

# NEPTUNE EXPORTS LIMITED

## **DIRECTORS**

V. N. AGARWAL  
K. K. GANERIWALA  
A. K. GHOSH  
R. K. AGARWAL

## **AUDITORS**

MESSRS, L. B. JHA & CO., CALCUTTA  
8, NETAJI SUBHAS ROAD  
KOLKATA-700 001

## **BANKERS**

UNITED BANK OF INDIA  
UCO BANK

## **SOLICITORS & ADVOCATES**

MESSRS, KHAITAN & COMPANY  
1-B, OLD POST OFFICE STREET  
KOLKATA-700 001

## **REGISTERED OFFICE**

TRINITY PLAZA, 3rd FLOOR  
84/1A, TOPSIA ROAD (SOUTH)  
KOLKATA-700 046

# NEPTUNE EXPORTS LIMITED

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## DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting their Annual Report together with the Audited Accounts of the Company for the Financial year ended 31st March, 2014.

## FINANCIAL RESULTS

	<u>2013-2014</u>	<u>2012-2013</u>
	₹	₹
<b>Total Revenue</b>	<b>20,868,717</b>	<b>10,846,379</b>
Profit before Depreciation	13,742,887	7,905,077
Less: Depreciation	1,842,568	1,807,636
<b>Net Profit before Taxation</b>	<b>11,900,319</b>	<b>6,097,441</b>
Less : Provision for Taxation	2,244,000	1,140,000
<b>Net Profit after Taxation</b>	<b>9,656,319</b>	<b>4,957,441</b>
Add: Balance Brought forward	136,338,442	131,381,001
<b>Balance carried forward to Balance Sheet</b>	<b>145,994,761</b>	<b>136,338,442</b>

## COMPANY PERFORMANCE

In the light of challenging business conditions, the working results of your Company during financial year ended on 31st March, 2014 was satisfactory.

### DIVIDEND

The Directors have considered to plough back the profit in business for better financial strength and as such they have not recommended any dividend for the year under review.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated in clause 49 of the Listing Agreement with the Stock Exchanges is appended below:

### A. BUSINESS

The Company is engaged in Investment, Finance and Allied Services. Arrangements are in hand to diversify its line of business for the future growth and prosperity.

### B. REVIEW OF OPERATIONS & FUTURE PROSPECTS

Your Directors sincerely feel that operations of your Company in the business of Investment, Finance and Other Services will start showing signs of improvement. Steps are in hand to achieve improvements in its business.

### C. OPPORTUNITIES AND THREATS, RISKS AND CONCERNS

Your Company's objective is to effect Continuous improvement in its business. However, the main causes of concern for your company in the years to come are:

- i) Reduction in the industrial growth rate.
- ii) Uncertain Government policy in use.

**D. INTERNAL CONTROL SYSTEM**

The Company has Internal control procedures commensurate with the nature of its business and size of its operations. The objectives of these procedures are to ensure efficient use and protection of Company's resources, accuracy in financial reports and due compliance of applicable statutes and Company's norms, policies and procedures.

The Internal Audit Report, the progress in implementation of recommendations contained in such reports and the adequacy of Internal Control Systems are reviewed by the Audit Committee of the Board in its periodical meetings.

**E. HUMAN RESOURCES**

At all levels, employees of the Company are fully committed to the growth of the Company and there was no loss of work due to any uncordial relation with them during the year.

**CORPORATE GOVERNANCE**

The Principles of Good Corporate Governance through professionalism, accountability, transparency, trusteeship and control have always been followed by your Company and it has complied with all the applicable provisions of Corporate Governance as per clause 49 of the Listing Agreements with the Stock Exchanges.

A separate Report on Corporate Governance as prescribed by the Listing Agreements forms part of the Annual Report 2013-14 along with the Auditor's Certificate on its Compliance in Annexure "A".

**DIRECTORS**

Mr. R. K. Agarwal, Director, retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement of Section 217(2AA) of the Companies Act, 1956 the Directors state as follows:-

- i) That in the preparation of the Annual Accounts for the Financial year ended 31st March, 2014 the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of your company at the end of the financial year and of the profit or loss of your company for that period;
- iii) That the Directors had taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956. They confirm that there are adequate systems and controls for safeguarding the assets of your company and for preventing and detecting fraud and other irregularities;
- iv) That the Directors had prepared the Annual Accounts for the financial year ended 31st March, 2014 on a "going concern" basis.

**AUDITORS**

M/s L. B. Jha & Co., Calcutta, Chartered Accountants, Auditors of the Company, hold office till the conclusion of this Annual General Meeting. They have expressed their willingness to continue as the Statutory Auditors of the Company, if so reappointed and have furnished to the Company the requisite certificate to the effect that their re-appointment if effected would be within the limits prescribed under section 224(1B) of the Companies Act, 1956. Accordingly, approval of the Shareholders will be sought at the ensuing Annual General Meeting of the Company to the re-appointment of and remuneration payable to M/s L. B. Jha & Co., Calcutta, Chartered Accountants, as Statutory Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting.

## NEPTUNE EXPORTS LIMITED

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### COMMENTS ON AUDITORS OBSERVATIONS

As regards the observations made by the Statutory Auditor's in their Report your directors are of the opinion that :

- i) Necessary adjustments in respect of recovery of Cash in hand of ₹ 46,174 shall be made in the accounts on the outcome of litigation.
- ii) No provision are required to be made in respect of Advances amounting of ₹ 389,179 and Security Deposit of ₹12,000 as the same are considered to be good and hence recoverable.

### PUBLIC DEPOSIT

The provisions of Section 58A of the Companies Act, 1956 and the rules framed thereunder in respect of acceptance of deposits are not applicable to your Company.

### PARTICULARS OF EMPLOYEES

Disclosures in terms of sub-section (2A) of section 217 of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 are not applicable to your Company.

### INFORMATION AS TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The provisions of 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 in respect of Conservation of Energy, Technology Absorption & Foreign Exchange Earnings and Outgo are not applicable during the year under review.

### CODE OF CONDUCT

Your Company has formulated Code of Conduct which applies to Board Members and Senior Management Personnel of the Company. Confirmations towards adherence to the Code during the Financial year 2013-14 have been obtained from all the Board members and Senior Management Personnel in terms of the requirements of Clause 49 of the Listing Agreement and a declaration relating to compliance of this Code during the year under review by all Board members and Senior Management Personnel has been given by the Director of the Company which accompanies this report.

### ACKNOWLEDGEMENT

Your Directors would like to thank shareholders, bankers and all other business associates for the continuous support given by them to the Company and their confidence in its management.

**For and on behalf of the Board**

**Place : Kolkata**  
**Date : 29th May, 2014**

**V. N. Agarwal**  
**K. K. Ganeriwala**  
**Directors**

## ANNEXURE – ‘A’

**REPORT ON CORPORATE GOVERNANCE**

The Directors present the Company's Report on Corporate Governance:-

**1) COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Corporate Governance is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to values. Good Governance practices stem from culture and mind set of the organization. As stakeholders across the country evidence keen interest in the practices and performance of Companies, Corporate Governance has emerged on the centre stage.

The Company has always believed in conducting its affairs in a fair and transparent manner and in maintaining the highest ethical standards in its dealings with all its constituents. It aims to constantly review its systems and procedures at all levels to achieve the highest level of Corporate Governance in the overall interest of all the Shareholders.

In terms of Clause 49 of the Listing Agreements with the Stock Exchanges, the details of compliances made by the Company for the year ended 31st March, 2014 are as follows:

**2) BOARD OF DIRECTORS**

The Board of Directors is the apex body constituted by the shareholders for overseeing the overall functioning of the Company. The Board provides and evaluates the strategic direction of the Company, management policies and their effectiveness and ensures that long term interests of the shareholders are being served.

The Board of Directors of your Company comprises of Non-Executive and Independent Directors. As on 31st March 2014, the Board consists of Four Directors out of which two are Non-Executive Independent Directors. The Directors are persons with experience and expertise in Business, Industry, Finance and Law.

Mr. K. K. Ganeriwala and Mr. A. K. Ghosh are Independent Directors of the Company.

The Composition of the Board and the category of Directors as on 31.03.2014 are as follows:-

<b>Sl. No.</b>	<b>Category</b>	<b>No. of Directors</b>	<b>% of Total No. of Directors</b>
1.	Non-Executive Director & Promoter	1	25.00
2.	Non-Executive & Independent Director	2	50.00
3.	Non-Executive Director	1	25.00
	<b>TOTAL</b>	<b>4</b>	<b>100.00</b>

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The further details relating to Composition of the Board as on 31.03.2014 are as follows:-

Sl. No.	Name of the Board Members	Category	No. of other Directorships (including all Indian & Foreign Companies)	No. of other Board Committees of which he is a Member	No. of other Board Committees of which he is a Chairperson
1.	Mr. V. N. Agarwal	Non - Executive Director & Promoter	14	5	2
2.	Mr. K. K. Ganeriwala	Non - Executive & Independent Director	21	9	5
3.	Mr. A. K. Ghosh	Non - Executive & Independent Director	5	5	4
4.	Mr. R. K. Agarwal	Non - Executive Director	4	—	—

### 3) DETAILS OF BOARD MEETINGS AND ANNUAL GENERAL MEETING HELD AND ATTENDED BY THE DIRECTORS AND REMUNERATION PAID TO THEM DURING THE FINANCIAL YEAR 2013-2014

(i) During the Financial Year 2013-14 Four Board Meetings were held on:-

9th May, 2013, 7th August, 2013, 6th November, 2013 and 5th February, 2014.

(ii) Details of Attendance record of the Directors at the Board Meetings and the last Annual General Meeting are as follows:

Name of the Board Members	No. of Board Meetings Attended	Attendance at the last AGM held on 26th July, 2013
Mr. V. N. Agarwal	4	Yes
Mr. K. K. Ganeriwala	4	Yes
Mr. A. K. Ghosh	4	Yes
Mr. R. K. Agarwal	4	Yes

#### (iii) REMUNERATION PAID TO DIRECTORS

Details of remuneration paid/payable to Directors are as under:-

- ▶ No Commission is payable to any Director.
- ▶ Apart from sitting fees no other remuneration is paid/payable to the Non-Executive Directors.
- ▶ Sitting fees paid/payable to Non-Executive Directors during the Financial year ended 31.03.2014 are as follows:-

Name of the Director	Sitting Fees paid
Mr. V. N. Agarwal	Rs. 4000/-
Mr. K. K. Ganeriwala	Rs. 4000/-
Mr. A. K. Ghosh	Rs. 4000/-
Mr. R. K. Agarwal	Rs. 4000/-

**4) BOARD MEETINGS**

- i) The Company's Governance policy requires the Board to meet at least four times in a year with a time gap between any two Board Meetings not exceeding four months.
- ii) In terms of Company's Corporate Governance Policy, all statutory, significant and material information are placed before the Board to enable it to discharge its responsibility.
- iii) The Internal Guidelines for Board Meetings facilitate the decision making process at the Meeting of the Board in an informed and efficient manner.

**5) BOARD AGENDA**

Meetings are governed by structured Agenda. The Board Members in consultation with the Chairman may bring up any matter for the consideration of the Board.

**6) INFORMATION PLACED BEFORE THE BOARD**

Apart from the items that are required to be placed before the Board for its approval, both under the statutes and the Governance policy, the following are also tabled for the Board's periodic review and information.

- i) Quality performance against plan
- ii) Treasury Policy
- iii) Internal Audit Findings
- iv) Status of business risk exposure and its managements
- v) Write offs/disposals
- vi) Significant Court judgement and order
- vii) Terms of reference of Board Committees

**7) BOARD PROCEDURE**

- (i) The Members of the Board have been provided with the requisite information as required by Annexure 1A to Clause 49 of the Listing Agreements well before the Board Meetings and the same were dealt with appropriately.
- (ii) All directors who are in various committees are within the permissible limits as stipulated in Clause 49 (IC) of the Listing Agreements. The Directors have intimated from time to time about their Memberships/Chairmanships in various Committees in other Companies.

**8) POST-MEETING FOLLOW UP SYSTEM**

The Governance process in the Company includes an effective post-meeting follow up, review and reporting process for action taken/pending on decision of the Board/Board Committees.

**9) COMMITTEES OF THE BOARD**

Currently there are two Board Committees– the Audit Committee and Investors Grievance Committee. The Terms of reference of the Board Committees are determined by the Board from time to time. Meetings of each Board Committee are convened by the respective Committee Chairman. Signed minutes of Board Committee meetings are placed at the Board Meetings for the information of the Board.

**i) AUDIT COMMITTEE**

Audit Committee of the Board, inter alias provides re-assurance to the Board on the existence of an effective internal control environment that ensures:-

- (a) Overseeing the Company's financial reporting process and the disclosures of its financial information to ensure that the financial statements are correct, sufficient and creditable.

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- (b) Compliance with Stock Exchange formalities and legal requirements concerning financial statements.
- (c) Recommending to the Board the appointment/re-appointment of Auditors, fixation of their Audit Fees and approving payments made for any other services rendered by them.
- (d) Reviewing with the Management the Quarterly and the Annual Financial Statements before submission to the Board for approval.
- (e) Reviewing with the Management the performance of the Statutory Auditors and the adequacy of internal control function.
- (f) Reviewing the internal audit function and the progress in the implementation of recommendations contained in the Internal Audit Report.
- (g) Efficiency and effectiveness of operations.
- (h) Safeguarding of the assets and adequacy of provision for all liabilities.
- (i) Reliability of financial and other management information and adequacy of disclosures.
- (j) Compliance with all relevant statutes.
- (k) Discussion with the Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussions to ascertain any area of concern.
- (l) Reviewing of the Statement of Related Party transactions as submitted by the Management.

The Composition of the Audit Committee and the Attendance of the Members at the Audit Committee Meetings during the financial year ended 31st March, 2014 are furnished below:-

Name of the Director	No. of meetings attended	Chairman/Member	Category
Mr. K. K. Ganeriwala	4	Chairman	Non-Executive & Independent
Mr. V. N. Agarwal	4	Member	Non-Executive & Promoter
Mr. A. K. Ghosh	4	Member	Non-Executive & Independent

### ii) INVESTORS GRIEVANCE COMMITTEE

The Investors' Grievance Committee of the Board oversees redressal of shareholders and investor grievances and approves sub-division/transmission or transfer of shares, issue of duplicate share certificate etc.

Investors' Grievance Committee consists of Mr. A. K. Ghosh, Mr. V. N. Agarwal and Mr. K. K. Ganeriwala of which Mr. A. K. Ghosh is the Chairman.

Mr. A. K. Ghosh has been designated as the Compliance Officer of the Company.

During the year ended 31st March 2014, no complaints/queries were received and no complaint/query was pending to be resolved as on 31st March, 2014. There were no transfer of shares pending for registration as on 31st March 2014 and all transfers had been effected within a period of 15 days from the date of their lodgement.



**10) GENERAL MEETINGS**

i) Details of Annual General Meeting held in the last three years are as under:

Financial Year	Location	Date	Time
2012 - 2013	Registered Office at : Trinity Plaza, 3rd Floor, 84/1A, Topsia Road (South), Kolkata-700046	26th July, 2013	1 p.m.
2011 - 2012	Registered Office at : Trinity Plaza, 3rd Floor, 84/1A, Topsia Road (South), Kolkata-700046	31st August, 2012	1 p.m.
2010 - 2011	Registered Office at : Trinity Plaza, 3rd Floor, 84/1A, Topsia Road (South), Kolkata-700046	16th September, 2011	1 p.m.

ii) Whether Special Resolutions were put through Postal Ballot last year : No

iii) Are Special Resolutions proposed to be put through Postal Ballot this year : No

iv) Procedure to be followed for Postal Ballot (if applicable) : In accordance with the provisions of Section 192A of the Companies Act, 1956 read with the Rules made thereunder, and guidelines issued by the Institute of Company Secretaries of India.

**11) DISCLOSURES**

- i) There are no materially significant transactions with the Related Parties viz. Promoters, Directors or the Management, their Subsidiaries or Relatives etc. that may have potential conflict with the interests of the Company at large.
- ii) No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any Statutory Authority on any matter related to the capital markets, during the last three years.
- iii) Your Company has a well laid out Code of Conduct and Business Ethics for the Board of Directors and Senior Management Personnel. It is one of the best means for increasing the transparency in the working of the Companies. The Members of the Board and the Senior Management Personnel of the Company adhere to this principle and compliance with the same is affirmed by each of them annually.
- iv) The Company is in compliance with the requirements of the Corporate Governance, which reflects in this report. The Company can assure to adopt the residual non-mandatory requirements, not covered under this report in the coming years. The details of compliance status as on 31.03.2014 are given herein under:

Particulars	Clause of Listing Agreement	Compliance Status (Yes/No)	Remarks
<b>I. Board of Directors</b>	Clause 49 (I)		
(A) Composition of Board	Clause 49 (IA)	Yes	
(B) Non-Executive Directors' Compensation & Disclosures	Clause 49 (IB)	N.A.	
(C) Other provisions as to Board and Committees	Clause 49 (IC)	Yes	

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(D) Code of Conduct	Clause 49 (ID)	Yes	Declaration as necessary has been made in the Directors Report.
<b>II. Audit Committee</b>	Clause 49 (II)		
(A) Qualified & Independent Audit Committee	Clause 49 (IIA)	Yes	
(B) Meeting of Audit Committee	Clause 49 (IIB)	Yes	
(C) Powers of Audit Committee	Clause 49 (IIC)	Yes	
(D) Role of Audit Committee	Clause 49 (IID)	Yes	
(E) Review of Information by Audit Committee	Clause 49 (IIE)	Yes	
<b>III. Subsidiary Companies</b>	Clause 49 (III)	N.A.	The Company does not have any Subsidiary Company.
<b>IV. Disclosures</b>	Clause 49 (IV)		
(A) Basis of related party transactions	Clause 49 (IVA)	Yes	
(B) Disclosure of Accounting Treatment	Clause 49 (IVB)	Yes	Not required as there is no deviation from Accounting Standard.
(C) Board Disclosures	Clause 49 (IVC)	Yes	
(D) Proceeds from Public Issues, Rights Issues, Preferential Issues etc.	Clause 49 (IVD)	N.A.	The Company has not made any such issues in the recent past.
(E) Remuneration of Directors	Clause 49 (IVE)	Yes	Disclosures as necessary have been made in the Corporate Governance Report forming part of Annual Report.
(F) Management	Clause 49 (IVF)	Yes	Management Discussion and Analysis Report forms part of respective year's Directors' Report.
(G) Shareholders	Clause 49 (IVG)	Yes	
<b>V. CEO/CFO Certification</b>	Clause 49 (V)	Yes	The Certificate as required has been provided to the Board for the year ended 31st March, 2014.
<b>VI. Report on Corporate Governance</b>	Clause 49 (VI)	Yes	Report on Corporate Governance forms part of the Annual Report.
<b>VII. Compliance</b>	Clause 49 (VII)	Yes	Certificate regarding compliance of conditions of Corporate Governance forms part of the Annual Report.

### 12) MEANS OF COMMUNICATIONS

- (i) **Quarterly Results** :- Quarterly Results were announced within a period of 45 days from the end of the relevant Quarter (except the last quarter) and were published in The Financial Express (English) and The Dainik Statesman (Bengali) Newspapers. In place of the results for the last quarter, the Company opted to submit the Audited Financial results for the entire financial year.
- (ii) **Annual Reports** :- Annual Reports containing, inter alia, Audited Annual Accounts, Directors' Report, Auditors' Report and other important information are circulated to members and others entitled thereto. The Management Discussion and Analysis Report forms part of the Annual Report.
- (iii) **Website** :- The Quarterly Results are not displayed on the Website of the Company.
- (iv) **Official News Releases** :- Official News Releases, if any, are not displayed on the Website of the Company.

- (v) **Displays, Presentations etc:** - Displays, presentations etc are not made to Institutional Investors/Analysts and hence not displayed on the Company's Website.

**13) GENERAL SHAREHOLDERS' INFORMATION**

**(i) Company Registration Details:**

The Company is registered in the State of West Bengal. The Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs is **L51909WB1982PLC034494**.

**(ii) Annual General Meeting to be held – Day, Date, Time and Venue:**

Sl. No.	Particulars	Remarks
A.	Day	Saturday
B.	Date	27th September, 2014
C.	Time	1.00 p.m.
D.	Venue	Registered Office at : "Trinity Plaza", 3rd Floor, 84/1A, Topsia Road (South) Kolkata-700 046.

**(iii) Calendar for Financial Results for the Financial Year 2014-2015:**

Sl. No.	Particulars	Remarks
A.	1st Quarter ending 30th June, 2014	Before 14th August, 2014
B.	2nd Quarter and Half-year ending 30th September, 2014	Before 14th November, 2014
C.	3rd Quarter ending 31st December, 2014	Before 14th February, 2015
D.	4th Quarter and Annual Results for the year ending 31st March, 2015	Before 30th May, 2015

- (iv) Dates of Book Closure** : 25th September, 2014 to 27th September, 2014  
(Both days inclusive for the purpose of AGM)
- (v) Dividend payment date** : Not applicable since no dividend has been recommended for the year ended 31st March, 2014.
- (vi) Name of the Stock Exchanges at which Equity Shares are listed and Scrip Code assigned to the Company's shares at the respective Stock Exchanges:**

The Equity Shares of the Company are listed at the following Stock Exchanges:

- The Calcutta Stock Exchange Limited (CSE)  
7, Lyons Range, Kolkata – 700 001  
Scrip Code: 024078
- The Bombay Stock Exchange Limited (BSE)  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai – 400 001  
Scrip Code: 512522

The listing fees are being paid to both the Stock Exchanges for the Financial Year 2014-2015.

**(vii) Market Price Data:**

There was no trading of the shares of the Company at the BSE and CSE during the year ended 31st March, 2014.

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### (viii) Registrars and Share Transfer Agents:

M/s Link Intime India Private Limited is the Registrar and Share Transfer Agents (RTA) of the Company.

Shareholders may address all their correspondences/queries relating to transfer/transmission of physical securities, change of address, or any other query relating to the Shares of the Company to them at the below mentioned Address:-

#### LINK INTIME INDIA PVT. LTD.

“Fort Burlow”, 3rd Floor,  
59C, Chowringhee Road, Room No. 5,  
Kolkata – 700020  
Tel : (033) 22890540  
Fax No: (033) 22890539  
E-mail ID : kolkata@linkintime.co.in  
Contact Person: Mr. S. Biswas

### (ix) Share Transfer System:

All work relating to transfer of Physical Shares are processed by the Company's RTA at their above mentioned Address.

The same are registered and returned within a period of 15 days from the date of receipt if the documents are clear in all respects.

In terms of the requirement of Clause 47(c) of the Listing Agreements with Stock Exchanges, the Company obtains half yearly Certificates from a Company Secretary in practice for due compliance of share transfer formalities.

### (x) Distribution Schedule:

The Distribution Pattern of the Equity Shares of the Company as on 31st March, 2014 is given below:

Sl. No.	No. of Equity Shares held	No. of Holders	% of total holders	No. of Shares	% of Shareholding
1.	1 – 1000	1	4.55	1,000	0.03
2.	1001 – above	21	95.45	2,999,000	99.97
	<b>Total</b>	<b>22</b>	<b>100.00</b>	<b>3,000,000</b>	<b>100.00</b>

### (xi) Shareholding Pattern as on 31st March, 2014:

Sl. No.	Category	No. of Equity Shares held	% of Shareholding
A.	<b>Promoters' holding :</b>		
	<b>1. Promoters</b>		
	– Indian Promoters	2,249,000	74.97
	– Foreign Promoters	—	—
A.	<b>2. Persons acting in concert</b>	—	—
	<b>Sub-Total</b>	<b>2,249,000</b>	<b>74.97</b>
B.	<b>Non-Promoters' holding :</b>		
	<b>3. Institutional Investors</b>	—	—

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	<b>4. Others :</b>		
	– Private Corporate Bodies	345,000	11.50
	– Indian Public	406,000	13.53
	<b>Sub-Total</b>	<b>751,000</b>	<b>25.03</b>
	<b>GRAND TOTAL</b>	<b>3,000,000</b>	<b>100.00</b>

**(xii) Dematerialization of Equity Shares :**

As on 31st March, 2014, 100% of the Company's total shares representing 30,00,000 equity shares were held in physical form.

**(xiii) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion dates and like impact on Equity:**

NOT APPLICABLE [The Company has not issued any GDRs/ADRs/Warrants or any other Convertible Instruments]

**(xiv) Address for correspondence:**

The investors should address their correspondence to the Company's RTA at their above mentioned address or to the Secretarial Department of the Company at the following address:

**NEPTUNE EXPORTS LIMITED**

"Trinity Plaza", 3rd Floor  
84/1A, Topsia Road (South)  
Kolkata – 700 046.  
Tel : (033) 30216800/6808  
Fax No: (033) 30216863  
E-mail ID : kkg@hul.net.in

The above report has been placed before the Board at its Meeting held on 29.05.2014 and the same was approved.

**For and on behalf of the Board**

**V. N. Agarwal**  
**K. K. Ganeriwala**  
**Directors**

**Place : Kolkata**  
**Date : 29th May, 2014**

**DECLARATION BY THE DIRECTOR ON THE CODE OF CONDUCT**

I hereby confirm that the Company has obtained from all the Members of the Board and the Senior Management Personnel, affirmation that they have complied with the Code of Business Conduct and Ethics for Directors and Senior Management Personnel in respect of the Financial Year 2013-2014.

**For Neptune Exports Limited**

**Place : Kolkata**  
**Date : 29th May, 2014**

**V. N. Agarwal**  
**Director**

## NEPTUNE EXPORTS LIMITED

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### CEO/CFO CERTIFICATION

I, V. N. Agarwal, Director certify that:-

- a) I have reviewed the Financial Statements and Cash Flow Statement for the Financial Year ended 31st March, 2014 and to the best of my knowledge and belief.
  - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - ii) These statements together present a true and fair view of company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) To the best of my knowledge and belief, no transactions entered into by the company during the year ended 31st March, 2014 are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) I accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting.
- d)
  - i) There has not been any significant change in internal control over financial reporting during the year under reference.
  - ii) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements and,
  - iii) I am not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the company's internal control system over financial reporting.

**Place : Kolkata**  
**Date : 29th May, 2014**

**V. N. Agarwal**  
**Director**

**AUDITORS' CERTIFICATE**

**CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT(S)**

To

The Members of Neptune Exports Limited

I have examined the compliance of conditions of Corporate Governance by Neptune Exports Limited, for the year ended 31st March, 2014 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

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

In my opinion and to the best of my information and according to the explanations given to me, and the representation made by the Directors and the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreements.

I state that no investor grievances is pending for a period exceeding one month as on 31st March, 2014 as per records maintained by the Shareholders/Investors' Grievance Committee.

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

**For L. B. JHA & CO., CALCUTTA  
Chartered Accountants  
(Registration No. 301086E)**

**Place : Kolkata  
Date : 29th May, 2014**

**Amitava Sarkar  
Proprietor  
Membership No. 050290**

# NEPTUNE EXPORTS LIMITED

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## AUDITORS' REPORT

To the Members

1. I have audited the accompanying financial statements of **NEPTUNE EXPORTS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 ("the Act"), which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September 2013 of Ministry of Corporate Affairs. 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.

2. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
3. 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.
4. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.
5. In my opinion and to the best of my information and according to the explanations given to me, 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, 2014;
  - b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date ;
  - c) in the case of the Cash Flow Statement, of the cash flow for the year ended on that date.

Subject to the following observations :

- (a) The Company has filed suit against one of its Ex-Director for recovery of sums, which include cash in hand of Rs. 46,173.87.
- (b) No provision has been made in the accounts in respect of advances amounting to ₹ 389,179.00 and Security Deposit of ₹ 12,000.00, which in my opinion are doubtful of recovery.

The cumulative effect of (a) & (b) may adversely effect the profit for the year as well as year end net assets to the extent of ₹ 447,352.87.



## NEPTUNE EXPORTS LIMITED

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6. 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, I give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
7. As required by section 227(3) of the Act, we report that:
- a) I 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 my 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 my opinion, the Balance Sheet and Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards notified under the Act, which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September 2013 of Ministry of Corporate Affairs.
  - e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, 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 L.B. JHA & CO., CALCUTTA**  
**Chartered Accountants**  
**FRN 301086E**

**Place : Kolkata**  
**Date : 29th May, 2014**

**Amitava Sarkar**  
**Proprietor**  
**Membership No.: 050290**

## NEPTUNE EXPORTS LIMITED

### ANNEXURE TO THE AUDITORS' REPORT

#### The Annexure referred to in paragraph 7 of our report of even date to the shareholders of NEPTUNE EXPORTS LIMITED on the accounts of the company for the year ended March 31, 2014

On the basis of such checks as I considered appropriate and according to the information and explanation given to me during the course of the audit, I report that

1. a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets. The fixed assets have been physically verified by the management at reasonable intervals. Material discrepancy was not noticed on such verification. In my opinion the frequency of verification is reasonable.  
b) None of the fixed assets have not been revalued during the year.  
c) The company has not disposed off substantial part of its fixed assets.
2. The company did not have any inventory during the year under review.
3. The company has neither granted nor taken any loan secured or unsecured to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Consequently the provisions of sub-clauses b, c, d, f, g of the order are not applicable to the company.
4. The internal control procedure for the purchase of Fixed Assets and Income earned is adequate and commensurate with the size of the company and nature of its business. I have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control procedure.
5. a) There are no transactions that need to be entered in the register maintained under section 301 of the Companies Act, 1956.  
b) There is no transaction made in pursuance of a contract or arrangement entered in the register in pursuance of Section 301 of the Companies Act, 1956.
6. The Company has not accepted deposits from the public as per provisions of Section 58A and 58AA of the Companies Act, 1956.
7. The Company has an internal audit system commensurate with its size and nature of its business.
8. I have been informed that maintenance of cost records has not been prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956 in respect of the company's activities.
9. a) The Company is regular in depositing the undisputed statutory dues. There are no undisputed amounts payable in respect of Statutory Dues in arrears on 31.03.2014 for a period of more than six months from the date they became payable.  
b) The Company has not deposited following dues on account of dispute with appropriate authority:-

Name of Statute	Nature of Dues	Amount ₹	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	927,052/-	2001-02	ITAT
		1,736,488/-	2002-03	ITAT
		307,736/-	2006-07	CIT (A)

## NEPTUNE EXPORTS LIMITED

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10. The Company has no accumulated losses as on 31st March, 2014 and it has not incurred cash loss during the financial year under review and also in the immediately preceding financial year.
11. The Company has not defaulted in repayment of dues to a financial institution or bank or debenture holders.
12. The Company has not granted any loan or advances on the basis of security by way of pledge of any of shares, debentures and other security.
13. The provisions of any special statute applicable to chit fund/mutual benefit fund/societies are not applicable to the company.
14. In my opinion the company is not a dealer or trader in share, securities, debenture and other securities.
15. The Company has not given any guarantee for loans taken by others from banks or financial institution.
16. The Company has not obtained any term loan.
17. The Company has not raised any short term funds.
18. The Company has not made any allotment of shares during the year.
19. The Company has not issued any debenture during the year.
20. The Company has not raised any money by public issues during the year.
21. I have neither come across any instance of material fraud on or by the company, noticed or reported during the year nor have I been informed of such case by the management.

**For L.B. JHA & CO., CALCUTTA**  
**Chartered Accountants**  
**FRN 301086E**

**Place : Kolkata**  
**Date : 29th May, 2014**

**Amitava Sarkar**  
**Proprietor**  
**Membership No.: 050290**

# NEPTUNE EXPORTS LIMITED

## BALANCE SHEET AS AT 31 MARCH 2014

	Notes	As at 31st March 2014 ₹	As at 31st March 2013 ₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholder's Funds</b>			
(a) Share Capital	3	30,000,000	30,000,000
(b) Reserves and Surplus	4	216,034,319	206,378,000
		<u>246,034,319</u>	<u>236,378,000</u>
<b>Current Liabilities</b>			
(c) Current Liabilities	5	2,540,501	30,470
(d) Short-term Provisions	6	16,798,000	14,554,000
		<u>19,338,501</u>	<u>14,584,470</u>
<b>Total</b>		<b><u>265,372,820</u></b>	<b><u>250,962,470</u></b>
<b>II. ASSETS</b>			
<b>Non-current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	7	30,961,482	32,804,050
(b) Non-current Investments	8	109,502,847	177,882,774
(c) Long term Loans and advances	9	441,391	441,391
		<u>140,905,719</u>	<u>211,128,215</u>
<b>Current Assets</b>			
(a) Short Term Loans & Advances	10	112,468,570	38,751,295
(b) Cash and Bank Balances	11	11,998,530	1,057,070
(c) Trade Receivable	12	—	25,890
		<u>124,467,100</u>	<u>39,834,255</u>
<b>Total</b>		<b><u>265,372,820</u></b>	<b><u>250,962,470</u></b>

Notes to Financial Statements

1-18

For L. B. JHA & CO., CALCUTTA  
Chartered Accountants  
FRN : 301086E

Amitava Sarkar  
Proprietor  
Membership No. 050290

For and on behalf of the Board

V. N. Agarwal  
K. K. Ganeriwala  
Directors

Place : Kolkata  
Date : 29th May, 2014

**NEPTUNE EXPORTS LIMITED**

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2014**

	Notes	Year ended 31st March 2014 ₹	Year ended 31st March 2013 ₹
I. Revenue from Operations	13	16,694,743	10,468,955
II. Other Income	14	4,173,974	377,424
<b>III. Total Revenue (I + II)</b>		<b>20,868,717</b>	<b>10,846,379</b>
<b>IV. Expenses:</b>			
Loss on Sale of Investments		388,455	645,036
Employee Benefit Expenses	15	1,281,135	851,026
Depreciation Expenses	16	1,842,568	1,807,636
Other Expenses	17	5,456,240	1,445,240
<b>Total Expenses</b>		<b>8,968,398</b>	<b>4,748,938</b>
<b>V. Profit/(Loss) Before Prior Period adjustments, Exceptional items and Tax (III - IV)</b>		<b>11,900,319</b>	<b>6,097,441</b>
<b>VI. Prior Period Adjustments</b>		—	—
<b>VII. Profit/ (Loss) before Tax (V - VI)</b>		<b>11,900,319</b>	<b>6,097,441</b>
<b>VIII. Tax expense:</b>			
– Current Tax		2,244,000	1,140,000
<b>IX. Profit/(Loss) after Tax (VII - VIII)</b>		<b>9,656,319</b>	<b>4,957,441</b>
<b>X. Earning per equity share</b>		<b>3.22</b>	<b>1.65</b>

Notes to Financial Statements

1–18

**For L. B. JHA & CO., CALCUTTA**  
Chartered Accountants  
FRN : 301086E

Amitava Sarkar  
Proprietor  
Membership No. 050290

For and on behalf of the Board

V. N. Agarwal  
K. K. Ganeriwala  
Directors

Place : Kolkata  
Date : 29th May, 2014

# NEPTUNE EXPORTS LIMITED

## NOTES TO FINANCIAL STATEMENTS

### 1 CORPORATE INFORMATION

The Company mainly deals in Export of manufactured/blended Tea to the middle-east countries. Due to Political uncertainty and economic crisis in those countries, in the recent past, the Company was unable to procure any business. The Company has been trying to develop business in other markets.

### 2 SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 ACCOUNTING CONCEPTS

The accounts of the company are prepared under the historical cost convention under accrual method of accounting unless stated otherwise hereinafter. Accounting Policies not specifically referred to, are in consistence with generally accepted accounting principles.

#### 2.2 FIXED ASSETS

- (i) Fixed Assets are stated at cost less depreciation. The cost of fixed assets include installation and other incidental expenses.
- (ii) Depreciation is provided on W.D.V. method at the rates prescribed in Schedule XIV of the Companies Act, 1956.

#### 2.3 INVESTMENTS

These are recorded at cost inclusive of transfer expenses. When any investment is acquired without any cost (such as bonus) the same is valued at nil.

#### 2.4 REVENUE RECOGNITION

Revenue from the Sale of goods are recognised on passing of title to the customers.

#### 2.5 RETIREMENT BENEFITS

There are accounted for on cash basis except gratuity which has been provided based on year end liability.

<b>3. SHARE CAPITAL</b>	<b>As at 31st March 2014 ₹</b>	<b>As at 31st March 2013 ₹</b>
<b>Authorised Shares :</b>		
3,000,000 Equity Shares of Rs. 10/- each	30,000,000	30,000,000
	<u>30,000,000</u>	<u>30,000,000</u>
<b>Issued, Subscribed &amp; Fully Paid up Shares :</b>		
3,000,000 Equity Shares of Rs. 10/- each fully paid up	30,000,000	30,000,000
<b>Total</b>	<u>30,000,000</u>	<u>30,000,000</u>

## NEPTUNE EXPORTS LIMITED

### 3.1 Reconciliation of shares outstanding at the beginning & at the end of the reporting period

Equity Shares	Nos.	As at 31st March 2014 ₹	Nos.	As at 31st March 2013 ₹
At the beginning of the period	3,000,000	30,000,000	3,000,000	30,000,000
Issued during the period	NIL	NIL	NIL	NIL
Outstanding at the end of the period	<u>3,000,000</u>	<u>30,000,000</u>	<u>3,000,000</u>	<u>30,000,000</u>

### 3.2 Aggregate number of Bonus share issued & share issued for consideration other than Cash

Particulars	Nos.	As at 31st March 2014 ₹	Nos.	As at 31st March 2013 ₹
<b>Equity share allotted as fully paid bonus share by capitalisation of reserve</b>	NIL	NIL	NIL	NIL
At the beginning of the year	NIL	NIL	NIL	NIL
Issued during the year	NIL	NIL	NIL	NIL
Outstanding at the end of the year	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

### 3.3 Equity share allotted as fully paid up pursuant to contracts for consideration other than Cash

At the beginning of the year	—	—	—	—
Issued during the year	—	—	—	—
Outstanding at the end of the year	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

### 3.4 Rights Attached to Equity Shares

- The company has only one class of shares i.e. Equity Shares having par value of Rs. 10/- per share. Each equity shareholder is entitled to one vote per share.
- Each Shareholder is eligible to receive dividend, if distributed and in the event of liquidation of the Company, a shareholder is entitled to receive remaining assets of the Company, after distribution of all preferential dues in proportion to the number of equity shares held by the shareholders.

## NEPTUNE EXPORTS LIMITED

### 3.5 Details of Shareholders holding more than 5% Shares in the Company

Particulars	Nos.	As at 31st March 2014 % Holding in the class	Nos.	As at 31st March 2013 % Holding in the class
<b>Equity Shares of Rs. 10 Each</b>				
ASUTOSH ENTERPRISES LIMITED	295,000	9.83	295,000	9.83
TEA TIME LIMITED	288,830	9.63	288,830	9.63
ORIENT INTERNATIONAL LIMITED	286,500	9.55	286,500	9.55
HINDUSTHAN UDYOG LIMITED	230,500	7.68	230,500	7.68
BENGAL STEEL INDUSTRIES LIMITED	230,000	7.67	230,000	7.67
VISHWANATH AGARWAL	200,000	6.67	200,000	6.67
PREMLATA AGARWAL	200,000	6.67	200,000	6.67
PRAKASH AGARWAL	220,720	7.36	200,000	6.67

4. RESERVE & SURPLUS	As at 31st March 2014 ₹	As at 31st March 2013 ₹
<b>a) General Reserve</b>		
Opening Balance	70,039,558	70,039,558
Addition	—	—
Deduction	—	—
<b>Closing Balance</b>	<b>70,039,558</b>	<b>70,039,558</b>
<b>b) Statement of Profit and Loss</b>		
Opening Balance	136,338,442	131,381,001
Addition	9,656,319	4,957,441
Deduction	—	—
<b>Closing Balance</b>	<b>145,994,761</b>	<b>136,338,442</b>
<b>Total</b>	<b>216,034,319</b>	<b>206,378,000</b>

5. CURRENT LIABILITIES	As at 31st March 2014 ₹	As at 31st March 2013 ₹
Statutory Dues	122,866	2,416
Other Dues	2,417,635	28,054
<b>Total</b>	<b>2,540,501</b>	<b>30,470</b>

6. SHORT TERM PROVISIONS	As at 31st March 2014 ₹	As at 31st March 2013 ₹
Provision For Income Tax	16,798,000	14,554,000
<b>Total</b>	<b>16,798,000</b>	<b>14,554,000</b>



## 7. FIXED ASSETS

	COST			ACCUMULATED DEPRECIATION AND AMORTISATION					NET BOOK VALUE	
	As on 01.04.2013 ₹	Addition ₹	Deduction ₹	As at 31.03.2014 ₹	As at 01.04.2013 ₹	Charge the Year ₹	Deduction/ Adjustment ₹	As at 31.03.2014 ₹	As at 31.03.2014 ₹	As at 31.03.2013 ₹
TANGIBLE ASSETS										
PLANT & EQUIPMENT	340,111	—	—	340,111	332,438	1,067	—	333,505	6,606	7,673
FURNITURE & FIXTURE	93,966	—	—	93,966	93,008	173	—	93,181	785	958
BUILDING	36,454,751	—	—	36,454,751	4,626,982	1,591,388	—	6,218,370	30,236,381	31,827,769
OFFICE EQUIPMENT	97,517	—	—	97,517	92,632	680	—	93,312	4,205	4,885
MOTOR CAR	1,093,014	—	—	1,093,014	130,249	249,260	—	379,509	713,505	962,765
<b>Total</b>	<b>38,079,359</b>	<b>—</b>	<b>—</b>	<b>38,079,359</b>	<b>5,275,309</b>	<b>1,842,568</b>	<b>—</b>	<b>7,117,877</b>	<b>30,961,482</b>	<b>32,804,050</b>
PREVIOUS YEAR	36,986,345	1,093,014	—	38,079,359	3,467,673	1,807,636	—	5,275,309	32,804,050	

## NEPTUNE EXPORTS LIMITED

### 8. NON-CURRENT INVESTMENT (At cost)

Particulars	Face Value ₹	As at 31.03.2014		As at 31.03.2013	
		No. of Shares/Units	Value ₹	No. of Shares/Units	Value ₹
<b>A. Trade Investment</b>	—	—	—	—	—
<b>B. Other Investments</b>					
<b>I) Investment in Equity Instruments - Quoted</b>					
Orient International Limited	10/-	219,700	649,240	219,700	649,240
Tea Time Limited	10/-	241,100	603,500	241,100	603,500
Northern Projects Limited	10/-	218,930	566,914	218,930	566,914
Hindusthan Udyog Limited	10/-	590,400	2,537,069	590,400	2,537,069
Bengal Steel Industries Limited	10/-	495,601	1,377,113	495,601	1,377,113
Asutosh Enterprises Limited	10/-	219,450	578,751	219,450	578,751
Tata Metalicks Limited	10/-	10,000	502,126	10,000	502,126
Kirloskar Brothers Limited	2/-	47,919	3,945,529	47,919	3,945,529
Indian Hotels Co. Limited	1/-	19,000	704,024	256,050	14,083,951
NHPC Limited	10/-	9,589	345,204	9,589	345,204
Kirloskar Brothers Investments Ltd.	10/-	4,706	1,937,379	4,706	1,937,379
<b>TOTAL A</b>			<b>13,746,847</b>		<b>27,126,774</b>
<b>II) Investment in Equity Instruments - Unquoted</b>					
Hindusthan Parsons Limited	10/-	425,000	856,000	425,000	856,000
V N Enterprises Ltd.	100/-	45,000	94,500,000	45,000	94,500,000
Bharat Oil & Chemicals Industries Ltd.	10/-	200,000	400,000	200,000	400,000
<b>TOTAL B</b>			<b>95,756,000</b>		<b>95,756,000</b>
<b>C. Investment in Mutual Funds</b>					
Kotak Liquid Fund			—		55,000,000
<b>TOTAL C</b>			—		<b>55,000,000</b>
<b>Total (A+B+C)</b>			<b>109,502,847</b>		<b>177,882,774</b>

	As at 31st March 2014		As at 31st March 2013	
	Cost ₹	Market Value ₹	Cost ₹	Market Value ₹
Aggregate value of Quoted Investments	13,746,847	19,704,348	27,126,774	31,796,777

## NEPTUNE EXPORTS LIMITED

<b>9. LONG TERM LOANS AND ADVANCES UNSECURED - CONSIDERED GOOD</b>	<b>As at 31st March 2014 ₹</b>	<b>As at 31st March 2013 ₹</b>
Advances to Others	389,179	389,179
Security Deposits	52,212	52,212
<b>Total</b>	<b><u>441,391</u></b>	<b><u>441,391</u></b>

<b>10. SHORT TERM LOANS &amp; ADVANCES UNSECURED - CONSIDERED GOOD</b>	<b>As at 31st March 2014 ₹</b>	<b>As at 31st March 2013 ₹</b>
Advance Income tax and Other taxes	20,468,570	18,751,295
Advance to Others Considered Good	32,000,000	—
Inter Corporate Deposit	60,000,000	20,000,000
<b>Total</b>	<b><u>112,468,570</u></b>	<b><u>38,751,295</u></b>

<b>11. CASH AND CASH EQUIVALENTS</b>	<b>As at 31st March 2014 ₹</b>	<b>As at 31st March 2013 ₹</b>
Balances with Banks	11,867,608	803,931
Cash in Hand	130,923	253,139
<b>Total</b>	<b><u>11,998,530</u></b>	<b><u>1,057,070</u></b>

<b>12. TRADE RECEIVABLE</b>	<b>As at 31st March 2014 ₹</b>	<b>As at 31st March 2013 ₹</b>
Interest Receivable	—	25,890
<b>Total</b>	<b><u>—</u></b>	<b><u>25,890</u></b>

## NEPTUNE EXPORTS LIMITED

### 13. REVENUE FROM OPERATIONS

	Year ended 31st March 2014 ₹	Year ended 31st March 2013 ₹
(a) Sale of Products/Services	—	—
(b) Other Operating Revenue:		
Interest Receipts	11,075,863	6,254,795
Rent Receipts	5,618,880	4,214,160
<b>Total</b>	<b>16,694,743</b>	<b>10,468,955</b>

### 14. OTHER INCOME

	Year ended 31st March 2014 ₹	Year ended 31st March 2013 ₹
(a) Dividend Income		
From Long Term Investments	325,255	377,424
(b) Profit on Sale of Investment	3,848,719	—
<b>Total</b>	<b>4,173,974</b>	<b>377,424</b>

### 15. EMPLOYEE BENEFIT EXPENSES

	Year ended 31st March 2014 ₹	Year ended 31st March 2013 ₹
Salaries and Wages	929,576	691,732
Staff Welfare Expenses	351,559	159,294
<b>Total</b>	<b>1,281,135</b>	<b>851,026</b>

### 16. DEPRECIATION EXPENSES

	Year ended 31st March 2014 ₹	Year ended 31st March 2013 ₹
Depreciation (For Details please refer to Note : 7)	1,842,568	1,807,636
<b>Total</b>	<b>1,842,568</b>	<b>1,807,636</b>

## NEPTUNE EXPORTS LIMITED

17. OTHER EXPENSES	Year ended 31st March 2014 ₹	Year ended 31st March 2013 ₹
<b>Establishment Expenses</b>		
Directors Meeting Fees	16,000	3,750
Service Charges	102,583	25,500
Rent	1,200,000	—
Rates & Taxes	170,537	16,069
Bank Charges	2,844	7,322
Travelling Expenses	981,282	319,590
Conveyance Charges	1,947,691	631,810
Vehicle Expenses	216,412	57,007
Other Repairs	6,546	—
Postage, Telegram & Telephone	8,157	25,000
Printing & Stationery Items	38,837	36,268
<u>Payment to Auditors</u>		
– As Auditors	12,000	12,000
– For Taxation matters	5,000	5,000
– For Certification	16,500	16,500
Listing Fees	25,500	25,500
Subscription & Donation	48,100	94,901
Advertisement	44,123	42,731
Electric Charges	150,582	50,000
Telephone Charges	41,529	—
Miscellaneous Expense	422,017	76,292
<b>Total</b>	<b><u>5,456,240</u></b>	<b><u>1,445,240</u></b>

## NEPTUNE EXPORTS LIMITED

### 18. NOTES ON FINANCIAL STATEMENTS

- 1 Contingent Liabilities in respect of Income Tax matter under appeal ₹ 2,663,540/- (Previous Year ₹ 2,663,540/-)
- 2 The company has filed a suit against one of its Ex-Director for the recovery of ₹ 435,353/- shown under the following account heads,
- |                              |           |                  |
|------------------------------|-----------|------------------|
| a) Sundry Advance            | ₹ 125,550 |                  |
| b) Advance to others         | ₹ 263,629 | ₹ 389,179.       |
| c) Cash in hand (at Tirupur) |           | ₹ 46,174         |
|                              |           | <u>₹ 435,353</u> |
- 3 **Segment Reporting :**  
Segment Reporting as defined in Accounting Standard - 17 on 'Segment Reporting' issued by ICAI, is not applicable since the operations of the company relates to only one segment.
- 4 **Related Party Disclosure :**  
The management is of the opinion that considering the shareholding and composition of Board of Directors, the company cannot be considered to be an associate or to have control over any other enterprise. The relationship and transactions with key Management Personnel are disclosed,
- a) Key Management Personnel  
Directors and their Relatives :
- |                |            |
|----------------|------------|
| V N Agarwal    | (Director) |
| A K Ghosh      | (Director) |
| K K Ganeriwala | (Director) |
| R K Agarwal    | (Director) |
- b) Transactions with Related Parties :  
Meeting Attendance Fees ₹ 16,000/-
- 5 **Earning Per share :**
- |                                                       |             |
|-------------------------------------------------------|-------------|
| Profit/(Loss) after Taxation                          | ₹ 9,656,319 |
| Weighted average number of equity Share Outstanding   | 3,000,000   |
| Basic & Diluted earning per share (Face Value ₹ 10/-) | ₹ 3.22      |
- 6 **Deferred Tax Assets/Liabilities :**  
The difference between taxable income and accounting income generally give rise to deferred tax assets and liabilities, but in view of the uncertainty and insufficiency of future profits, it has not been considered prudent by the management to account of such assets and liabilities.
- 7 The Company has no amounts due to suppliers under the Micro, Small & Medium Enterprises as defined under the Micro, Small & Medium Enterprises Development Act., 2006 (MSMED) as at 31.03.2014. Hence no additional disclosure have been made. The information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information.
- 8 Previous years figures have been regrouped and rearranged, whenever necessary.

As per our report of even date  
For L. B. JHA & CO., CALCUTTA  
Chartered Accountants  
FRN : 301086E

For and on behalf of the Board

Place : Kolkata  
Date : 29th May, 2014

Amitava Sarkar  
Proprietor  
Membership No. 050290

V. N. Agarwal  
K. K. Ganeriwala  
Directors

**NEPTUNE EXPORTS LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014**

<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>	<b>For the year ended 31st March 2014 ₹</b>	<b>For the year ended 31st March 2013 ₹</b>
<b>Net Profit/(Loss) before tax</b>	<b>11,900,319</b>	<b>6,097,441</b>
Adjustment for:		
Depreciation	1,842,568	1,807,636
Interest Received	(11,075,863)	(6,254,795)
Rent Received	(5,618,880)	(4,214,160)
(Profit)/Loss On Sale of Investments	(3,460,264)	645,036
Dividend Received	(325,255)	(377,424)
<b>Operating Profit before Working Capital Changes</b>	<b>(6,737,375)</b>	<b>(2,296,266)</b>
<b>Movements In Working Capital :</b>		
Increase/(Decrease) in Other Current Liabilities	2,510,031	(18,428)
Decrease/(Increase) in Trade Receivables	25,890	(25,890)
Decrease/(Increase) in Long-Term Loans and Advances	—	—
Decrease/(Increase) in Short-Term Loans and Advances	(73,717,275)	27,526,083
<b>Cash generated from operations/(used in) Operations</b>	<b>(77,918,729)</b>	<b>25,185,499</b>
<b>Net Cash from Operating Activities</b>	<b>(77,918,729)</b>	<b>25,185,499</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets (Including Capital Work in Progress)	—	(1,093,014)
Purchase of Investments (Including Share Application Money)	—	(55,000,000)
Sale of Investments	71,840,191	9,089,036
Interest Received	11,075,863	6,254,795
Rent Received	5,618,880	4,214,160
Dividend Received	325,255	377,424
<b>Net Cash from Investing Activities</b>	<b>88,860,189</b>	<b>(36,157,599)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
<b>Net Cash from Financing Activities</b>	<b>—</b>	<b>—</b>
<b>Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>10,941,460</b>	<b>(10,972,100)</b>
<b>Cash and Cash Equivalents At The Beginning Of The Period</b>	<b>1,057,070</b>	<b>12,029,170</b>
<b>Cash and Cash Equivalents At The End Of The Period</b>	<b>11,998,530</b>	<b>1,057,070</b>

## NEPTUNE EXPORTS LIMITED

<b>COMPONENTS OF CASH &amp; CASH EQUIVALENTS</b>	<b>For the year ended 31st March 2014 ₹</b>	<b>For the year ended 31st March 2013 ₹</b>
<b>Balances With Banks</b>		
– In Current Account	11,867,608	803,931
Cash in Hand	130,922	253,139
	<b>11,998,530</b>	<b>1,057,070</b>

Notes:

- a) Previous year's figures have been regrouped/recasted wherever necessary.
- b) The above cash flow has been prepared under "Indirect Method" as prescribed under Accounting Standard 3 notified in Companies (Accounting Standards) Rules, 2006.

**As per our report of even date  
For L. B. JHA & CO., CALCUTTA  
Chartered Accountants  
FRN : 301086E**

**Amitava Sarkar  
Proprietor  
Membership No. 050290**

**For and on behalf of the Board**

**V. N. Agarwal  
K. K. Ganeriwala  
Directors**

**Place : Kolkata  
Date : 29th May, 2014**