

19TH ANNUAL REPORT

OF

**NATURA HUE CHEM
LIMITED**

FOR THE YEAR

2013 – 2014



NATURA HUE CHEM LIMITED

Registered Office: D-58, Sector –I, Devendra Nagar, Raipur (Chhattisgarh) 492001
[CIN NO: L24117CT1995PLC009845]

DIRECTORS' REPORT

Dear Members

Your Directors have pleasure in presenting the 19th **Annual Report** on the business and operation of the Company together with audited statement of accounts for the period ending 31st Mar'14.

1. FINANCIAL RESULTS:

<u>Particulars</u>	<u>Financial year ended 31st March</u>	
	2014	2013
Operating Income	1,91,09,500	-
Other Income	-	27,97,824
Total Receipts:	1,91,09,500	27,97,824
Employee Benefit Expenses	4,19,000	79,500
Finance Cost	20,99,463	17,23,973
Other Expenses	1,75,45,968	11,25,920
Total Expenses	2,00,86,996	29,59,140
Profit Before Tax:	(9,77,496)	(1,61,316)
Tax Expenses	-	-
Deferred Tax	1,087	899
Profit for the period :	<u>(9,78,583)</u>	<u>(1,62,215)</u>
Earning Per Share (in Rs.)	0.23	0.04

2. APPROPRIATION:

No amount is proposed to be transferred to Reserves. The Profit has been carried over to Balance Sheet under Surplus in statement of Profit & Loss.

3. **DIVIDEND**

Due to inadequacy of profits, the Board of Directors regrets that no dividend is being recommended for the year under review.

4. PERFORMANCE REVIEW

During the year the company started its operations. Directors are hopeful that this activity will expand in future.

Your Directors feel that, barring any unforeseen circumstances, the prospects for the current year are much favorable as compared to the year under review. The Company is making all efforts cope up with the market situations and increase the operations.

5. No material changes and commitment occurred since the conclusion of the financial year.

6. PERSONNEL:

Since there was no employee who was drawing more than Rs.60.00 Lacs per annum, if employed through out the year, or Rs.500000/- per month if employed for the part of the year, the required information under sub-section (2A) of section 217 of the companies Act, 1956 read with companies (particulars of the employees) rules 1974 as amended is not given.

7. CONSERVATION OF ENERGY & TECHNICAL ABSORPTION:

The Company have not been engaged in manufacturing activities and as such the provisions of section 217 (i) (e) of the companies Act, 1956 read with the companies (disclosure of particulars in report of Board of Directors) rules 1988, regarding conservation of energy are not applicable.

R&D efforts were not made towards technology absorption and no foreign exchange outgo and inflow included during the year.

8. MANAGEMENT DISCUSSION AND ANALYSIS:

A report on Management Discussion and Analysis (MDA), which is forming part of this Report, inter-alia, adequately deal with the operations as also current and future outlook of the Company.

9. DEPOSITS:

Company has not accepted any deposits from public which is covered within the meaning of section 58-A & 58-AA of companies Act.

10. DIRECTORS

Shri Rishi Dave & Smt. Satyawati Parashar Directors of the Company retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. Your directors recommend his appointment.

Directors declared that no directors are disqualified from being appointed as Director of the Company under Section 184 of The Companies Act, 2013.

Independent Director: Pursuant to Section 149 of the Companies Act, 2013 read with the Rules made thereunder, the Independent Directors shall hold office for a period of up to 5 consecutive years and shall not be liable to retire by rotation. They may be appointed for a maximum of two consecutive terms of up to 5 years each. In terms of revised clause 49 of the listing agreement which will be applicable from 01st October, 2014, in case the Independent Director has already served for 5 or more years, he can be appointed for only one term of 5

years. As per new Act, the Nominee Director is not considered to be an Independent Director. Presently, Mr. Ravi Kamra & Mr. Rishi Dave, Shri Mansoor Ahmed and Shri Satyawati Parashar are the Independent Directors of the Company. As per their existing terms of appointment, all of them are liable to retire by rotation. However, under the Companies Act, 2013 and Clause 49 of listing agreement, they may be appointed afresh with a fixed period of up to 5 years.

The Board considered the independence of each of the above mentioned Directors in terms of Section 149 and Schedule IV to the Companies Act, 2013 and Clause 49 of the listing agreement and was of the view that the proposed directors fulfill the criteria of independence as mentioned in the above provisions and can be appointed as Independent Directors. All the proposed directors possess requisite qualifications, appropriate skills, experience and knowledge in one or more fields of finance, law management, marketing, administration, technical operations and other disciplines related to Company's business. Keeping in view, the educational / professional qualifications, working experience, expertise in line with Company's business, positive attributes, already being on the Board of the Company and benefits that the Company will derive with their appointment, the Board has recommended their appointment as Independent Directors of the Company at the ensuing Annual General Meeting.

11. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement Under Section 217(2AA) of the Companies Act, 1956, with respect to Directors Responsibility Statement, it is hereby confirmed:-

- i. That in the preparation of the account for the financial year ended on 31st March' 2014, the applicable accounting standards have been followed and there were no material departures.
- ii. That the Directors have selected such accounting policies and applied them consistently and made judgment and estimates that were 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 the year under review;
- iii. That the Directors have taken proper a sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. That the Directors have prepared the accounts for the financial year ended 31st March' 2014 on a going concern basis.

12. AUDITORS

M/s Madhuresh Gupta & Co., Chartered Accountants, who are the Statutory Auditors of the Company will retire at the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment, subject to the approval of shareholders. The Company has received letter from them to the effect that their reappointment, if made, would be within the prescribed limits of section 139 (2) of the Companies Act, 2013 and that they are not disqualified for reappointment within the meaning of Section 141 of the said Act.

Directors recommend their reappointment on a remuneration to be decided by the Board and the Auditor mutually for the ensuing Financial Year i.e. 2014-15.

13. AUDITORS OBSERVATION:

Remarks made by the auditors in their report on the accounts stand explained in the notes to accounts which are self-explanatory.

14. VIGIL MECHANISM:

As per Section 177 (9) & (10) of the Companies Act, 2013 and Clause 49 of the Listing agreements with the Stock Exchanges has to establish a Vigil Mechanism for Directors and employees to report genuine concerns.

15. ACKNOWLEDGEMENT

Your directors wish to place on record their sincere appreciation for contributions made by employees of the company and cooperation extended by the bankers and all persons who have directly and indirectly contributed to the success of the company.

Your directors also acknowledge the trust and confidence you have reposed in the company.

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT:

This is to confirm that the Company has adopted Code of Conduct for its employees including the Managing Director. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors. I confirm that the Company has in respect of the financial year ended March 31, 2014, received from the senior management team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

BY AND ON BEHALF OF THE BOARD.

(Ravi Kamra)
Director
DIN 00745058

(Ravindra Pokharna)
Director
DIN 01121333

DATED: 01.09.2014

PLACE: RAIPUR (C.G.)

CORPORATE GOVERNANCE REPORT
(Pursuant to clause 49 of the Listing Agreement)

Company Philosophy on code of governance:

The essence of Corporate Governance lies in its transparency, its efficiency lies in its ability to protect the stakeholders interest. Sound ethical practices, transparency in operations and timely disclosures go a long way to enhancing long-term shareholder value while safeguarding the interest of all the stakeholders.

Clause 49 of the listing agreement with stock exchanges in India has set the benchmark compliance rules for a listed company and the baseline for governance standards.

Corporate governance is an integral part of the way your Company does business. Natura Hue Chem Ltd. continues to believe that a good Corporate Governance is essential to achieve long-term corporate goals and to enhance stockholders' value.

Your Company is a listed company on the Mumbai, M. P., Jaipur and Ahmedabad Stock Exchange and has a governance process and practices venture to achieve transparency and professionalism in action as well as the implementation of policies and procedures to ensure high ethical standards as well as responsible management.

We also believe that Corporate Governance is a continuously improving process and are always striving towards achieving the highest standards possible.

1. Board of Directors :

a. Composition of Board of Directors.

As on March 31st 2014, your Company's Board of the Directors of the Company consisted of six Directors with varied experience in different areas. The composition of the Board is in conformity with the clause 49 of the provisions of Listing agreement, with 50% of the Board consisting of Independent Directors. The details of composition and categories of Directors are as follows.

- | | |
|--------------------------------|--------------------------------|
| a. Shri Ravindra Pokharna | (Executive Director) |
| b. Shri Rishi Dave | (Independent Director) |
| c. Shri Ravi Kamra | (Independent Director) |
| d. Shri Laxmi Narayan Kachavat | (Independent Director) |
| e. Smt. Satyawati Parashar | (Woman & Independent Director) |
| f. Shri Mansoor Ahmed | (Independent Director) |

b. Policy

All statutory & other significant and material information are placed before the Board to enable it to discharge its responsibilities of strategic supervision of the company and as trustees of stakeholders, as per policy the Board meets at least once every quarter. During the year the Board met 5 times on 23rd Apr'13, 22nd Jul'13, 30th Aug'13, 22nd Oct'13, 12th Feb'14

- c. Meeting attendance of each directors at the BOD meeting and last AGM is as under:-

Name of Directors	No. of Board Meetings Attended	Attendance at Last AGM
Shri Ravindra Pokharna	5	Yes
Shri Ravi Kamra	4	Yes
Shri Rishi Dave	5	Yes
Shri Laxmi Narayan Kachavat	4	Yes
Smt. Satyawati Parashar	4	Yes
Shri Mansoor Ahmed	5	Yes

- d. Directors seeking reappointment

Name of the Director	Smt Satyavati Parashar	Shri Rishi Dave
Designation	Director	Director

2. Code of Business Conducts and Ethics

The Board of Directors has laid down a Code of Conduct for all Board Members and senior employees of the Company. The annual accounts contain the Code of Conduct and a declaration by the Director.

Your company has adopted a code of conduct for all the Board members and members of senior management, between whom it has been circulated and compliance thereto affirmed. A declaration signed by the Managing Director is given below.

I hereby confirm that:

“The company has obtained from all the members of the Board and senior management, affirmation that they have complied with the code of conduct for directors and senior management in respect of the financial year 2013-14”

Sd/-
Ravindra Pokharna,
Director

3. Committees of the Board

a) **Audit Committee**

The Audit Committee continued working under Chairmanship of Shri Mansoor Ahmed with Shri Ravi Kamra and Shri Rishi Dave as co-members.

The sub-committee met on four occasions with full attendance of all the members.

The committee met on the following dates with attendance as shown below:

Date of Meeting	Committee strength	No. of members present
23 rd Apr'13	3	3
22 nd Jul'13	3	2
22 nd Oct'13	3	2
12 th Feb'14	3	2

b) **Executive Committee**

The Executive Committee continued working under Chairmanship of Shri Mansoor Ahmed with Shri L. N. Kachawat and Satyawati Parashar as co-member, during the year, the sub-committee met on four occasions with full attendance of all the members.

The committee met on the following dates with attendance as shown below:

Date of Meeting	Committee strength	No. of members present
23 rd Apr'13	3	2
22 nd Jul'13	3	3
22 nd Oct'13	3	2
12 th Feb'14	3	2

c) **Nomination & Remuneration Committee**

The Nomination & Remuneration Committee has been constituted under the Chairmanship of Shri L. N. Kachawat with Shri Mansoor Ahmed and Shri Ravi Kamra as co-members. The Committee has been formed to review and recommend the remuneration policy of the Company and to recommend the revision in salary structure of Directors. During the year, the sub-committee met once on 23rd Apr'14 with full attendance of all the members and decided that due to slow growth in Industries and low profits directors should not draw any remuneration.

d) **Shareholders Committee**

The committee has been renamed as **Stakeholders Relationship Committee** Shri Mansoor Ahmed with Shri Ravi Kamra and Smt. Satyawati Parashar are the members. In the Financial year under review, one meeting of the Committee was held 30th Aug'13. As on March 31, 2014 there were no requests pending for transfer of shares.

4. General Body Meeting

Particulars of last three Annual General Meetings

AGM	Year ended 31 st March	Venue	Date	Time
16 th	2011	Registered office of the Company	30.09.2011	11.00 a.m.
17 th	2012		29.09.2012	11.00 a.m.

18 th	2013		30-09-2013	11.00 a.m.
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5. **Disclosures**

- i. There was no transaction of material nature with any of the related party, which is in conflict with the interest of the company.
- ii. Details of non compliance by the company, penalties, strictures imposed on the company by the Stock Exchange or SEBI or any authority on any matter related to capital markets during last 3 years -

There was no instance of levy of any penalties during the last three years..

- iii. The company has put in place a mechanism of reporting illegal or unethical behavior. Employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor/notified persons. The reports received from any employee will be reviewed by the audit committee. It is affirmed that no person has been denied access to the audit committee in this respect. The Directors and senior management are to maintain confidentiality of such reporting and ensure that the whistle blowers are not subjected to any discriminatory practice.

6. **Means of Communication**

Information like financial results (quarterly, half-yearly or annual) and press releases on significant developments in the Company have also submitted to the stock exchanges to enable them to put them on their websites and communicate to their members.

Details of management discussion are a part of the annual report.

No presentation made to institutional investors or to the analysts. Management Discussion & Analysis are not a part of Annual Report.

7. **General Shareholder Information for the year**

AGM- Date, Time and venue	30-09-2014, 11.00am at Registered Office
Financial Year	31-03-2014
Book Closure Date	25 th Sept'14 to 30 th Sept'14
Dividend Payment Date	No dividend declared
Listing of Equity Shares on Stock Exchange	Mumbai, M. P., Jaipur, Ahmedabad Stock Exchange,
Market price data and other related information	None as the trading remained suspended during the year as explained above during the year 2013-14
Registrar & Transfer Agent.	Beetal Financial & Computer Services (P) Ltd

8. **Auditors' Certificate on Corporate Governance**

As required under clause 49 of the listing Agreement, the Auditors Certificate is given as an Annexure to the Directors Report.

MANAGEMENT DISCUSSION AND ANALYSIS

FORWARD- LOOKING STATEMENT

India's economy expanded at 4.7 per cent in the entire 2013-14 financial year, marking a second straight year of below 5 per cent growth in the last 25 years. The expansion was slower than an official estimate of 4.9 per cent and higher than 4.5 per cent growth a year earlier. The year 2013 witnessed changing global dynamics with a renewed focus on the developed nations. The developed economies gathered momentum even as consumer demand recovered modestly in the US and Japan. However, emerging economies experienced external and localized vulnerabilities and market turmoil.

This report contains forward-looking statements based on certain assumptions and expectations of future events. The Company, therefore, cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements can thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

SERVICES

Since the Company could not establish itself in the herbal plantation business, it diversified into the field of Cargo Handling at Vizag. The Cargo Handling is a lucrative business as the domestic import and export are fast increasing. The Company is building up its network to play a significant role from time to time.

BUSINESS OVERVIEW

The Turnover during the year 2013-14 is to the tune of Rs.1.91 crore.

MARKETING

The Company is making all efforts to revamp its marketing in new areas and hopes for good results in the current year.

SWOT

Our strength is our determination, weakness is the low equity base suspension by BSE of, opportunities are multiples and threats are practically none. Suspension of trading is under revocation by BSE.

The financial highlights are as under:-

	Fig. in lacs
Turnover for the year 2013-2014	191.09
Provision for taxation	0.00
Profit after tax	(9.78)
Paid-up Equity Share Capital as on 31 st March'2014	414.53

INTERNAL CONTROL

The Company has an internal control system, commensurate with the size of its operations, adequate records and documents were maintained as required by laws. The Company's audit Committee reviewed the internal control system. All efforts are being made to make the internal control system more effective.

SEGMENT WISE REPORTING

During the year under review, Company has through Cargo Services segment only.

RISK AND CONCERNS

In any business, risks and prospects are inseparable. As a responsible management, the Company's principal endeavor is to maximize returns. The Company continues to take all steps necessary to minimize losses through detailed studies and interaction with experts.

MADHURESH GUPTA & CO.

CHARTERED ACCOUNTANTS

**ASHIRWAD BHAWAN,
1ST FLOOR, BYRON BAZAR,
RAIPUR - 492 001**

INDEPENDENT AUDITOR'S REPORT

**To
The Members of
Natura Hue Chem Limited.**

Report on the Financial Statements

We have audited the accompanying financial statements of **M/S NATURA HUE CHEM LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under 'the Companies Act, 1956' of India (the "Act") read with the General Circular 15/ 2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

MADHURESH GUPTA & CO.

CHARTERED ACCOUNTANTS

ASHIRWAD BHAWAN,
1ST FLOOR, BYRON BAZAR,
RAIPUR - 492 001

Opinion

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

- a. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b. in the case of the Profit and Loss Account, of the loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) order, 2003 including companies (Auditors Report) (Amendment) order 2004 issued by the Central Government of India in terms of Sub-section (4A) of section 227 of the companies Act, 1956, we enclose in the Annexure a Statement on the matters specified in paragraphs 4 & 5 of the said order.
2. As required by section 227(3) of the Act, we report that:
 - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books
 - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, **subject to point no. 3** given below the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the companies Act, 1956 read with general circular 15/2013 dated 13 September 2013 of Ministry of Corporate Affairs in respect of section 133 of the Companies Act 2013 and
 - e. On the basis of written representations received from all 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.

MADHURESH GUPTA & CO.

CHARTERED ACCOUNTANTS

**ASHIRWAD BHAWAN,
1ST FLOOR, BYRON BAZAR,
RAIPUR - 492 001**

3. Attention of the members is drawn to the following Notes:-

Note No. 11 of Notes on financial statements regarding certain disclosure relating to Micro / Small / Medium Enterprises.

**For, Madhuresh Gupta and Co
Chartered Accountants
FRN 005910 C**

**(Madhuresh Gupta)
Proprietor
M.no.07436**

**PLACE: RAIPUR
DATED: 01.09.2014**

NATURA HUE CHEM LTD

ANNEXURE TO THE AUDITOR'S REPORT REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE

- I.
 - a. The company has maintained proper records to show its full particulars including quantitative details and situation of fixed assets.
 - b. As explained to us, all the fixed assets have been physical verified by the management with a phased programme over the year, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. No serious discrepancies were noticed on such verification conducted during the year as compared with the books records.
 - c. The Company has not disposed off any fixed assets of the Company during the year under audit.
- II. The Company is a service company, primarily rendering Cargo Handling services; Accordingly Clause 4(ii) (a) to (c) of CARO 2003 is not applicable to the Company.
- III. As informed by us, the Company has neither granted nor taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Since the Company has neither granted nor taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956, clauses 4(iii) (a) to (g) of CARO 2003 are not applicable to the Company.
- IV. In our opinion and according to the information and explanations there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to supply of services. Further, on the basis of our examination, and according to the information and explanations given to us, we have neither come across nor have been informed of any instance of major weaknesses in the aforesaid internal control procedures.
- V.
 - a) According to the information and explanations given to us, Company has not entered into any contract or arrangement referred to in section 301 of the act.
 - b) As the Company has not entered into any transaction, no comments have been given in respect of Clause 4(v) of the CARO, 2003.
- VI. In our opinion according to the information and explanations provided by the management, in our opinion, the company has not accepted any public deposits. Hence no comments have been given in respect of Clause 4(vi) of the CARO, 2003.

- VII. The Company does not have a formal internal audit system. However, in our opinion, there are adequate internal control procedures commensurate with the size and nature of the business.
- VIII. The Central Government of India has not prescribed the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956, for any of the services rendered by the Company.
- IX. a) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable to the Company have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess were in arrears, as at 31st March 2014 for a period of more than six months from the date they became payable.
- b) As on 31st March 2014, according to the records of the Company, there are no dues of sales tax, income-tax, customs tax / wealth tax, excise duty, Service Tax / cess on account of any dispute.
- X. The Company's accumulated losses at the end of the financial year are less than fifty per cent of its net worth. However, it has incurred cash losses both in current year as well as in the immediately preceding financial year.
- XI. Since there is no borrowing from Bank / Financial Institution, Hence no comments have been given in respect of Clause 4(XI) of the CARO, 2003.
- XII. According to the information and explanations given to us and based on the documents and records produced before us, the Company has not granted any loans and advances on the basis of pledge of shares, debentures and other securities.
- XIII. In our opinion and to the best of our knowledge and according to the explanations provided by the management, that the company is neither a Chit Fund nor a Nidhi/mutual benefit society. Hence, the requirements of Clause 4(xiii) of CARO, 2003 do not apply to the Company.
- XIV. In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provision of clause 4 (xiv) of CARO 2003 is not applicable to the company.

- XV. The Company has not given guarantees for loans taken by others from bank or financial institutions. Accordingly, the provision of clause 4 (XV) of CARO 2003 is not applicable to the company.
- XVI. The Company has neither raised any term loans during the year nor was any unutilized amount left on this account, as at the beginning of the year. Therefore, the provision of clause 4 (XVI) of CARO 2003 is not applicable to the company.
- XVII. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
- XVIII. The Company has not made any fresh allotment of shares during the year.
- XIX. The Company did not issued debentures during the year.
- XX. The Company has not raised any money by public issue during the period covered by our audit report.
- XXI. To the best of our knowledge and belief, and according to the information and explanations given to us, and the records of the Company examined by us, no material fraud on or by the Company was noticed or reported during the course of our audit.

FOR, MADHURESH GUPTA AND CO
CHARTERED ACCOUNTANTS
FIRM REGN. NO.005910C

(MADHURESH GUPTA)
PROPRIETOR
M.NO.07436

PLACE: RAIPUR
DATE: 01.09.2014

NATURA HUE CHEM LIMITED
 REGD. OFFICE: D-58, SECTOR-01, DEVENDRA NAGAR, RAIPUR-492001
 BALANCE SHEET AS ON 31-03-2014

Particulars	NOTE NO.	AS AT 31.03.2014	AS AT 31.03.2013
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	41,453,000	41,453,000
(b) Reserves and Surplus	2	29,531,554	30,510,134
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	3	25,968,353	65,236,304
(b) Other Non Current liabilities	4	36,185,762	45,458,143
(3) Current Liabilities			
(a) Trade Payables	5	-	-
(b) Other Current Liabilities	6	569,728	1,241,669
(c) Short-term provisions	7	16,854	16,545
TOTAL- EQUITY AND LIABILITIES		133,725,250	183,915,795
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets	8	955,648	978,213
(b) Non-current investments	9	29,245,550	31,945,550
(d) Deferred Tax Assets	10	22,611	23,697
(c) Long term loans and advances	11	73,047,817	97,236,048
(e) Other Non-Current Assets	12	15,428,493	33,025,707
(2) Current Assets			
(a) Trade Receivables	13	5,412,029	71,790
(b) Cash and Cash Equivalents	14	5,067,711	18,490,239
(c) Short term loans and advances	15	4,545,391	2,144,551
(c) Other current assets			
TOTAL- ASSETS		133,725,250	183,915,794

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON FINANCIAL STATEMENTS
 THE NOTES FORM AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

1 to 21

AS PER OUR REPORT OF EVEN DATE.
 FOR, MADHURESH GUPTA AND CO
 CHARTERED ACCOUNTANTS
 FIRM REGN. NO.005910C

FOR, NATURA HUE CHEM LIMITED
 CIN:L24117CT1995PLC009845

(MADHURESH GUPTA)
 PROPRIETOR
 M.NO.07436

RAVI KAMRA
 DIRECTOR
 DIN: 00745058

RAVINDRA POKHARNA
 DIRECTOR
 DIN: 01121333

PLACE: RAIPUR
 DATE: 01.09.2014

PLACE: RAIPUR
 DATE: 01.09.2014

PLACE: RAIPUR
 DATE: 01.09.2014

NATURA HUE CHEM LIMITED

REGD. OFFICE: D-58, SECTOR-01, DEVENDRA NAGAR, RAIPUR-492001

Statement of Profit and Loss for the year ended 31st March' 2014

Particulars		NOTE NO.	AS AT 31.03.2014	AS AT 31.03.2013
I. Revenue from operations		16	19,109,500	-
II. Other Income		17	-	2,797,824
III. Total Revenue (I + II)			19,109,500	2,797,824
IV. Expenses:				
Employee benefit expenses		18	419,000	79,500
Finance Costs		19	2,099,463	1,723,973
Depreciation & Amortisation Expenses		8	22,564	29,747
Other Expenses		20	17,545,968	1,125,920
Total Expenses			20,086,996	2,959,140
V. Profit before exceptional and extraordinary items and tax (III - IV)			(977,496)	(161,316)
VI. Exceptional items			-	-
VII. Profit / (Loss) before extraordinary items and tax (V.-VI)			-	-
VIII. Extraordinary Items			-	-
IX. Prior Period Expenses Items			-	-
X.. Profit before tax (V - VI)			(977,496)	(161,316)
XI. Tax expense:				
(1) Current tax			-	-
Less :- MAT Credit			-	-
(2) Deferred Tax (Asset)/Liabilities			1,087	899
			1,087	899
XII. Profit(Loss) for the year		(X-XI)	(978,583)	(162,215)
XIII. Transfer to Profit & Loss A/c.			(978,583)	(162,215)
XIV. Earning per equity share of Rs.10 Each Basic & Diluted			(0.23607)	(0.0391)
Weighted average no. of equity share outstanding			4,145,300	4,145,300

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON FINANCIAL STATEMENTS

THE NOTES FORM AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

1 to 21

AS PER OUR REPORT OF EVEN DATE.
FOR, MADHURESH GUPTA AND CO
CHARTERED ACCOUNTANTS
FIRM REGN. NO.005910C

FOR, NATURA HUE CHEM LIMITED
CIN:L24117CT1995PLC009845

(MADHURESH GUPTA)
PROPRIETOR
M.NO.07436

RAVI KAMRA
DIRECTOR
DIN: 00745058

RAVINDRA POKHARNA
DIRECTOR
DIN: 01121333

PLACE: RAIPUR
DATE: 01.09.2014

PLACE: RAIPUR
DATE: 01.09.2014

PLACE: RAIPUR
DATE: 01.09.2014

NOTE ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

NOTE 1 : SHARE CAPITAL	As at 31-Mar-14 Number	As at 31-Mar-14 (In INR)	As at 31-Mar-13 Number	As at 31-Mar-13 (In INR)
AUTHORISED CAPITAL				
Equity Shares of Rs. 10/- each with Voting Rights	70,000,000	700,000,000	70,000,000	700,000,000
TOTAL	70,000,000	700,000,000	70,000,000	700,000,000
ISSUED CAPITAL				
Equity Shares of Rs. 10/- each with Voting Rights	6,097,300	60,973,000	6,097,300	60,973,000
TOTAL	6,097,300	60,973,000	6,097,300	60,973,000
SUBSCRIBED CAPITAL				
Equity Shares of Rs. 10/- each with Voting Rights	6,097,700	60,977,000	6,097,700	60,977,000
TOTAL	6,097,700	60,977,000	6,097,700	60,977,000
PAID UP CAPITAL				
Equity Shares of Rs. 10/- each with Voting Rights	4,145,300	41,453,000	4,145,300	41,453,000
TOTAL	4,145,300	41,453,000	4,145,300	41,453,000

The Company has only one class of equity shares having a face value of Rs.10 Each. Each shareholder is eligible for 1 vote per share.

Details of Shares held by shareholders holding more than 5% of the aggregate shares in the company:-

NAME OF SHAREHOLDER	As at 31st March' 2014		As at 31st March' 2013	
	No. of Shares	%	No. of Shares	%
NIL				

As per the records of the company, including its register of shareholders / members and other declaration received from shareholders regarding beneficial interest, the above shareholding representing both legal and beneficial ownership of shares.

The Reconciliation of the no. of shares outstanding is said below:-

Particulars	As at 31st March' 2014	As at 31st March' 2013
	No. of Shares	No. of Shares
Equity Shares at the beginning of the year	4,145,300	4,145,300
Add:- Shares Issued during the year as Public Issue	-	-
Equity Shares at the end of the year	4,145,300	4,145,300
NOTE-2		
CAPITAL RESERVES		
SHARE FORFEITED		
Opening Balance	13,146,675	13,146,675
Add: Addition during The Year	-	-
	13,146,675	13,146,675
PROFIT AND LOSS A/C		
Opening Balance	17,363,459	17,525,674
Add:- Transfer from P&L Account	(978,583)	(162,215)
Misc Written Off	2	-
	16,384,879	17,363,459
TOTAL	29,531,554	30,510,134

	As at 31st March' 2014	As at 31st March' 2013
NOTE-3		
LONG TERM BORROWINGS :-		
FROM CORPORATES : UNSECURED	25,968,353	65,236,304
[NO SECURITY OR GUARANTEE IS GIVEN BY THE COMPANY IN RESPECT OF LOAN]		
TOTAL	25,968,353	65,236,304
NOTE - 4		
OTHER LONG TERM LIABILITIES		
ADVANCE FROM CUSTOMERS	3,739,551	3,863,247
(Advance from Customer are receipts in respect of goods to be sold in the normal course of business.)		
TRADE PAYABLES		
CREDITOR FOR EXPENSES	32,446,211	41,594,896
(None of the enterprises rendering services to the company who are engaged in providing services have given any information as required under "The Micro, Small and Medium Enterprises Development Act 2006" Hence the company is not in a position to disclose the required information nor provided any liabilities as required under the said Act.)		
TOTAL	36,185,762	45,458,143
NOTE-6		
OTHER CURRENT LIABILITIES		
SERVICE TAX PAYABLE	1	1,131,577
LISTING FEES PAYABLE	230,294	69,963
TDS PAYABLE	339,433	40,129
TOTAL	569,728	1,241,669
NOTE-7		
SHORT TERM PROVISIONS		
AUDIT FEES PAYABLE	16,854	16,545
TOTAL	16,854	16,545
NOTE -9		
NON CURRENT INVESTMENT		
(Investments Valued At Cost)		
Investment In Equity Shares (Long Term unquoted Shares)	29,245,550	31,945,550
OTHER ENTITIES		
TOTAL	29,245,550	31,945,550
NOTE -10		
DEFERRED TAX ASSETS(NET)		
Deferred Tax Assets on account of brought forward Losses and disallowed expenditure	-	-
Deferred Tax Liabilities on account of Depreciation and reversal of assets	(22,611)	(23,697)
NET DEFERRED TAX ASSETS	22,611	23,697
NOTE- 11		
LONG TERM LOANS & ADVANCES		
a) SECURITY DEPOSIT		
STATE BANK OF INDIA (ERANEST MONEY DEPOSITED)	19,830,000	19,830,000
COMPUTECH INTERNATIONAL LTD.	47,000	47,000
M.P. STOCK EXCHANGE	400,000	400,000
DEPB LICENCE ACCOUNT	788,329	788,329
b) OTHER LOANS AND ADVANCES	51,982,488	76,170,719
SECURED CONSIDERED GOOD		
	73,047,817	97,236,048

	As at 31st March' 2014	As at 31st March' 2013
NOTE- 12		
<u>OTHER NON-CURRENT ASSETS</u>		
LONG TERM TRADE RECEIVABLES (UNSECURED CONSIDERED GOOD) (Long Term Trade receivables are in receipt of goods sold in ordinary course of business)	15,428,493	33,025,707
	15,428,493	33,025,707
NOTE- 13		
<u>A. CASH AND CASH EQUIVALENTS</u>		
CASH IN HAND	1,007,026	34,286
BALANCES WITH SCHEDULED BANKS		
AXIS BANK	4,211,004	22,569
J & K BANK	8,271	8,323
SBI A/C NO. 73474	39,857	6,612
SBI INDORE, URLA BRANCH	145,871	-
	5,412,029	71,790
NOTE- 14		
<u>SHORT TERM LOANS & ADVANCES</u>		
CAPITAL ADVANCES (UNSECURED CONSIDERED GOOD)	5,000,000	18,400,000
LOANS AND ADVANCES TO EMPLOYEES [ON ACCOUNT OF IMPREST]	67,711	90,239
	5,067,711	18,490,239
NOTE-15		
<u>OTHER CURRENT ASSETS</u>		
BALANCES WITH GOVT. AUTHORITIES		
CENVAT	4,146,308	2,014,829
TDS RECEIVABLE	129,722	129,722
TDS RECEIVABLE FY 13-14	269,361	-
	4,545,391	2,144,551
NOTE-16		
<u>REVENUE FROM OPERATIONS</u>		
CARGO HANDLING CHARGES	19,109,500	-
TOTAL	19,109,500	-
NOTE-17		
<u>OTHER INCOME</u>		
INTEREST RECOVER FROM OTHERS	-	674,234
EXCESS TRANSPORTATION CHARGES REVERSED	-	2,123,520
		2,797,754
NOTE - 18		
<u>EMPLOYEE BENEFITS EXPENSES</u>		
SALARIES	350,000	-
STIPEND	69,000	79,500
	419,000	79,500
NOTE - 19		
<u>FINANCE COST</u>		
BANK CHARGES	27,921	28,640
INTEREST ON INCOME TAX	-	10,905
INTEREST ON TDS	71,542	-
INTEREST/PENALTY ON SERVICE TAX	2,000,000	1,684,428
	2,099,463	1,723,973

	As at 31st March' 2014	As at 31st March' 2013
NOTE - 20		
<u>OTHER EXPENSES</u>		
<u>PORT CHARGES AND HANDLING CHARGES</u>		
FIRE WATCH CHARGES	120,911	-
GODOWN RENT	6,996,990	-
GRAB HIRE & SHIFTING CHARGES	172,711	-
INSPECTION CHARGES	55,255	-
STEVEDORING & HANDLING CHARGES	8,681,762	-
WHARFAGE CHARGES	499,665	-
TOTAL	16,527,294	-
<u>ADMINISTRATIVE EXPENSES</u>		
AUDIT FEES	16,854	16,545
DEPOSITORY EXP. TO CDSL	16,800	-
DEPOSITORY EXP. TO NSDL	16,800	-
LEGAL EXPENSES	55,000	-
LISTING FEES	238,231	-
OFFICE AND GENERAL EXPENSES	415,148	9,358
OFFICE RENT	96,000	-
POSTAGE & COURIER EXP.	9,600	-
PRINTING & STATIONARY	55,913	18,312
PROFESSIONAL FEES	-	1,016,610
SHARE TRANSFER EXP.	39,200	-
SMALL BAL. WRITTEN OFF	-	44,747
TELEPHONE EXPENSES	17,100	5,314
TRAVELLING EXPENSES	22,528	4,975
VEHICAL RUNNING & MAINTANANCE EXPENSES	19,500	10,059
	1,018,674	1,125,920
OTHER EXPENSES TOTAL	17,545,968	1,125,920

M/S NATURA HUE CHEM LIMITED

REGD. OFFICE: D-58, SECTOR-01, DEVENDRA NAGAR, RAIPUR-492001

Note 8: FIXED ASSETS

PARTICULARS	GROSS BLOCK AS ON 01/04/13	ADDITIONS	DEDUCTION	GROSS BLOCK AS ON 31/03/14	DEPRECIATION				NET BLOCK ON 31/03/2014	NET BLOCK ON 31/03/2013
					RATE %	UPTO 31/03/13	FOR THE YEAR 2013-14	UPTO 31/03/14		
LAND & SITE DEVELOPMENT	872000.00	0.00	0.00	872000.00	0.00%	0.00	0.00	0.00	872000.00	872000.00
CIVIL CONSTRUCTION	81000.00	0.00	0.00	81000.00	10.00%	49618.61	3138.14	52756.75	28243.25	31381.40
COMPUTER	144540.00	0.00	0.00	144540.00	40.00%	144167.79	148.88	144316.67	223.33	372.21
MARUTI ZEN	374212.00	0.00	0.00	374212.00	25.89%	299753.06	19277.42	319030.48	55181.52	74458.94
TOTAL	1471752.00	0.00	0.00	1471752.00		493539.46	22564.44	516103.90	955648.10	978212.68
PREVIOUS YEAR FIGURES	1471752.00	0.00	0.00	1471752.00		463792.00	29747.00	493539.00	978213.00	1007960.00

NATURA HUE CHEM LIMITED

REGD. OFFICE: D-58, SECTOR-01, DEVENDRA NAGAR, RAIPUR-492001
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH' 2014

	31-03-2014	31-03-2013
A CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT/LOSS BEFORE TAXES & EXTRAORDINARY ITEMS	-977496	(161316)
ADJUSTMENT FOR :-		
MISCELLANEOUS EXPENSES WRITTEN OFF DURING THE YEAR	0	0
INTEREST RECEIVED	0	-674234
DEPRECIATION	22564	29747
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	-954931	-805803
ADJUSTMENT FOR :-		
SUNDRY DEBTORS	17597214	-650561
SUNDRY CREDITORS	-9148685	11347575
DEPOSITS & OTHER NET ASSETS	35209919	-21370061
CASH FROM OPERATING ACTIVITIES	42703517	-11478850
LESS: TAX PAID	0	
NET CASH FROM OPERATING ACTIVITIES A	42703517	-11478850
B CASH FLOW FROM INVESTING ACTIVITIES		
INVESTMENT	2700000	-9500000
NET CASH USED IN INVESTING ACTIVITIES B	2700000	-9500000
C CASH FLOW FROM FINANCING ACTIVITIES		
REPAYMENT OF BORROWINGS	-39267950	20000000
OTHER LIABILITIES	-795328	0
INTEREST RECEIVED	0	674234
NET CASH FROM FINANCING ACTIVITIES C	-40063278	20674234
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENT	5340239	-304616
CASH AND CASH EQUIVALENT AS AT BEGINNING	71790	376406
CASH AND CASH EQUIVALENT AS AT END OF YEAR	5412029	71790

AS PER OUR REPORT OF EVEN DATE.
FOR, MADHURESH GUPTA AND CO
CHARTERED ACCOUNTANTS
FIRM REGN. NO.005910C

FOR, NATURA HUE CHEM LIMITED
CIN:L24117CT1995PLC009845

(MADHURESH GUPTA)
PROPRIETOR
M.NO.07436

RAVI KAMRA RAVINDRA POKHARNA
DIRECTOR DIRECTOR
DIN: 00745058 DIN: 01121333

PLACE: RAIPUR
DATE: 01.09.2014

PLACE: RAIPUR
DATE: 01.09.2014

NOTE 21: Significant Accounting Policies forming part of the accounts for the
F. Y. 2013-14

A. BASIS OF ACCOUNTING:-

The financial statements have been prepared under the historical cost conventional accrual basis of accounting, in conformity with accounting principles generally accepted in India and comply with the accounting standard referred to in Sec.211 (3c) of the Companies Act, 1956. The financial statements are presented in Indian rupees.

B. USE OF ESTIMATES

The preparation of financial statements are in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods. Examples of such estimates include provisions for doubtful debts, provision for income taxes and the useful lives of fixed assets.

C. FIXED ASSETS:

- (i) Fixed Assets are stated at cost less depreciation. Cost comprises the purchase price and any other applicable costs.
- (ii) Borrowing costs in respect of loans acquired for acquisition and construction of fixed assets are capitalized upto the date the assets are ready for use.

D. DEPRECIATION:

The company provides depreciation on Fixed Assets on Written down Value method on Single shift basis at the rates and in the manner prescribed in schedule XIV to the Companies Act 1956.

E. **INVESTMENTS:-**

Long term investments are carried at cost less provision, if any for permanent diminution in value of such investments. Current investments are carried at lower of cost and fair value.

F. **INVENTORIES:-**

Trading products purchased by the Company are carried at lower of cost and net realisable value.

G. **TAXES ON INCOME:-**

Current tax is determined as the amount of tax payable in respect of taxable income for the years. Deferred tax is recognised, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Where there is an unabsorbed depreciation or carry forward loss, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets, other deferred tax assets are recognised only to the extent there is reasonable certainty of realisation in future.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal tax after the tax holiday period. Accordingly, it is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

H. **REVENUE RECOGNITION:-**

- a. Sale of goods is recognised on transfer of property therein.
- b. Insurance and other claims are recognised only on acceptance of claims by the appropriate authorities.

I. **BORROWING COST**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowings costs are charged to revenue.

J. **EMPLOYEE BENEFITS**

Short-term employee benefits (benefits which are payable within twelve months after the end of the period in which the employees render service) are measured at cost and are recognised as an expense at the undiscounted amount in the profit and loss account in the profit and loss account of the year in which the related service is rendered.

Contributions to Provident Fund, a defined contribution plan, are made in accordance with the statute and are recognized as an expense when employees have rendered service entitling them to the contributions.

Other long-term employee benefits (benefits which are payable after the end of twelve months from the end of the year in which the employees render service) are measured on a discounted basis by the Projected Unit Credit Method on the basis of actuarial valuation.

Actuarial gains and losses are recognized immediately in the Profit and Loss Account

K. **IMPAIRMENT OF ASSETS**

At each balance sheet date the company reviews whether there is any indication of impairment of the carrying amount of the company's fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor

L. **LEASE**

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalized.

If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss account on a straight-line basis over the lease term.

M. **FOREIGN CURRENCY TRANSACTIONS**

Transactions in foreign currencies are recorded at the exchange rates prevailing on the dates of transactions and in case of purchase of materials and sale of goods, the exchange gains / losses on settlements during the year, are charged to Profit and Loss Account.

Monetary assets and liabilities denominated in foreign currencies are translated at the rates prevailing on the date of Balance Sheet. Exchange gains / losses including those relating to fixed assets are dealt with in the Profit and Loss Account.

N. **EARNINGS PER SHARE**

The Company reports Basic and Diluted Earnings Per Share (EPS/DEPS) in accordance with Accounting Standard 20 on "Earnings Per Share". Basic EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

O. **PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

The Company recognizes provisions when there is present obligation as a result of past event and it is probable that there will be an outflow of resources and reliable estimate can be made of the amount of the obligation. A disclosure for Contingent liabilities is made in the notes on accounts when there is a possible obligation or present obligations that may, but probably will not, require an outflow of resources. Contingent assets are neither recognised nor disclosed in the financial statements.

P. **TRADE RECIEVABLE & PAYABLES**

Services rendered on credit are included in trade receivables at the balance sheet date & reduced by appropriate allowances for estimated doubtful amounts. Trade payables are stated at their nominal value.

Q. **CASH AND CASH EQUIVALENTS**

For the purpose of the cash flows, cash & cash equivalents comprise cash on hand, balances with bank and deposits with banks.

R. **CASH FLOW STATEMENT**

Cash and cash equivalents comprise cash and cash on deposit with banks and corporations. The company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

Note: 22

GENERAL NOTES TO ACCOUNTS:-

1. Previous year's figures have been regrouped wherever necessary to confirm to this year's classifications
2. In the opinion of the management there is no such event occurred after the date of Balance sheet, which needs to be adjusted in these accounts.
3. In the opinion of the Board, the value on realization of loans, advances and current assets in the ordinary course of business will not be less than the amount at which they are stated in the Balance sheet.
4. There were no employee at any time during the year drawing Rs.500000/- or more per month.
5. No. of employees in the company is not more than 10. Hence Gratuity Act and ESIC Act is not applicable.
Since the no. of employees is less than 20, Provident fund Act is also not applicable.

6. Segment Reporting :-

a) Business Segment: - The Company has considered business segment as the primary segment to disclose. The company is engaged in the rendering Cargo handling Services, which the context of AS-17 is issued by the Institute of Chartered Accountants of India, is considered the only business segments.

b) Geographical Segment: - The Company provides Services within India. The condition prevailing in India being uniform No Separate geographical segment disclosure is considered necessary.

7. Earnings per share :-

Earning for Shareholders for the period	Rs (9.79) lakhs	Rs (1.62) lakhs
No. of Equity Share (Weighted)	4145300	4145300
Potential No. of Equity Share Outstanding	NIL	NIL
Earnings per share (Basic & Dilutive) RS.	(0.23607)	(0.0391)

8. Deferred Tax :-

In accordance with the Accounting Standard -22 "Accounting for taxes on Income" issued by the Institute of Chartered Accountants of India, the company has accounted for deferred tax during the period. The cumulative net deferred tax assets of Rs. 22611.00 as on 31st March 2014 have been recognized. Consequently the excess Deferred Tax assets of Rs 1087.00 has been recognized & debited to Profit & Loss account.

DEFERRED TAX ASSETS(NET)			2013-14	2012-13
Deffered Tax Assets on account of brought forward Losses and disallowed expenditure			-	-
Deffered Tax Liabilities on account of Depreciation and reversal of assets			(22,611)	(23,697)
NET DEFFERED TAX ASSETS			22,611	23,697

9. Related Party disclosure: -

Disclosures as required by accounting standard 18 (AS-18) related party disclosures issued by the institute of chartered accountants of India are as follows and description of relationship.

a. Name of related parties

i. Subsidiaries - NIL

ii. Key management personal

1. Shri Ravi Kamra, Director
2. Shri Ravindra Pokharna, Director
3. Shri Rishi Dave, Director
4. Shri Satyawati Parashar, Director
5. Shri Laxmi Narayan Kachavat, Director
6. Shri Mansoor Ahmed, Director

iii. Relative of key management personnel where transaction have been taken place during the year.

1. New Era Alkaloids & Export Limited

Transaction with related parties referred to above in ordinary course of business.
(Rs. in Lakhs)

Nature of Transactions	Referred in 20(a)(i) above	Referred in 20(a)(ii) above	Referred in 20(a)(iii) above
Remuneration Paid / Salary	NIL	NIL	NIL
Rent	NIL	NIL	NIL
Purchase	NIL	NIL	NIL
Loan or Deposit taken	NIL	NIL	NIL
Loan or Advance Given / Repaid	NIL	NIL	423.7
Investment	NIL	NIL	NIL
Receivable to Company	NIL	NIL	141.7
Payable by Company	NIL	NIL	NIL

10. Information as per Schedule VI Part II 4A,4B,4C and 4D of the Companies Act, 1956.

1.	Remuneration paid to Directors	-	NIL
2.	Total payment to Auditors	-	Rs. 16854.00
	Statutory Fees	:	10000.00
	Limited Review	:	5000.00
	Service Tax	:	1854.00
	Total	:	16854.00

11. In respect of Micro / Small / Medium Enterprises Development Act, 2006, certain disclosure is required to make relating to Micro / Small / Medium Enterprises. The company could not get relevant information from its supplier about their coverage under the Act since the relevant information is not readily available, no disclosure have been made in the account. Hence disclosure, if any, relating to amounts unpaid as at the yearend together with interest paid/ payable as required under the said act have not been made

12. No interest has been recognized for the Earnest Money deposited with SBI.

For, Madhuresh Gupta and Co
Chartered Accountants
FRN 005910 C

For and on behalf of the Board of
Directors,

(Madhuresh Gupta)
Proprietor
M.no.07436

Ravi Kamra
Director
DIN: 00745058

Ravindra Pokharna
Director
DIN: 01121333