

# **NORTHERN PROJECTS LIMITED**

## **DIRECTORS**

V. N. AGARWAL  
A. K. GHOSH  
G. K. AGARWAL

## **AUDITORS**

SALARPURIA & PARTNERS  
7, CHITTARANJAN AVENUE  
KOLKATA - 700 072

## **BANKERS**

UNITED BANK OF INDIA  
UCO BANK

## **REGISTERED OFFICE**

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

# NORTHERN PROJECTS LIMITED

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## DIRECTORS' REPORT

To the Members,

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

	2013 - 2014 (₹)	2012 - 2013 (₹)
<b>FINANCIAL RESULTS</b>		
<b>Total Revenue</b>	<b>6,262,237</b>	<b>4,530,643</b>
<b>Net Profit before Taxation</b>	<b>121,458</b>	<b>1,115,222</b>
Less : Provision for Taxation	120,000	220,000
Provision for Deferred Tax	15,997	21,555
<b>Net Profit/(Loss) after Taxation</b>	<b>(14,539)</b>	<b>873,667</b>
Less : Transfer to RBI Reserve Fund	—	174,733
Add : Balance brought forward	157,847,634	157,148,700
<b>Balance Carried Forward to Balance Sheet</b>	<b>157,833,095</b>	<b>157,847,634</b>

## COMPANY PERFORMANCE

The working results of your Company during Financial year ended on 31st March, 2014 was not satisfactory.

## DIVIDEND

The Directors have considered not recommended any dividend for the year under review.

## DIRECTORS

Mr. G. K. Agarwal, Director retires by rotation and being eligible offers himself for re-appointment.

## DIRECTORS' RESPONSIBILITY STATEMENT

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

- i) That in the preparation of the Annual Accounts for the financial year ended 31st March, 2014 the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of 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 had 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 had prepared the accounts for the financial year ended 31st March, 2014 on a 'going concern' basis.

## AUDITORS

M/s Salarpuria & Partners, Chartered Accountants, Auditors of the Company, hold office till the conclusion of this

## **NORTHERN PROJECTS LIMITED**

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

### **PUBLIC DEPOSIT:**

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

### **PARTICULARS OF EMPLOYEES:**

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

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

The provisions of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 in respect of Conservation of Energy, Technology Absorption & Foreign Exchange Earnings and Outgo are not applicable during the year under review.

### **ACKNOWLEDGEMENT:**

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

FOR AND ON BEHALF OF THE BOARD

Place: Kolkata  
Date: 28th May, 2014

V. N. AGARWAL  
G. K. AGARWAL  
DIRECTORS

# **NORTHERN PROJECTS LIMITED**

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## **INDEPENDENT AUDITORS' REPORT**

**TO THE MEMBERS,**

### **REPORT ON THE FINANCIAL STATEMENTS**

We have audited the accompanying financial statements of **NORTHERN PROJECTS LIMITED**, which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **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 referred to in sub-section (3C) of section 211 of the Companies Act, 1956. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and 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 but not for the purpose of expressing an opinion on the effectiveness of company's internal control. 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.

### **OPINION**

In our opinion 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 Statement of Profit and Loss, 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 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

## **NORTHERN PROJECTS LIMITED**

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2. As required by section 227(3) of the Act, we report that:

- (i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (ii) 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;
- (iii) 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;
- (iv) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- (v) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

**For SALARPURIA & PARTNERS**  
**Chartered Accountants**  
**ICAI Reg. No. 302113E**

**Place : Kolkata**  
**Date: 28th May, 2014**

**Arabinda Ghosh**  
**Membership No. 51855**

# NORTHERN PROJECTS LIMITED

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## ANNEXURE TO THE AUDITORS' REPORT

1. a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) Fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies have been noticed on physical verification as confirmed by the Management.
  - c) No substantial part of fixed assets has been disposed off during the year, which would effect the going concern assumption.
2. As there is no inventory comments on clauses ii (a), (b) & (c) are not applicable to the company.
3. (a) The company has granted unsecured loan to companies covered in the register maintained under Section 301 of the Companies Act, 1956 during the year, details are as follows:

Name of the Company	Opening	Loan Given	Loan Refunded	Maximum amount involved during the year	Balance outstanding at the year end (Excluding Interest)
Asutosh Enterprises Ltd.	46,450,000	575,000	3,500,000	46,650,000	43,525,000
V. N. Enterprises Ltd.	NIL	20,000,000	NIL	20,000,000	20,000,000

- (b) In our opinion, the rates of interest and terms and conditions on which loans has been given to parties listed in the register maintained U/s. 301 are not, prima facie, prejudicial to the interest of the company.
- (c) The receipt of the principal amount and interest are regular as per mutual consent.
- (d) There is no over due amounts of loan given.
- (e) As per information and explanation given to us, the company not taken secured/unsecured loans/advance from companies, firms or any other parties covered in the register maintained under section 301 of the Companies Act, 1956. Hence comments on Clauses iii (f) to (g) are not applicable.
4. On the basis of checks carried out during the course of audit and as per explanations given to us, we are of the opinion that there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase and sale of fixed assets and investments. During the course of our audit, no major weakness has been noticed in the internal control system.
5. a) In our opinion & according to the information & explanations given to us, the transactions made in pursuance of contracts or arrangements, that needed to be entered into the register maintained u/s.301 of the Companies Act, 1956 have been so entered.
- b) In our opinion & according to the information & explanations given to us, these transactions have been made at prices which are reasonable having regards to the prevailing market prices at the relevant time.
6. The company has not accepted public deposits and so the provisions of Sec.58A, 58AA and any other relevant provisions of the Act does not apply to the company.
7. As per the explanation and information given to us, the company has an internal audit system commensurate with the size and nature of the business.

## **NORTHERN PROJECTS LIMITED**

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8. Maintenance of cost records U/s 209(1)(d) of the Companies Act, 1956 does not apply to the company.
9. a) According to the information and explanations given to us and on the basis of our examination of the books of accounts, the company is regular in depositing undisputed statutory dues including, Income Tax, and other statutory dues with the appropriate authorities which has being outstanding for a period of more than six months from the date they became payable.  
b) The disputed statutory dues in respect of income tax amounting to ₹ 245.27 Lacs, have not been deposited on account of disputed matters pending before ITA for assessment year 2002-03, 2003-04, 2005-06 & 2006-07.
10. The company does not have any accumulated losses and has not incurred cash loss in the current financial year. The company has not incurred any cash losses in the immediately preceding financial year.
11. The company has not taken any loans from any Financial Institutions or bank has not issued any debentures hence the question of default in repayment does not arise.
12. According to the information and explanations given to us, the company has not granted any loans or advances on the basis of security by way of pledge of Shares, Debentures and Other Securities.
13. The company is not a Chit Fund or a Nidhi /Mutual Benefit Fund/Society hence clause XIII of the order does not apply.
14. The company is not in the business of dealing or trading in shares and securities. However the company has maintained proper records of transactions and contracts in respect of Shares, Securities, Debentures and other Investment and timely entries have been made therein. The shares, securities, debentures and other investments have been held by the company, in its own name.
15. In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by other from banks & financial institutions.
16. Based on information and explanations given to us by the management, the company has not raised any term loans during the year.
17. On the basis of our overall examination of the Cash Flow Statement, and on the basis of information given to us no funds raised on short term basis has been used for long term investment.
18. During the year under audit, the company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. On the basis of records made available to us, the company has not issued any debenture, hence the question of creating securities or charge does not arise.
20. The Company has not raised any money by way of Public Issue during the year.
21. Based upon the audit procedures performed and on the basis of information and explanations provided by the management, we report that no fraud, on or by the Company has been noticed or reported during the year.

**For SALARPURIA & PARTNERS**  
**Chartered Accountants**  
**ICAI Reg. No. 302113E**

**Place : Kolkata**  
**Date: 28th May, 2014**

**Arabinda Ghosh**  
**Membership No. 51855**

# NORTHERN PROJECTS LIMITED

## Balance Sheet as at 31st March, 2014

I. EQUITY AND LIABILITIES	Notes	As at 31st March 2014 ₹	As at 31st March 2013 ₹
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	1	22,050,000	22,050,000
(b) Reserves and Surplus	2	203,967,763	203,982,302
		<b>226,017,763</b>	<b>226,032,302</b>
<b>(2) Non-Current Liability</b>			
(a) Deferred Tax Liability	3	47,961	31,964
<b>(3) Current Liabilities</b>			
(a) Other Current Liabilities	4	194,566	232,273
(b) Short-term Provisions	5	5,976,103	5,529,827
		<b>6,170,669</b>	<b>5,762,100</b>
<b>Total</b>		<b>232,236,393</b>	<b>231,826,366</b>
<b>II. ASSETS</b>			
<b>(1) Non - Current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	6	1,095,856	1,451,531
(b) Non-Current Investments	7	72,676,444	93,557,478
(c) Long Term Loans and Advances	8	10,000	10,000
		<b>73,782,300</b>	<b>95,019,009</b>
<b>(2) Current Assets</b>			
(a) Trade Receivables	9	5,011,000	5,011,000
(b) Cash and Bank Balances	10	1,964,603	252,318
(c) Short Term Loans and Advances	11	148,508,490	130,811,710
(d) Other Current Assets	12	2,970,000	732,329
		<b>158,454,093</b>	<b>136,807,357</b>
<b>Total</b>		<b>232,236,393</b>	<b>231,826,366</b>
 <b>Significant Accounting Policies</b>	 17		
<b>Other Notes on Financial Statements</b>	18		

For SALARPURIA & PARTNERS  
Chartered Accountants  
ICAI Reg. No. 302113E

For and on behalf of the Board  
V. N. AGARWAL  
G. K. AGARWAL  
Directors

Place : Kolkata  
Date: 28th May, 2014

Arabinda Ghosh  
Membership No. 51855



## NORTHERN PROJECTS LIMITED

### Statement of Profit & Loss for the year ended 31st March, 2014

Particulars	Notes	For the year ended 31st March 2014	For the year ended 31st March 2013
		₹	₹
I. Revenue from Operations	13	6,262,237	4,530,643
<b>III. Total Revenue (I+II)</b>		<b>6,262,237</b>	<b>4,530,643</b>
IV. Expenses:			
Employee Benefit Expenses	14	319,176	280,175
Depreciation and Amortisation Expenses	15	355,675	48,401
Other Expenses	16	5,465,928	3,086,845
<b>Total Expenses</b>		<b>6,140,779</b>	<b>3,415,421</b>
V. Profit/(Loss) Before Tax (III-IV)		121,458	1,115,222
VI. Tax expense:			
(1) Current Tax		120,000	220,000
(2) Deferred tax		15,997	21,555
(3) Tax for Earlier Year		—	—
VII. Profit/(Loss) after Tax (IX-X)		(14,539)	873,667
VIII. Earning per Equity share of Rs. 10/- each	18(f)	(0.007)	0.40
<b>Significant Accounting Policies</b>	17		
<b>Other Notes on Financial Statements</b>	18		

For SALARPURIA & PARTNERS  
Chartered Accountants  
ICAI Reg. No. 302113E

For and on behalf of the Board  
V. N. AGARWAL  
G. K. AGARWAL  
Directors

Place : Kolkata  
Date: 28th May, 2014

Arabinda Ghosh  
Membership No. 51855

## NORTHERN PROJECTS LIMITED

Note : 1 SHARE CAPITAL	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
<b>Authorised Shares</b>		
2,250,000 (2,250,000) Equity Shares of Rs. 10/- each	22,500,000	22,500,000
	<u>22,500,000</u>	<u>22,500,000</u>
<b>Issued, Subscribed &amp; Fully Paid-Up</b>		
2,205,000 Equity Shares of Rs. 10/- each	22,050,000	22,050,000
<b>Total</b>	<b>22,050,000</b>	<b>22,050,000</b>

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

Equity Shares	Nos.	As at 31st March, 2014 ₹	Nos.	As at 31st March, 2013 ₹
At the beginning of the period	2,205,000	22,050,000	2,205,000	22,050,000
Issued during the period	—	—	—	—
Outstanding at the end of the period	2,205,000	22,050,000	2,205,000	22,050,000

### Terms/rights attached to Equity Shares

The Company has only one class of Equity Shares having a par value of ₹ 10/- per share. Each holder of Equity shares is entitled to one vote per share and equal right for dividend. The dividend proposed by the Board of Directors is subject to the approval of Shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of Liquidation, the equity shareholders are eligible to receive the remaining assets of the company after payment of all preferential amounts, in proportion of their shareholding.

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

Particulars	Nos.	As at 31st March, 2014 % Holding in the class	Nos.	As at 31st March, 2013 % Holding in the class
<b>Equity Shares of Rs. 10/- Each</b>				
V.N. ENTERPRISES LIMITED	352,000	15.96	352,000	15.96
TEA TIME LIMITED	220,000	9.98	220,000	9.98
ASUTOSH ENTERPRISES LIMITED	219,500	9.95	219,500	9.95
NEPTUNE EXPORTS LIMITED	218,930	9.93	218,930	9.93
ORIENT INTERNATIONAL LIMITED	218,300	9.90	218,300	9.90
BENGAL STEEL INDUSTRIES LIMITED	161,900	7.34	161,900	7.34
HINDUSTHAN UDYOG LIMITED	139,900	6.34	139,900	6.34

## NORTHERN PROJECTS LIMITED

Note : 2 RESERVE & SURPLUS	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
<b>a) R.B.I. RESERVE FUND</b>		
Opening Balance	46,134,668	45,959,935
Add : Transfer from Surplus balance in Statement of Profit & Loss	—	174,733
Deduction	—	—
<b>Closing Balance</b>	<b>46,134,668</b>	<b>46,134,668</b>
<b>b) Surplus as per Profit &amp; Loss Statement</b>		
Opening Balance	157,847,634	157,148,700
Add : Profit/(Loss) as per Statement of Profit & Loss	(14,539)	873,667
Less : Transferred to RBI Reserve Fund	—	(174,733)
<b>Closing Balance</b>	<b>157,833,095</b>	<b>157,847,634</b>
<b>Total</b>	<b>203,967,763</b>	<b>203,982,302</b>

Note : 3 DEFERRED TAX LIABILITY(Net)	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
Deferred Tax Liabilities	31,964	10,409
Deferred Tax Assets	(15,997)	(21,555)
<b>Total</b>	<b>47,961</b>	<b>31,964</b>

Note : 4 OTHER CURRENT LIABILITIES	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
Payable to Employees	11,435	10,886
Other Payables	183,131	221,387
<b>Total</b>	<b>194,566</b>	<b>232,273</b>

Note : 5 SHORT TERM PROVISIONS	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
Provision For Income Tax	5,587,000	5,467,000
Contingent Provision Against Standard Assets	316,503	—
Provision For Gratuity	72,600	62,827
<b>Total</b>	<b>5,976,103</b>	<b>5,529,827</b>

# NORTHERN PROJECTS LIMITED

## Note 6 : FIXED ASSETS

Particulars	GROSS BLOCK				ACCUMULATED DEPRECIATION AND AMORTISATION				NET BOOK VALUE	
	31.03.2013 ₹	Addition ₹	Disposal ₹	31.03.2014 ₹	31.03.2013 ₹	During the Year ₹	Deduction/ Adjustment ₹	31.03.2014 ₹	WDV as on 31.03.2014 ₹	WDV as on 31.03.2013 ₹
<b>TANGIBLE ASSETS</b>										
Furniture & Fixture	163,156	—	—	163,156	148,652	2,625	—	151,277	11,879	14,504
Air-Conditioner	86,650	—	—	86,650	79,003	1,064	—	80,067	6,583	7,647
Weighing Machine	62,794	—	—	62,794	36,982	3,590	—	40,572	22,222	25,812
Plant & Machinery	312,724	—	—	312,724	228,587	11,703	—	240,290	72,434	84,137
Office Equipment	75,372	—	—	75,372	61,369	1,948	—	61,317	12,055	14,003
Generator	131,500	—	—	131,500	104,189	3,799	—	107,988	23,512	27,311
Computer	48,748	—	—	48,748	48,452	188	—	48,570	178	296
Motor Car	1,297,143	—	—	1,297,143	19,322	330,828	—	350,150	946,993	1,277,821
<b>Total</b>	<b>2,178,087</b>	<b>—</b>	<b>—</b>	<b>2,178,087</b>	<b>726,556</b>	<b>355,675</b>	<b>—</b>	<b>1,082,231</b>	<b>1,095,856</b>	<b>1,451,531</b>
<b>PREVIOUS YEAR</b>	<b>880,944</b>	<b>1,297,143</b>	<b>—</b>	<b>2,178,087</b>	<b>678,155</b>	<b>48,401</b>	<b>—</b>	<b>726,556</b>	<b>1,451,531</b>	<b>—</b>

## NORTHERN PROJECTS LIMITED

### NOTE : 7 NON CURRENT INVESTMENTS (At cost)

Particulars	Face Value ₹	As at 31.03.2014		As at 31.03.2013	
		No. of Shares/Units	Value ₹	No. of Shares/Units	Value ₹
<b>I) Investment in Equity Instruments</b>					
<b>a) Others (Quoted)</b>					
Indorama Synthetics Ltd.	10/-	300	8,550	300	8,550
India Foils Ltd.	10/-	400	2,661	400	2,661
Blue Coast Hotels Ltd.*	10/-	970,000	10,305,191	970,000	10,305,191
Reliance Industries Ltd.	10/-	704	337,129	704	337,129
Kabini Paper Ltd.	10/-	40,315	81,034	40,315	81,034
Bengal Steel Industries Ltd.	10/-	40,000	112,602	40,000	112,602
Mcleod Russel (India) Ltd.	10/-	150	38,372	150	38,372
J K Synthetics Ltd.	10/-	905	37,117	905	37,117
LML Ltd.	10/-	5,100	520,422	5,100	520,422
			<b>11,443,078</b>		<b>11,443,078</b>
Less : Provision for Diminution in value of Investment			(81,034)		—
<b>TOTAL (A)</b>			<b>11,362,044</b>		<b>11,443,078</b>
<b>b) Others (Unquoted)</b>					
Neptune Impex Pvt. Ltd.	100/-	100	10,000	100	10,000
Spaans Babcock India Ltd.	10/-	20,000	200,000	20,000	200,000
Hindusthan Parsons Ltd.	10/-	1,900,000	7,161,300	1,900,000	7,161,300
Tamilnadu Alkaline Batteries Ltd.	10/-	100,000	100,500	100,000	100,500
Bengal Central Bulding Society Ltd.	10/-	10,000	100,000	10,000	100,000
AKA Washeries India Pvt. Ltd.	10/-	2,000	20,000	2,000	20,000
HSM International Pvt. Ltd.	10/-	150,000	300,000	150,000	300,000
V N Enterprises Ltd.	100/-	42,000	53,022,600	42,000	53,022,600
Bharat Oil & Chemicals Ltd.	10/-	200,000	400,000	200,000	400,000
<b>TOTAL (B)</b>			<b>61,314,400</b>		<b>61,314,400</b>
<b>c) Mutual Fund</b>					
Fidelity Mutual Fund		—	—	—	20,800,000
<b>TOTAL (C)</b>			—		20,800,000
<b>Total (A+B+C)</b>			<b>72,676,444</b>		<b>93,557,478</b>

	As at 31.03.2014		As at 31.03.2013	
	Cost ₹	Market Value ₹	Cost ₹	Market Value ₹
Aggregate value of Quoted Investments	11,362,044	88,394,488	11,443,078	76,192,287

\* 660,000 number of Equity Shares of ₹ 10/- each in Blue Coast Hotels Ltd. have been barred from sale/transfer by statutory authority as ownership/transfer of the same is under litigation. The Management is of the view that there is strong merit in the case in favour of the Company.

## NORTHERN PROJECTS LIMITED

<b>Note : 8 LONG TERM LOANS AND ADVANCES</b>	<b>As at 31st March, 2014 ₹</b>	<b>As at 31st March, 2013 ₹</b>
<u>Security Deposits</u>		
Unsecured, Considered Good	10,000	10,000
<b>Total</b>	<b>10,000</b>	<b>10,000</b>

<b>Note : 9 TRADE RECEIVABLES</b>	<b>As at 31st March, 2014 ₹</b>	<b>As at 31st March, 2013 ₹</b>
<u>Outstanding for a period exceeding six months</u>		
Unsecured, Considered Good	5,011,000	5,011,000
<b>Total</b>	<b>5,011,000</b>	<b>5,011,000</b>

<b>Note : 10 CASH &amp; BANK BALANCES</b>	<b>As at 31st March, 2014 ₹</b>	<b>As at 31st March, 2013 ₹</b>
<u>Balances With Banks</u>		
On Current Account	1,876,129	188,348
Cash in Hand	88,474	63,970
<b>Total</b>	<b>1,964,603</b>	<b>252,318</b>

<b>Note : 11 SHORT TERM LOANS &amp; ADVANCES</b>	<b>As at 31st March, 2014 ₹</b>	<b>As at 31st March, 2013 ₹</b>
<u>Unsecured, Considered Good</u>		
Inter Corporate Deposit	55,000,000	55,000,000
Advances recoverable in Cash or in kind		
Advance Income Tax	29,888,490	29,266,710
Advance to Others	63,620,000	46,545,500
<b>Total</b>	<b>148,508,490</b>	<b>130,811,710</b>

<b>Note : 12 OTHER CURRENT ASSETS</b>	<b>As at 31st March, 2014 ₹</b>	<b>As at 31st March, 2013 ₹</b>
Interest Accrued	2,970,000	732,329
<b>Total</b>	<b>2,970,000</b>	<b>732,329</b>

## NORTHERN PROJECTS LIMITED

<b>Note : 13 REVENUE FROM OPERATIONS</b>	<b>For the year ended 31st March, 2014 ₹</b>	<b>For the year ended 31st March, 2013 ₹</b>
Interest Income	6,217,808	4,524,659
Dividend on Long Term Investment	6,336	5,984
Profit on Redemption of Investment	38,093	—
<b>Total</b>	<b>6,262,237</b>	<b>4,530,643</b>

<b>Note : 14 EMPLOYEE BENEFIT EXPENSES</b>	<b>For the year ended 31st March, 2014 ₹</b>	<b>For the year ended 31st March, 2013 ₹</b>
Salary, Wages, Bonus, Gratuity & Allowances	262,660	257,794
Staff Welfare Expenses	56,516	22,381
<b>Total</b>	<b>319,176</b>	<b>280,175</b>

Gratuity and other Long Term employee benefits are not applicable to the company. However, Gratuity for one employee has been provided at estimated basis.

<b>Note : 15 DEPRECIATION &amp; AMORTISATION EXPENSES</b>	<b>For the year ended 31st March, 2014 ₹</b>	<b>For the year ended 31st March, 2013 ₹</b>
Depreciation	355,675	48,401
<b>Total</b>	<b>355,675</b>	<b>48,401</b>

<b>Note : 16 OTHER EXPENSES</b>	<b>For the year ended 31st March, 2014 ₹</b>	<b>For the year ended 31st March, 2013 ₹</b>
Directors Meeting Fees	12,000	3,000
Service Charges	1,855,500	2,032,850
Rent	1,320,000	—
Rates & Taxes	94,198	42,161
Service Tax	1,483	—
Bank Charges	1,560	2,704
Travelling Expenses	357,479	429,087
Conveyance Charges	998,600	385,310
Printing & Stationery Items	7,935	7,470
<u>Payment to Auditors</u>		
– As Auditors	21,000	21,000
– For Taxation matters	7,000	7,000
– For Certification/Limited review	3,002	15,002
Listing Fees	25,500	25,500
Subscription & Donation	—	30,900
Advertisement	44,123	42,267
Vehicle Expenses	200,917	—
Miscellaneous Expense	118,095	42,594
Contingent Provision Against Standard Assets	316,503	—
Provision for Diminution in value of Investment	81,034	—
<b>Total</b>	<b>5,465,928</b>	<b>3,086,845</b>

## **NORTHERN PROJECTS LIMITED**

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### **Note : 17 SIGNIFICANT ACCOUNTING POLICIES**

#### **a) SYSTEM OF ACCOUNTING :**

The company follows accrual system of accounting in accordance with normally accepted accounting principles.

#### **b) FIXED ASSETS :**

- (i) Fixed Assets are stated at cost including other expenses relating to acquisition and installation.
- (ii) Depreciation has been provided on W.D.V. basis at the rates prescribed in Schedule - XIV of the Companies Act, 1956.

#### **c) INVESTMENTS :**

Current Investments are carried at the lower cost or fair value. Long Term Investments are stated at cost. Provision for diminution in the value of Long Term Investment is made only if such a decline is other than temporary.

#### **d) TRANSACTION IN FOREIGN CURRENCY :**

Transactions in foreign currency are recorded for at the exchange rate prevailing on the date of transaction. Gain/Loss arising out of fluctuations in the exchange rates are recognized in the Statement of Profit & Loss in the period in which they arise & monetary assets and liabilities relating to foreign currency transactions remaining unsettled at the end of year are recorded at year end rate.

#### **e) INVENTORIES :**

##### **Raw Materials & Packing Materials :**

At cost or market price whichever is lower. The cost method is determined on "First in First out" basis.

##### **Finished Goods**

On the basis of cost of convention including expenses incurred for bringing them in present location and condition or net realisable value whichever is lower.

#### **f) EMPLOYEE BENEFIT :**

- i) Short term employee benefits are recognised as an expenses in the Statement of Profit & Loss for the year in which the related service is rendered.
- ii) Post employment and other long term employee benefits are recognized as expenses in the Statement of Profit & Loss for the year in which the employee has rendered service. The expenses are recognized on estimated basis.

#### **g) CONTINGENT LIABILITIES AND PROVISIONS :**

Contingent Liabilities are disclosed after a careful evaluation of facts and legal aspects of the matter involved. Provisions are recognized when the company has a legal/constructive obligation and on management discretion, as a result of past event, for which it is probable that cash outflow may be required and reliable estimate can be made for the amount of the obligation. Contingent Assets are neither recognized or disclosed by way of note.

#### **h) TAXATION :**

Tax expenses comprise of Current and Deferred Tax. Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred Income Taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

- i) Deferred tax is measured based on the tax rates and tax laws enacted or substantially enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.



## NORTHERN PROJECTS LIMITED

### Note : 18 OTHER NOTES ON ACCOUNTS

a) Contingent Liabilities in respect of Income Tax matter under appeal for Assessment years 2002-03, 2003-04, 2005-06 and 2006-07 Rs. 24,527,358/- (Previous Year Rs. 24,527,358/-)

b) Deferred Tax Liability

	Deferred Tax Liability as at 01.04.2013	Current Year Changes/Debit	Deferred Tax Liability as at 01.04.2014
On the excess of book written down value over I.Tax written down value	31,964	15,997	47,961

c) As the company's activities falls within a single primary business segment viz. Tea export so disclosure requirement of Accounting Standard 17 "Segment Reporting" issued by ICAI has not been given.

d) As per Related Party disclosure pursuant to Accounting Standard (AS) 18 "Related Party Disclosure"

Related Party	Relation	2013-14		2012-13	
		Sitting Fees	Service Charges	Sitting Fees	Service Charges
i) Mr. V.N. Agarwal (KMP)	Director	4,000	—	1,000	—
ii) Mr. G.K. Agarwal	Director	4,000	—	1,000	—
iii) Mr. A.K. Ghosh	Director	4,000	—	1,000	—
iv) Mrs. Premlata Agarwal	Wife of Director	—	1,800,000	—	1,800,000

e) No amount have been written Off in respect of debts to or due from related parties.

f) Disclosure of Basic and Diluted Earning per share pursuant to Accounting Standard (AS)-20 "Earning Per Share"

	2013-14	2012-13
i) Profit After Tax	(14,539)	873,667
ii) No. of Equity Shares of Rs. 10 each	2,205,000	2,205,000
iii) Earning per Share (i/ii)(Basic/Diluted)	(0.007)	0.40

g) The Company has no amounts due to suppliers under the Micro, Small & Medium Enterprises as defined under the Micro, Small & Medium Enterprises Development Act, 2006 (MSMED) as at 31.03.2014. Hence no additional disclosure have been made. The information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information.

h) Previous year figures have been regrouped and reclassified wherever necessary.

**For SALARPURIA & PARTNERS**  
Chartered Accountants  
ICAI Reg. No. 302113E

**For and on behalf of the Board**  
**V. N. AGARWAL**  
**G. K. AGARWAL**  
Directors

Place : Kolkata  
Date: 28th May, 2014

Arabinda Ghosh  
Membership No. 51855

## NORTHERN PROJECTS LIMITED

<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>	<b>For the year ended 31st March 2014 ₹</b>	<b>For the year ended 31st March 2013 ₹</b>
Net Profit/(Loss) before tax	121,458	1,115,222
Adjustment for:		
Depreciation	355,675	48,401
Interest Received	(6,217,808)	(4,524,659)
(Profit)/Loss on Sale of Investments	(38,093)	—
Provision for Gratuity	9,773	9,139
Contingent Provision Against Standard Assets	316,503	—
Provision for diminution in value of Investment	81,034	—
Dividend Received	(6,336)	(5,984)
<b>Operating Profit before Working Capital Changes</b>	<b>(5,377,794)</b>	<b>(3,357,881)</b>
<b>Movements in Working Capital :</b>		
Increase/(Decrease) in Other Current Liability	(37,707)	178,354
(Increase)/Decrease in Short Term Loans & Advances	(17,075,000)	3958,500
(Increase)/Decrease in Trade Receivables	—	835,000
(Increase)/Decrease in Current Assets	(2,237,671)	2,245,809
<b>Cash generated from operations/(used in) Operations</b>	<b>(24,728,172)</b>	<b>3,859,782</b>
Direct Taxes Paid (Net)	(621,780)	(796,503)
<b>Net Cash from Operating Activities</b>	<b>(25,349,952)</b>	<b>3,063,279</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets	—	(1,297,143)
Sale of Investments	20,838,093	2,928,000
Purchase of Investments	—	(20,800,000)
Interest Received	6,217,808	4,524,659
Dividend Received	6,336	5,984
<b>Net Cash from Investing Activities</b>	<b>27,062,237</b>	<b>(14,638,500)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
<b>Net Cash from Financing Activities</b>	<b>—</b>	<b>—</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>1,712,285</b>	<b>(11,575,220)</b>
<b>Cash and Cash Equivalents at the Beginning of the Period</b>	<b>252,318</b>	<b>11,827,538</b>
<b>Cash and Cash Equivalents at the End of the Period</b>	<b>1,964,603</b>	<b>252,318</b>

## NORTHERN PROJECTS LIMITED

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Components of Cash & Cash Equivalents	For the year ended 31st March 2014 ₹	For the year ended 31st March 2013 ₹
Balances With Banks – On Current Account	1,876,129	188,348
Cash in Hand	88,474	63,970
	<b>1,964,603</b>	<b>252,318</b>

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

**For SALARPURIA & PARTNERS**  
Chartered Accountants  
ICAI Reg. No. 302113E

**For and on behalf of the Board**  
**V. N. AGARWAL**  
**G. K. AGARWAL**  
Directors

Place : Kolkata  
Date: 28th May, 2014

Arabinda Ghosh  
Membership No. 51855

# **NORTHERN PROJECTS LIMITED**

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## **Auditor's Report to the Board of Directors of Northern Projects Limited**

As required by the "Non-Banking Financial Companies Auditor's Report (Reserve Bank) Direction, 2008" issued by Reserve Bank of India and on the basis of such checks, we hereby state that :-

- 1) The Company is engaged in the business of Non-Banking Financial Institution since both of the tests are satisfied as mentioned in Clause 3 below.
- 2) It has obtained the certificate of Registration No. B.05.02409 from the bank dated 16.05.1998.
- 3) Based on the terms of the assets/income patterns of the company as on 31st March, 2014, the company is entitled to continue to hold such certificate of registration since both of the tests is satisfied for the company to be treated as Non-Banking Financial Company as per the Circular No. DNBS(PD)C.C.No.81/03.05.002/2006-2007 dated 19.10.2006 i.e. total income from financial assets is more than 50% of its Gross Income for the Financial year 2013-2014 and total Financial Assets are more than 50% of its Total Assets as at 31.03.2014.
- 4) The Board of Directors has passed a resolution in their meeting dated 14th May, 2013, for the non-acceptance of any public deposits.
- 5) The Company has not accepted any public deposits during the relevant year 2013-2014 and,
- 6) As per Information and Explanations given to us the Company has complied with the prudential norms relating to income recognition, Accounting standards, Asset classification and provisioning for bad and doubtful debts as applicable to it on terms of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Direction, 2007, save and except provision for contingency on standard assets.

**For SALARPURIA & PARTNERS  
Chartered Accountants  
ICAI Reg. No. 302113E**

**Place : Kolkata  
Date: 28th May, 2014**

**Arabinda Ghosh  
Membership No. 51855**

## NORTHERN PROJECTS LIMITED

Schedule to the Balance Sheet of non-deposit taking Non-Banking Financial Company (as required in terms of paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Direction, 2007

Particulars		(₹in Lakhs)	
<b>Liabilities Side :</b>			
(1)	Loans and Advances availed by the NBFCs inclusive of Interest accrued thereon but not paid :	Amount Outstanding	Amount Overdue
	(a) Debentures : Secured	Nil	Nil
	: Unsecured.	Nil	Nil
	(Other than falling within the meaning of public deposits)*		
	(b) Deferred Credits	Nil	Nil
	(c) Term Loans	Nil	Nil
	(d) Inter-corporate loans and borrowings	Nil	Nil
	(e) Commercial Paper	Nil	Nil
	(f) Other Loans	Nil	Nil
	* Please See Note 1 below		
<b>Assets Side :</b>			
		Amount Outstanding	
(2)	Break-up of Loans and Advances including bills receivables [Other than those included in (4) below]:		
	(a) Secured		Nil
	(b) Unsecured*		1,215.90
	*Unsecured amount including interest.		
(3)	Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities		
	(i) Lease assets including lease rentals under Sundry Debtors		
	(a) Financial Lease		Nil
	(b) Operating Lease		Nil
	(ii) Stock on hire including hire charges under sundry debtors		
	(a) Assets on hire		Nil
	(b) Repossessed Assets		Nil
	(iii) Other loans counting towards AFC activities		
	(a) Loan where assets have been repossessed		Nil
	(b) Loan other than (a) above		Nil
(4)	Break-up of Investments: Current Investments		
	<b>1 Quoted:</b>		
	(i) Shares:	(a) Equity	Nil
		(b) Preference	Nil
	(ii) Debentures and Bonds		Nil
	(iii) Units of mutual funds		Nil
	(iv) Government Securities		Nil
	(v) Others (Please specify)		Nil
	<b>2 Unquoted:</b>		
	(i) Shares:	(a) Equity	Nil
		(b) Preference	Nil
	(ii) Debentures and Bonds		Nil
	(iii) Units of mutual funds		Nil
	(iv) Government Securities		Nil
	(v) Others (Please specify)		Nil
	Long Term Investments :		
	<b>1 Quoted (Non-Trade) :</b>		
	(i) Shares:	(a) Equity	113.62
		(b) Preference	Nil
	(ii) Debentures and Bonds		Nil
	(iii) Units of mutual funds		Nil
	(iv) Government Securities		Nil
	(v) Others (Please specify)		Nil

## NORTHERN PROJECTS LIMITED

2	<b>Unquoted :</b>		613.14
	(i) Shares : (a) Equity		Nil
	(b) Preference		Nil
	(ii) Debentures and Bonds		Nil
	(iii) Units of mutual funds		Nil
	(iv) Government Securities		Nil
	(v) Others (Debentures)		Nil
(5)	Borrower group-wise classification of assets financed as in (2) and (3) above: Please See Note 2 below		
	Category	Amount net of Provisions	
		Secured	Unsecured
		Total	
1	Related Parties**		
	(a) Subsidiaries	Nil	—
	(b) Companies in the same group	Nil	—
	(c) Other related parties	Nil	—
2	Other than related parties * (inclusive of Interest)	Nil	1,215.90
	Total	Nil	1,215.90
(6)	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted): Please See Note 3 below		
	Category	Market Value/ Break-up or fair value or NAV	Book Value (Net of Provisions). ₹
1	Related Parties**		
	(a) Subsidiaries	—	—
	(b) Companies in the same group	—	—
	(c) Other related parties	—	—
2	Other than related parties*	1,497.09	726.76
	Total	1,497.09	726.76
	* In absence of break-up value/market value cost has been considered.		
	**As per Accounting Standard of ICAI (Please See Note 3)		
(7)	Other Information		
	Particulars	Amount.	
	i) Gross Non-Performing Assets		
	(a) Related Parties	—	
	(b) Other than related Parties	—	
	ii) Net Non-Performing Assets		
	(a) Related Parties	—	
	(b) Other than related Parties	—	
	iii) Assets Acquired in satisfaction of debts	—	
	Notes : 1 As defined in Paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998		
	2 Provisioning norms shall be applicable as prescribed in the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007		
	3 All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break-up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in column (4) above.		