

**17<sup>TH</sup> ANNUAL REPORT**

**OF**

**NATURA HUE CHEM  
LIMITED**

**FOR THE YEAR**

**2011 - 2012**

# NATURA HUE CHEM LIMITED

## DIRECTORS REPORT

TO THE MEMBERS

The Directors present their **17<sup>th</sup> Annual Report** together with the Audited Accounts for the year ended 31st March, 2012.

### 1. FINANCIAL RESULTS

YEAR ENDED	(Rs. In Lacs)	
	31-03-2012	31-03-2011
SALES / OTHER INCOME	41.90	725.4
PROFIT / (LOSS) BEFORE INTT. & DEP.	34.73	103.52
INTEREST	32.23	48.43
DEPRECIATION	0.39	0.52
TAXES	0.66	16.85
NET PROFIT / (LOSS)	1.45	37.72

### 2. DIVIDEND

In view of insufficient profit, your directors do not recommended any dividend for the year ended 31st March 2012.

### 3. OPERATIONS

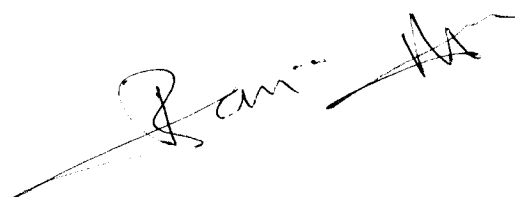
During the year the company continued its cultivation activities and substantial outcome has achieved by the company. Directors are hopeful that this activity will further be expanded and gain profit in future.

### 4. DIRECTORS

- a. In accordance with the provision of the Companies Act, 1956, and the Company's Articles of Association, Shri Ravi Pokharna & Shri Laxmi Narayan retires by rotation and are eligible for re-appointment.
- b. Directors declare that none of the directors is disqualified from being appointed as Director of the Company under clause-g of sub-section-1 of Section 274 of the Companies Act, 1956.

### 5. 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' 2012, 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 and 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' 2012 on a going concern basis.

The following accounting standards were not applicable to the company during the year under review due to non occurrence of events and transactions covered under the scope of these accounting standards:-

- AS-14 Accounting for amalgamation.
- AS-17 Segment Reporting.
- AS-21 Consolidated Financial Statements.
- AS-23 Accounting for investments in associates in consolidated financial statements.
- AS-7 Accounting for construction contract.
- AS-11 Accounting for the effects of changes in Foreign Exchange Rates.
- AS-12 Accounting for Government Grants.
- AS-19 Leases Agreement.

#### 6. CORPORATE GOVERNANCE

As a listed company on Mumbai, Indore, Ahmedabad & Jaipur Stock Exchanges, the company has complied in all material respects with the features of corporate governance as specified in the Listing Agreement

#### 7. AUDITORS

Directors recommended the appointment of M/s Madhuresh Gupta & Co., Chartered Accountants, Raipur who holds office as auditors of the company upto the conclusion of at the ensuing Annual General Meeting are eligible for re-appointment.

#### 8. PERSONNEL

There was no employee who was drawing more than Rs.24.00 lacs per annum, if employed through out the year, or Rs.2,00,000/- 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 1975 as amended is NIL.

*Ravi M*

10. CONSERVATION OF ENERGY & TECHNICAL ABSORPTION

Since the company is engaged only in cultivation activity the requirements 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 technology absorption and foreign exchange earnings and outgo, are not applicable.

11. ACKNOWLEDGEMENT

Your directors wish to place on record their sincere appreciation to the employees of the company and your directors also acknowledge the trust and confidence reposed by you in the company.

PLACE : RAIPUR

DATED : 30/08/2012

For and on behalf of the Board

  
DIRECTOR

**MADHURESH GUPTA & CO.  
CHARTERED ACCOUNTANTS  
ASHIRWAD BHAWAN,  
1ST FLOOR, BYRON BAZAR,  
RAIPUR - 492 001**

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**AUDIT CERTIFICATE**

**To the Members of  
Natura Hue Chem Ltd.  
Raipur**

We have read the report of the Board of Directors on Corporate Governance and have examined the relevant records relating to compliance of Corporate Governance by **Natura Hue Chem Limited** for the year ended on 31st March' 2012, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was conducted in the manner described in the guidance note on certificate of Corporate Governance issued by the Institute of Chartered Accountants of India and was limited to the procedures and implementation thereof, adopted by the company for ensuring the compliance of the condition of the corporate governance as stipulated in the said clause. It is neither an audit not an expression of opinion on the financial statements of the company.

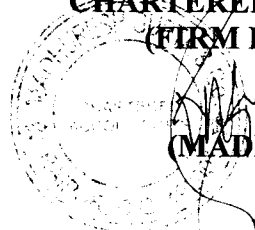
In our opinion and to the best of our information and according to the explanation given to us, subject to:-

1. Our reliance upon the certificate received from the company for the number of Complaints received from the shareholders and the number of complaints resolved during the financial year and that there are no share transfers pending as at the year end as stated under Serial No.5 of the company's report on the Corporate Governance.
2. Our having relied on the representation of the management that there were no transactions of material nature with the management on their relatives that may have potential conflict with the interest of the company at large, as stated under Serial No.6 of the company's report on Corporate Governance.

We certify that the company has complied in all material respects with the conditions of Corporate Governance as stipulated in the abovementioned Listing Agreement. We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

**PLACE : RAIPUR  
DATE :**

**FOR, MADHURESH GUPTA & CO.  
CHARTERED ACCOUNTANTS  
(FIRM REG. NO. 005910C)**

  
**(MADHURESH GUPTA)  
PROP.  
M.NO.074636**

**MADHURESH GUPTA & CO.  
CHARTERED ACCOUNTANTS**

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

**Report on Corporate Governance**

To,  
**The members of  
Natura Hue Chem Limited**

We have reviewed the records concerning the company's compliance of the conditions of corporate governance as stipulated in Clause 49 of the listing agreement entered into by the company with the stock exchanges of India for the financial year ended on March 31, 2012.

The compliance of conditions of corporate governance is the responsibility of the management. Our review was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the corporate governance. It is neither an audit nor an expression of an opinion on the financial statements of the company.

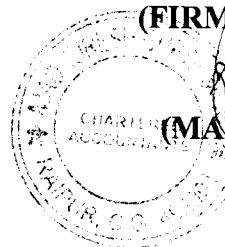
We have conducted our review on the basis of the relevant records and documents maintained by the company and furnished to us for examinations and information and explanation given to us by the company.

Based on such a review, and to the best of our information and according to the explanations given to us, in our opinion, the company has complied with the conditions of corporate governance as stipulated in clause 49 of the listing agreement of the stock Exchanges of India.

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

**PLACE : RAIPUR  
DATE : 30/08/2012**

**FOR, MADHURESH GUPTA & CO.  
CHARTERED ACCOUNTANTS  
(FIRM REG. NO. 005910C)**



**(MADHURESH GUPTA)  
PROP.  
M.NO.074636**

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**CHARTERED ACCOUNTANTS**

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

**AUDITOR'S REPORT**

To,  
The Members of  
Natura Hue Chem Limited.

**Report on the Financial Statement**

We have audited the accompanying financial statement of M/s NATURA HUE CHEM LIMITED ("the Company"), which comprise Balance Sheet as at 31<sup>st</sup> March' 2012 and the Statement of Profit & Loss for the year ended and a summary of accounting policies and other explanatory information.

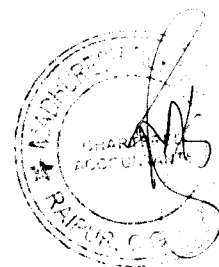
**Management's Responsibility for the Financial Statement**

Management is responsible for the preparation of these financial statement that give a true and fair view of the financial position, financial performance of the company in accordance with the Accounting Standard referred to sub-section (3C) of Section 211 of the Companies Act 1956 ("the Act"). The responsibilities includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statement that gives 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 the financial statement 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 of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amount and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material



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misstatement of the financial statement, whether due to fraud or error. In making those risk assessment, the auditor considers internal control relevant to the Company's preparation and presentation of the financial statement 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 statement.

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

Opinion

In our opinion and to the best of our knowledge 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 the conformity with the accounting principles generally acceptance in India:

1. In the case of Balance Sheet, of the state of affairs of the Company as at march 31, 2012;
2. In the case of Statement of Profit and Loss, of the profit for the year ended on that date.
3. In the case of cash flow statement, of the cash flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- a. As required by Companies (Auditor's Report) Order 2003 including companies (auditors report) (amendment) Order '2004 issued by the Central Government of India in term of sub-section (4A) of section 227 of the Act, we given in annexure a statement on matter specified in Para 4 and 5 of the said order.
- b. As required by the Section 227(3) of the Act, we report that
  1. We have obtained all information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;





**MADHURESH GUPTA & CO.**  
**CHARTERED ACCOUNTANTS**

**ASHIRWAD BHAWAN,  
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RAIPUR - 492 001**

2. In our opinion proper books of account as required by law have been kept by the Company so far as appear from our examination of those books;
3. The balance Sheet and Statement of Profit and Loss dealt by this Report are in agreement with the books of accounts;
4. In our opinion, the Balance Sheet and Statement of Profit and Loss comply with Accounting Standard referred in sub-section (3C) of Section 211 of the Companies Act 1956; and
5. On the basis of written representation received from the directors as on March 31, 2012, and taken on record by Board of Directors, none of the directors is disqualified as on march 31, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the companies act 1956

**FOR, MADHURESH GUPTA & CO.  
CHARTERED ACCOUNTANTS  
(FIRM REG. NO. 005910C)**

**PLACE : RAIPUR  
DATE : 30.08.2012**

  
**(MADHURESH GUPTA)  
PROP.  
M.NO.074636**

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ANNEXURE TO THE AUDITORS'S REPORT

The annexure to refer to in our report to the members of Natura Hue Chem Limited ("The Company") for the year ended March 31, 2012.

We report that

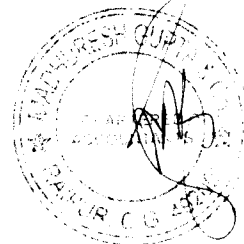
- I. a. The Fixed Assets register is being maintained by the Company showing full particulars including quantitative details and situation of Fixed Assets.
- b. We are informed that the Fixed Assets were physically verified at reasonable intervals during the year. No serious discrepancies were noticed on such verification.
- c. None of the fixed assets of the company have been disposed off during the year so the question of affecting the going concern does not arises at all.
- II. The Company has not carried over business during the year, hence this clause is not applicable.
- III. a. The Company has granted unsecured loans to companies, firms or other parties listed in the Registers maintained U/S 301 of the Companies Act 1956 The total no. of Party are 1 and maximum amount outstanding during the year aggregates to Rs.385.40 Lacs and year end balances was Rs.385.40 Lacs.
- b. In our opinion & according to the information given to us the rate of interest & terms & condition of the loan given by the company are not prejudicial to the interest of the company.
- c. As explained to us there is no Stipulation regarding repayment of principal amount & interest thereon.



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- d. As stated above, since there is no stipulation regarding repayment of principal amount. Hence the question of over due amount is more than 1 lacs does not arises.
- e. The Company has not taken any loans, secured or unsecured from companies, firms or other parties listed in the Registers maintained U/S 301 of the Companies Act 1956 (1 of 1956). Hence the other information is not given here.
- IV. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of its business for the purchase of stores, raw materials including components, plant and machinery, equipment and other assets and for the sale of goods. There is no such major weakness, which requires any corrective steps.
- V. As explained to us, no transactions have been carried out during the year, which is required to be entered in the register maintained U/s 301 of the Act.
- VI. The company has not accepted any public deposit hence this clause is not applicable.
- VII. In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- VIII. Central Government has not prescribed maintenance of cost records U/s 209 (1)(d) in respect of the any of the products and hence Para 4(viii) of 'CARO' 2003 is not applicable.
- 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,



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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, wealth tax, sales tax, customs duty, excise duty and cess were in arrears, as at 31st March 2012 for a period of more than six months from the date they became payable except Service Tax Rs. 1131576.64, Listing Fees Payable Rs. 69963.00,

- b. As informed by the management, there is no disputed amount pending under the sales tax, income tax, customs, and wealth tax, excise duty cess hence the question relating to the forum where the dispute is pending does not arise at all.
- X. The company does not have accumulated losses of more than 50% of its net worth as at 31st March' 2012 and have not incurred cash losses during the financial year ended on the date and cash losses in the immediately preceding financial year.
- XI. The company has not taken any loan from financial institution; hence this clause is not applicable.
- XII. In our opinion and according to the information and explanation given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- XIII. The provision of any special status as specified under Clause (xiii) of the Order is not applicable to the Company.
- XIV. In our opinion and according to the information and explanations given to us, the company is not a dealer or trader in securities.
- XV. The company has not given guarantees for loans taken by others from bank or financial institution.



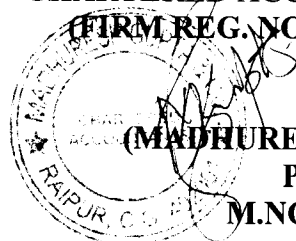
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**ASHIRWAD BHAWAN,  
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RAIPUR - 492 001**

- XVI. No term loans have been taken by the company hence the question of application of term loan for required purpose is not arises.
- 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. During the year under audit the company has not made any allotment of shares so the question of preferential allotment and pricing of the share whether it is prejudiced are does not arise.
- XIX. The company has not issued debentures; hence question of creation of securities does not arise.
- XX. The company has not raised any money through the public issue during the year so the question of end use of money & the issue is not comes.
- XXI. According to the information and explanations given to us, during the year no fraud on or by the Company has been noticed or reported.

**PLACE : RAIPUR  
DATE : 30.08.2012**

**FOR, MADHURESH GUPTA & CO.  
CHARTERED ACCOUNTANTS  
(FIRM REG. NO. 005910C)**

  
**(MADHURESH GUPTA)  
PROP.  
M.NO.074636**

**BALANCE SHEET AS AT 31.03.2012**

	Note No.	2012		2011	
		Rs.	Rs.	Rs.	Rs.
<b>I EQUITY AND LIABILITIES</b>					
<b>1. Shareholder's funds</b>					
(a) Share Capital	2	41,453,000.00		41,453,000.00	
(b) Reserves and Surplus	3	30,872,349.56		30,527,262.16	
			<b>72,125,349.56</b>		<b>71,980,262.16</b>
<b>2. Non-current liabilities</b>					
(a) Other Long term liabilities	6	3,803,247.12		4,802,492.00	
			<b>3,803,247.12</b>		<b>4,802,492.00</b>
<b>3. Current Liabilities</b>					
(a) Short term borrowings	4	-		17,790,000.00	
(b) Trade payables	5	30,232,321.00		96,445,019.00	
(c) Other Short term liabilities	6	44,420,000.00		900,000.00	
(d) Short term provisions	7	1,216,539.64		1,689,705.64	
			<b>75,868,860.64</b>		<b>116,824,724.64</b>
<b>TOTAL</b>			<b>151,797,457.32</b>		<b>193,607,478.80</b>
<b>II ASSETS</b>					
<b>1. Non-current assets</b>					
(a) Fixed assets					
(i) Tangible assets	14	1,007,959.56		1,047,346.54	
(b) Non-current investments	8	22,445,550.00		22,445,550.00	
(c) Deferred tax assets (net)	9	24,596.49		23,476.51	
(d) Long-term loans and advances	12	50,260,469.00		33,599,071.00	
(e) Other non-current assets	13	1,235,329.00		1,235,329.00	
			<b>74,973,904.05</b>		<b>58,350,773.05</b>
<b>2. Current assets</b>					
(a) Trade receivables	10	32,375,145.77		45,521,990.47	
(b) Cash and Cash equivalents	11	376,406.09		30,934,182.89	
(c) Short-term loans and advances	12	42,010,250.00		57,000,000.00	
(d) Other current assets	13	2,061,751.41		1,800,532.39	
			<b>76,823,553.27</b>		<b>135,256,705.75</b>
<b>TOTAL</b>			<b>151,797,457.32</b>		<b>193,607,478.80</b>

Notes 1 to 27 referred in Balance Sheet & in Statement of Profit & Loss together with Notes on financial statement attached there to form an integral part of Balance Sheet

As per our report of even date

For, Madhuresh Gupta & Co.  
Chartered Accountants  
(Firm Reg. NO. 0058/0C)

Madhuresh Gupta  
Proprietor  
M.No. 074636

For and on behalf of board of directors

Director

Director

Place: Raipur  
Date: 30.08.2012

**M/s. NATURA HUE CHEM LIMITED**  
**D-58, SECTOR-1, DEVENDRA NAGAR, RAIPUR (CHHATTISGARH)**

**STATEMENT OF PROFIT AND LOSS AS ON 31.03.2012**

	Note No.	2012		2011	
		Rs.	Rs.	Rs.	Rs.
I Revenue from operations	15	-	-	70,816,277.00	-
II Other Income	16	4,190,074.00	-	1,723,640.00	-
III <b>Total Revenue (I + II)</b>			<b>4,190,074.00</b>		<b>72,539,917.00</b>
IV Expenses					
Cost of Materials Consumed		-	-	19,785,365.00	-
Employee benefits expense	17	70,500.00	-	1,219,450.00	-
Depreciation and amortization expense	18	448,787.80	-	461,755.76	-
Other expense	19	3,460,818.80	-	45,619,713.19	-
<b>Total Expense</b>			<b>3,980,106.60</b>		<b>67,086,283.95</b>
V Profit before exceptional and extraordinary items and tax (III-IV)			<b>209,967.40</b>		<b>5,453,633.05</b>
VI Exceptional Items			-		-
VII Profit before extraordinary items and tax (V-VI)			<b>209,967.40</b>		<b>5,453,633.05</b>
VIII Extraordinary items			-		-
IX Profit before tax (VII-VIII)			<b>209,967.40</b>		<b>5,453,633.05</b>
X <b>Tax expense:</b>					
(1) Current tax		65,999.98	-	1,685,172.61	-
(2) Deferred tax		(1,119.98)	-	(3,254.51)	-
			64,880.00		1,681,918.10
XI X)			<b>145,087.40</b>		<b>3,771,714.95</b>
XII Profit/(Loss) for the period from discontinuing operations			-		-
XIII Tax expense of discontinuing operations			-		-
XIV XIII)			-		-
XV Profit/(Loss) for the period (XI + XIV)			<b>145,087.40</b>		<b>3,771,714.95</b>
XVI <b>Earnings per equity share:</b>	20				
(1) Basic			0.04		0.91
(2) Diluted			0.04		0.91

Notes 1 to 27 referred in Balance Sheet & in Statement of Profit & Loss together with Notes on financial statement attached there to form an integral part of Balance Sheet

As per our report of even date

For, Madhuresh Gupta & Co.  
Chartered Accountants  
(Firm Reg. No. 005910C)

Madhuresh Gupta  
Proprietor  
M.No. 074036

Place : Raipur  
Date: 30.08.2012

For and on behalf of board of directors

Director

Director


**M/S NATURA HUE CHEM LIMITED**

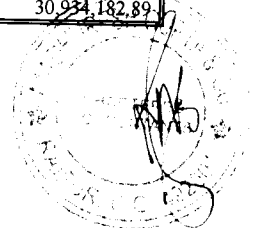
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH' 2012**

	31-03-2012	31-03-2011
<b>A</b> <b><u>CASH FLOW FROM OPERATING ACTIVITIES</u></b>		
NET PROFIT/LOSS BEFORE TAXES & EXTRAORDINARY ITEMS	209,967.40	5,453,633.05
ADJUSTMENT FOR :-		
MISCELLANEOUS EXPENSES WRITTEN OFF DURING THE YEAR	409,400.82	409,401.00
INTEREST RECEIVED	(224,874.00)	(799,600.00)
CAPITAL GAIN ON SALE OF SHARES		(599,200.00)
DEPRECIATION	39,386.98	52,354.94
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	433,881.20	4,516,588.99
ADJUSTMENT FOR :-		
SUNDRY DEBTORS	13,146,844.70	64,709,108.79
SUNDRY CREDITORS	(66,212,698.00)	(74,445,500.79)
DEPOSITS & OTHER NET ASSETS	39,639,321.30	8,763,478.00
<b>CASH FROM OPERATING ACTIVITIES</b>	(12,992,650.80)	3,543,674.99
LESS: TAX PAID		
<b>NET CASH FROM OPERATING ACTIVITIES</b> <b>A</b>	(12,992,650.80)	3,543,674.99
<b>B</b> <b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
PURCHASE OF FIXED ASSETS / INVENTORY INVESTMENT	-	846,051.00
CAPITAL GAIN ON SALE OF SHARES	-	6,350,000.00
	-	599,200.00
<b>NET CASH USED IN INVESTING ACTIVITIES</b> <b>B</b>	-	7,795,251.00
<b>C</b> <b><u>CASH FLOW FROM FINANCING ACTIVITIES</u></b>		
MONIES RECEIVED TOWARDS SHARE CAPITAL & RESERVES SECURED LOAN	-	(85,882.00)
UNSECURED LOAN RECEIVED	65,090,000.00	17,790,000.00
UNSECURED LOAN REPAYED	(82,880,000.00)	
INTEREST RECEIVED	224,874.00	799,600.00
<b>NET CASH FROM FINANCING ACTIVITIES</b> <b>C</b>	(17,565,126.00)	18,503,718.00
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENT	(30,557,776.80)	29,842,643.99
CASH AND CASH EQUIVALENT AS AT BEGINNING	30,934,182.89	1,091,538.90
CASH AND CASH EQUIVALENT AS AT END OF YEAR	376,406.09	30,934,182.89

FOR AND ON BEHALF OF THE BOARD

PLACE :- RAIPUR  
DATED : 30.08.2012

 **DIRECTOR**





# NATURA HUE-CHEM LIMITED

## Note No. 1

### SIGNIFICANT ACCOUNTING POLICIES

i. CONVENTION:

The Financial Statements are prepared under the historical cost convention in accordance with the applicable Accounting standards and relevant requirements of the Companies Act, 1956.

ii. FIXED ASSETS:

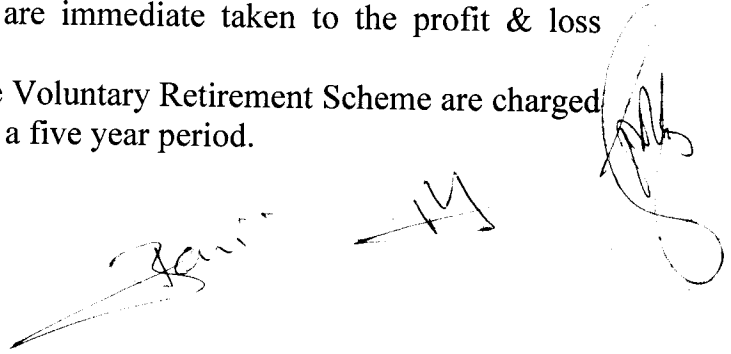
- a. Fixed assets are stated at cost less depreciation. Cost comprises the purchase price and any other applicable costs.
- b. Borrowing costs in respect of loans required for acquisition and construction of fixed assets are capitalized upto the date the assets are ready for use.

iii. DEPRECIATION:

Depreciation on the fixed assets has been charged on WDV Method as per rate prescribed in Schedule – XIV of Companies Act.

iv. EMPLOYEE BENEFITS:

- a. Provident Fund is a defined contribution scheme and the contributions are charged to the Profit & Loss A/c of the year when the contributions to the Government Funds is due.
- b. Gratuity Liability and pension liability are defined benefit obligations and are provided for on the basis of an actuarial valuation made at the end of each financial year.
- c. Short Term Compensated absences are provided for based on estimates. Long Term compensated absences are provided for based on actuarial valuation.
- d. Actuarial gains / losses are immediate taken to the profit & loss account and are not deferred.
- e. Payments made under the Voluntary Retirement Scheme are charged to the profit & loss account over a five year period.



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v. INVESTMENT:

Long term Investments are valued 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.

vi. CONTINGENT LIABILITIES:

Contingent Liabilities are generally not accounted for in the accounts.

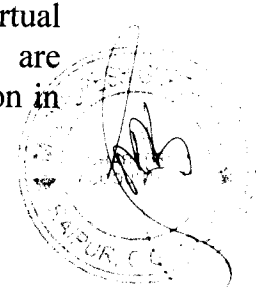
vii. BORROWING COSTS:

Borrowing cost that is attributable to the acquisition or construction of qualifying assets is 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 borrowing costs are charged to revenue.

viii. TAXES ON INCOME:

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

*Ravi* →



## NOTES TO ACCOUNTS

20. Earning Per Share: -

Net Profit/Loss for the year	Rs.145087/-
No. of Equity Share	No.4145300
Earning Per Share	Rs.0.04

21. Deferred Tax: In accordance with the Accounting Standard - 22 "Accounting for taxes on Income" issued by the Institute of Chartered Accountants of India, which has become mandatory from 1st April' 2002 for non listed companies, the company has accounted for deferred tax - during the year. Consequently, the cumulative net deferred tax assets / (liabilities) of Rs.1119.98.00 as on 31st March' 2012 has been recognized and adjusted from Profit & Loss A/c.

22. Related Party Disclosure: -

a. Names of Related Parties

- i. Subsidiaries - NIL
- ii. Key Management Personal -
- A. Shri Ravi Kamra  
B. Shri Ravindra Pokharna

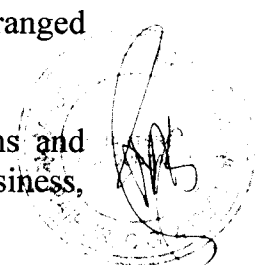
iii. Transaction with related parties: -

Name and Address	Nature of Transaction
New Era Alkaloids & Export Limited C-97, Sector - 2, Devendra Nagar, Raipur	Company has given loan to the company of the Rs. 68,10,000/-

23. Figures have been rounded of nearest Rupees & regrouped and rearranged as compare to previous year, wherever felt necessary.

24. In the opinion of the board of directors the Current Assets, Loans and Advances have not a value on realization in the ordinary course of business.

*Sanjay*



at least equal to the amounts at which these are stated and that the provisions for the known liability is adequate and not in excess of the amount reasonable necessary. There are no contingent liabilities.

25. There were no employee at any time during the year drawing Rs.5,00,000/- or more per month.
26. Debit Balances in the accounts of Supplier, Banks & Others are subject to confirmation and reconciliation.

Notes "1" to "26" Form an integral part of the Balance Sheet and Statement of Profit and loss have been duly authenticated.

As per our report attached

For and on behalf of Board of Director

For,  
M/s MADHURESH GUPTA & CO.  
CHARTERED ACCOUNTANTS  
(FIRM REG. NO. 005910C)

(MADHURESH GUPTA)  
PROPRIETOR  
M.NO.074636

  
DIRECTOR

  
DIRECTOR

PLACE : RAIPUR  
DATED : 30.08.2012

**M/s. NATURA HUE CHEM LIMITED**  
Notes forming part of the Balance Sheet

**Note 2: Share Capital**

Particulars	2012		2011	
	In. No.	Face Value	In. No.	Face Value
<b>A) Authorised Capital</b>				
Equity Shares Of Rs. 10/-Each With Voting Rights	70,000,000.00	700,000,000.00	70,000,000.00	700,000,000.00
	70,000,000.00	700,000,000.00	70,000,000.00	700,000,000.00

**B) Issued Share Capital**

Equity Shares Of Rs. 10/-Each With Voting Rights	6,097,300.00	60,973,000.00	6,097,300.00	60,973,000.00
	6,097,300.00	60,973,000.00	<b>6,097,300.00</b>	<b>60,973,000.00</b>

**C) Subscribed Share Capital**

Equity Shares Of Rs. 10/-Each With Voting Rights	6,097,700.00	60,977,000.00	6,097,700.00	60,977,000.00
	6,097,700.00	60,977,000.00	<b>6,097,700.00</b>	<b>60,977,000.00</b>

**D) Fully Paid Up Share Capital**

Equity Shares Of Rs. 10/-Each With Voting Rights	4,145,300.00	41,453,000.00	4,145,300.00	41,453,000.00
	4,145,300.00	41,453,000.00	<b>4,145,300.00</b>	<b>41,453,000.00</b>

**I Reconciliation Of Shares Outstanding At The Beginning And At The End Of The Year**

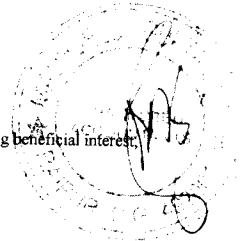
	2012		2011	
	In. No.	Face Value	In. No.	Face Value
At The Beginning Of The Year				
Add: Issue Of Fresh Shares	4,145,300.00	41,453,000.00	4,145,300.00	41,453,000.00
At The End Of The Year	4,145,300.00	41,453,000.00	<b>4,145,300.00</b>	<b>41,453,000.00</b>

The company has only one class equity shares having par value of Rs 10 per share. Each equity share is entitled to one vote.

**II Detail of shareholders holding more than 5% shares in the Company**

**Non of shareholder hold more the 5% shares of the company during the year**

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.



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**Note 3: Reserve and Surplus**

	2012	2011
<b>A) Share Forfeiture Account</b>		
Opening Balance	13,146,675.00	13,146,675.00
Add: Addition During The Year	-	-
<b>Total</b>	<b>13,146,675.00</b>	<b>13,146,675.00</b>

**B) Surplus In Statement Of Profit And Loss**

Opening Balance	17,380,587.16	13,608,872.21
Add: Profit During The Year As Per Statement Of Profit And Loss	145,087.40	3,771,714.95
<b>Total</b>	<b>17,525,674.56</b>	<b>17,380,587.16</b>
<b>Total (a+b)</b>	<b>30,672,349.56</b>	<b>30,527,262.16</b>

**Note 4: Long Term Borrowing**

	2012	2011
<b>Unsecured Borrowing</b>		
VARDHAMAN ENTERPRISES SPECIAL BLASTS LIMITED	-	17,790,000.00
<b>Total</b>	<b>-</b>	<b>17,790,000.00</b>

**Note 5: Trade Payable**

	2012	2011
KERLA SPONGE & POWER LTD.	19,772,248.00	19,772,248.00
SOUTHEN ISPAT LTD.	-	28,358,511.00
VARDHAMAN ENTERPRISES	-	300,000.00
PAVAN SECURITY SERVICES	-	20,563.00
SUNDRY TRANSPORTERS	9,123,590.00	14,894,010.00
COSMOS COSTING (I) LTD.	-	13,317,073.00
SHUBHAM ENTERPRISES (RAIPUR) PVT. LTD.	-	15,446,131.00
SHREE GANESH OLEOCHEM PVT LTD	-	3,000,000.00
NEW ERA ALKALOIDS & EXPORT LIMITED	1,336,483.00	1,336,483.00
<b>Total</b>	<b>30,232,321.00</b>	<b>96,445,019.00</b>

**Note 6: Other Short Term Liability**

	Non Current Portion		Current portion	
	2012	2011	2012	2011
<b>ADVANCE FROM CUSTOMERS &amp; OTHERS</b>				
NAVBHARAT FUSE CO. LTD	-	-	60,000.00	-
SPECIAL BLASTS LTD	-	-	-	-
GALAXY IMPRO EXPRO PVT. LTD	123,696.12	1,123,696.00	-	-
VETRIVAL EXPLOSIVE PVT. LTD.	3,600,000.00	3,600,000.00	-	900,000.00
CHEQUE ISSUED BUT NOT CLEARED	79,551.00	78,796.00	-	-
<b>Total</b>	<b>3,803,247.12</b>	<b>4,802,492.00</b>	<b>44,420,000.00</b>	<b>900,000.00</b>

*Review* *11/11*

**Note 7: Short Term Provisions**

	2012	2011
SERVICE TAX PAYABLE		
AUDIT FEES PAYABLE	1,131,576.64	1,533,070.64
SALARY PAYABLE	15,000.00	41,672.00
LISTING FEES PAYABLE	-	45,000.00
	69,963.00	69,963.00
<b>Total</b>	<b>1,216,539.64</b>	<b>1,689,705.64</b>

**Note 8: Non Current Investment (Valued At Cost, Unless Otherwise Stated)**

<u>Investment In Shares (Long Term unquoted Shares)</u>	2012	2011
GANGA IRON & STEEL TRADING CO. LTD	4,775,050.00	4,775,050.00
GARUDA ISPAT PVT. LTD	1,075,000.00	1,075,000.00
RAGHUVVEER FERRO ALLOYS PVT. LTD	500,000.00	500,000.00
SPECIAL BLASTES LTD.	8,845,500.00	8,845,500.00
SHINSON INDIA LTD.	250,000.00	250,000.00
SHUBHAM ENTERPRISES (RAIPUR) PVT. LTD.	1,000,000.00	1,000,000.00
RAIPUR FORGINGS & CASTING PVT. LTD	500,000.00	500,000.00
SRI BALMUKUND POLYPACK PRIVATE LIMITED (90000 SHARES)	4,500,000.00	4,500,000.00
CHHAMBELA VYAPAR PVT. LTD	1,000,000.00	1,000,000.00
<b>Total</b>	<b>22,445,550.00</b>	<b>22,445,550.00</b>

AGGREGATE AMOUNT OF UNQUOTED INVESTMENT	2012	2011
	22,445,550.00	22,445,550.00

**Note 9: Deferred Tax Assets (Net)**

Deferred Tax	2012	2011
	24,596.49	23,476.51
<b>Total</b>	<b>24,596.49</b>	<b>23,476.51</b>

**Note 10: Trade Receivables  
(Unsecured Considered Goods)**

<u>Outstanding For A Period Exceeding Six Month From The Date Of Becoming Due For Payment</u>	2012	2011
AMIN ENTERPRISES	87,566.00	87,566.00
ANJANA EXPLOSIVES LTD	3,471,637.00	3,471,637.00
BLASTEC (INDIA) PVT. LTD.	1,233,464.00	1,233,464.08
GULF OIL CORPORATION LTD	4,917,406.00	4,917,406.00
IDEAL INDUSTRIAL EXPLOSIVES LTD.	277,249.00	277,249.00
INDIAN EXPLOSIVE LTD.	577,699.00	577,699.00
INDIAN OIL CORPORATION LTD	-	670,000.00
KELTECH ENERGIES LTD	1,626,638.00	1,626,638.00
MAHANADI METALS & CHEMICALS PVT. LTD.	13,589,546.00	13,689,546.00
RAHUL IMPORT & EXPORT	1,932,984.00	1,932,984.00
RAJA EXPLOSIVE (P) LTD.	850,298.00	850,298.00
RAJASTHAN EXPLOSIVE & CHEMICALS LTD.	199,154.00	199,154.00
SHILPACHEM	875,331.00	875,331.00
SOLAR CAPITALS LIMITED	158,154.77	158,154.39
SRI KRISHNA EXPLOSIVE & ACCESSORIES CO.	-	12,376,845.00
SRI LAKSHMI VENKATA SAI CHEMICAL INDUSTRIES	136,204.00	136,204.00
TAMILNADU INDUSTRIAL EXPLOSIVE LTD	653,402.00	653,402.00
SRINIVASA ENTERPRISES	935,026.00	935,026.00
MOUNICA ENTERPRISES	853,387.00	853,387.00
<b>Total</b>	<b>32,375,145.77</b>	<b>45,521,990.47</b>

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**Note 11: Cash & Bank balances**

Cash & Cash Equivalent	2012	2011
	CASH IN HAND	52,304.60
BANK BALANCES	324,101.49	30,812,287.29
<b>Total</b>	<b>376,406.09</b>	<b>30,934,182.89</b>

**Note 12: Loans and Advances**

	Non current portion		Current portion	
	2012	2011	2012	2011
<b>(a) Loan and Advances</b>				
ASHIRWAD ISPAT RAIPUR LTD	11,950.00	11,950.00	-	-
ASHOK BHATNAGAR	224,000.00	224,000.00	-	-
KWALITY FOUNDRY	800,000.00	800,000.00	-	-
PRAMOD VASWANI	3,000,000.00	3,000,000.00	-	-
SUNIL NAMDEV	1,000,000.00	1,000,000.00	-	-
SURENDRA PATWA	11,095,121.00	11,095,121.00	-	-
MAHADEV LOGISTICS	2,000,000.00	2,000,000.00	-	-
PYRO CHEM INDIA PVT. LTD	1,000,000.00	1,000,000.00	-	-
AKRAM SIDDHAQUI	200,000.00	200,000.00	-	-
SHRI BABA BAIDYANATH INDUSTRIES	1,735,529.00	1,568,000.00	-	-
SRI KRISHNA EXPLOSIVES & ACC CO.	-	-	-	-
NAVJOT SINGH SALUJA	-	-	-	39,200,000.00
PRASHANT MISHRA	8,700,000.00	5,500,000.00	-	700,000.00
RAJENDRA SINGH SALUJA	1,040,000.00	800,000.00	-	-
TAJENDRA SING SALUJA	6,400,000.00	6,400,000.00	-	600,000.00
NEW ERA ALKALOIDS & EXPORT LIMITED	-	-	-	7,200,000.00
KIRAN TRAVELES	-	-	38,540,000.00	9,300,000.00
<b>Total</b>	<b>37,206,600.00</b>	<b>33,599,071.00</b>	<b>42,010,250.00</b>	<b>57,000,000.00</b>
<b>(b) Advance to Suppliers</b>				
SHUBHAM ENTERPRISES (RAIPUR) PVT. LTD.	13,053,869.00	-	-	-
<b>Total</b>	<b>13,053,869.00</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total (a+b)</b>	<b>50,260,469.00</b>	<b>33,599,071.00</b>	<b>42,010,250.00</b>	<b>57,000,000.00</b>

**Note 13: Others Current And Non Current Assets**

	Long term (Non current)		Short term (Current)	
	2012	2011	2012	2011
<b>(a) Other Assets</b>				
IMPREST ACCOUNT	-	-	90,239.00	145,459.00
TDS RECEIVABLE	-	-	62,337.41	1,245,672.39
COMPUTECH INTERNATIONAL LTD.	47,000.00	47,000.00	-	-
M.P. STOCK EXCHANGE	400,000.00	400,000.00	-	-
DEPB LICENCE ACCOUNT	788,329.00	788,329.00	-	-
CENVAT	-	-	1,889,175.00	-
<b>Total</b>	<b>1,235,329.00</b>	<b>1,235,329.00</b>	<b>2,061,751.41</b>	<b>1,391,131.39</b>
<b>(b) Misc. Expenditures (Assets)</b>				
PRE OPERATING & PUBLIC ISSUE EXPENSES	-	-	-	408,401.00
<b>Total (a+b)</b>	<b>1,235,329.00</b>	<b>1,235,329.00</b>	<b>2,061,751.41</b>	<b>1,800,532.39</b>



M/S NATURA HUE CHEM LIMITED

Note 14: FIXED ASSETS

PARTICULARS	GROSS BLOCK AS ON 01/04/11	ADDITIONS	DEDUCTION	GROSS BLOCK AS ON 01/04/12	RATE %	DEPRECIATION			NET BLOCK ON 31/03/2012	NET BLOCK ON 31/03/2011
						UPTO 31/03/11	FOR THE YEAR 2011-12	UPTO 31/03/12		
LAND & SITE DEVELOPMENT	872,000.00	-	-	872,000.00	-	-	-	-	872,000.00	872,000.00
CIVIL CONSTRUCTION	81,000.00	-	-	81,000.00	0.10	42,257.61	3,874.24	46,131.85	34,868.15	38,742.39
COMPUTER	144,540.00	-	-	144,540.00	0.40	143,505.79	413.68	143,919.48	620.52	1,034.21
MARUTI ZEN	374,212.00	-	-	374,212.00	0.26	238,642.06	35,099.06	273,741.12	100,470.88	135,569.94
<b>TOTAL</b>	<b>1,471,752.00</b>	<b>-</b>	<b>-</b>	<b>1,471,752.00</b>		<b>424,405.46</b>	<b>39,386.98</b>	<b>463,792.44</b>	<b>1,007,959.56</b>	<b>1,467,765.54</b>


**M/S NATURA HUE CHEM LIMITED**  
Notes forming part of statement of profit and loss

**Note 15: Revenue From Operation**

	2012	2011
CARGO HANDLING CHARGES	-	68,420,547.00
GODOWN RENT RECOVERD	-	2,395,730.00
Total	-	70,816,277.00

**Note 16: Other Incomes**

	2012	2011
INTEREST RECOVER FROM OTHERS	224,874.00	1,124,440.00
EXCESS TRANSPORTATION CHARGES REVERSESD	3,965,200.00	-
SHORT TERM CAPITAL GAIN	-	599,200.00
Total	4,190,074.00	1,723,640.00

**Note 17: Employee Benefits Expense**

	2,012.00	2,011.00
Salaries	70,500.00	1,219,450.00
Total	70,500.00	1,219,450.00

**Note 18: Depreciation and amortization expenses**

	2012	2011
Public Issue Expenses	409,400.82	409,400.82
Depreciation	39,386.98	52,354.94
Total	448,787.80	461,755.76

**Note 19: Other Expenses**

**(a) Port Charges & Handling Charges**

	2012	2011
STOCK MANAGEMENT & SUPERVISION CHARGES	-	12,771,154.00
FIRE WATCH CHARGES	-	247,514.00
GODOWN RENT	-	274,995.00
SECURITY SERVICES CHARGES	-	866,939.00
STEVEDORING & HANDALING CHARGES	-	22,605,205.00
SUPERVISION CHARGES	62,473.00	2,819,811.00
HANDALING LOSS	-	54,497.00
INSURANCE EXPENSES	-	20,691.00
Total	62,473.00	39,668,206.00

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(b) Administrative & Selling Expenses		
	2012	2011
PRINTING & STATIONARY		
LEGAL EXPANSES	15,320.00	18,347.00
INTEREST ON TDS	43,000.00	90,000.00
AUDIT FEES EXPENSES		117,222.00
BANK CHARGES	15,000.00	16,545.00
OFFICE AND GENERAL EXPENSES	27,297.80	301,914.19
TELEPHONE EXPENSES	3,251.00	123,840.00
LISTING FEES	2,360.00	46,578.00
SMALL BAL WRITTEN OFF	60,000.00	124,540.00
TRAVELLING EXPENSES	617.00	180,204.00
VEHICAL RUNNING & MAINTANANCE EXPENSES	5,160.00	195,182.00
INTEREST ON SERVICE TAX	4,969.00	-
PENALTY FOR SERVICE TAX	3,223,371.00	4,725,535.00
ROC EXPENSES	-	14,000.00
		5,000.00
Total	3,398,345.80	5,958,907.19
Total (a+b)	3,460,818.80	45,619,713.19

**Note 20: Earning Per Share (EPS)**

	2012	2011
Profit After Tax As Per Statement Of Profit And Loss		
Weighted Average Number Of Equity Shares For Basic Eps (In No.)	145,087.40	3,771,714.95
Weighted Average Number Of Equity Shares For Diluted Eps (In No.)	4,145,300.00	4,145,300.00
Face Value Of Equity Share (In Rs.)	4,145,300.00	4,145,300.00
Basic Earning Per Shares (In Rs.)	0.04	0.91
Diluted Earning Per Shares (In Rs.)	0.04	0.91

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