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# **NORTHERN PROJECTS LIMITED**

## **DIRECTORS**

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

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## NORTHERN PROJECTS LIMITED

### DIRECTORS' REPORT

To the Members,

The Directors of the Company have pleasure in presenting their Annual Report together with the Audited Accounts for the Financial year ended 31st March, 2015.

### COMPANY PERFORMANCE

	<u>2014 - 2015</u>	<u>2013 - 2014</u>
	(₹)	(₹)
<b>FINANCIAL RESULTS</b>		
<b>Total Revenue</b>	<b>4,777,856</b>	<b>6,262,237</b>
<b>Net Profit before Tax</b>	<b>(326,497)</b>	<b>121,458</b>
Less : Provision for Taxation	—	120,000
Provision for Deferred Tax	(150,363)	15,997
<b>Net Profit/(Loss) after Tax</b>	<b>(176,134)</b>	<b>(14,539)</b>
Add : Balance brought forward	157,833,095	157,847,634
<b>Balance Carried Forward to Balance Sheet</b>	<b><u>157,656,961</u></b>	<b><u>157,833,095</u></b>

The working results of your Company during Financial year ended on 31st March, 2015 was not satisfactory.

### DIVIDEND

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

### DIRECTORS

Mr. V. N. Agarwal, retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. His Brief Resume is attached to the Notice of the ensuing Annual General Meeting.

The Board of Directors of the Company at their meeting held on 31st March, 2015 appointed Mrs. Premlata Agarwal as Additional Director of the Company to hold office only upto the date of next Annual General Meeting of the Company pursuant to the provisions of Section 161(1) of the Companies Act, 2013.

Mrs. Premlata Agarwal, not being a retiring Director in terms of Section 152 of the Companies Act, 2013, her name has been proposed by a member for appointment of a Director under section 160 of the Companies Act, 2013.

### NUMBER OF BOARD MEETINGS HELD

During the Financial year 2014-15, Five (5) Board Meetings were held on 28th May, 2014, 14th August, 2014, 11th November, 2014, 22nd January, 2015 and 31st March, 2015.

### DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with Section 134(5) of the Companies Act, 2013 your Board of Directors confirms that:-

- in the preparation of the Annual Accounts for the Financial Year ended 31st March, 2015, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- 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 that period;

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## NORTHERN PROJECTS LIMITED

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- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the annual accounts of the Company have been prepared on a “going concern” basis;
- (e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **BOARDEVALUATION**

The Board evaluated the effectiveness of its functioning and that of the Committees and of Individual Directors by seeking inputs on various aspects of Board/Committee Governance and considered and discussed in details the inputs received from the Directors.

The aspects covered in the evaluation included the contribution to and monitoring of corporate governance practices, participation in strategic planning and fulfillment of their obligations including but not limited to their participation in the Board/Committee Meetings.

### **INDEPENDENT DIRECTORS DECLARATION:**

The Independent Directors meet the criteria of being Independent (as prescribed in The Companies Act, 2013 and Clause 49 of the Listing Agreements) and an Independency Certificate from them have been obtained.

### **AUDITORS**

M/s. Salarpuria & Partners, Chartered Accountants, Statutory Auditors hold office till the conclusion of this AGM. They have expressed their willingness to continue as such and are eligible for re-appointment.

### **EXTRACT OF ANNUAL RETURN**

As provided under Section 92(3) of the Companies Act, 2013, the extract of Annual Return in form MGT-9 pursuant to Rule 12 of the Companies (Management and Administration) Rules, 2014, is annexed herewith as Annexure A, as part of this Report.

### **SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment of and Remuneration of Managerial Personnel) Rules, 2014, the Secretarial Audit Report submitted by a Company Secretary in whole time Practice is annexed herewith as Annexure B, as part of this Report.

### **RELATED PARTY TRANSACTIONS**

All contracts/arrangements/transactions entered by the Company with its Related Parties during the financial year were on arm's length basis and in the ordinary course of business. The transactions with Related Parties are disclosed in the Notes to the Financial Statements.

### **VIGIL MECHANISM**

In terms of Section 177(9) & (10) of The Companies Act, 2013, a Vigil Mechanism of Directors and Employees has been established, details of which are given in the Corporate Governance Report.

### **PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

Disclosures in terms of section 197(12) of the Companies Act, 2013 and the rules made thereunder, are not applicable to the company.

# NORTHERN PROJECTS LIMITED

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

Particulars relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo, as required under section 134(3)(m) of The Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are not applicable to the company.

## COMMITTEES OF THE BOARD

Currently there are three Board Committees- the Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee. The Terms of reference of the Board Committees are determined by the Board from time to time. Meetings of each Board Committee are convened by the respective Committee Chairman. Signed minutes of Board Committee Meetings are placed at the Board Meetings for the information of the Board.

### i) AUDIT COMMITTEE

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

- (a) Overseeing the Company's financial reporting process and the disclosures of its financial information to ensure that the financial statements are correct, sufficient and credible.
- (b) Compliance with Listing and legal requirements concerning financial statements.
- (c) Recommending to the Board the appointment/re-appointment of Statutory Auditors, fixation of their Audit Fees and approving payments made for any other services rendered by them.
- (d) Reviewing with the Management the Quarterly and the Annual Financial Statements before submission to the Board for approval.
- (e) Reviewing with the management the performance of the Statutory Auditors and the adequacy of internal control function.
- (f) Discussion with the Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussions to ascertain any area of concern.
- (g) Reviewing the Internal Audit function and the progress in the implementation of recommendations contained in the Internal Audit Report.
- (h) Efficiency and effectiveness of operations.
- (i) Valuation of undertakings or assets of the Company, wherever it is necessary.
- (j) Reliability of financial and other management information and adequacy of disclosures.
- (k) Compliance with all relevant statutes.
- (l) Approval or any subsequent modification of transactions of the Company with Related Parties.
- (m) Reviewing the functioning of Whistle Blower mechanism.

The Composition of the Audit Committee as on 31.03.2015 is as follows:-

Name of the Director	Chairman/Member	Category
Mr. A. K. Ghosh	Chairman	Non Executive & Independent
Mr. V. N. Agarwal	Member	Non Executive & Promoter
Mr. G. K. Agarwal	Member	Non Executive

## NORTHERN PROJECTS LIMITED

During the Financial Year 2014-2015 Four Audit Committee Meetings were held and the Attendance of the Members at the said Meetings is given below:-

Name of the Director	No. of meetings attended
Mr. A. K. Ghosh	4
Mr. V. N. Agarwal	4
Mr. G. K. Agarwal	4

### ii) STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee oversees redressal of Shareholders/Investor grievances relating to transfer of shares, non-receipt of Balance Sheet etc.

During the year ended 31st March 2015, no complaints/queries were received and no complaint/query was pending to be resolved as on 31st March, 2015. There were no transfer of shares pending for registration as on 31st March 2015 and all transfers, if any, had been effected within a period of 15 days from the date of their lodgement.

### iii) NOMINATION AND REMUNERATION COMMITTEE

The terms of reference of Nomination and Remuneration Committee involves:-

- (a) Formulation of criteria for determining qualifications, positive attributes and independence of Director.
- (b) Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board their appointment and removal.

The Criteria for performance evaluation of Independent Directors is given below:-

- (a) Updated on skills, knowledge, familiarity with the Company, its business and the external environment in which it operates.
- (b) Participates in development of strategies.
- (c) Committed to the fulfillment of Directors obligations and fiduciary responsibilities.
- (d) Quality of analysis and judgment related to progress, opportunities and need for changes.
- (e) Contributes adequately to address the top management issues.
- (f) Considers adequately before approving any Related Party Transactions
- (g) Acts within authority and assists in protecting the legitimate interests of Company, Shareholders and its employees.
- (h) Ensures that vigil mechanism has been properly implemented and monitored.
- (i) Reports concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy.
- (j) Does not disclose confidential information, commercial secrets, technologies, unpublished price sensitive information unless such disclosure is approved by the Board or required by law.

## **NORTHERN PROJECTS LIMITED**

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Apart from Sitting Fees, no other remuneration is paid/payable to the Non-Executive Directors. Sitting fees paid to the Non-Executive Directors for the financial year ended 31st March 2015 were as follows:-

Name of the Director	Sitting Fees paid
Mr. V. N. Agarwal	Rs. 4,000/-
Mr. A. K. Ghosh	Rs. 4,000/-
Mr. G. K. Agarwal	Rs. 4,000/-

### **ACKNOWLEDGEMENTS**

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: 27th May, 2015

V. N. AGARWAL  
G. K. AGARWAL  
DIRECTORS

# NORTHERN PROJECTS LIMITED

ANNEXURE-A

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**For the financial year ended on 31st March, 2015**

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies  
(Management & Administration) Rules, 2014]

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L45400WB1983PLC035987
2.	Registration Date	04.03.1983
3.	Name of the Company	NORTHERN PROJECTS LIMITED
4.	Category/Sub-category of the Company	INDIAN COMPANY LIMITED BY SHARES
5.	Address of the Registered office & contact details	TRINITY PLAZA, 3RD FLOOR, 84/1A, TOPSIA ROAD (SOUTH), KOLKATA-700046 TEL: 033-30216800, FAX: 033-30216863 E-MAIL: hulho@hul.net.in
6.	Whether Listed company Yes/No	YES (LISTED IN BSE AND CSE)
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	LINK INTIME INDIA PVT. LTD. FORT BURLOW, 59C, CHOWRINGHEE ROAD, 3RD FLOOR, ROOM NO.5, KOLKATA-700020 TEL: 033-22890540 FAX: 033-22890539 E-MAIL: kolkata@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1	TEA EXPORT		100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shares held	Applicable Section
Not Applicable					

# NORTHERN PROJECTS LIMITED

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

### (i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year 31.03.2014				No. of Shares held at the end of the year 31.03.2015				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	0	72500	72500	3.29	0	72500	72500	3.29	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	1580530	1580530	71.68	0	1580530	1580530	71.68	0
e) Banks/FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub-total (A)(1):-	0	1653030	1653030	74.97	0	1653030	1653030	74.97	0
<b>(2) Foreign</b>									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other - Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
Sub-total (A)(2):-	0	0	0	0	0	0	0	0	0
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>0</b>	<b>1653030</b>	<b>1653030</b>	<b>74.97</b>	<b>0</b>	<b>1653030</b>	<b>1653030</b>	<b>74.97</b>	<b>0</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks/FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs and QFI	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0



## NORTHERN PROJECTS LIMITED

<b>(2) Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	0	175000	175000	7.94	0	175000	175000	7.94	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	26470	26470	1.20	0	26470	26470	1.20	0
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	350500	350500	15.90	0	350500	350500	15.90	0
c) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	0	551970	551970	25.03	0	551970	551970	25.03	0
<b>Total Public Shareholding (B) = (B)(1)+ (B)(2)</b>	<b>0</b>	<b>551970</b>	<b>551970</b>	<b>25.03</b>	<b>0</b>	<b>551970</b>	<b>551970</b>	<b>25.03</b>	<b>0</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>0</b>	<b>2205000</b>	<b>2205000</b>	<b>100.00</b>	<b>0</b>	<b>2205000</b>	<b>2205000</b>	<b>100.00</b>	<b>0</b>

### (ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% Shares Pledged to total encumbered to total Shares	No. of Shares	% of total Shares of the company	% Shares Pledged to total encumbered to total Shares	
1	V. N. Enterprises Ltd.	352000	15.96	0	221500	9.88	0	0
2	Tea Time Ltd.	220000	9.98	0	220000	9.82	0	
3	Asutosh Enterprises Ltd.	219500	9.95	0			0	0
4	Neptune Exports Ltd.	218930	9.93	0	219450	9.79	0	0
5	Orient International Ltd.	218300	9.90	0	220000	9.82	0	0
6	Bengal Steel Industries Ltd.	161900	7.34					
7	Hindusthan Udyog Ltd.	139900	6.34	0	204550	9.13	0	0
8	Prakash Agarwal	72500	3.29	0	195000	8.70	0	0
9	HSM Investments Ltd.	50000	2.27	0	168000	7.50	0	0
	<b>Total</b>	<b>1653030</b>	<b>74.97</b>	<b>0</b>	<b>1653030</b>	<b>74.97</b>	<b>0</b>	<b>0</b>

## NORTHERN PROJECTS LIMITED

**(iii) Change in Promoters Shareholding (please specify, if there is no change)**

There has been no change in the Promoters Shareholding during the year ended 31st March, 2015.

**(iv) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)**

Sl. No.	For Each of the Top 10 Shareholders Name, Date & Reason of Change	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Mastermind Commodeal (P) Ltd.	75000	3.40	0	0
2	Avon Corporate Solution Pvt. Ltd.	75000	3.40	0	0
3	Sudha Verma	60000	2.72	0	0
4	Santosh Devi Gangawat	50000	2.27	0	0
5	Bijay Kumar Rungta	30000	1.36	0	0
6	Sulochana Devi Seksaria	30000	1.36	0	0
7	Santosh Kumar Rungta	30000	1.36	0	0
8	Arun Kumar Rungta	30000	1.36	0	0
9	Madhulata Surolia	30000	1.36	0	0
10	Rajendra Prasad Shah	30000	1.36	0	0

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Prakash Agarwal	72500	3.29	0	0

## NORTHERN PROJECTS LIMITED

### V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Indebtedness	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Changes Indebtedness during the financial year</b>				
* Addition	0	0	0	0
* Reduction	0	0	0	0
<b>Net Change</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (Rs.)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1.	Gross salary	—	—
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	—	—
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	—	—
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	—	—
2.	Stock Option	—	—
3.	Sweat Equity	—	—
4.	Commission - as % of profit - others (specify)		
5.	Others (specify)	—	—
	<b>Total</b>	<b>—</b>	<b>—</b>

## NORTHERN PROJECTS LIMITED

### B. Remuneration to other directors:

(Rs.)

Sl. No.	Particulars of Remuneration	Directors' Name			Total Amount
1.	Independent Directors				
	• Fees for attending board/committee meetings		—		—
	• Commission		—		—
	• Others, please specify		—		—
	<b>Total (1)</b>		—		—
		Mr. V. N. Agarwal	Mr. G. K. Agarwal	Mr. A. K. Ghosh	
2	Other Non-Executive Directors				
	• Fees for attending board/committee meetings	4,000	4,000	4,000	12,000
	• Commission	—	—	—	—
	• Others (specify)	—	—	—	—
	Total (2)	4,000	4,000	4,000	12,000
	<b>Total = (1+2)</b>	<b>4,000</b>	<b>4,000</b>	<b>4,000</b>	<b>12,000</b>

### C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(Rs.)

		CEO	CS	CFO	Total Amount
1.	Gross salary	—	—		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		—		—
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		—		—
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		—		—
2.	Stock Option		—		—
3.	Sweat Equity		—		—
4.	Commission - as % of profit - others (specify)				
5	Others (specify)		—		—
	<b>Total</b>		—		—

## NORTHERN PROJECTS LIMITED

### VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty			None		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			None		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			None		
Punishment					
Compounding					

FOR AND ON BEHALF OF THE BOARD

Place: Kolkata  
Date: 27th May, 2015

V. N. AGARWAL  
G.K. AGARWAL  
DIRECTORS

# **NORTHERN PROJECTS LIMITED**

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**Form MR-3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015**

[Pursuant to section 204(1) of the Companies Act, 2013 and  
Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

**TO  
THE MEMBERS OF NORTHERN PROJECTS LIMITED**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices by **NORTHERN PROJECTS LIMITED** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial ended on 31st March, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:-

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by Northern Projects Limited ("Company") for the financial year ended on 31st March, 2015, according to the applicable provisions of:-
  - (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
  - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
  - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder (Not applicable to the Company during audit period);
  - (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder (Not applicable to the Company during audit period);
  - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
    - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (Not applicable to the Company during audit period);
    - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (Not applicable to the Company during audit period);
    - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during audit period);
    - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company during audit period);
    - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during audit period);

## NORTHERN PROJECTS LIMITED

- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (Not applicable to the Company during audit period);
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during audit period);
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during audit period);
- (vi) We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.
2. We have also examined compliance with the applicable clauses of the following:-
- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
  - (ii) The Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited and The Calcutta Stock Exchange Limited.
- During the period under review the Company has complied with the provisions of the New Companies Act, 2013, Old Companies Act, 1956 to the extent applicable and the Rules, Regulations, Guidelines, Standards, etc., mentioned above.
3. We further report that:
- (a) The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors. The changes in the composition of the Board that took place during the year under review were carried out in compliance with the provisions of the Act;
  - (b) Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation of the meeting;
  - (c) Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.
4. We further report that there are adequate systems and processes in the Company with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**FOR RINKU GUPTA & ASSOCIATES  
COMPANY SECRETARIES**

**RINKU GUPTA**

**COMPANY SECRETARY IN PRACTISE  
ACS – 25068, CP NO. 9248**

**PLACE: KOLKATA  
DATE: 27.05.2015**

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# **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** ("the company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### **MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the financial statements.



### OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the state of affairs of the Company as at 31st March, 2015, and its **loss** and its 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, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section(11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. **As required by section 143(3) of the Act, we report that:**
  - (a) We have sought and 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 it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given.
    - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements (Refer Clause(a) of Note 19).
    - (ii) The Company did not have any long term contracts including derivative contract as at 31st March, 2015.
    - (iii) There were no amount which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

**Place : Kolkata**  
**Date: 27th May, 2015**

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

## **NORTHERN PROJECTS LIMITED**

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### **ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT**

#### **(Referred to Paragraph 1 of Report on Other Legal and Regulatory Requirements of our Report of even date)**

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that:

- 1) (a) The Company has generally maintained proper records showing particulars, including quantitative details and situation of fixed assets.  
  
(b) As explained to us, fixed assets, according to the practice of the Company, are physically verified by the management at reasonable intervals, in a phased verification programme, which, in our opinion, is reasonable, looking to the size of the Company and the nature of its business. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- 2) Since there is no Inventory so comment on Clause ii(a) to ii(c) is not applicable.
- 3) According to the information and explanations given to us the company has not given any loan, secured or unsecured to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Hence, comments on Clause No.3(a) and 3(b) of the said Order do not arise.
- 4) In our opinion and according to the information and explanations given to us, there is generally an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of Inventory and Fixed Assets and for the sale of goods and services. During the course of our assessment, no weakness in internal control system had come to our notice.
- 5) According to the information and explanations given to us, there is no such deposits, taken by the Company, for which directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under, are required to be complied with.
- 6) This being an Investment & Finance Company, provision for maintenance of cost records under Sub-section (1) of section 148 of the Act is not applicable.
- 7) According to the information and explanation given to us, in respect of Statutory and other dues:
  - (a) The Company is generally regular in depositing undisputed statutory Dues including Income-Tax, other Statutory Dues applicable to it with the appropriate authorities and there is no outstanding statutory dues as at 31.03.2015 for the period of more than six months from the date they became payable.
  - (b) There is no disputed statutory dues, which have not been deposited with the appropriate authorities save and except disputed statutory dues in respect of Income Tax amounting to ₹ 245.27 lacs which is pending before ITAT for Assessment years 2002-2003, 2005-2006 and 2006-2007. (Refer Note 19(a).
  - (c) There is no amount payable to Investor Education and Protection Fund as at 31st March, 2015.
- 8) The Company has no accumulated losses as at 31.03.2015 and also not incurred cash losses during the financial year covered by our audit and also in the immediately preceding financial year.
- 9) On the basis of records examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to a Financial Institution or to Bank or Debenture holders.

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## **NORTHERN PROJECTS LIMITED**

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- 10) According to the information and explanations given to us, the Company has not given any guarantee for loan taken by others from Bank or Financial Institutions.
- 11) As explained to us by the Management and information given to us, no Term Loan facility has been availed by the Company during the year, hence the question of application of fund does not arise.
- 12) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted audit practices in India, and according to the information and explanation given to us, we have neither come across instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

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

**Place : Kolkata**  
**Date: 27th May, 2015**

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

# NORTHERN PROJECTS LIMITED

CIN : L45400WB1983PLC035987

## Balance Sheet as at 31st March, 2015

I. EQUITY AND LIABILITIES	Notes	As at 31st March 2015 ₹	As at 31st March 2014 ₹
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	2	22,050,000	22,050,000
(b) Reserves and Surplus	3	203,791,629	203,967,763
		<b>225,841,629</b>	<b>226,017,763</b>
<b>(2) Non-Current Liability</b>			
(a) Deferred Tax Liability	4	—	47,961
<b>(3) Current Liabilities</b>			
(a) Other Current Liabilities	5	115,557	194,566
(b) Short-term Provisions	6	5,986,926	5,976,103
		<b>6,102,483</b>	<b>6,170,669</b>
<b>Total</b>		<b>231,944,112</b>	<b>232,236,393</b>
<b>II. ASSETS</b>			
<b>(1) Non - Current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	7	645,662	1,095,856
(b) Non-Current Investments	8	90,176,444	72,676,444
(c) Deferred Tax Asset (net)	9	102,402	—
(d) Long Term Loans and Advances	10	10,000	10,000
		<b>90,934,508</b>	<b>73,782,300</b>
<b>(2) Current Assets</b>			
(a) Trade Receivables	11	5,011,000	5,011,000
(b) Cash and Bank Balances	12	684,131	1,964,603
(c) Short Term Loans and Advances	13	131,928,646	148,508,490
(d) Other Current Assets	14	3,385,827	2,970,000
		<b>141,009,604</b>	<b>158,454,093</b>
<b>Total</b>		<b>231,944,112</b>	<b>232,236,393</b>
<b>Significant Accounting Policies</b>	1		
<b>Other Notes on Financial Statements</b>	19		

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

Place : Kolkata  
Date: 27th May, 2015

Arabinda Ghosh  
Membership No. 51855

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

# NORTHERN PROJECTS LIMITED

CIN : L45400WB1983PLC035987

## Statement of Profit & Loss for the year ended 31st March, 2015

Particulars	Notes	For the year ended 31st March 2015 ₹	For the year ended 31st March 2014 ₹
I. Revenue from Operations	15	4,777,856	6,262,237
<b>II. Total Revenue</b>		<b>4,777,856</b>	<b>6,262,237</b>
III. Expenses:			
Employee Benefit Expenses	16	375,356	319,176
Depreciation and Amortisation Expenses	17	450,194	355,675
Other Expenses	18	4,278,803	5,465,928
<b>Total Expenses</b>		<b>5,104,353</b>	<b>6,140,779</b>
IV. Profit/(Loss) Before Tax (II-III)		(326,497)	121,458
V. Tax expense:			
(1) Current Tax		—	120,000
(2) Deferred tax		(150,363)	15,997
(3) Tax for Earlier Year		—	—
VI. Profit/(Loss) after Tax (IV-V)		(176,134)	(14,539)
VII. Earning per Equity share of Rs. 10/- each	19(f)	(0.080)	(0.007)
<b>Significant Accounting Policies</b>	1		
<b>Other Notes on Financial Statements</b>	19		

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: 27th May, 2015

Arabinda Ghosh  
Membership No. 51855

# NORTHERN PROJECTS LIMITED

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## Note 1 : SIGNIFICANT ACCOUNTING POLICIES :

### a) BASIS OF ACCOUNTING :

The company follows accrual concept 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 Written Down Value method as per the useful life prescribed in Schedule - II of the Companies Act, 2013.

### c) INVESTMENTS:

Current Investments are carried at the lower of 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 and 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.

### f) EMPLOYEE BENEFITS:

- 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 recognised as expenses in the Statement of Profit and Loss for the year in which the employee has rendered service. The expenses are recognised 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 recognised 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 recognised nor 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 difference 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 recognised 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 : 2 SHARE CAPITAL	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
<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, 2015 ₹	Nos.	As at 31st March, 2014 ₹
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, 2015 % Holding in the class	Nos.	As at 31st March, 2014 % 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 : 3 RESERVE & SURPLUS	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
<b>a) R.B.I. RESERVE FUND</b>		
Opening Balance	46,134,668	46,134,668
Add : Transfer from Surplus balance in Statement of Profit & Loss	—	—
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	157,833,095	157,847,634
Add : Profit/(Loss) as per Statement of Profit & Loss	(176,134)	(14,539)
Less : Transferred to RBI Reserve Fund	—	—
<b>Closing Balance</b>	<b>157,656,961</b>	<b>157,833,095</b>
<b>Total</b>	<b>203,791,629</b>	<b>203,967,763</b>

Note : 4 DEFERRED TAX LIABILITY(Net)	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Deferred Tax Liabilities	—	31,964
Deferred Tax Assets	—	(15,997)
<b>Total</b>	<b>—</b>	<b>47,961</b>

Note : 5 OTHER CURRENT LIABILITIES	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Payable to Employees	12,045	11,435
Other Payables	103,512	183,131
<b>Total</b>	<b>115,557</b>	<b>194,566</b>

Note : 6 SHORT TERM PROVISIONS	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Provision For Income Tax	5,587,000	5,587,000
Contingent Provision Against Standard Assets	316,503	316,503
Provision For Gratuity	83,423	72,600
<b>Total</b>	<b>5,986,926</b>	<b>5,976,103</b>



**Note 7 : FIXED ASSETS**

Particulars	GROSS BLOCK				ACCUMULATED DEPRECIATION AND AMORTISATION				NET BOOK VALUE	
	31.03.2014 ₹	Addition ₹	Disposal ₹	31.03.2015 ₹	31.03.2014 ₹	During the Year ₹	Deduction/ Adjustment ₹	31.03.2015 ₹	WDV as on 31.03.2015 ₹	WDV as on 31.03.2014 ₹
<u>TANGIBLE ASSETS</u>										
Furniture & Fixture	163,156	—	163,156	—	151,277	11,879	163,156	—	—	11,879
Air-Conditioner	86,650	—	86,650	—	80,067	6,583	86,650	—	—	6,583
Weighing Machine	62,794	—	62,794	—	40,572	22,222	62,794	—	—	22,222
Plant & Equipment	312,724	—	312,724	—	240,290	72,434	312,724	—	—	72,434
Office Equipment	75,372	—	75,372	—	63,317	12,055	75,372	—	—	12,055
Generator	131,500	—	131,500	—	107,988	23,512	131,500	—	—	23,512
Computer	48,748	—	48,748	—	48,570	178	48,748	—	—	178
Vehicles	1,297,143	—	—	1,297,143	350,150	301,331	—	651,481	645,662	946,993
Total	2,178,087	—	880,944	1,297,143	1,082,231	450,194	880,944	651,481	645,662	1,095,856
Previous Year	880,944	1,297,143	—	2,178,087	726,556	355,675	—	1,082,231	1,097,856	—

Pursuant to the enactment of the Companies Act 2013, (the 'Act') the company has, effective 1.04.2014, reviewed and revised the estimated useful lives of its fixed assets, generally in accordance with provisions of Schedule II of the Act. The consequential impact on depreciation is higher by ₹ 183,767/-.

# NORTHERN PROJECTS LIMITED

## NOTE : 8 NON CURRENT INVESTMENTS (At cost)

Particulars	Face Value ₹	As at 31.03.2015		As at 31.03.2014	
		No. of Shares/Units	Value ₹	No. of Shares/Units	Value ₹
<b>LONG TERM INVESTMENTS</b>					
<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)		(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>		—	<b>17,500,000</b>	—	
			<b>17,500,000</b>		—
<b>Total (A+B+C)</b>			<b>90,176,444</b>		<b>72,676,444</b>

	As at 31.03.2015		As at 31.03.2014	
	Cost ₹	Market Value ₹	Cost ₹	Market Value ₹
Aggregate value of Quoted Investments	11,362,044	93,804,162	11,362,044	88,394,488
Aggregate value of Unquoted Investments	78,814,400	—	61,314,400	—

1. \* 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

Note : 9 DEFERRED TAX ASSET(Net)	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Deferred Tax Assets	150,363	—
Deferred Tax Liabilities	(47,961)	—
<b>Total</b>	<b>102,402</b>	<b>—</b>

Note : 10 LONG TERM LOANS AND ADVANCES	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
<u>Security Deposits</u>		
Unsecured, Considered Good	10,000	10,000
<b>Total</b>	<b>10,000</b>	<b>10,000</b>

Note : 11 TRADE RECEIVABLES	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
<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>

Note : 12 CASH & BANK BALANCES	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
<u>Balances With Banks</u>		
On Current Account	643,010	1,876,129
Cash in Hand	41,121	88,474
<b>Total</b>	<b>684,131</b>	<b>1,964,603</b>

Note : 13 SHORT TERM LOANS & ADVANCES	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
<u>Unsecured, Considered Good</u>		
Inter Corporate Deposit	55,000,000	55,000,000
Advances recoverable in Cash or in kind		
Advance Income Tax	35,465,024	29,888,490
Advance to Others	41,463,622	63,620,000
<b>Total</b>	<b>131,928,646</b>	<b>148,508,490</b>

Note : 14 OTHER CURRENT ASSETS	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Interest Accrued	2,970,003	2,970,000
Other Receivable	415,824	—
<b>Total</b>	<b>3,385,827</b>	<b>2,970,000</b>

## NORTHERN PROJECTS LIMITED

<b>Note : 15 REVENUE FROM OPERATIONS</b>	<b>For the year ended 31st March, 2015</b>	<b>For the year ended 31st March, 2014</b>
	₹	₹
Interest Income	4,771,168	6,217,808
Dividend on Long Term Investment	6,688	6,336
Profit on Redemption of Investment	—	38,093
<b>Total</b>	<b>4,777,856</b>	<b>6,262,237</b>

<b>Note : 16 EMPLOYEE BENEFIT EXPENSES</b>	<b>For the year ended 31st March, 2015</b>	<b>For the year ended 31st March, 2014</b>
	₹	₹
Salary, Wages, Bonus, Gratuity & Allowances	283,919	262,660
Staff Welfare Expenses	91,437	56,516
<b>Total</b>	<b>375,356</b>	<b>319,176</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 : 17 DEPRECIATION &amp; AMORTISATION EXPENSES</b>	<b>For the year ended 31st March, 2015</b>	<b>For the year ended 31st March, 2014</b>
	₹	₹
Depreciation	450,194	355,675
<b>Total</b>	<b>450,194</b>	<b>355,675</b>

<b>Note : 18 OTHER EXPENSES</b>	<b>For the year ended 31st March, 2015</b>	<b>For the year ended 31st March, 2014</b>
	₹	₹
Directors Meeting Fees	12,000	12,000
Service Charges	1,963,200	1,855,500
Rent	720,000	1,320,000
Rates & Taxes	16,378	94,198
Service Tax	15,080	1,483
Bank Charges	3,654	1,560
Travelling Expenses	538,700	357,479
Conveyance Charges	498,392	998,600
Printing & Stationery Items	10,998	7,935
Telephone charges	4,396	—
<u>Payment to Auditors</u>		
- As Auditors	42,000	21,000
- For Taxation Matters	—	7,000
- For Certification/Limited Review & other matters	19,000	3,002
Listing Fees	10,500	25,500
Advertisement	31,010	44,123
Vehicle Expense	227,905	200,917
Contingent Provision Against Standard Assets	—	316,503
Provision for diminution on value of Investment	—	81,034
Miscellaneous Expense	165,590	118,095
<b>Total</b>	<b>4,278,803</b>	<b>5,465,928</b>

## NORTHERN PROJECTS LIMITED

### Note : 19 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

	<u>Deferred Tax Liability as at 01.04.2014</u>	<u>Current Year Changes/Debit</u>	<u>Deferred Tax Liability as at 01.04.2015</u>
On the excess of book written down value over I.Tax written down value	47,961	150,363	102,402

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	2014-15		2013-14	
		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"

	<u>2014-15</u>	<u>2013-14</u>
i) Profit After Tax	(176,134)	(14,539)
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)	(0.007)

g) Expenses in Foreign Currency

	<u>2014-15</u>	<u>2013-14</u>
	₹	₹
Travelling Expenses	361,480	—

h) 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 31.03.2015. 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.

i) 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: 27th May, 2015

Arabinda Ghosh  
Membership No. 51855

## NORTHERN PROJECTS LIMITED

<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>	<b>For the year ended 31st March, 2015 ₹</b>	<b>For the year ended 31st March, 2014 ₹</b>
Net Profit/(Loss) before tax	(326,497)	121,458
Adjustment for:		
Depreciation	450,194	355,675
(Profit)/Loss on Sale of Investments	—	(38,093)
Provision for Gratuity	10,823	9,773
Contingent Provision Against Standard Assets	—	316,503
Provision for diminution in value of Investment	—	81,034
<b>Operating Profit before Working Capital Changes</b>	<b>134,520</b>	<b>846,350</b>
<b>Movements in Working Capital :</b>		
Increase/(Decrease) in Other Current Liability	(79,009)	(37,707)
(Increase)/Decrease in Short Term Loans & Advances	22,156,378	(17,075,000)
(Increase)/Decrease in Current Assets	(415,827)	(2,237,671)
<b>Cash generated from operations/(used in) Operations</b>	<b>21,796,062</b>	<b>(18,504,028)</b>
Direct Taxes Paid (Net)	(5,576,534)	(621,780)
<b>Net Cash from Operating Activities</b>	<b>16,219,528</b>	<b>(19,125,808)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets	—	—
Sale of Investments	—	20,838,093
Dividend Received	(17,500,000)	—
<b>Net Cash from Investing Activities</b>	<b>(17,500,000)</b>	<b>20,838,093</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>(1,280,472)</b>	<b>1,712,285</b>
<b>Cash and Cash Equivalents at the Beginning of the Period</b>	<b>1,964,603</b>	<b>252,318</b>
<b>Cash and Cash Equivalents at the End of the Period</b>	<b>684,131</b>	<b>1,964,603</b>

## NORTHERN PROJECTS LIMITED

Components of Cash & Cash Equivalents	For the year ended 31st March, 2015 ₹	For the year ended 31st March, 2014 ₹
Balances With Banks – On Current Account	643,010	1,876,129
Cash in Hand	41,121	88,474
	<b>684,131</b>	<b>1,964,603</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 specified under Section 133 of the Act, read with Rules 7 of the Companies (Accounts) Rules, 2014.

**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: 27th May, 2015

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 Institutions 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, 2015, the company is entitled to continue to hold such certificate of registration since both of the tests are 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 2014-2015 and total Financial Assets are more than 50% of its Total Assets as at 31.03.2015.
- 4) The Board of Directors has passed a resolution in their meeting dated 28th May, 2014 for the non-acceptance of any public deposits.
- 5) The Company has not accepted any public deposits during the relevant year 2014-2015 and,
- 6) As per the Information and Explanations given to us, the Company has complied with the prudential norms i.e. Non-Banking Financial (Non Deposit accepting or holding) Companies Prudential Norms (Reserve Bank) 2007/ Non-systemically Important Non-Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015.

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

**Place : Kolkata  
Date: 27th May, 2015**

**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-Systemically important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015.

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*		998.49
	*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		
	1 <b>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
	2 <b>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 :		
	1 <b>Quoted (Non-Trade) :</b>		
	(i) Shares:	(a) Equity	113.62
		(b) Preference	Nil
	(ii) Debentures and Bonds		Nil
	(iii) Units of mutual funds		175.00
	(iv) Government Securities		Nil
	(v) Others (Please specify)		Nil

## NORTHERN PROJECTS LIMITED

2	<b>Unquoted :</b>			
	(i) Shares :	(a) Equity		613.14
		(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	998.49	998.49
	Total	Nil	998.49	998.49
(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*	1,726.19	901.76	
	Total	1,726.19	901.76	
	* 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 Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 or Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 whichever is applicable.			
	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 terms or current in (4) above.			