

**NOBLE EXPLOCHEM LIMITED
BOARD OF DIRECTORS**

Tikamchand Kothari
Chairman and Executive Director

Rameshchand Kothari
Managing Director

Rajesh Joshi
Director

Shyam Sundar Sharma
Director

Vijay Kumar Jain
Independent Director

Mahavir Dhanecha
Independent Director

Auditors
Amar Bafna & Associates
Chartered Accountants
Mumbai

Bankers
HDFC Bank
State Bank of India
Bank of India
Shikshak Sahakari Bank Ltd.

Registered office
54/B, SHREE TOWER,
SHANKAR NAGAR (EAST),
W. H. C ROAD, NAGPUR – 440010
MAHARAHSTRA

Works
At Village Hingni
Taluka- Seloo, Dist.- Wardha
Maharashtra

NOTICE

Notice is hereby given that the Thirty Second Annual General Meeting of the members of Noble Explochem Limited will be held at 54/B, Shree Towers, West High Court Road, Shankar Nagar, Nagpur – 440010 on the Friday the 19th September 2014 at 3.00 p.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2014 and the Profit and Loss Account for the year ended on that date and the Directors' and Auditors' Reports thereon.
2. To appoint Director in place of Shri Shyam Sunder Sharma, who will retire by rotation in this Annual General meeting and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

ORDINARY BUSINESS

4. **To pass the following resolution with or without modification as an Ordinary Resolution:**

“RESOLVED THAT pursuant to provisions of Section 152 of the Companies Act, 2013 and Rules made there under Smt. Vinda Warhadpande, be and is hereby appointed as regular Director of the Company who shall be liable for the retirement by rotation,

Resolved further that, pursuant to the provisions of Sections 196, 197, Schedule V and other related provisions of the Companies Act, 2013, Memorandum and Articles of Association of the Company and subject to the approval of Statutory Authorities required in this respect, if any, Smt. Vinda Warhadpande, be and is hereby appointed as Whole Time Director with a designation as Director- HR and Systems, for the period of 3 years, on the terms and conditions mentioned herein below

- a) **SALARY:** Salary at the rate of Rs. 25,000/- per month.
- b) **COMMISSION:** Commission on the net profits of the Company computed in the manner laid down in Section 198 of the Companies Act, 2013, as may be fixed by the Board of Directors subject to the ceiling limits laid down in Section 198 of the Companies Act, 2013.
- c) **PERQUISITES:** In addition to the aforesaid salary and commission, the Director-HR and Systems shall be entitled to the following perquisites:
 - (i) Free furnished residential accommodation or House Rent Allowance, House Maintenance allowance together with utilities thereof such as gas, electricity, water, furnishings, repairs, servants, salaries, society charges and property taxes as may be approved by the Board of Directors.
 - (ii) Reimbursement of medical expenses incurred for self and family and medical accident insurance.
 - (iii) Leave travel concession for self and family once in a year in accordance with the rules of the Company or as may be agreed to by the Board of Directors.
 - (iv) Fees of clubs/annual membership fees for professional bodies.
 - (v) Personal accident insurance premium.

For the purposes of the above ceilings perquisites shall be evaluated as per the Income tax Rules wherever applicable. In the absence of any such Rules, perquisites will be evaluated at actual costs.

Wherein any financial year during the currency of the tenure of the Director- HR and Systems, the Company has made no profits or its profits are inadequate, the

Company shall pay to the Director- HR and Systems, the above salary and perquisites except commission subject to the ceiling limits prescribed in Section of Schedule V of the Companies Act, 2013.

d) The Director- HR and Systems, shall also be entitled to the following perquisites which shall not be included in the computation of the ceiling on remuneration specified herein above:

1. Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
2. Gratuity payable at a rate not exceeding half a month salary for each completed year of service.
3. Earned privilege leave at a rate of one month's leave for every eleven months of service. The Director – HR & Systems shall be entitled to encash leave at the end of her tenure as Director- HR & Systems.
4. Provision of cars and telephones at the residence of the Director- HR & Systems shall not be treated as perquisites.

Other Terms:

The Director- HR and Systems, shall be entitled to reimbursement of actual expenses on entertainment and traveling incurred in the course of the Company's business.

Either party shall be entitled to terminate the Appointment by giving the other party 180 days notice in writing without showing any cause.

5. To pass the following resolution with or without modification as Special Resolution:

"RESOLVED THAT in supersession of all resolutions passed in this behalf, and pursuant to the provisions of Section 179 (3)(d),Section 179(3) (f), 180 (1)(c), and other applicable provisions, if any, of the Companies Act 2013, the consent of the shareholders be and is hereby accorded to the Board of Directors of the Company for borrowing from time to time as they may think fit, any sum or sums of money not exceeding Rs. 100 Crores (Rupees One Hundred Crores) [including the money already borrowed by the Company] in Indian Rupees or equivalent thereof in any foreign currency(ies) on such terms and conditions as the Board may deem fit, whether the same may be secured or unsecured and if secured, whether domestic or international, whether by way of mortgage, charge or hypothecation, pledge or otherwise in any way whatsoever, on, over or in any respect of all, or any of the company's assets and effects or properties including stock in trade, notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business) and remaining un-discharged at any given time, exceed the aggregate, for the time being, of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.

"RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter called "the Board" which term shall be deemed to include any Committee thereof, which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution and with the power to delegate such authority to any person or persons) be and is hereby authorized for borrowing from time to time as it may think fit, any sum or sums of money but not exceeding Rs. 100 Crores (Rupees One Hundred Crores) in Indian Rupees or equivalent thereof in any foreign currency(ies) in aggregate (including the monies already borrowed by the Company) and on such terms and conditions as the Board may deem fit, by way of loans or in any other form whatsoever from, or issue of Bonds and/or Debentures or other Securities whether Convertible into Equity/Preference Shares and/or Securities

with or without detachable warrants with a right exercisable by the warrant holder(s) to convert or subscribe to Equity/Preference Shares (hereinafter referred to as "Securities"), to Bank(s), Financial or other Institution(s), Mutual Fund(s), Non-Resident Indians (NRIs), Foreign Institutional Investors (FIIs) or any other person(s), body(ies) corporate, etc., whether shareholder of the Company or not."

6. To pass the following resolution with or without modification as Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Place: Nagpur
Date: 16th August 2014

By order of the Board Of Directors
Sd/-
T. C. Kothari
Chairman and Executive Director

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NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.
2. The instrument appointing a proxy should be deposited at the registered office of the company not less than forty eight hours before the commencement of the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Monday the 15th September 2014 to Friday the 19th September 2014 (both days inclusive).
4. Members are requested to notify promptly any change in their addresses to the Company's Registrars and Share Transfer Agents, Satellite Corporate Services Private Limited, B-302, Sony Apartment, Opp. St. Jude's High School, Off Andheri Kurla Road, Jarimari, Sakinaka, Mumbai - 400 053.

5. Voting through electronic means:

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 32nd Annual General Meeting (AGM) by electronic means and the items of business as detailed in this Notice may be transacted through e-voting services provided by Central Depository Services India Limited (CDSL):

The instructions for e-voting are as under:

- a) Log on to e-voting website www.evotingindia.com
- b) Click on "Shareholders" tab
- c) Select the electronic voting sequence number (**EVS**N) **140826083** along with NOBLE EXPLOCHEM LIMITED from the drop down menu and click on "SUBMIT"
- d) Now enter your User ID
 - i) For CDSL : 16 digit beneficiary ID
 - ii) For NSDL: 8 character DP ID followed by 8 digits Client ID
 - iii) Member holding shares in physical form should enter Folio Number registered with the Company.
- e) Next enter the image verification as displayed and click on login

- f) Shareholders holding shares in Demat form and had logged on the www.evotingindia.com and voted on the earlier voting of any company, shall use their existing password
- g) Shareholders using first time the electronic voting shall follow the given below steps:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat Shareholders as well as Physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field In case, the folio number is less than 8 digits, enter the applicable number of '0's(Zeros) before the number after the first two characters of the name in CAPITAL Letters. Eg. If your name is Shekhar Kumar, with folio number 100 then enter SH00000100 in the PAN field.
DoB	<p>Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio. <i>Members who have not registered their Dividend bank Details, kindly type number of shares held as on holding or cut off date i. e. 22nd August, 2014.</i></p>

- h) After entering these details appropriately, click on "SUBMIT" tab.
- i) Members holding shares in physical form will then reach directly the EVSN Selection Screen. However, members holding shares in demat form will now reach Password field. The new password has to be minimum eight character consisting of at least one upper case (A-Z), one lower case(a-z), one numeric value (0-9) and a special character (@#%*&*). Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided the company opts for e-voting through CDSL platform. It is strongly recommended not to share the password with any other person and take utmost care to keep the password confidential.
- j) Click on the relevant EVSN (here 140826083) for Noble Explochem Limited
- k) On the voting page, shareholders will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and the option NO implies that you dissent to the Resolution.
- l) Click on the Resolution File link, if you wish to view the entire resolution.
- m) After selecting the resolution you have decided to cast your vote on, click, on SUBMIT. A confirmation box will be displayed, if you wish to confirm your vote, click on OK else to change your vote click on CANCEL and accordingly modify your vote.
- n) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- o) In case of Members receiving the physical copy of the Notice of AGM, (for members whose email IDs are not registered with the Company/Depository Participant(s) or requesting physical copy) please follow all steps from Sr. No. (b) to (n) above, to cast vote.
- p) Institutional Shareholders (i.e. other than Individuals, HUF, NRI etc.) shall follow following steps:
- Log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com

- After receiving the login details, they have to create a compliance user who would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cDSLindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (PoA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer, to verify the same.
- q) The e-voting period begins on 15th September 2014 at 9.30 a.m. and ends on 17th September 2014 at 5.30 p.m. During the period shareholders of the Company, holding shares either in physical form or in dematerialised form as on 15th September 2014 (record Date) may cast their votes electronically. Once the vote on resolution is cast, the member shall not be allowed to change it subsequently.
- r) In case of any queries or issues regarding e-voting, members may refer the FAQ and e-voting manual available at <https://www.evotingindia.co.in>
- s) Shri Pradip S. Channe, Practising Company Secretary has been appointed as the Scrutiniser to scrutinise the e-voting process in the fair and transparent manner.
- t) The scrutiniser shall within a period not exceeding three (3) days from the conclusion of the e-voting period, unlock the votes in the presence of at least two witnesses not in the employment of the Company and will make a scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Meeting.
- u) The results on the resolutions shall be declared at or after the Annual General Meeting of the Company and the resolutions will be deemed to be passed on the Annual General Meeting date subject to receipt of the requisite number of vote in favour of the resolutions.
- v) The results declared along with the scrutinizer's report(s) will be available on the website of the Company within two days of passing of the resolutions and will be communicated to Bombay Stock Exchange Limited where the shares of the Company are listed.
6. All the documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during the normal business hours (10.00 a.m to 5.00 p.m.) on all working days except Saturdays up to and including the date of the Annual General Meeting of the Company.

Registered Office:

54/B, SHREE TOWER,
SHANKAR NAGAR (EAST),
WEST HIGH COURT ROAD, NAGPUR – 440010
MAHARASHTRA

By order of the Board of Directors

Sd/-
T. C. Kothari
Chairman and Executive Director

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STATEMENT PURSUENT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 4

As per the provisions of Section 149(1) the Companies Act, 2013 and Rule 3 of Companies (Appointment of Directors) Rules, 2014 all listed Companies are required to appoint woman director on the Board. To comply with this provision and to promote woman participation in the management of the Company, it was decided that to appoint Smt. Vinda Warhadpande as Whole Time Director with a designation as Director – HR & Systems, on the Board.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Smt. Vinda Warhadpande for the office of Director of the Company.

Brief profile of Smt. Vinda Warhadpande is given in the Report of Board of Directors attached to this Notice.

Smt. Vinda Warhadpande is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director

Additional information to be given in respect of appointment of Managerial Personnel as required under the provisions of Part II of Schedule V of the Companies Act, 2013

I. General Information:					
(1) Nature of industry	Manufacturers of Explosives, Chemicals and Horticulture				
(2) Date or expected date of commencement of commercial production	The Company has been in the business for many years				
(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable				
(4) Financial performance based on given indicators	2008-09	2009-10	2010-11	2011-12	2012-13
	(Rs. in lacs)				
Turnover	00	00	00	00	00
Net profit/(Loss) (as computed under section 198)	(1019.01)	153.26	(1361.48)	(101.05)	(100.18)
Net profit/ (Loss) as per profit and loss account	(1019.01)	153.26	(1361.48)	(101.05)	(100.18)
Amount of Dividend paid	00	00	00	00	00
Rate of Dividend declared	00	00	00	00	00
Earning before interest, depreciation & taxes	(5.30)	0.80	(7.08)	(0.53)	(0.40)
% of EBIDT to turnover	00	00	00	00	00
(5) Export performance and net foreign exchange collaborations	2008-09	2009-10	2010-11	2011-12	2012-13
	00	00	00	00	00
(6) Foreign investments or collaborators, if any.	NIL				

II. Information about the appointee:	
(1) Background details	<p>Name: Smt. Vinda Madhao Warhadpande Designation: Director- HR and Systems Husband's Name: Madhao Warhadpande Father's name: Prabhakar Ganpatrao Ghate Nationality: Indian Date of Birth: 19/03/1965 Qualifications: B.C.A., PG Diploma in I.T., PG Diploma in HRD Management. Experience: 20 years Experience in the field of Information and Technology System administration and management, Human Resources Development</p>
(2) Past remuneration	The gross remuneration paid to her in the financial year 2012-2013 was Rs. 2.77 Lacs p a.(as Dy. Manager – Hr and Systems)
(3) Recognition or awards	Performance Award as an active Member of the Nagpur Chapter of NHRD Network, in the year 2012
(4) Job profile and her suitability	<p>The Director HR and Systems shall be responsible for the administration and management of Human Resource Department, Information and Technology System administration, Day to day administration and management of affairs of the Company. And shall be reporting to Managing Director and Chairman and Executive Director of the Company.</p> <p>Considering the above and having regard to age, qualifications, ability and experience and looking to the business requirement the proposed remuneration is in the interest of the Company.</p>
(5) Remuneration proposed	A gross remuneration of Rs. 25,000/- Per Month based on monetary value of perquisites plus yearly increments, including Performance Incentive.
(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w. r. t. the country of her origin)	Compared to the remuneration with respect to the industry, size of the Company etc. the remuneration proposed to be paid to appointee is very low.
(7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	The proposed appointee is an employee of the Company from 20 years in the department of Systems Administration, and is also the part of HR Department of the Company from last 10 years. She is not related to any promoter or existing directors of the Company.
III. Other information:	
(1) Reasons of loss or inadequate profits	Due to shortage of Raw Material, in-adequate fund availability and workers' unrest.
(2) Steps taken or proposed to be taken for improvement	Management has taken steps to come over the present situation by arrangement of Finance and settlement of problems of the workers

(3) Expected increase in productivity and profits in measurable terms.	in in	It is expected that, the company will make up all the accumulated losses and earn the profit by the end of March 2017
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IV. Disclosures:

The remuneration package of Smt. Vinda M. Warhadpande and other details such as remuneration, service contract, notice period etc. have been disclosed above and also in the Corporate Governance Report. The Company does not have any scheme for grant of stock options.

Except Smt. Vinda Warhadpande, (the appointee) none of the Directors are interested in the said resolution.

The Board commends to pass the resolution mentioned in item No. 4 of the Notice as an Ordinary Resolution.

Item No. 5

The Company is under the process of financial reconstruction. The BIFR has declared the Company as sick industrial Unit under the Sick Industries Act. The Draft Rehabilitation Scheme prepared by Operating Agency IDBI Bank is submitted to the BIFR for its approval. In view of financial Reconstruction, the Company may require to borrow funds from financial institutions / banks etc. or other financial institutions. As per the provisions of Companies Act, 2013 for the purpose of borrowing funds from outsiders, the Management requires the permission of Members in General Meeting by way of Special Resolution.

The Board commends to pass the resolution mentioned in item No. 5 of the Notice as Special Resolution.

None of the Directors of the Company is interested in the resolution.

Item No. 6.

The new Companies Act 2013 is now in force. On 26th March, 2014, the Ministry of Corporate Affairs ("MCA") had notified most of the provisions of the said Act for implementation and substantive sections of the Act which deal with the general working of companies stand notified and being operative.

The existing Articles of Association of the Company are based on the provisions of Companies Act, 1956, which is now repealed and new Companies Act, 2013 came in to existence. Most of the clauses mentioned in the existing Articles of Association are not prevalent to the newly established Act, which require the alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing AoA by a new set of Articles.

The new AoA to be substituted in place of the existing AoA are based on Table 'F' of the Act which sets out the model articles of association for a company limited by shares.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 6 of the Notice.

The Board commends the Special Resolution set out at Item No. 6 of the Notice for approval by the shareholders.

Place: Nagpur
Date: 16th August 2014

By order of the Board Of Directors
Sd/-
T. C. Kothari
Chairman and Executive Director

NOBLE EXPLOCHEM LIMITED
54/B SHREE TOWERS, SHANKAR NAGAR (EAST),
WEST HIGH COURT ROAD, NAGPUR - 440010
DIRECTORS' REPORT

To
The Members

The Directors present herewith the Thirty Second Annual Report together with the Statement of Accounts for the year ended 31st March, 2014

FINANCIAL RESULTS:

(Rs. in lakhs)

PARTICULARS	2012 – 2013	2013 – 2014
Income:		
Other Income	24.18	8.70
Less: Expenses	89.00	83.68
Gross Profit/(Loss) before depreciation/ Interest and Tax	(64.82)	(74.98)
Less : Interest and Finance Charges	11.18	24.97
Profit/ (loss) before Tax	(76.00)	(99.95)
Add/Less: prior period adjustment	0	0
Less : Extra Ordinary Items	0	0
Less: Provision for Income tax /Def. Tax release	-	-
Net Profit/(Loss) for the year	(76.00)	(99.95)
Add: Balance brought forward from previous year	(7275.59)	(7351.59)
Profit/(loss) carried to Balance sheet	(7351.59)	(7451.54)

DIVIDEND

In view of continuous incurring of losses, no dividend is proposed for the year under report.

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 20th September, 2013 (date of last Annual General Meeting)

DIRECTORS

During the year under review there was no change in the Board of Directors of the Company.

Shri Shyam Sunder Sharma, Director, retires by rotation at the General Body Meeting and being eligible offers himself for re-appointment. The Directors recommends re-appointment of Shri Shyam Sunder Sharma. Brief resume of the appointee Director is given in the section on Corporate Governance in the Annual Report.

As required by the provisions of Companies Act, 2013 and the provisions of Companies (Appointment and Qualification of Directors) Rules 2014, the Company has to appoint one woman director on the Board of Directors. Accordingly, it is proposed to appoint Smt. Vinda Warhadpande as Woman Director on the Board. Members are requested to appoint her unanimously.

DIRECTORS' RESPONSIBILITY STATEMENT

We hereby state:

- (i) that in the preparation of the annual accounts, 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 are 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 loss of the Company for that period;
- (iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors had prepared the annual accounts on a going concern basis.

PARTICULARS OF EMPLOYEES:

The Company does not have any employee whose particulars are required to be given pursuant to the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO:

As required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, conservation of energy, technology absorption and foreign exchange earnings and outgo are nil as there were no operation during the year under review.

LISTING:

The Equity Shares of the Company are listed on the Bombay Stock Exchange Limited (BSE).

CORPORATE GOVERNANCE

Pursuant to clause 49 of the Listing Agreement with the Stock Exchange, Reports on Management Discussion & Analysis and on Corporate Governance along with a certificate from the Auditors and CEO / CFO are attached hereto and form part of this report.

AUDITORS:

M/s Amar Bafna & Associates, Mumbai, were appointed as Statutory Auditors of the Company in the last Annual General Meeting of the Company Their term end on the conclusion of this Annual General Meeting. As per the provisions of Companies Act, 2013, The existing Statutory Auditors may be appointed for further two years. The Board of Directors proposed to re-appoint the same auditors for the further two financial years i. e. for the financial year 2014-15 and 2015-16. The Company has received the consent letter from the Auditors in this behalf. You are requested to appoint Auditors and to fix their remuneration.

AUDITOR'S REPORT

The Auditor's Report is self explanatory except the following qualifications mentioned in the report:

- 1. As explained in Note No. 22 of Notes to Accounts the expenses / liabilities aggregating Rs. 131.32 lacs for the year 2013-2014 have not been provided due to which current year loss and accumulated losses are under stated by Rs. 131.32 Lacs.*
- 2. As explained in Note No. 25 of Notes to Accounts, calls in arrears is unreconciled to the extent of Rs. 2.25 Lacs.*
- 3. As explained in Note No. 27 of Notes to Accounts, no provision has been made for loans and advances amounting to Rs. 117.69 lacs, which are prima facie doubtful of recovery and in our opinion current year's loss and accumulated losses of the company are under stated by provision of such doubtful advances*
- 4. The Company has not provided the depreciation amounting to Rs. 115.09 lacs for the year under audit and Rs.470.95 Lacs for earlier years due to which current year loss, accumulated losses are understated by Rs 586.04 Lacs and tangible assets are overstated by Rs 586.04 Lacs*
- 5. As explained in Note No 26, the liability on account of non-fulfillment of export obligation, has not been considered since not ascertainable.*

On these points the Board submit the following explanation:

1. The Company's operations have been suspended due to shortage of Raw Material, Labour Unrest, shortage of working Capital finance etc. But the administrative operations of the Company are continued up to date. Due to stoppage of production, the required financial resource could not generate and Company is incurring losses mainly due to administrative Expenses. The Company has been declared a Sick Industrial Unit by the Board for Industrial and Financial Reconstruction (BIFR) and the draft rehabilitation scheme has been submitted to BIFR through IDBI Bank – the Operating Agency and on sanction of the same, it will be possible to restart the activities.
2. The Call in arrears for Rs. 2.25 Lacs remains to be un-reconciled for want of non-availability of requisite data from Registrar and Share Transfer Agents.
3. No provision has been made for loans and advances amounting to Rs. 117.69 Lacs representing advances given to suppliers, deposit with statutory authorities. TDS payments as the same are considered to be good and either receivable or adjustable in near future
4. No provision for Depreciation on fixed assets has been made after discontinuing operation of the company since December 2006 as the relevant assets are not in use.
5. In respect of non-fulfilment of export obligation, the Management Of the Company had made an application to the Export Department, for the extension of time of 5 years from the date of sanction of Rehabilitation Scheme by the BIFR for fulfilment of export Obligation promised.

All the qualification and comments of the Statutory Auditors mentioned in the Report will be bring to the notice of the Hon'ble BIFR in the next hearing for sanction of Draft Rehabilitation Scheme

ACKNOWLEDGEMENTS:

The Board expresses its sincere gratitude to the shareholders, bankers and clients for their continued support. The Board also wholeheartedly acknowledges the dedicated efforts of all the staff and employees of the Company.

FOR AND ON BEHALF OF
THE BOARD OF DIRECTORS

Sd/-

T C KOTHARI

CHAIRMAN AND EXECUTIVE DIRECTOR

Place: Nagpur

Date: 16th August, 2014

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ANNEXURE TO DIRECTORS' REPORT

Information as per section 217(1)(e) read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2014.

1. CONSERVATION OF ENERGY

Following energy conservation measures initiated in the earlier years were continued but since there was no activity in the year under reference the expenditure and / or consumption is nil.

- i) Greater stress on improved maintenance of all equipments.
- ii) Systematic efforts at running services only during periods when they are actually required.

FORM A

Particular	Units	Current Year	Previous Year
A. POWER & FUEL CONSUMPTION			
1. Electricity			
(a) Purchased	Units	NIL	NIL
Total Amount	(Rs. in Thousand)	NIL	NIL
Rate/unit	(Rupees)	NIL	NIL
(b) Own Generation			
2. Furnace Oil			
Quantity	(K. L)	NIL	NIL
Total amount	(Rs. in Thousand)	NIL	NIL
Average rate	(Rupees)	NIL	NIL
B. CONSUMPTION/TONNE OF PRODUCTION			
Product – Industrial Explosives /			
Chemicals	(Units)	NIL	NIL
Electricity	(Units)	NIL	NIL
Furnace Oil	(Litters)	NIL	NIL

2. TECHNOLOGY ABSORPTION / ADOPTION & INNOVATION

Our plant is one of the world's most modern plant manufacturing Chemical for explosive and fuel related applications. There was no manufacturing activity during the year hence no new efforts were made aimed at absorbing technology and adopting it to Indian conditions. However the efforts made in earlier years continued to exist which includes the following :

- A. Training of local personnel to operate and maintain the plant more efficiently.
- B. Modifying compositions for manufacture of products to use cost effective raw materials.
- C. Development of indigenous spares.

- D. Focus on development of new products using indigenously available technology.
E. Development and plantation of various horticulture plants / products with own know how.

3. FOREIGN EXCHANGE EARNINGS AND OUTGO: (Rs. in Thousands)

- i. Foreign exchange earned NIL
ii. Foreign exchange outgo NIL

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-

Place: Nagpur

T C KOTHARI

Date: 16th August, 2014

CHAIRMAN AND EXECUTIVE DIRECTOR

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

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

At Noble Explochem Limited Corporate Governance policy is aimed at assisting the top management of the Company in the efficient conduct of its business and in meeting its obligations to the shareholders.

The Company is committed to learn and adopt the best practices of corporate governance.

I. BOARD OF DIRECTORS

A. Composition of Board

The present strength of Board of Directors of Company is 6 directors. Composition and category of Directors is as follows:

Name of Director	Category of Directorship	No. of Board Meetings attended	Attendance at the last AGM	Directorship in other Companies including private companies in India	No. of Committees in which Chairman/Member (other than Noble Explochem Ltd.)	
					Member	Chairman
Shri T. C. Kothari	Chairman & Executive Director	4	YES	2	NIL	NIL
Shri R. C. Kothari	Managing Director	4	YES	1	NIL	NIL
Shri Mahavir Dhanecha	I & N.E.D	4	YES	2	NIL	NIL
Shri Vijay Kumar Jain	I & N.E.D	-	NO	2	NIL	NIL
Shri Shyam Sunder Sharma	I & N. E. D.	4	YES	NIL	NIL	NIL
Shri Rajesh Joshi	I & N. E. D.	4	YES	NIL	NIL	NIL

I & N.E.D. – Independent & Non-Executive Director

N.E.D. –Non-Executive Director

N.I. – Non Independent

B. Non- executive Directors Compensation:

None of the Non- Executive directors is paid any remuneration other than sitting fees for attending Board and Committee Meetings.

None of the Non- Executive directors holds any shares in the Company.

C. Independent Directors

The independent directors are not related to promoters or management at the Board level. They review at every board meeting legal compliance report prepared by the Company.

D. Board procedure

Four Meetings of the Board of Directors were held during the Financial Year 2013-14 respectively on (1) 29-05-2013, (2) 13-08-2013, (3) 11-11-2013, and (4) 05-02-2014. The Company have a process to provide the information to the Board as required under Annexure I to clause 49, which was followed. All the directors have made necessary disclosures about the committee positions, they occupy in other companies.

Information required under clause 49 VI A of the Listing Agreement:

The particulars of Directors, who are proposed to be appointed/re-appointed at this Annual General Meeting, are given below, as required pursuant to clause 49 of the Listing Agreement:

Shri Shyam Sunder Sharma:

Shri Shyam Sunder Sharma 47 years old is commerce Graduate and working in the field of explosive blasting in mining areas etc. He has 20 years of experience in marketing and blasting of explosives.

The Board of Directors proposed to appoint him as an Independent Director on the Board

Members are requested to appoint Shri Shyam Sunder Sharma by passing an Ordinary resolution unanimously.

Smt. Vinda Warhadpade:

Smt. Vinda Warhadpade is IT Graduate with PG courses in IT and Human Resources Development. She is also having PG Diploma in Information Technology Laws. She is having 10 years experience in Human Resource and Administration work and 20 years of experience of handling Information Technology Department of the Corporate Sector

It is proposed to appoint Smt Vinda Warhadpadne as Whole Time Director of the Company.

Members are requested to appoint Smt. Vinda Warhadpade by passing an Ordinary resolution unanimously.

E. Code of Conduct:

The Board has laid down a code of conduct for Board members and Senior management personnel of the Company. The Board members and Senior management personnel have affirmed compliance with the said code of conduct.

II. AUDIT COMMITTEE

The Audit committee as on date comprises of following Directors:

Shri Mahavir Dhanecha	- Chairman, Independent and Non-Executive Director,
Shri Rajesh Joshi	- Member, Independent and Non-Executive Director
Shri Shyam Sunder Sharma	- Member, Independent and Non-Executive Director
Shri R. C. Kothari	- Member, Managing Director

All the members of the Committee have the relevant experience in the field of finance, taxation and accounting.

The Audit Committee reviews all the issues that are required to be mandatory reviewed by it under Corporate Governance.

The powers and role of the Audit Committee over the matters specified under Clause 49 of the Listing Agreement as well as in Section 292A of the Companies Act, 1956, such as oversight of the Company's financial reporting process, recommending the appointment/ re-appointment of statutory auditors; reviewing with the management annual financial statements; quarterly financial statements and matters as covered under role of audit committee in Clause 49. The audit committee has powers inter-alia, to investigate any activity within its terms of reference and to seek outside legal and professional advice.

Four meetings of the Committee were held during the financial year. The dates on which the said meetings were held are as follows:

(1) 29-05-2013, (2) 13-08-2013, (3) 11-11-2013, and (4) 05-02-2014.

The attendance of each member of the Audit Committee in the meeting is given below:

Name of the Director	No. of Meetings held	No. of Meetings attended
Shri Mahavir Dhanecha	4	4
Shri Rajesh Joshi	4	4
Shri Ramesh Kothari	4	4
Shri Shyam Sunder Sharma	4	4

III. WHISTLE BLOWER POLICY

The Company has not framed any whistle blower policy. However, no person has been denied any access to the audit committee. The Company has not adopted non- mandatory requirements of clause 49. However the particulars relating to the remuneration committee are given in this report.

IV. SUBSIDIARY COMPANY

The Company has no subsidiary Company.

V. DISCLOSURE

A. Related Party Transactions

The particulars of transactions between the Company and its related parties as per Accounting Standards is set out in notes to accounts in the Annual Report. However, these transactions are not likely to have any conflict with the Company's interest.

B. Risk Management

The Board of Directors have been informed from time to time the business risks faced by the Company and the steps taken by the management to face them.

C. Proceeds from Initial Public Offerings (IPOs) / preferential issues

The Company has not made any IPO during the year.

The Company has complied with the requirements of regulatory authorities on matters related to capital markets and no penalties/ strictures have been imposed against the Company during the last three years.

D. **NOMINATION AND REMUNERATION COMMITTEE**

The Remuneration Committee was renamed as Nomination and Remuneration Committee in compliance of Clause 49 of the Listing agreement and the provisions of the Companies Act, 2013. The Nomination and Remuneration committee as on date comprises of the following:

Shri Mahavir Dhanecha, (Chairman)
Shri R. C. Kothari
Shri Shyam Sunder Sharma

No meeting of Committee was held during the financial year 2013-14.

No remuneration was paid to the Directors of the Company during the year ended March 31, 2014.

Notice period of Executive Directors:

Either party shall be entitled to terminate the Appointment by giving the other party 180 days notice in writing without showing any cause.

Company does not pay the remuneration to Non- Executive Directors other than the sitting fees.

The Company does not have a scheme for grant of stock options.

E. Management

A separate report on Management Discussion and Analysis which forms part of the report is annexed.

F. STAKEHOLDERS / INVESTORS' GRIEVANCE COMMITTEE

Stakeholders'/ Investors' Grievance Committee comprises of Shri Mahavir Dhanecha, Shri T. C. Kothari and Shri R. C. Kothari. The Chairman of the Committee is Shri Mahavir Dhanecha.

The Committee looks into redressing of shareholders and investors complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividend etc. Shri T. C. Kothari, Chairman and Executive Director is appointed as Compliance Officer.

The total number of complaints/requests received was NIL. No requests for transfer were pending for approval as on 31st March, 2014.

G. GENERAL BODY MEETINGS

Location and time for last three Annual General Meetings:

Year	Location	Date	Time	Special Resolution	Postal ballot
2010-11	54/B, Shree Tower, West High Court Road, Shankar Nagar, Nagpur – 440010	16/12/2011	3.00 p.m.	N. A.	N. A.
2011-12	54/B, Shree Tower, West High Court Road, Shankar Nagar, Nagpur – 440010	29/09/2012	3.00 p.m.	N. A.	N. A.
2012-13	54/B, Shree Tower, West High Court Road, Shankar Nagar, Nagpur – 440010	20/09/2013	3.00 p.m.	YES	N. A.

No postal ballots were used for voting at these meetings.

H. Postal Ballot

The Company does not have any proposal for Postal ballot this year.

I. MEANS OF COMMUNICATION

The quarterly and half-yearly results are regularly submitted to the stock Exchanges in accordance with the Listing Agreement These are not sent individually to the shareholders.

The Management Discussions and Analysis Report forms part of this Annual Report. There were no presentations made to the institutional investors or analysts.

J. GENERAL SHAREHOLDERS' INFORMATION

- 1 **Annual General Meeting**
 - Date and Time : **Friday the 19-09-2014 at 3.00 p.m.**
 - Venue : 54/B Shree Tower, Shankar Nagar (E),
West High Court Road, Nagpur 440 010
 - 2 **Financial Calendar** : **1st April 2014 to 31st March 2015**
 - First quarter results – Second Week of August 2014*
 - Second quarter results – Second week of the Nov 2014*
 - Third quarter results – Second week of Feb 2014*
 - Fourth quarter results – Second week of May 2015*
- *Tentative*
3. **Date of Book Closure** : Monday the, 15-09-2014 to Friday 19-09-2014
(both days inclusive).
 4. **Dividend Payment Date** : N.A.
 5. **Listing on Stock Exchange** : The Bombay Stock Exchange Ltd. (BSE)
 6. (a) **Stock Code – Physical** : 506991 at BSE
 - (b) **ISIN Number in NSDL and CDSL** : ISIN No. INE875D01011

7 Stock Price Data:

Table below gives the monthly highs and lows of the Company's shares on the Mumbai Stock Exchange (BSE).

High and Low prices of the Company's shares on BSE April 2013 to March 2014		
Months	High (Rs.)	Low (Rs)
April 2013	0.68	0.56
May 2013	0.89	0.69
June 2013	0.82	0.78
July 2013	0.81	0.58
August 2013	0.60	0.49
September 2013	0.63	0.54
October 2013	0.66	0.58
November 2013	0.72	0.56
December 2013	0.78	0.54
January 2014	0.96	0.56
February 2014	1.57	0.96
March 2014	2.27	1.67

- 8. Registrar & Transfer Agents:** **Satellite Corporate Services Pvt. Ltd,**
having their office at:
B-302, Sony Apartment, Opp.St. Jude's
High School, Off Andheri Kurla Road,
Jarimari, Sakinaka, Mumbai - 400053.

9. Share Transfer System

Share transfers are registered and duly transferred share certificates are returned to the lodger within a period of thirty days from the date of receipt, if the documents are otherwise in order.

The share transfer committee meets as often as possible to approve transfers and related matters as may be required.

10. Distribution of shareholding as on 31st March, 2014

Particulars	No. of shares held	Percentage to total share capital
Promoters	24,95,495	12.98
Financial Institutions/Banks/Mutual Funds	300	0.00
Corporate Bodies	15,67,458	8.15
NRI/OCB/FII	1,58,272	0.82
General Public	1,50,06,575	78.05
Total	1,92,28,100	100.00

Outstanding GDRs / ADRs/ Warrants or any convertible instruments conversion date and likely impact on equity: **Not Applicable**

11. Dematerialization of shares and Liquidity

As on 31st March, 2014, 93.44% of the paid up share capital has been dematerialized. The shares of the Company are infrequently traded.

12. Plant Locations:

The Company's plant is located at: Village - Hingni, Taluka - Seloo, District - Wardha, Maharashtra.

13. Address for Correspondences

Registrar and Share Transfer Agents :

Satellite Corporate Services Private Limited
Unit : Noble Explochem Limited
B-302, Sony Apartment, Opp.St. Jude's, High School, Off Andheri Kurla Road, Jarimari, Sakinaka, Mumbai – 400053
Tel : +91 22 2852 0462
Fax : +91 22 2851 1809

Compliance Officer

T. C. Kothari
54/B, Shree Towers, Shankar Nagar (East)
West High Court Road
Nagpur – 4400 010
Tel. 91 712-2538789
Fax – 91 712-2538791

14. CEO/CFO Certification

A Certificate from the Managing Director of the Company in terms of Clause 49 (V) of the Listing Agreement was placed before the Board Meeting held on 30th May 2014 to approve the Audited Annual Accounts for the year ended 31st March 2014.

Declaration

As provided under clause 49 of the listing agreement with the Stock Exchange the Board members and the senior management personnel have affirmed compliance with the Code of Conduct for the Board of Directors and senior management for the year ended 31st March, 2014.

Nagpur
Dated: 16th August 2014

For **Noble Explochem Limited**
Sd/-
Rameshchand Kothari
Managing Director

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MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENT:

Noble Explochem Limited (Noble) was a leading manufacturer of Nitro Glycerin (NG) based small dia Explosives. The Govt. of India vide notification discontinued the said activity w.e.f.1st April 2004. The Company then started manufacturing of Emulsion based explosives in technical collaboration with ETI Canada, (formerly Du pont). The Company also started manufacturing of chemical known as Cetane Improver by utilizing the existing infrastructure of the NG facility with some modification. The Company undertook Horticulture activities in a big way to enhance profitability by utilizing the open land as well as the available land around the manufacturing infrastructure. The company developed some new range of products for fuel savings, some of them were developed for the first time in India. From November 2006, the manufacturing activity of the Company is stopped due to financial crises and labour unrest.

OPPORTUNITY AND THREATS:

Due to discontinuation of manufacturing activity, Company is incurring losses for the last five to six financial years and the total net worth was eroded. Considering the increasing heavy losses the management of the Company had decided to move to Board for Industrial and Financial reconstruction (BIFR) for rehabilitation of the Company. The Hon'ble BIFR had declared the Company as sick industrial Unit and appointed the IDBI Bank as Operating Agency for preparing Draft Rehabilitation Scheme (DRS). The DRS is under process, On approved by the Hon'ble BIFR to the DRS, it will help the Company to restart its operations and to bring the company on main track. The Management has also approached some prospective strategic investors who will invest funds in the Company. The Company will issue Equity Shares to such Strategic Investors against their investment at par rate.

SEGMENTWISE PRODUCTION PERFORMANCE:

Company is not in operation hence there is no Segment-wise performance.

OUTLOOK:

Company will focus its efforts on key strengths of research & development related activities after it assumes operations. With the existing infrastructure and production facilities the Management expects to achieve major turnaround in its operations. Efforts to reduce overall costs and overheads will continue.

RISK AND CONCERNS:

Company's future is depending on the Sanction of Draft Rehabilitation Scheme. After the sanction of DRS, the company may restart its operations and financial situation will be change thereafter.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has a sound system of internal control, which ensures that all assets are protected against the loss from unauthorized use or disposition and all transactions are recorded and reported in conformity with generally accepted accounting principles.

The internal control systems are documented with clearly defined organizational hierarchy and authority limits. These systems are designed to ensure accuracy and reliability of accounting data, promotion of operational efficiency and adherence to the prescribed management policies.

The Company has a system of periodically reviewing these controls. Internal Audit is conducted by external agencies and further assist in improving effectiveness of internal control systems. The Audit Committee of the Board reviews significant control issues raised by the internal and external auditors of the Company from time to time.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

During the year under review the performance of the Company is as follows:

Sr. No.	Product	Particulars	2012-13	2013-14
1	Industrial Explosive	Production MT	0	0
		Sales MT	0	0
2	Petrochemicals	Production MT	0	0
		Sales MT	0	0
3	Horticulture	Sales (Lacs)	0	0

MATERIAL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED:

The affairs of the Company are being managed under the control and supervision of the Managing Director. Apart from Managing Director and Executive Director, Managing Director is being assisted by experienced and qualified finance, production and marketing team.

Due to discontinuation of manufacturing activity, the some of the employees quit the job. But there are certain no of workers who are still behind the management with a hope for boost up the manufacturing activity.

The total number of employees on the roll on the Company as on 31/03/2014 were 200

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members
Noble Explochem Limited
Nagpur – 440010

We have examined the compliance of conditions of Corporate Governance by Noble Explochem Limited, for the year ended on 31st March 2014 as stipulated in Clause 49 of the Listing Agreement of the said Company with stock Exchanges.

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

In our opinion, and to the best of our information and according to the explanations given to us, we certify that, the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that, no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Company and as confirmed by the Registrar and Transfer Agent of the Company.

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

Place: Nagpur:
Date: 16/08/2014

For P S Channe & Associates

Sd/-
Pradip Channe
Company Secretary
C. P. NO. 7138

INDEPENDENT AUDITORS' REPORT

To
The Members of
Noble Explochem Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Noble Explochem Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and the Cash Flow Statement of the Company 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 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 ("the Act"). 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.

Auditors' 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 the 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 the 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 the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the 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.

Qualified Opinion

The Company's operations have been suspended since December, 2006. The Company has incurred losses during past several years and the company's net worth

has been completely eroded. In view of all this, we are unable to comment whether the company can be considered as a 'Going Concern' and whether its assets would be adequate to meet its liabilities.

As explained in **Note No. 21** of Notes to Accounts the expenses / liabilities aggregating Rs. 131.32 lacs for the year 2013-2014 have not been provided due to which current year loss and accumulated losses are under stated by Rs. 113.32 Lacs.

As explained in **Note No. 24** of Notes to Accounts, calls in arrears is unreconciled to the extent of Rs. 2.25 Lacs.

As explained in **Note No. 26** of Notes to Accounts, no provision has been made for loans and advances amounting to Rs. 117.69 lacs, which are prima facie doubtful of recovery and in our opinion current year's loss and accumulated losses of the company are under stated by provision of such doubtful advances

The Company has not provided the depreciation amounting to Rs 115.09 the year under audit and Rs. 470.95 for earlier years due to which current year loss, accumulated losses are understated by Rs. 586.04 Lacs and tangible assets are overstated by Rs 586.04 Lacs.

As explained in **Note No 25**, the liability on account of non-fulfillment of export obligation, has not been considered since not ascertainable.

In our opinion and to the best of our information and according to the explanations given to us, and *subject to what is stated above*, 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 is generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- (b) in the case of the Statement of Profit and Loss, of the loss of the Company 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.
- (2) As required by section 227(3) of the Act, we report that :
 - (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

- (c) the Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) in our opinion, the Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act except the following accounting standards :

Accounting Standard -6 : Depreciation Accounting
 Accounting Standard -15 : Employees Benefits
 Accounting Standard -28 : Impairment of Assets
 Accounting Standard -29: Contingent Liabilities, Assets and Provisions

- (e) On the basis of the written representations received from the directors as on 31st March 2014 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act

For Amar Bafna & Associates

Chartered Accountants

Sd/-

Amar Bafna

Partner

Membership No. 048639

Place: Mumbai

Date: May 31, 2014.

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ANNEXURE REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF THE NOBLE EXPLOCHEM LIMITED.

1.

Clause	Sub	Particulars
(i)	(a)	<i>The Company has not maintained proper records showing full particulars including quantitative details and situation of fixed assets.</i>
	(b)	<i>The fixed assets of the company have not been physically verified by the management during the year, therefore we are unable to comment on discrepancies in absence of such physical verification.</i>
	(c)	In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the company during the year.
(ii)		The Company does not have any inventories on hand as on the reporting date.

(iii)	(a)	As informed, during the year, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the sub-clauses (b), (c) and (d) are not applicable to the company.
	(b)	During the year, the Company had taken unsecured loans from two parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year is Rs. 136.03 Lacs and the year-end balance of loans taken from such parties is Rs. 136.03 Lacs.
	(c)	The Company has not provided for any interest on the above loans during the year and there is no stipulation with respect to repayment of principal amount. Further, other terms and conditions of loans taken by the Company are, prima facie, not prejudicial to the interest of the Company. Accordingly, the sub-clause (g) is not applicable to the company.
(iv)		The Company does not have any transactions related to purchase and sale of fixed assets, goods and services, and inventories at the beginning and at the end of the period. Hence the clause is not applicable to the Company.
(v)		In our opinion and according to the information and explanations given to us, there are no transactions for purchase and sale of goods, materials and services made in pursuance of contracts or arrangements that need to be entered in the register maintained under Section 301 of Companies Act, 1956. Accordingly, the sub-clause (b) is not applicable to the company.
(vi)		The Company has not accepted deposit from the public under section 58A and 58AA of the Companies Act and rules framed there under.
(vii)		<i>The company does not have an formal internal system.</i>
(viii)		As informed to us, there are no cost records prescribed by the central government under sec. 209(1)(d) of the Act, hence this clause is not applicable.
(ix)	(a)	<i>According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is not regular in depositing the undisputed statutory dues, including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty and other material statutory dues, as applicable, with the appropriate authorities.</i> Further, since the Central Government has till date not prescribed the amount of cess payable under section 441A of the Companies Act, 1956, we are not in a position to comment upon the regularity or otherwise of the company in depositing the same.

	<p>(b) According to the information and explanations given to us and the records of the Company examined by us, undisputed dues in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other statutory dues which were outstanding, at the year end for a period of more than six months from the date they became payable are as follows:</p> <p style="text-align: right;">(Rs. in Lacs)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;">Name of the Statute</th> <th style="width: 40%;">Nature of the dues</th> <th style="width: 30%;">Amount</th> </tr> </thead> <tbody> <tr> <td>Income Tax Act</td> <td>Income Tax</td> <td style="text-align: right;">25.91</td> </tr> <tr> <td>Income Tax Act</td> <td>Income Tax (as informed to us that the same will be provided in the books of account in the year of the payment)</td> <td style="text-align: right;">2.11</td> </tr> <tr> <td>BST/CST and VAT</td> <td>BST/CST and VAT</td> <td style="text-align: right;">60.21</td> </tr> <tr> <td>Professional Tax Act</td> <td>Professional Tax Act</td> <td style="text-align: right;">10.73</td> </tr> <tr> <td>Service Tax</td> <td>Service Tax</td> <td style="text-align: right;">1.35</td> </tr> <tr> <td>Employees Provident Fund Act</td> <td>Provident Fund</td> <td style="text-align: right;">41.47</td> </tr> <tr> <td>ESIC Act</td> <td>ESIC</td> <td style="text-align: right;">27.46</td> </tr> <tr> <td>Central Excise Act</td> <td>Excise Duty</td> <td style="text-align: right;">7.75</td> </tr> <tr> <td>Companies Act</td> <td>Investor Education and Protection Fund</td> <td style="text-align: right;">5.29</td> </tr> <tr> <td>Fringe Benefit Tax</td> <td>Fringe Benefit</td> <td style="text-align: right;">13.36</td> </tr> <tr> <td>Wealth Tax Act</td> <td>Wealth Tax</td> <td style="text-align: right;">1.22</td> </tr> <tr> <td>Non Agriculture & Gram Panchayat Tax</td> <td>Non Agriculture & Gram Panchayat Tax</td> <td style="text-align: right;">25.22</td> </tr> </tbody> </table>	Name of the Statute	Nature of the dues	Amount	Income Tax Act	Income Tax	25.91	Income Tax Act	Income Tax (as informed to us that the same will be provided in the books of account in the year of the payment)	2.11	BST/CST and VAT	BST/CST and VAT	60.21	Professional Tax Act	Professional Tax Act	10.73	Service Tax	Service Tax	1.35	Employees Provident Fund Act	Provident Fund	41.47	ESIC Act	ESIC	27.46	Central Excise Act	Excise Duty	7.75	Companies Act	Investor Education and Protection Fund	5.29	Fringe Benefit Tax	Fringe Benefit	13.36	Wealth Tax Act	Wealth Tax	1.22	Non Agriculture & Gram Panchayat Tax	Non Agriculture & Gram Panchayat Tax	25.22
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	<p>(c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty and cess on account of any dispute, are as follows:</p> <p style="text-align: right;">(Rs. In Lacs)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;">Name of the statute</th> <th style="width: 15%;">Nature of dues</th> <th style="width: 10%;">Amount</th> <th style="width: 20%;">Period to which amount relates</th> <th style="width: 40%;">Forum where dispute is pending</th> </tr> </thead> <tbody> <tr> <td>Central Excise Tariff Act</td> <td>Excise Duty</td> <td style="text-align: right;">15.90</td> <td>Various Years</td> <td>CESTAT Mumbai</td> </tr> <tr> <td>Central Sales Tax Act</td> <td>Sales Tax</td> <td style="text-align: right;">53.92</td> <td>F.Y. 2002-03</td> <td>Joint Commissioner (Appeal) – I</td> </tr> </tbody> </table>	Name of the statute	Nature of dues	Amount	Period to which amount relates	Forum where dispute is pending	Central Excise Tariff Act	Excise Duty	15.90	Various Years	CESTAT Mumbai	Central Sales Tax Act	Sales Tax	53.92	F.Y. 2002-03	Joint Commissioner (Appeal) – I																								
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	Central Sales Tax Act	Sales Tax	559.78	F.Y. 2004-05	Joint Commissioner (Appeal) – I
(x)		<i>In The Company had accumulated losses exceeding its net worth as at 31st March, 2013, and it has incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year. The company has been declared sick by the Board for Industrial and Financial Reconstruction vide order dated 22.07.2011.</i>			
(xi)		Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution or banks.			
(xii)		The Company has not granted any loans and advances on the basis of security by way of pledge of shares debentures and other securities.			
(xiii)		The Company not being Chit Fund / Nidhi / mutual Benefit Fund this clause and sub clause (a) (b) (c) (d) are not applicable			
(xiv)		In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the Company.			
(xv)		As informed to us the Company has not given any guarantee for loans taken by others from bank or financial institutions.			
(xvi)		The Company had not taken any term loan during the year.			
(xvii)		Based on the examination of documents and records made available and on the basis of information and explanations given to us, the Company has not used funds raised on short term basis for long term investments and vice versa.			
(xviii)		The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act.			
(xix)		The Company has not issued any debentures; hence this clause does not apply.			
(xx)		The Company has not raised any money by public issue; hence this clause is not applicable.			
(xxi)		Based on the audit procedures performed and information and explanation given by the management, we report that no fraud on or by the company has been noticed or reported during the year.			

For **Amar Bafna & Associates**

Chartered Accountants

Firm Registration No: 114854W

Sd/-

Amar Bafna

Partner

Membership No. 048639

Place: Mumbai

Date: May 31, 2014

NOBLE EXPLOCHEM LIMITED

BALANCE SHEET AS AT 31ST MARCH,2014

(Currency : INR)

Particulars	Note No	31/03/2014 (Audited)	31/03/2013 (Audited)
<u>I. EQUITY AND LIABILITIES</u>			
(1) Shareholders Funds			
(a) Share Capital	2	192,055,250	192,055,250
(b) Reserves and Surplus	3	(496,958,169)	(486,953,939)
(c) Money Received Against Share Warrants		-	-
(2) Share Application Money (Pending Allotment)		55,875,000	32,785,000
(3) Non-Current Liabilities			
(a) Long-Term Borrowings	4	335,545,995	334,886,461
(b) Deferred Tax Liability (Net)	5	12,303,111	12,303,111
(c) Long Term Provisions	6	11,301,433	11,301,433
(d) Other Non- Current Liabilities		-	-
(4) Current Liabilities			
(a) Short Term Borrowings	7	1,417,000	14,515,506
(b) Trade Payables	8	10,922,780	11,032,780
(c) Other Current Liabilities	9	79,715,463	78,276,128
(d) Short-Term Provisions	10	1,467,340	1,458,340
Total		203,645,202	201,660,070
<u>II. ASSETS</u>			
(1) Non-Current Assets			
(a) Fixed assets	11		
(i) Tangible Assets		187,525,537	187,525,537
(ii) Intangible Assets		253,244	253,244
(b) Non-Current Investments	12	500,000	500,000
(c) Deferred Tax Asset (Net)		-	-
(d) Other Non-Current Assets		-	-
(2) Current Assets			
(a) Current Investments		-	-
(b) Inventories		-	-
(c) Cash and Cash Equivalents	13	3,597,368	2,410,990
(d) Short-Term Loans and Advances	14	11,769,052	10,970,299
(e) Other Current Assets		-	-
Total		203,645,202	201,660,071

Summary of Significant Accounting Policies
Notes to the Financial Statements

1
2 to 32

As per our attached report of even date

For Amar Bafna & Associates
Chartered Accountants
FRN No. 114854W

For and on behalf of the Board.

Amar Bafna
Partner
M. No. 048639

T C Kothari
Chairman &
Executive Director

R C Kothari
Managing Director

Place : Mumbai
Date : 31/05/2014

Place : Nagpur
Date : 30/05/2014

NOBLE EXPLOCHEM LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

(Currency : INR)

Particulars	Note No	For the Year Ended 31st March, 2014	For the Year Ended 31st March, 2013
<u>I. INCOME</u>			
Revenue From Operations		-	-
Other Incomes	15	870,453	2,418,465
Total Revenue		870,453	2,418,465
<u>II. EXPENSES</u>			
Employee Benefit Expenses	16	1,534,405	1,261,097
Financial Costs	17	2,497,494	1,118,410
Depreciation and Amortization Expense		-	-
Other Expenses	18	6,833,784	7,638,588
Total Expenses		10,865,683	10,018,095
Profit/(Loss) Before Tax(I - II)		(9,995,230)	(7,599,630)
Tax Expenses		9,000	-
Profit (Loss) After Tax From Continuing Operations		(10,004,230)	(7,599,630)
Earning per equity share:			
(1) Basic		(0.52)	(0.40)
(2) Diluted		(0.52)	(0.40)

**Summary of Significant Accounting Policies
Notes to the Financial Statements**

1
2 to 32

As per our attached report of even date

For Amar Bafna & Associates
Chartered Accountants
FRN No. 114854W

Amar Bafna
Partner
M. No. 048639
Place : Mumbai
Date : 31/05/2014

For and on behalf of the Board.

T C Kothari
Chairman &
Executive Director
Place : Nagpur
Date :30/05/2014

R C Kothari
Managing Director

NOBLE EXPLOCHEM LIMITED

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

(Currency : INR)

		2013-2014		2012-2013	
A.	CASH FLOW FROM OPERATING ACTIVITIES				
	Net Profit /(Loss) before Income Tax		(9,995,230)		(7,599,630)
	Add :				
	Depreciation	-		-	
	Provision for Wealth Tax	(9,000)		-	
	Interest	-		-	
	TOTAL		(9,000)		-
	Operating Profit/(Loss)(Before working capital changes)		(10,004,230)		(7,599,630)
	Less : Adjustments for				
	Reduction in Bank Borrowings	(13,098,506)		(5,579,000)	
	Increase in Other Current Liabilities	1,448,335		(6,320,681)	
	Increase on Short Term Loans & Advances	(798,753)		(340,869)	
	Add : Adjustments for				
	Increase in Trade Payable	(110,000)		360,000	
	TOTAL		(12,558,924)		(11,880,550)
	Cash Flow generated from Operations		(22,563,154)		(19,480,180)
	Less : Adjustments for				
	Interest	-		-	
	Taxation	-		-	
	Net Cash Used in Operating Activities		(22,563,154)		(19,480,180)
B.	CASH FLOW FROM INVESTING ACTIVITIES				
		-		-	
	Net cash used in investing activities		-		-
C.	CASH FLOW FROM FINANCING ACTIVITIES				
	Increase in Share Application Money	23,090,000		20,735,000	
	Increase/(Decrease) in Unsecured Loans	659,534		-	
	Net Cash used in Financing activities		23,749,534		20,735,000
	Net Increase/(Decrease) in Cash Equivalents		1,186,380		1,254,820
	Cash & Cash Equivalent at beginning of period	2,410,989		1,156,168	
	Cash & Cash Equivalent at the end of period	3,597,368		2,410,989	
	Net Increase/(Decrease) in Cash Equivalents		1,186,380		1,254,820

SIGNATURES TO SCHEDULES 1 TO 16

For Amar Bafna & Associates

Chartered Accountants
FRN No. 114854W

Amar Bafna
Partner

Membership No. 048639
Place : Mumbai
Date : 31/05/2014

For and on behalf of the Board of Directors

T C Kothari
Chairman &
Executive Director

Place : Nagpur
Date : 30/05/2014

R C Kothari
Managing Director

NOBLE EXPLOCHEM LIMITED

Schedule Forming Part of the Accounts for the year ended 31st March 2014

NOTE 1 :- SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Preparation

The financial statements have been prepared in accordance with the generally accepted accounting principles under the historical cost convention on an accrual basis and in accordance with the applicable accounting standards issued by the Institute of Chartered Accountants of India and in compliance with the provisions of the Companies Act, 1956.

2. Use of Estimates

The preparation of the financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period in which the results are known/ materialized.

3. Fixed Assets and Depreciation

a) Fixed Assets

Fixed Assets are stated at cost, net of CENVAT availed, less accumulated depreciation. Exchange gain or loss on adjustments arising from exchange rate variations attributable to the fixed assets is capitalized. All costs, including financing costs till the assets are ready to be put to use are capitalized.

b) Depreciation and Amortization

Depreciation on fixed assets is provided on straight line method, at the rates and in the manner specified in schedule XIV of the Companies Act, 1956. Depreciations on additions to/ deletions from fixed assets is provided on pro-rata basis from/ up to the date of such additions/ deletions as the case may be. Assets costing less than Rs.5,000/- each are fully depreciated in the year of purchase. The value of Horticulture and Land Development expenses and the value of intangible assets are amortized at the rate of 10% and 20% per annum respectively.

4. Employees Retirement Benefits

The Company has a Employees' Group Gratuity Policy with Life Insurance Corporation of India and benefit of leave encashment accumulation and provident fund contribution.

5. Taxes on Income

Tax on Income for the current period is determined on the basis of taxable income and tax credit computed in accordance with the provisions of the Income Tax Act, 1961, and based on expected outcome of assessments / appeals.

Deferred Tax is recognized on timing differences between the accounting income and the taxable income for the year and quantified by using the tax rates and laws enacted or substantively enacted as on the Balance Sheet day.

Deferred Tax assets are recognized and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

6. Impairment of Assets

At the end of each reporting period, the company determines whether the provision should be made for impairment loss to fixed assets by considering the indications that the impairment loss may have occurred in accordance with Accounting Standard 28 on "Impairment of Assets" issued by ICAI. The impairment loss is charged to Profit & Loss A/c in the period in which an asset is identified as impaired, when the carrying value of assets exceeds its recoverable value. The impairment loss recognised in the earlier periods is reversed, if there has been a change in the estimate of recoverable amount.

7. Investments

Long-term investments are stated at cost. In case of long term investments, provision/ write down is made for permanent diminution in value.

8. Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized if, as a result of a past event, the company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as a contingent liability. A disclosure of contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent Assets are neither recognized nor disclosed in the financial statements, it becomes probable that an out flow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. Contingent liabilities are not recognized, but are disclosed in the Notes on Accounts. Contingent assets are neither recognized nor disclosed in the accounts.

9. Earning Per Share

Basic earning per share is computed by dividing the net profit after tax by weighted average number of equity shares outstanding during the period. Diluted earning per share is computed by dividing the net profit after tax (by adjusting any tax benefits) by the weighted average number of equity shares considered for deriving basic earning per share and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

NOTES TO ACCOUNTS

- 19 .The Notes referred to in the Balance Sheet and Profit & Loss Account forms as integral part of the accounts.
20. The reference made by the company to the Board for Industrial and Financial Reconstruction (BIFR) for declaring the company as sick on the basis of audited accounts for the year ended 31st March, 2008, although was initially rejected but on appeal the case was registered in 2011 and the company was declared as sick vide order dated 22nd July, 2011 and appointed IDBI Bank as Operating Agency to prepare Draft Rehabilitation Scheme.

21. The company has not provided for following liabilities :

		Previous Year (Rs in 000')
i) Interest on Secured Loan from Bank -	Rs. Nil	Rs. . Nil
ii) Grampanchayat & N.A. Tax	- <u>Rs. 13131.00</u>	<u>Rs. 8907.60</u>
Total	<u>Rs. 13131.00</u>	<u>Rs. 8907.60</u>

22. Depreciation on fixed assets has not been provided as the company's operations are discontinued from Dec, 2006.

23. As per the tripartite arrangement dated 9th January, 2008 between the company and their bankers Indian Overseas Bank and M/s. Yatish Trading Co. Pvt. Ltd. the outstanding bank loan was assigned by creating equitable mortgage on the existing freehold land and charge on other fixed assets in favour of the later party. One of the group companies of M/s. Yatish Trading Co. Pvt. Ltd. entered into a contract manufacturing agreement with the company for manufacture of chemical products on payment of interest free loan of Rs.12.00 cr. The contractor failed in their commitment as neither manufacturing activity was undertaken nor the agreed interest free loan was given and with the result the company suffered continues losses. In view of this the company has filed a suit in Bombay High Court for recovery of damages of Rs. 75.00 crore against the group company and M/s. Yatish Trading Co. Pvt. Ltd. jointly.

24. Shareholder wise reconciliation in respect of calls-in-arrears is yet to be received from the Registrar and Transfer Agent of the Company.

25. The Company has imported emulsion plant under EPCG scheme in the 2003-04 with an export obligation of Rs.1246.67 lacs to be fulfilled within a period of eight years. So far company has exported goods worth Rs.219.30 lacs.

26. Short term-Loans and Advances of Rs117.69 lacs recoverable in cash or kind are subject to confirmations, and reconciliation thereof, if any.

27. The amount in respect of other current assets, Trade Payables, Unsecured Loans and other current liabilities are subject to confirmations and reconciliation thereof, if any.

28. The Company has opted for One Time Settlement (OTS) Scheme with the Shikshak Sahakari Bank Ltd. As per the scheme the company has to pay Rs.1,93,94,506/-to the bank including interest by way of upfront payment of Rs.48,79,000/- and balance Rs.1417000/-in equal 11 no of installments. The company has provided the interest in the books. Balance interest will be provided in the year of payment.

29. Earnings per share working as required by AS 20 is given below:

Particulars	(Rs in 000')	
	Year Ended 31 st March, 2014	Year Ended 31 st March, 2013
Profit / (Loss) after taxation (before extra ordinary items) (Rs.'000)	(9995.23)	(7599.63)
Profit / (Loss) after taxation (after extra ordinary items) (Rs.'000)	(10004.23)	(7599.63)
No. of Equity Shares held (Weighted Average No of Equity Shares held)	1,92,28,100	1,92,28,100
Earnings Per Share [Basic / Diluted] – Rs. (before extra ordinary items)	(0.52)	(0.40)

Earnings Per Share [Basic / Diluted] – Rs. (after extra ordinary items)	(0.52)	(0.40)
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30. The working of deferred tax assets / liability as required by the Accounting Standard – 22 ‘Taxes on Income’ is as follows:

(Rs in 000’)

Sr. No.	Particulars	Opening as on 01.04.13	For the FY 13-14	Closing as on 31.03.14
A	Difference in depreciation as per books & Income Tax Act	35075	-	35075
B	Expenditure disallowed u/s 43B	(22772)	-	(22772)
C	Unabsorbed Loss under IT	(64217)	-	(64217)
D	Deferred Income Tax Liability (Assets)		-	
	(I) (A-B-C)	(51914)		(51914)
	(II) (A-B)	123.03		123.03

In conformity with Accounting Standard 22 “Taxes on Income”, in absence of virtual certainty, unabsorbed business loss under income tax have not been considered for recognition of deferred tax assets, accordingly during the year, no deferred tax provision has been made.

31. Auditors’ Remuneration (excluding service tax):

Audit Fees	:	Rs. 50,000/-
Out of Pocket Expenses:		<u>Rs. 15,000/-</u>
Total	:	<u>Rs. 65,000/-</u>

32. Contingent Liabilities:

- i. Claims against the Company not acknowledged as debts – Rs. 110364 thousands (PY Rs.110364 thousands)
- ii. The following claims against the Company has been disputed with various statutory authorities:

A) Sales Tax amounting to Rs. 61370.83 thousand (PY Rs. 61370.83 thousand)

33. As per requirement of section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 following information has been disclosed. This information takes into account only those suppliers who have responded to the enquiries made by the Company for this purpose.

(Rs in 000’)

Sr. No	Particulars	Year Ended 31 st March, 2014	Year Ended 31 st March, 2013
1	a) Principal amount remaining unpaid to any supplier at the end of the accounting year included in Sundry Creditors.	961.67	961.67
	b) Interest due on above.	115.40	115.40
2	Amount of interest paid by the buyer in term of Section 16 of the Act.	NIL	NIL
3	Amount of payment made to the supplier beyond the appointed day during the accounting year.	NIL	NIL
4	Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but wadding the interest specified in this Act.	NIL	NIL

Note: The Company has neither provided nor paid any interest on outstanding dues to MSME creditors during the financial year.

34. Related Party disclosures:

- a. Key Management Personnel:
 - i. Mr. R.C. Kothari
 - ii. Mr. T.C. Kothari
- b. Relatives of Key Management Personnel:
 - i. Mr. Sidharth Kothari
 - ii. Mr. Piyush Kothari
- c. Subsidiary – NIL
- d. Fellow Subsidiary – NIL
- e. Holding Company – NIL
- f. Associates:
 - i. Akar Labels (P) Ltd.
 - ii. Great Hights Trade Links (P) Ltd.
 - iii. Salvia Investments & Traders (P) Ltd.
 - iv. Apex Explosives Pvt. Ltd
 - v. Apex Detonator Pvt. Ltd
 - vi. Kothari Explosives
 - vii. Kothari Enterprises
 - viii. Ganpati enterprises
 - ix. Siddharth Creations

There are no transactions during the year with the related parties mentioned in (b) and (f) (i), (ii), (iv),(v),(vi), (vii) & (viii) given above.

Following are the transactions with the related parties mentioned in (a) (i), (ii) and (f) (iii) given above.

Amount (Rs in `000)

Particulars	In relation to (a) (i)		In relation to (a) (ii)		In relation to (f) (iii)		In relation to (b) (i)		In relation to (b) (ii)	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Loan Taken	NIL	NIL	700	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Loan Repaid	NIL	NIL	40	200	NIL	NIL	NIL	NIL	NIL	258
Directors' Remuneration	NIL	NIL	NIL	NIL	NIL	NIL	420	420	180	158
Interest on loan	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Amount outstanding at the end of the year:										
Amount Payable	9343	9343	4261	3601	1550	1550	2205	1785	307	127

Notes: Related parties as disclosed by the Management and relied upon by the Auditors. There is no amount written off / written back due from / to related parties.

35. The Company has not carried on any business activity during the financial year; hence segment wise reporting in terms of Accounting Standard 17 'Segment Reporting' issued by Institute of Chartered Accountants of India is not applicable.
36. The previous year's figures have been regrouped, rearranged, reclassified and reworked wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

As per our attached report of even date.

For Amar Bafna & Associates

Chartered Accountants
FRN No. 114854W

Amar Bafna
Partner

M.Mo.048639
Place –Mumbai.
Date-31/05/2014.

For and on behalf of the Board of Directors

T C Kothari
**Chairman & Executive
Director**

Place-Nagpur.
Date-30/05/2014.

R C Kothari
Managing Director

NOBLE EXPLOCHEM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

(Currency : INR)

	<u>AS AT</u> <u>31.03.2014</u>	<u>AS AT</u> <u>31.03.2013</u>
2. SHARE CAPITAL		
<u>Authorised Share Capital :</u> 3,10,00,000 Equity Shares of Rs.10 each. (Previous Year 3,10,00,000)	310,000,000	310,000,000
	Total <u>310,000,000</u>	<u>310,000,000</u>
<u>Issued, Subscribed and Paid Up</u> 1,92,28,100 Equity shares of Rs.10 each (Previous year 1,92,28,100)	192,281,000	192,281,000
	192,281,000	192,281,000
Less : Calls in Arrears	(225,750)	(225,750)
	Total <u>192,055,250</u>	<u>192,055,250</u>

(a) Details of Shareholders holding more than 5% Shares

Name of Shareholder	As at 31.03.2014		As at 31.03.2013	
	No. of Shares	% held	No. of Shares	% held
NONE	NIL	NIL	NIL	NIL

(b) Reconciliation of the number of shares outstanding is as below

	<u>AS AT</u> <u>31.03.2014</u>	<u>AS AT</u> <u>31.03.2013</u>
Equity Share at the beginning of the year :	<u>No. of shares</u> 192,281,000	<u>No. of shares</u> 192,281,000
Add: Share issued :	-	-
Less: Shares cancelled / Bought back :	-	-
Equity Shares at the end of the year :	<u>192,281,000</u>	<u>192,281,000</u>

(c) Aggregate number of bonus shares issued during the period of five years immediately preceding the reporting date.

	<u>AS AT</u> <u>31.03.2014</u>	<u>AS AT</u> <u>31.03.2013</u>
Equity shares allotted as fully paid bonus shares by capitalization of reserves.	-	-

NOBLE EXPLOCHEM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

(Currency : INR)

	<u>AS AT</u> <u>30.09.2014</u>	<u>AS AT</u> <u>31.03.2013</u>
3. RESERVES AND SURPLUS		
<u>Capital Reserve</u>		
State Capital Incentive (From Development Corporation of Vidharbha Ltd.)	2,500,000	2,500,000
<u>Share Forfeiture A/c</u>		
Forfeited - Zero Percent Convertible Warrants (10% up front money received on 11800000 Zero percent convertble warrants of face value of Rs. 51.50)	60,770,000	60,770,000
<u>Securities Premium</u>		
Balance as per last balance sheet	184,935,474	184,935,474
<u>Profit and Loss A/c (Debit balance)</u>		
As per last Balance Sheet	(735,159,413)	(727,559,783)
Add: Profit/ (loss) for the Year	<u>(10,004,230)</u>	<u>(7,599,630)</u>
	(745,163,643)	(735,159,413)
Less: Appropriations	Nil	Nil
	(745,163,643)	(735,159,413)
	Total	Total
	<u><u>(496,958,169)</u></u>	<u><u>(486,953,939)</u></u>
4. LONG TERM BORROWINGS		
<u>Unsecured</u>		
Intercompany Loan	303,106,154	303,106,154
From Director	13,603,351	12,943,817
From Ex Director	11,151,965	11,151,965
Intercompany Deposits	7,684,525	7,684,525
	Total	Total
	<u><u>335,545,995</u></u>	<u><u>334,886,461</u></u>
5. DEFERRED TAX LIABILITES		
<u>Defferred tax Liability</u>		
Related to fixed assets	12,303,111	12,303,111
	Total	Total
	<u><u>12,303,111</u></u>	<u><u>12,303,111</u></u>
6. LONG TERM PROVISIONS		
Provisions for Employee Benefits		
Provision for Leave Encashment	4,796,449	4,796,449
Provision for Gratuity	6,504,984	6,504,984
	Total	Total
	<u><u>11,301,433</u></u>	<u><u>11,301,433</u></u>
7. SHORT TERM BORROWINGS		
<u>Secured</u>		
Working Capital Term loans from Banks (Shikshak Sahakari Bank Ltd. (WCTL)	1,417,000	14,515,506
Security :- Working Capital Term Loan is secured by way of second charge on entire fixed assets, Stock and Book Debts and further secured by way of personal guarantee of Wholetime Director, Managing Director and one promoter share holder.		
	Total	Total
	<u><u>1,417,000</u></u>	<u><u>14,515,506</u></u>

NOBLE EXPLOCHEM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

(Currency : INR)

	<u>AS AT</u> <u>30.09.2014</u>	<u>AS AT</u> <u>31.03.2013</u>
8. TRADE PAYABLES		
Micro, Small and Medium Enterprises	961,670	961,670
Others	9,961,110	10,071,110
Total	<u>10,922,780</u>	<u>11,032,780</u>
9. OTHER CURRENT LIABILITIES		
Advances from Customers	1,749,006	1,749,006
Sundry Creditors for Expenses	9,852,682	9,478,377
Government Dues	20,064,167	20,058,316
Other Liabilities	47,520,195	46,461,016
Unclaimed Dividend	529,413	529,413
Total	<u>79,715,463</u>	<u>78,276,128</u>
10. SHORT TERM PROVISIONS		
Provision for Wealth Tax	131,169	122,169
Provision for Fringe Benefit Tax	1,336,171	1,336,171
Total	<u>1,467,340</u>	<u>1,458,340</u>
11. FIXED ASSETS (as per Annexure)		
Tangible Assets	187,525,537	187,525,537
InTangible Assets	253,244	253,244
Total	<u>187,778,781</u>	<u>187,778,781</u>
12. NON CURRENT INVESTMENTS		
In Equity Shares (Unquoted) 20,000 Equity Shares of Rs. 25 each fully paid of Shikshak Sahakari Bank Ltd.	500,000	500,000
Total	<u>500,000</u>	<u>500,000</u>
13. CASH AND CASH EQUIVALENTS		
Balance with Banks	658,156	815,690
Cash on Hand*	2,939,212	1,595,300
* Certified and Verified by Management		
Total	<u>3,597,368</u>	<u>2,410,990</u>
14. SHORT TERM LOANS AND ADVANCES (Unsecured and Considerd Good)		
Advance to suppliers	5,291,227	5,302,658
Advance recoverable in cash or kind or value to be received	4,700,173	3,889,989
Advance Tax and TDS	228,933	228,933
Deposits	1,445,319	1,445,319
Balances with Central Excise Authorities	103,400	103,400
Total	<u>11,769,052</u>	<u>10,970,299</u>

NOBLE EXPLOCHEM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

(Currency : INR)

	<u>AS AT</u> <u>31.03.2014</u>	<u>AS AT</u> <u>31.03.2013</u>
15. OTHER INCOME		
Interest	6,884	6,884
Miscellaneous	863,569	2,411,581
Total	870,453	2,418,465
16. EMPLOYEE BENEFIT EXPENSE		
Salaries, Wages & Allowances	1,312,694	1,045,537
Staff Benefits	131,552	127,130
Total	1,534,405	1,261,097
17. FINANCIAL COSTS		
Interest	2,497,494	1,118,410
Total	2,497,494	1,118,410
18. OTHER EXPENSES		
Rent	288,832	262,572
Conveyance & Travelling	541,770	426,128
Advertisement Expenses	-	1,956
Auditors Remuneration	72,045	57,000
Professional fees	2,812,004	4,197,073
Legal Fees	17,600	103,175
Vehicle Expenses	149,661	138,684
Postage, Telephone & Telex	273,636	324,180
Security Service Charges	1,895,541	1,299,457
Repairs & Maintenance	164,923	114,019
Printing & Stationery	160,021	157,755
License and Filing Fees	214,315	164,262
AGM Expenses	2,151	-
Electricity Charges	74,620	102,160
Bank Charges	2,125	3,221
Office Expenses	29,099	36,843
Stock Exchange Listing Fees	40,000	44,944
Subscription Fees	86,607	96,547
Sundry Expenses	8,834	108,612
Total	6,833,784	7,638,588

NOBLE EXPLOCHEM LIMITED

CIN: L24292MH1985PLC026728

Registered Office: 54/B, Shree Tower, Shankar Nagar(E),
West High Court Road, Nagpur 440 010

ATTENDANCE SLIP FOR 32nd ANNUAL GENERAL MEETING

Date: Friday the 19th September 2014 Time: 3.00 p.m., Place: 54/B, Shree Tower, Shankar Nagar (E), West High Court Road, Nagpur 440 010

Signature of the Shareholder / Proxy present

Folio No./Client ID:

Only Shareholders or their proxies will be allowed to attend the meeting.

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PROXY FORM

NOBLE EXPLOCHEM LIMITED

Registered Office: 54/B, Shree Tower, Shankar Nagar (E) Nagpur - 440010

I/We _____ of
_____ Member/Members of Noble
Explochem Limited, holding shares in Folio No./ Client ID _____ hereby
appoint _____ of _____ or failing him/her
_____ of _____ or failing him/her
_____ of _____ as my/our Proxy to
attend and vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be
held on Friday the 19th September 2014 and at any adjournment thereof in respect of such resolutions
as mentioned below:

Sr. No.	Resolution	Optional	
		For	Against
Ordinary Business			
1	To receive and adopt the Balance Sheet and Profit & Loss Account etc for the Financial year 2013-14		
2	To Appoint Shri Shyam Sunder Sharma as Director of the Company who retires by rotation in the ensuing Annual General Meeting		
3	To Appoint Auditors and fix their remuneration		
Special Business			
4	To appoint Smt. Vinda Warhadpande as Woman Director and Whole Time Director with a designation as Director- HR and Systems		
5	To authorise Board of Directors to borrow funds in excess of paid up Capital and Free Reserves up to Rs. 100.00 Crores.		
6	To adopt new sets of Articles of Association in place of existing Articles of Association		

Signed this _____ day of September 2014

Signature _____

NOTE:

- The proxy form must be deposited at the registered office of the company at 54/B, shree tower, Shankar Nagar (E), West High Court Road, Nagpur 440 010, not less than forty-eight hours before the commencement of the meeting.
- It is optional to put the 'X' in the appropriate column against the resolutions indicated in the Box. If you leave blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

Affix
Revenue
Stamp

NOBLE EXPLOCHEM LTD.



Regd. Office : 54/B 'SHREE' Tower, Shankarnagar (East), Nagpur- 440010.
Phone : 0712-2538789 , 2538790, Fax : 0712-2538791 **CIN - L24292MH1985PLC026728**
E-mail : necltd_ngp@sancharnet.in, noble_explochem@rediffmail.com **Website :** www.neclindia.com
Factory : At Post Hingni, Tah. : Seloo, Dist. : Wardha. Ph. : 265528, 265535, Fax : 07155-265527.

Form A
covering letter of the annual audit report to be filed with the Stock Exchange

1	Name of the Company	Noble Explochem Limited
2	Annual Financial Statements for the year ended	31 st March 2014
3	Type Of Audit Observation	Un-qualified /Matter of Emphasis
4	Frequency of observation	Appeared first time
5	To be Signed by	
	- CEO / Managing Director	 <hr/> Rameshchand Kothari
	- CFO	 <hr/> Tikamchand Kothari
	- Auditor of the Company	 <hr/> Amar Bafna
	- Audit Committee Chairman	 <hr/> Mahaveer Dhanecha


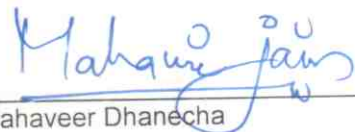


NOBLE EXPLOCHEM LTD.



Regd. Office : 54/B 'SHREE' Tower, Shankarnagar (East), Nagpur- 440010
Phone : 0712-2538789 , 2538790, Fax : 0712-2538791 **CIN - L24292MH1985PLC026728**
E-mail : necltd_ngp@sancharnet.in, noble_explochem@rediffmail.com **Website : www.neclindia.com**
Factory : At Post Hingni, Tah. : Seloo, Dist. : Wardha. Ph. : 265528, 265535, Fax : 07155-265527.

FORM B covering letter of the annual audit report to be filed with the Stock Exchange

1	Name of the Company	Noble Explochem Limited
2	Annual Financial Statements for the year ended	31 st March 2014
3	Type Of Audit Observation	Un-qualified /Matter of Emphasis
4	Frequency of observation	Appeared first time
	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	As per Annexure A
	Additional comments from the board/audit committee chair:	As per annexure B
5	To be Signed by	
	- CEO / Managing Director	 Ramesh chand Kothari
	- CFO	 Tikam chand Kothari
	- Auditor of the Company	 Amar Bafna
	- Audit Committee Chairman	 Mahaveer Dhanecha



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Annexure A to Table B

Auditor's Report is self explanatory and need not requires the separate explanation. The Auditors had qualified his report on some of the points such as:

1. As explained in Note No. 22 of Notes to Accounts the expenses / liabilities aggregating Rs. 150.01 lacs for the year 2013-2014 have not been provided due to which current year loss and accumulated losses are under stated by Rs. 150.01 Lacs.
2. As explained in Note No. 24 of Notes to Accounts, calls in arrears is unreconciled to the xtent of Rs. 2.25 Lacs.
3. As explained in Note No. 26 of Notes to Accounts, no provision has been made for loans and advances amounting to Rs. 117.69 lacs, which are prima facie doubtful of recovery and in our opinion current year's loss and accumulated losses of the company are under stated by provision of such doubtful advances
4. The Company has not provided the depreciation amounting to Rs. 115.09 lacs for the year under audit and Rs.470.95 Lacs for earlier years due to which current year loss, accumulated losses are understated by Rs 586.04 Lacs and tangible assets are overstated by Rs 586.04 Lacs.
5. As explained in Note No 26, the liability on account of non-fulfillment of export obligation, has not been considered since not ascertainable.



Ramesh chand Kothari



Tikam chand Kothari



Amar Bafna





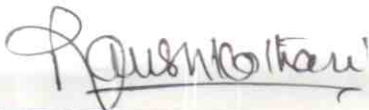
Mahaveer Dhanecha

Annexure B to Table B

On this points the Board submit the following explanation:

1. The Company's operations have been suspended due to shortage of Raw Material, Labour Unrest, shortage of working Capital finance etc. But the administrative operations of the Company are continued up to date. Due to stoppage of production, the required financial resource could not generate and Company is incurring losses mainly due to administrative Expenses. The Company has been declared a Sick Industrial Unit by the Board for Industrial and Financial Reconstruction (BIFR) and the draft rehabilitation scheme has been submitted to BIFR through IDBI Bank – the Operating Agency and on sanction of the same, it will be possible to restart the activities.
2. The Call in arrears for Rs. 2.25 Lacs remains to be un-reconciled for want of non-availability of requisite data from Registrar and Share Transfer Agents.
3. No provision has been made for loans and advances amounting to Rs. 117.61 Lacs representing advances given to suppliers, deposit with statutory authorities. TDS payments as the same are considered to be good and either receivable or adjustable in near future
4. No provision for Depreciation on fixed assets has been made after discontinuing operation of the company since December 2006 as the relevant assets are not in use.
5. In respect of non-fulfilment of export obligation, the Management Of the Company had made an application to the Export Department, for the extension of time of 5 years from the date of application for fulfilment of export Obligation promised.

All the qualification and comments of the Statutory Auditors mentioned in the Report have been brought to the notice of the Hon'ble BIFR for sanction of Draft Rehabilitation Scheme.



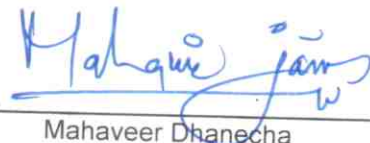
Ramesh chand Kothari



Tikam chand Kothari



Amar Bafna



Mahaveer Dhanecha