Board

R L Sureka
Director

Directors' Report

Your Directors present their Twenty-fifth Annual Report together with the audited accounts for the year ended 31st March, 2009.

Financial Year

The financial results are summarized below :

	(Rs. In lacs)	
	Current Year	Previous Year
Income from operations and other income	66.90	168.51
Gross Profit	54.79	157.21
Profit before Taxation	54.79	157.21
Provision for Taxation	5.02	17.78
Net Profit	49.77	139.43

Dividend

In order to conserve resources, your Directors have not recommended any dividend.

Performance

As reported last year, the company has already diversified into real estate development after exiting finance and financial services business. The company proposes to promote real estate projects by way of development agreements with landowners. At the same time, the company is also engaged in arranging real estate deals, which will improve profitability. The company continued to recover NPA dues through pursuance of civil and criminal suits filed against the defaulters.

Corporate Governance

Your company has complied with the Corporate Governance code in terms of mandatory recommendations of Securities and Exchange Board of India and in pursuance of Clause 49 of the Listing Agreement. A report on the Corporate Governance and the Auditors' Certificate thereon are annexed to this Report. The company is in the process of identifying suitable persons for the positions of Chief Executive Officer (CEO) and Chief Finance Officer (CFO). The Stock Exchange will be duly intimated when these appointments are made.

Directors' Responsibility Statement

As stipulated in Section 217(2AA) of the Companies Act, 1956, your Directors subscribe to the Directors' Responsibility Statement and confirm as under :

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

Future Prospects

Real estate development is getting a major push as the Indian economy grows at an annual rate of over 6 percent. The growing demand for housing for all income groups, mall space and offices holds good promise for real estate developers. Your company's decision to enter real estate development business will benefit all stakeholders.

Fixed Deposits

The company has not accepted or renewed any deposits during the year. There are unclaimed deposits of Rs. 80,772 lying with a bank in a fixed deposit escrow account as per Reserve Bank letter. However, the company has applied to Reserve Bank of India for release of the deposit money to enable the company to transfer the money in Investors' Education and Protection Fund of the Central Government.

Directors

Mr Alok Jaipuria retires by rotation and being eligible offers himself for re-appointment. The details of the retiring Director are given in the Annual Report elsewhere.

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

Since the company is not engaged in any manufacturing activities, the information under section 217(1)(c) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is not annexed hereto.

The company has not earned or spent any amount in foreign exchange during the year under review.

Listing Requisites

The shares of the company are listed on Calcutta, Mumbai and National Stock Exchanges. Listing fees for the year 2009-2010 have been paid to National Stock Exchange, The Bombay Stock Exchange Ltd, Mumbai and The Calcutta Stock Exchange Association Ltd.

Auditors

M/s Singhi & Co., the retiring Auditors have expressed their desire to seek re-appointment at the ensuing Annual General Meeting.

Particulars of Employees

There are no employees of the category mentioned in Section 217(2A) of the Companies Act, 1956, read with the Companies (Particular of Employees) Rules, 1975 as amended.

Acknowledgement

The Directors thank the shareholders for their continued support.

Regd. Office :

A-3 Gillander House,
8, Netaji Subhas Road,
Kolkata 700 001

Date : 30th June, 2009

By Order of the Board

R L Sureka	Sushil Kumar Mor
Director	Director



Management Discussion and Analysis Report

We submit herewith the management discussion and analysis report on the business of the company.

Industry Structure and developments

The company has fully exited from financial services business. The company is now entering into real estate business in view of stable socio-political and economic conditions coupled with improvement in infrastructure facilities.

The trend in the first quarter of the current year shows improved performance and the company expects to perform well in the current year.

Opportunities and Threats

Opportunities

Your company is positioned to take advantage of :

- i) A buoyant Indian economy : Over the next five years, with a projected GDP growth of 6 percent, India is expected to be among the fastest growing economies.
- ii) Infrastructure Development : The government has planned major investments in infrastructure, which include the development of roads and ports, convention center projects and the modernization of Mumbai, Delhi and other airports. This is likely to further boost the real estate sector.

Threats

Demands for Real Estate especially residential real estate is sensitive to interest rate movement. Interest rates have been rising in the recent past due to Reserve Bank of India's credit tightening policy. This can adversely affect the company's business plan. Further, recent curb by Reserve Bank of India and the Government of India to reduce credit flow to the retail sector may also affect the company's plans.

Risks and Concerns

In the course of its business, the company is exposed to wide variety of risks.

Real estate business in India is being highly regulated by the Government at various levels, several regulatory approvals, permits, licences, etc. are required to be obtained from the Government from time to time for the implementation of any project. Any delay in obtaining such approvals can affect the timely execution of the project.

Risk mitigation

While there remain a number of risks in our business, due to our operations in the low risk area of development of residential projects, we believe that the company will continue to generate healthy shareholders returns in the future. As such, the future outlook of the company remains positive.

Internal control system and their adequacy

Your company maintains adequate internal control systems commensurate with the Company's size and business, which provide, among other things, reasonable assurance of recording the transactions of its operations in all material aspects and of providing protection against misuse or loss of Company's assets. The systems and processes are continually reviewed for its effectiveness and augmented by documented policies and procedures.

Material developments in Human Resources

Human resource functions and initiatives of your Company to attract, train, retain and motivate employees are driven by a strong set of values and policies. Your Company has taken all adequate and necessary steps from time to time to maintain a competitive, healthy and harmonious work environment at all levels.

DECLARATION

I, Ratan Lal Sureka, Director, NuCent Estates Ltd, to the best of my knowledge and belief, hereby declare that all board members and staff members have affirmed compliance with the company's code of conduct for the year ended 31st March, 2009.

Kolkata
30th June, 2009

Ratan Lal Sureka
Director

Report on Corporate Governance

I. A BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company always strives to achieve optimum performance at all levels by adhering to corporate governance practices, such as :

- Fair and transparent business practices.
- Effective management control by Board.
- Adequate representation of promoter, executive and independent directors on the Board.
- Accountability for performance.
- Monitoring of executive performance by the Board.

- Compliance of laws.
- Transparent and timely disclosure of financial and management information.

II. BOARD OF DIRECTORS

The Board of Directors of NuCent Estates Ltd comprises of four non-executive and all independent directors.

During the financial year 2008-2009, five meetings of the board were held. These meetings were held on 11th April, 2008, 30th June, 2008, 31st July, 2008, 24th October, 2008 and 21st January, 2009. The time gap between two meetings was less than four months.

Details and other particulars of Directors are given below :

Name	Designation	Category	Equity Shareholding in the Company
Mr Ratan Lal Sureka	Director	Non-Executive Independent Director	Nil
Mr Ajit Khandelwal	Director	Non-Executive Independent Director	Nil
Mr Sushil Kumar Mor	Director	Non-Executive Independent Director	Nil
Mr Alok Jaipuria	Director	Non-Executive Independent Director	Nil

Details of Directors' attendance and other particulars are given below :

Director	No. of Board Meetings held	No. of Board Meetings attended	Last AGM Attendance (Yes/No)	No. of memberships in Boards of other Public Companies	No. of Committee memberships in other Public Companies@*
Mr Navin Suchanti**	5	3	No	8	2
Mr Ratan Lal Sureka***	5	3	Yes	4	Nil
Mr Ajit Khandelwal	5	5	Yes	6	2
Mr Sushil Kumar Mor***	5	3	Yes	Nil	Nil
Mr Alok Jaipuria	5	5	No	Nil	Nil

* Chairmanship/Membership Audit Committee and Investor Grievance Committee in Public Companies

** Resigned w.e.f. 31.07.2008

*** Appointed w.e.f. 31.07.2008

DETAILS OF DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT

Brief resume of the director being re-appointed, nature of his expertise in specific functional areas and names of companies in which he holds directorships and shareholding are furnished hereunder :

Particulars	Mr Alok Jaipuria
Date of Birth	15.08.1952
Date of appointment	26.10.2006
Qualification	B. Com (Hons.)
Expertise in specific functional area	More than 30 years experience in business and administration
Directorships held in Other Public Companies (excluding foreign companies and section 25 Companies)	NIL
Membership/Chairmanship of Committee of other Public Companies (includes only Audit Committee and shareholders/ Investors Grievance Committee)	NIL
No. of shares held in the Company	NIL