



# NEPTUNE EXPORTS LTD.

Registered Office :  
"TRINITY PLAZA", 3rd Floor,  
84/1A, Topsia Road (South), Kolkata-700 046, India  
Tel : (033) 3021-6800, 2285-1079 & 81  
Fax : (033) 3021-6863, E-mail : hulho@hul.net.in

Date: 31.10.2017

The Secretary  
Bombay Stock Exchange Limited  
P. J. Towers, 25<sup>th</sup> Floor, Dalal Street,  
Mumbai-400001

**RE: SUBMISSION OF ANNUAL REPORT FOR THE YEAR ENDED 31.03.2017**

Dear Sir,

Enclosed please find herewith copy of Annual Report for the year ended 31<sup>st</sup> March, 2017 pursuant to Regulation 34(1) of SEBI (LODR) Regulations, 2015.

The above is for your information and records.

Thanking you.

Yours Faithfully,

**FOR NEPTUNE EXPORTS LIMITED**

*Ranu Deo Talukdar*

**[RANU DEY TALUKDAR]  
COMPANY SECRETARY & COMPLIANCE OFFICER**

**ENCLO: AS ABOVE**



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## **NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the Thirty-fifth Annual General Meeting (AGM) of the Members of **NEPTUNE EXPORTS LIMITED** will be held on Tuesday, the 26<sup>th</sup> day of September, 2017 at 1.00 p.m. at the Registered Office of the Company at "Trinity Plaza", 3<sup>rd</sup> Floor, 84/1A, Topsia Road (South), Kolkata-700046 to transact the following business:-

### **ORDINARY BUSINESS:-**

- I. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2017 and the Statement of Profit and Loss for the financial year ended on that date together with the Directors' and Auditors' Reports thereon.
- II. To appoint a Director in place of Mr. V. N. Agarwal (DIN 00408731), who retires by rotation at this Meeting and being eligible offers himself for re-appointment.
- III. To appoint Statutory Auditors and fix their remuneration and for this purpose to consider and, if thought fit, to pass the following resolutions as **ORDINARY RESOLUTION**:

"**RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of The Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, M/s S. Ghose & Co. LLP, Chartered Accountants (Firm Registration No. 302184E) be and are hereby appointed as the Statutory Auditors of the Company (in place of M/s Amitava Sarkar & Co., Chartered Accountants, the retiring Auditors) for a term of five years commencing from the Company's Financial Year 2017-18 to hold office from the conclusion of the 35<sup>th</sup> AGM of the Company till the conclusion of the 40<sup>th</sup> AGM (subject to ratification of their appointment by the Members at every intervening AGM) on such remuneration as may be mutually agreed upon by the Board of Directors and the Auditors."

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

**REGISTERED OFFICE:**  
**TRINITY PLAZA, 3<sup>RD</sup> FLOOR,**  
**84/1A, TOPSIA ROAD (SOUTH),**  
**KOLKATA-700046**  
**DATE: 28<sup>TH</sup> APRIL, 2017**  
**CIN: L51909WB1982PLC034494**

**BY ORDER OF THE BOARD  
FOR NEPTUNE EXPORTS LTD**

  
**[K. K. GANERIWALA]**  
**DIRECTOR**

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM MAY APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ON HIS BEHALF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Proxies in order to be effective must be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting. A person can act as a Proxy on behalf of Members not exceeding fifty and holding in aggregate not more than 10% of the total share capital of the Company.
2. The Register of Members and Share Transfer Books will remain closed from 20<sup>th</sup> September, 2017 to 26<sup>th</sup> September, 2017 (both days Inclusive).
3. The notice of the Meeting will be available at the Company's website <https://www.neptuneexports.co.in> and the website of the National Securities Depository Limited (NSDL) <https://www.evoting.nsdl.com>
4. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing Members the facility to exercise their right to vote on all resolutions proposed to be considered at the AGM by electronic means. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by the National Securities Depository Limited (NSDL).
5. The facility for voting through Ballot Paper shall be made available at the AGM and the members attending the meeting who have not cast their votes by remote e-voting shall be able to exercise their right at the meeting through Ballot Paper.
6. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
7. The remote e-voting period shall commence on September 23, 2017 at 9:00 am and end on September 25, 2017 at 5:00 p.m. During this period the Members of the Company as on the cut-off date of September 19, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
8. The process and manner for remote e-voting are as under:-



a) In case a Member receives an email from NSDL [for members whose email ID are registered with the Company/Depository Participant]

1. Open email and open PDF file viz; "remote e-voting.pdf" with your Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
2. Launch internet browser by typing the URL: <https://www.evoting.nsdl.com>
3. Click on Shareholder - Login
4. Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
5. Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
6. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
7. Select "EVEN" of "Name of the company".
8. Now you are ready for remote e-voting as Cast Vote page opens.
9. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
10. Upon confirmation, the message "Vote cast successfully" will be displayed.
11. Once you have voted on the resolution, you will not be allowed to modify your vote.
12. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scan copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter together with attested specimen signature of duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [guptarinku123@gmail.com](mailto:guptarinku123@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

b) In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company or requesting physical copy]

1. Initial password is being provided separately:

<u>EVEN</u> <u>(REMOTE E-VOTING EVENT NO.)</u>	<u>USER ID</u>	<u>PASSWORD/PIN</u>
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2. Please follow all steps from Sl. No. (2) to Sl. No. (12) above, to cast vote.
9. In case of any queries, you may refer FAQs for Members and remote e-voting User Manual for Members available at the Download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
10. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
11. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of September 19, 2017.
12. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. September 19, 2017, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or to Issuer at [neptuneexports@neptuneexports.co.in](mailto:neptuneexports@neptuneexports.co.in)

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.

13. A person, whose name is recorded in the Register of Members as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
14. Ms. Rinku Gupta, Company Secretary in Practice (Membership No. FCS-9237) has been appointed as the Scrutinizer for providing facility to the Members and to scrutinize the voting and remote e-voting process in a fair and transparent manner.
15. The Chairman of Meeting shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
16. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of conclusion of AGM, a consolidated scrutinizer's report of total votes cast in favour or against, if any, to the

Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith. The Results declared along with the report of the Scrutinizer shall be placed on the Company's website and on the website of NSDL immediately after its declaration and shall also be communicated to the Stock Exchanges.

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DATE: 28<sup>TH</sup> APRIL, 2017  
CIN: L51909WB1982PLC034494

**BY ORDER OF THE BOARD  
FOR NEPTUNE EXPORTS LTD**

  
[K. K. GANERIWALA]  
DIRECTOR

**DISCLOSURE OF DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING PURSUANT TO REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

<b>Name of the Director</b>	<b>V. N. AGARWAL</b>
Date of Birth	15.01.1939
Date of First Appointment	27.02.1997
Qualifications	B.E
No. of shares held	2,00,000
Nature of Expertise	Having in depth exposure to and involvement in steering diverse business and has considerable experience and expertise in management of Engineering Industries.
Other Directorships	<ol style="list-style-type: none"> <li>1. WPIL Limited</li> <li>2. Hindusthan Udyog Limited</li> <li>3. Bengal Steel Industries Limited</li> <li>4. Tea Time Limited</li> <li>5. Orient International Limited</li> <li>6. Asutosh Enterprises Limited</li> <li>7. Northern Projects Limited</li> <li>8. V. N. Enterprises Limited</li> <li>9. HSM Investments Limited</li> </ol>
Other Committee Memberships/ Chairmanships	<p>In WPIL Limited:</p> <p>(a) Nomination &amp; Remuneration Committee - <i>Member</i></p> <p>In Bengal Steel Industries Limited:</p> <p>(a) Nomination &amp; Remuneration Committee - <i>Chairman</i>  (b) Audit Committee - <i>Member</i></p> <p>In Tea Time Limited:</p> <p>(a) Audit Committee - <i>Member</i>  (b) Stakeholders Relationship Committee - <i>Member</i>  (c) Nomination &amp; Remuneration Committee - <i>Member</i></p> <p>In Orient International Limited:</p> <p>(a) Nomination &amp; Remuneration Committee - <i>Chairman</i>  (b) Audit Committee - <i>Member</i></p> <p>In Asutosh Enterprises Limited:</p> <p>(a) Nomination &amp; Remuneration Committee - <i>Chairman</i>  (b) Audit Committee - <i>Member</i></p> <p>In Northern Projects Limited:</p> <p>(a) Nomination &amp; Remuneration Committee - <i>Chairman</i>  (b) Audit Committee - <i>Member</i></p>



## NEPTUNE EXPORTS LIMITED

### DIRECTORS' REPORT

To the Members,

The Directors of the Company have pleasure in presenting their Annual Report together with the Audited Accounts for the Financial year ended 31<sup>st</sup> March, 2017.

### COMPANY PERFORMANCE

	<u>2016 - 2017</u>	<u>2015 - 2016</u>
<u>FINANCIAL RESULTS</u>	Rs.	Rs.
Total Revenue	10,097,168	9,210,342
Profit/(Loss) before Depreciation	(86,489,190)	4,253,649
Less: Depreciation	1,551,256	1,551,256
Net Profit/(Loss) before Tax	(88,040,446)	2,702,393
Less: Provision for Taxation	1,947,975	295,000
Net Profit/ (Loss) after Tax	(89,988,421)	2,407,393
Add : Opening Balance in Statement of Profit & Loss	169,876,593	167,469,200
Closing Balance	<u>79,888,172</u>	<u>169,876,593</u>

### DIVIDEND

In view of the losses incurred by the Company, the Directors have not recommended any dividend for the year under review.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As required under Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report for the year under review is appended below:

#### A. BUSINESS

Your Company is engaged in the business of exporting tea. However, the said business is presently under suspension.

#### B. REVIEW OF OPERATIONS & FUTURE PROSPECTS

During the year under review, your Company had incurred a Net Loss of Rs. 8.80 Crores which was mainly due to the Loss on Sale of certain Non Current and Non Trade Investments made by the Company. The said loss being of exceptional nature, the Board feels that the same would not impact the Company's financial performance in the future. Even after such losses in the current year, your Company has Accumulated Reserves of Rs. 14.99 Crores as on 31.03.2017.

The Board of your Company is exploring alternatives for improving its operations for long term growth.

### **C. OPPORTUNITIES AND THREATS, RISKS AND CONCERNS**

Your Company's objective is to effect continuous improvement in its operations. However, the Company is exposed to threats and risks, as faced by other organizations in general and those engaged in similar business, like adverse changes in the general economic and market conditions, changes in Government policies and regulations etc.

### **D. INTERNAL CONTROL SYSTEM**

The Company has Internal control procedures commensurate with the nature of its business and size of its operations. The objectives of these procedures are to ensure efficient use and protection of Company's resources, accuracy in financial reports and due compliance of applicable statutes and Company's norms, policies and procedures.

The Internal Audit Report, the progress in implementation of recommendations contained in such reports and the adequacy of Internal Control Systems are reviewed by the Audit Committee of the Board in its periodical meetings.

### **E. HUMAN RESOURCES**

The employees of the Company are fully committed towards the growth of the Company and there was no loss of work or any problem during the year with respect to them.

### **CORPORATE GOVERNANCE**

The Company has always followed the principles of good Corporate Governance through professionalism, accountability, transparency and integrity in its functioning and conduct of business with due respect to laws and regulations. Necessary measures have been adopted to comply with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A separate Report on Corporate Governance as prescribed by the Listing regulations forms part of the Annual Report 2016-17 along with the Auditors' Certificate on its compliance in **Annexure A**.

### **DIRECTORS**

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

### **NUMBER OF BOARD MEETINGS HELD**

During the Financial year 2016-17, Four (4) Board Meetings were held on 26<sup>th</sup> May, 2016, 9<sup>th</sup> August, 2016, 7<sup>th</sup> November, 2016 and 2<sup>nd</sup> February, 2017.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

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

- (a) in the preparation of the Annual Accounts for the Financial Year ended 31<sup>st</sup> March, 2017, the applicable accounting standards had been followed along with proper explanation relating to material departures;



- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the company for that period;
- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the annual accounts of the Company have been prepared on a "going concern" basis;
- (e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **BOARD EVALUATION**

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

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

#### **INDEPENDENT DIRECTORS DECLARATION:**

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

#### **AUDITORS**

M/s Amitava Sarkar & Co., Chartered Accountants, the existing Statutory Auditors, hold office till the conclusion of the ensuing AGM and would have to vacate the same on its conclusion in terms of Section 139(2) of the Companies Act, 2013, dealing with rotation of Auditors.

Your Board has therefore proposed to appoint M/s S. Ghose & Co. LLP, Chartered Accountants (Firm Registration No. 302184E) as the Statutory Auditors of the Company for a term of 5 years commencing from Financial Year 2017-18 and to hold the said office from the conclusion of the ensuing AGM till the conclusion of the AGM to be held in the Year 2022 (subject to ratification of their appointment at each intervening AGM). M/s S. Ghose & Co. LLP, Chartered Accountants have expressed their willingness to act as such, if so appointed. The necessary resolution for their appointment is included in the Notice of the ensuing AGM.



## **EXTRACT OF ANNUAL RETURN**

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

## **SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Rules there under, the Board of Directors of the Company had appointed CS Rinku Gupta, Practicing Company Secretary to conduct the Secretarial Audit. The Secretarial Audit Report for the financial year ended 31.03.2017 is annexed herewith as **Annexure C**, as part of this Report.

## **RELATED PARTY TRANSACTIONS**

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

## **VIGIL MECHANISM**

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

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

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

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

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

## **ACKNOWLEDGEMENTS**

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

**FOR AND ON BEHALF OF THE BOARD**



**PLACE: KOLKATA**  
**DATE: 28<sup>TH</sup> APRIL, 2017**



**DIRECTORS**

## REPORT ON CORPORATE GOVERNANCE

1) COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate Governance is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to values. Good Governance practices stem from culture and mind set of the organization. As stakeholders across the country evidence keen interest in the practices and performance of Companies, Corporate Governance has emerged on the centre stage.

The Company has always believed in conducting its affairs in a fair and transparent manner and in maintaining the highest ethical standards in its dealings with all its constituents. It aims to constantly review its systems and procedures at all levels to achieve the highest level of Corporate Governance in the overall interest of all the Shareholders.

2) BOARD OF DIRECTORS

The Board of Directors is the apex body constituted by the shareholders for overseeing the overall functioning of the Company. The Board provides and evaluates the strategic direction of the Company, management policies and their effectiveness and ensures that long term interests of the shareholders are being served.

The Board of Directors of your Company comprises of Non-Executive and Independent Directors. As on 31<sup>st</sup> March 2017, the Board consists of Five Directors out of which three are Independent Directors. Directors are persons with experience and expertise in Business, Industry, Finance and Law.

The Composition of the Board and the category of Directors as on 31.03.2017 are as follows:-

Sl. No.	Category	No. of Directors	% of Total No. of Directors
1.	Non-Executive Director & Promoter	2	40.00
2.	Non-Executive & Independent Director	3	60.00
	<b>TOTAL</b>	<b>5</b>	<b>100.00</b>

The further details relating to the Composition of the Board as on 31.03.2016 are as follows:-

Sl. No.	Name of the Board Members	Category	No. of other Directorships in Indian Companies	No. of other Board Committee (s) of which he/she is a Member	No. of other Board Committee (s) of which he/she is a Chairperson
1.	Mr. V. N. Agarwal DIN:00408731	Non - Executive Director & Promoter	9	6	--
2	Mrs. Premlata Agarwal DIN:00752110	Non - Executive Director & Promoter	5	--	--
3	Mr. K. K. Ganeriwala DIN:00408722	Independent Director	11	7	2
4	Mr. A. K. Ghosh DIN:01424368	Independent Director	5	6	4
5	Mr. R. K. Agarwal DIN:00742196	Independent Director	3	1	1

Mr. V. N. Agarwal is the husband of Mrs. Premlata Agarwal.

3) **DETAILS OF BOARD MEETINGS AND ANNUAL GENERAL MEETING HELD AND ATTENDED BY THE DIRECTORS DURING THE FINANCIAL YEAR 2016-2017**

- (i) During the Financial Year 2016-17 Four (4) Board Meetings were held on:-  
26<sup>th</sup> May, 2016, 9<sup>th</sup> August, 2016, 7<sup>th</sup> November, 2016, 2<sup>nd</sup> February, 2017.
- (ii) Details of Attendance record of the Directors at the Board Meetings and the last Annual General Meeting are as follows:-

Name of the Board Members	No. of Board Meetings Attended	Attendance at the last AGM held on 29 <sup>th</sup> September, 2016
Mr. V. N. Agarwal	4	Yes
Mrs. Premlata Agarwal	4	Yes
Mr. K. K. Ganeriwala	3	Yes
Mr. A. K. Ghosh	4	Yes
Mr. R. K. Agarwal	4	Yes



4) **BOARD MEETINGS**

- i) The Company's Governance policy requires the Board to meet at least four times in a year with a time gap between any two Board Meetings not exceeding one hundred and twenty days.
- ii) In terms of Company's Corporate Governance Policy, all statutory, significant and material information (including compliance reports of all laws applicable to the Company as well as steps taken by the Company to rectify instances of non-compliances) are placed before the Board to enable it to discharge its responsibility.
- iii) The Internal Guidelines for Board Meetings facilitate the decision making process at the Meeting of the Board in an informed and efficient manner.

5) **BOARD AGENDA**

Meetings are governed by structured Agenda. The Board Members in consultation with the Chairman may bring up any matter for the consideration of the Board.

6) **BOARD PROCEDURE**

- (i) The Members of the Board have been provided with the requisite information as required by SEBI (LODR) Regulations, 2015 well before the Board Meetings and the same were dealt with appropriately.
- (ii) All Directors who are in various committees are within the permissible limits as stipulated in SEBI (LODR) Regulations, 2015. The Directors from time to time have intimated to the Company their Memberships/ Chairmanships in various Committees in other Companies.

7) **POST MEETING FOLLOWUP SYSTEM**

The Governance process in the Company includes an effective post-meeting follow up, review and reporting process for action taken/pending on decision of the Board/Board Committees.

8) **SEPARATE MEETING OF INDEPENDENT DIRECTORS**

The Independent Directors held a Meeting on 2<sup>nd</sup> February, 2017 without the presence of any Non-Independent Directors and Members of Management wherein they (i) reviewed the performance of Non-Independent Directors and the Board as a whole and (ii) assesses the quality, quantity and timelines of flow of information between the Company Management and Board that was necessary for the Board to effectively and reasonably perform their duties.

9) **VIGIL MECHANISM/WHISTLE BLOWER POLICY**

The Company has established a vigil mechanism for the Directors and Employees which enable them to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The mechanism also provides for adequate safeguards against victimization of Directors/Employees

who avail the mechanism. This functioning of this Policy is reviewed by the Audit Committee and it is ensured that no employee is denied access to the Committee.

**10) COMMITTEES OF THE BOARD**

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

**i) AUDIT COMMITTEE**

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

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



(m) Reviewing the functioning of Whistle Blower mechanism.

The Composition of the Audit Committee as on 31.03.2017 is as follows:-

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

During the Financial Year 2016-2017 Four Audit Committee Meetings were held and the Attendance of the Members at the said Meetings is given below:-

Name of the Director	No. of meetings attended
Mr. K. K. Ganeriwala	3
Mr. V. N. Agarwal	4
Mr. A. K. Ghosh	4

ii) **STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Stakeholders Relationship Committee oversees redressal of Shareholders/ Investor grievances relating to transfer of shares, non-receipt of Balance Sheet etc. The said Committee consists of Mr. A. K. Ghosh, Mr. V. N. Agarwal and Mr. K. K. Ganeriwala of which Mr. A. K. Ghosh is the Chairman.

During the year ended 31<sup>st</sup> March 2017, no complaints/queries were received and no complaint/query was pending to be resolved as on 31<sup>st</sup> March, 2017. There were no transfer of shares pending for registration as on 31<sup>st</sup> March 2017 and all transfers, if any, had been effected within a period of 15 days from the date of their lodgement.

iii) **NOMINATION AND REMUNERATION COMMITTEE**

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

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

The Composition of the Remuneration Committee as on 31.03.2017 is as follows:-

Name of the Director	Chairman/ Member
Mr. K. K. Ganeriwala	Chairman
Mr. V. N. Agarwal	Member
Mr. A. K. Ghosh	Member



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

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

Apart from Sitting Fees, no other remuneration is paid/payable to the Non-Executive Directors. Sitting fees paid to the Non-Executive Directors for the financial year ended 31<sup>st</sup> March 2017 were as follows:-

Name of the Director	Sitting Fees paid
Mr. V. N. Agarwal	Rs. 4,000/-
Mrs. Premlata Agarwal	Rs. 4,000/-
Mr. K. K. Ganeriwala	Rs. 3,000/-
Mr. A. K. Ghosh	Rs. 4,000/-
Mr. R. K. Agarwal	Rs. 4,000/-

**11) GENERAL MEETINGS**

i) Details of Annual General Meeting (AGM) held in the last three years are as under:

Financial Year	Location	Date	Time
2015-2016	Registered Office at : Trinity Plaza, 3 <sup>rd</sup> Floor, 84/1A, Topsia Road (South), Kolkata-700046	29 <sup>th</sup> September, 2016	1 p.m.
2014-2015		29 <sup>th</sup> September, 2015	1 p.m.
2013-2014		27 <sup>th</sup> September, 2014	1 p.m.

- ii) Whether any Special Resolutions were passed in the previous Three AGMs : No
- iii) Whether Special Resolutions were put through Postal Ballot last year : No
- iv) Are Special Resolutions proposed to be put through Postal Ballot this year : No
- v) Procedure to be followed for Postal Ballot (if applicable) : In accordance with the applicable provisions of the Companies Act, 2013 read with the Rules made there under.

**12) DISCLOSURES**

- i) There are no materially significant transactions with the Related Parties that may have potential conflict with the interests of the Company at large, except as disclosed in the Notes to the Financial Statements.
- ii) No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any Statutory Authority on any matter related to the capital markets, during the last three years.
- iii) Your Company has a well laid out Code of Conduct and Business Ethics for the Board of Directors and Senior Management Personnel. It is one of the best means for increasing the transparency in the working of the Companies. The Board Members and the Senior Management Personnel of the Company adhere to this principle and compliance with the same is affirmed by each of them annually.
- iv) The Company is in compliance with the requirements of the Corporate Governance, which reflects in this Report.

**13) MEANS OF COMMUNICATIONS**

- (i) **Quarterly Results:** - Quarterly Results were announced within a period of 45 days from the end of the relevant Quarter (except the last quarter) and were published in The Financial Express (English) and Ekdin (Bengali) Newspapers. In place of the results for the last quarter, the Company opted to submit the Audited Financial results for the entire financial year.

- (ii) **Annual Reports:** - Annual Reports containing, interalia Audited Annual Accounts, Directors' Report, Auditors' Report and other important information are circulated to members and others entitled thereto.
- (iii) **Website:** - The Quarterly Results are displayed on the Website of the Company.
- (iv) **Official News Releases:** - Official News Releases, if any, are displayed on the Website of the Company.
- (v) **Displays, Presentations etc:** - Displays, presentations etc are not made to Institutional Investors/Analysts and hence not displayed on the Company's Website.

**14) GENERAL SHAREHOLDERS' INFORMATION**

(i) **Company Registration Details:**

The Company is registered in the State of West Bengal. The Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs is L51909WB1982PLC034494.

(ii) **Annual General Meeting to be held – Day, Date, Time and Venue:**

Sl. No.	Particulars	Remark
A.	Day	Tuesday
B.	Date	26 <sup>th</sup> September, 2017
C.	Time	1 p.m.
D.	Venue	Registered Office at: "Trinity Plaza", 3 <sup>rd</sup> Floor, 84/1A, Topsia Road (South), Kolkata-700046.

(iii) **Financial Calendar for the Year 2017-2018:**

Sl. No.	Particulars	Remarks
A.	1 <sup>st</sup> Quarter ending 30 <sup>th</sup> June, 2017	Before 14 <sup>th</sup> August, 2017
B.	2 <sup>nd</sup> Quarter and Half-year ending 30 <sup>th</sup> September, 2017	Before 14 <sup>th</sup> November, 2017
C.	3 <sup>rd</sup> Quarter ending 31 <sup>st</sup> December, 2017	Before 14 <sup>th</sup> February, 2018
D.	4 <sup>th</sup> Quarter and Annual Results for the year ending 31 <sup>st</sup> March, 2018	Before 30 <sup>th</sup> May, 2018

- (iv) **Date of Book Closure:** 20<sup>th</sup> September, 2017 to 26<sup>th</sup> September, 2017  
(Both days inclusive for the purpose of AGM)
- (v) **Dividend payment date:** Not applicable since no dividend has been recommended for the year ended 31<sup>st</sup> March, 2017.
- (vi) **Name of the Stock Exchanges at which Equity Shares are Listed and Scrip Code assigned to the Company's shares at the respective Stock Exchanges:**

The Equity Shares of the Company are listed on the following Stock Exchanges:



1. The Calcutta Stock Exchange Limited (CSE)  
7, Lyons Range, Kolkata – 700001  
Scrip Code: 024078
2. The Bombay Stock Exchange Limited (BSE)  
Phiroze Jeejeebhoy Towers, 25<sup>th</sup> Floor,  
Dalal Street, Mumbai – 400001  
Scrip Code: 512522

The listing fees are being paid to both the Stock Exchanges for the Financial Year 2017-2018.

(vii) **Market Price Data:**

There was no trading of the shares of the Company at the BSE and CSE during the year ended 31<sup>st</sup> March, 2017.

(viii) **Registrars and Share Transfer Agents:**

M/s Link Intime India Private Limited are the Registrar and Share Transfer Agents (RTA) of the Company.

Shareholders may address all their correspondences/queries relating to Dematerialization of Shares, transfer/transmission of physical securities, change of address, non-receipt of dividend or any other query relating to the Shares of the Company to them at the below mentioned Address:-

**LINK INTIME INDIA PRIVATE LIMITED**  
"Fort Burlow", 3<sup>rd</sup> Floor,  
59C, Chowringhee Road, Room No. 5,  
Kolkata – 700020  
Tel : (033) 22890540  
Fax No: (033) 22890539  
E-mail ID : [kolkata@linkintime.co.in](mailto:kolkata@linkintime.co.in)

(ix) **Share Transfer System:**

All work relating to transfer of Physical Shares are processed by the Company's RTA at their above mentioned Address.

The same are registered and returned within a period of 15 days from the date of receipt if the documents are clear in all respects.

In terms of the requirement of Regulation 40(9) of the SEBI (LODR) Regulations, 2015, the Company obtains half yearly Certificates from a Company Secretary in practice for due compliance of share transfer formalities.

(x) **Dematerialization of Equity Shares:**

The Equity Shares of the Company are admitted with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for enabling the Investors to hold and trade in the shares of the Company in dematerialized form.

The ISIN Number as activated by both NSDL and CDSL in respect of our Equity Shares is INE066X01015.

As on 31<sup>st</sup> March, 2017, 100% of the Company's total shares representing 30,00,000 equity shares were held in physical form.

(xi) **Distribution Schedule:**

The Distribution Pattern of the Equity Shares of the Company as on 31<sup>st</sup> March, 2017 is given below:

Sl. No.	No. of Equity Shares held	No. of Holders	% of total holders	No. of Shares	% of Shareholding
1.	1 - 1,00,000	11	50.00	6,29,950	21.00
2.	1,00,001 - 2,00,000	5	22.73	8,18,500	27.28
3.	2,00,001 - above	6	27.27	15,51,550	51.72
	<b>Total</b>	<b>22</b>	<b>100.00</b>	<b>30,00,000</b>	<b>100.00</b>

(xii) **Shareholding Pattern as on 31<sup>st</sup> March, 2017:**

Sl. No.	Category	No. of Equity Shares held	% of holding
<b>A.</b>	<b>Promoters' holding :</b>		
	<b>1. Promoters</b>		
	-- Indian Promoters	22,49,000	74.97
	-- Foreign Promoters	----	----
	<b>2. Persons acting in concert</b>	----	----
	<b>Sub-Total</b>	<b>22,49,400</b>	<b>74.97</b>
<b>B.</b>	<b>Non-Promoters' holding :</b>		
	<b>1. Institutional Investors</b>	----	----
	<b>2. Others :</b>		
	-- Private Corporate Bodies	3,45,000	11.5
	-- Indian Public	4,06,000	13.53
	<b>Sub-Total</b>	<b>7,51,000</b>	<b>25.03</b>
	<b>GRAND TOTAL</b>	<b>30,00,000</b>	<b>100.00</b>

(xiii) **Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion dates and like impact on Equity:**

NOT APPLICABLE [The Company has not issued any GDRs /ADRs/Warrants or any other Convertible Instruments]

(xiv) **Address for correspondence:**

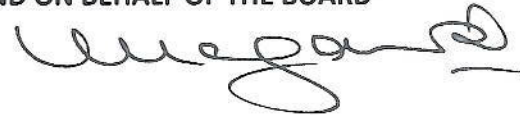
Shareholders should address their correspondence to the Company's RTA at their above mentioned Address or to the Secretarial Department of the Company at the following address:

**NEPTUNE EXPORTS LIMITED**

"Trinity Plaza", 3<sup>rd</sup> Floor,  
84/1A, Topsia Road (South),  
Kolkata-700046  
Tel : (033) 30216800/6808  
Fax No: (033) 30216863  
E-mail ID : neptuneexports@neptuneexports.co.in

The above report has been placed before the Board at its Meeting held on 28.04.2017 and the same was approved.

FOR AND ON BEHALF OF THE BOARD



PLACE: KOLKATA  
DATE: 28<sup>TH</sup> APRIL, 2017



DIRECTORS

**DECLARATION BY THE DIRECTOR ON THE CODE OF CONDUCT**

Pursuant to Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that the Company has obtained from all the Board Members and the Senior Management Personnel affirmation that they have complied with the Code of Conduct and Ethics for Directors and Senior Management Personnel for the Financial Year ended 31<sup>st</sup> March, 2017.

FOR TEA TIME LIMITED



PLACE: KOLKATA  
DATE: 28<sup>TH</sup> APRIL, 2017

(V. N. AGARWAL)  
DIRECTOR



**CEO/CFO CERTIFICATION**

I, V. N. Agarwal, Director certify that:-

- a) I have reviewed the Financial Statements and Cash Flow Statement for the Financial Year ended 31<sup>st</sup> March, 2017 and to the best of my knowledge and belief.
  - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - ii) These statements together present a true and fair view of company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) To the best of my knowledge and belief, no transactions entered into by the company during the year ended 31<sup>st</sup> March, 2017 are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) I accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in design or operation of internal controls, if any, of which I am aware and the steps taken or proposed to be taken for rectifying the deficiencies.
- d) I have indicated to the Auditors and the Audit Committee that:-
  - i) There has not been any significant change in internal control over financial reporting during the year.
  - ii) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements and
  - iii) I am not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the company's internal control system over financial reporting.

PLACE: KOLKATA  
DATE: 28<sup>TH</sup> APRIL, 2017



(V. N. AGARWAL)  
DIRECTOR

AMITAVA SARKAR & CO.  
CHARTERED ACCOUNTANTS

KALYANI APARTMENT  
113/6 HAZRA ROAD  
1<sup>ST</sup> FLOOR  
KOLKATA – 700 026  
TEL : 9831350153  
E-mail : amitavasark@gmail.com

AUDITORS' CERTIFICATE

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

To  
The Members of NEPTUNE EXPORTS LIMITED

I have examined the compliance of conditions of Corporate Governance by NEPTUNE EXPORTS LIMITED, for the year ended 31<sup>st</sup> March, 2017 as per the relevant provisions of SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015.

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

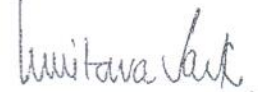
In my opinion and to the best of my information and according to the explanations given to me, and the representation made by the Directors and the Management, I certify that the Company has complied with the conditions of Corporate Governance as per the relevant provisions of SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015.

I state that no investor grievance is pending for a period exceeding one month as on 31<sup>st</sup> March, 2017 as per records maintained by the Stakeholders Relationship Committee.

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

PLACE: KOLKATA  
DATE: 28<sup>TH</sup> APRIL, 2017

FOR AMITAVA SARKAR & CO.  
CHARTERED ACCOUNTANTS  
FRN: 328605E



(AMITAVA SARKAR)  
PROPRIETOR

MEMBERSHIP NO. 050290

**FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN**

**For the financial year ended on 31<sup>st</sup> March, 2017**

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

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	L51909WB1982PLC034494
2.	Registration Date	29.01.1982
3.	Name of the Company	Neptune Exports Limited
4.	Category/Sub-category of the Company	Indian Company Limited by Shares
5.	Address of the Registered office & contact details	Trinity Plaza, 3 <sup>rd</sup> Floor, 84/1A, Topsia Road (South), Kolkata-700046 Tel: 033-30216800 Fax: 033-30216863 E-Mail: neptuneexports@neptuneexports.co.in
6.	Whether Listed company Yes/No	Yes (Listed in BSE and CSE)
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Pvt. Ltd. Fort Burlow, 59C, Chowringhee Road, 3 <sup>rd</sup> Floor, Room No. 5, Kolkata-700020 Tel: 033-22890540 Fax: 033-22890539 E-Mail: kolkata@linkintime.co.in

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sl. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
Not Applicable			

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

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



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

**(i) Category-wise Share Holding**

Category of Shareholders	Shareholding as on 01.04.2016				Shareholding as on 31.03.2017				% Change
	De mat	Physical	Total	%	De mat	Physical	Total	%	
<b>A. Indian Promoters</b>									
a) Individual/HUF	-	6,20,720	6,20,720	20.69	-	6,20,720	6,20,720	20.69	-
b) Bodies Corp.	-	16,28,280	16,28,280	54.28	-	16,28,280	16,28,280	54.28	-
<b>Sub-total (A)</b>	-	<b>22,49,000</b>	<b>22,49,000</b>	<b>74.97</b>	-	<b>22,49,000</b>	<b>22,49,000</b>	<b>74.97</b>	-
<b>B. Public Non-Institutions</b>									
a) Indian Bodies Corporate	-	3,45,000	3,45,000	11.50	-	3,45,000	3,45,000	11.50	-
b) Individuals									
i) holding nominal share capital upto Rs. 1 lakh	-	6,000	6,000	0.20	-	6,000	6,000	0.20	-
ii) holding nominal share capital in excess of Rs. 1 lakh	-	4,00,000	4,00,000	13.33	-	4,00,000	4,00,000	13.33	-
<b>Sub-total (B)</b>	-	<b>7,51,000</b>	<b>7,51,000</b>	<b>25.03</b>	-	<b>7,51,000</b>	<b>7,51,000</b>	<b>25.03</b>	-
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	-	<b>30,00,000</b>	<b>30,00,000</b>	<b>100.00</b>	-	<b>30,00,000</b>	<b>30,00,000</b>	<b>100.00</b>	-

**(ii) Shareholding of Promoters**

Sl. No	Shareholder's Name	Shareholding as on 01.04.2016			Shareholding as on 31.03.2017			% change
		No. of Shares	% of total Shares	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares	% of Shares Pledged/encumbered to total shares	
1	Asutosh Enterprises Ltd.	2,95,000	9.83	-	2,95,000	9.83	-	-
2	Tea Time Ltd.	2,88,830	9.63	-	2,88,830	9.63	-	-
3	Orient International Ltd.	2,86,500	9.55	-	2,86,500	9.55	-	-

4	Hindusthan Udyog Ltd.	2,30,500	7.68	-	2,30,500	7.68	-	-
5	Bengal Steel Industries Ltd.	2,30,000	7.67	-	2,30,000	7.67	-	-
6	Prakash Agarwal	2,20,720	7.36	-	2,20,720	7.36	-	-
7	V. N. Agarwal	2,00,000	6.67	-	2,00,000	6.67	-	-
8	Premlata Agarwal	2,00,000	6.67	-	2,00,000	6.67	-	-
9	V. N. Enterprises Ltd.	1,23,500	4.12	-	1,23,500	4.12	-	-
10	HSM Investments Ltd.	72,950	2.43	-	72,950	2.43	-	-
11	Macneill Electricals Ltd.	50,000	1.67	-	50,000	1.67	-	-
12	HSM International Pvt. Ltd.	50,000	1.67	-	50,000	1.67	-	-
13	Revox Enterprises Pvt. Ltd.	1,000	0.03	-	1,000	0.03	-	-
	<b>Total</b>	<b>22,49,000</b>	<b>74.97</b>	<b>-</b>	<b>22,49,000</b>	<b>74.97</b>	<b>-</b>	<b>-</b>

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

There has been no change in the Promoters Shareholding during the year ended 31<sup>st</sup> March, 2017.

**(iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	Name of the Shareholder	Shareholding as on 01.04.2016		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
1	Poonam Jhaver	1,50,000	5.00	1,50,000	5.00
2	Sati Niketan Pvt. Ltd.	1,45,000	4.83	1,45,000	4.83
3	Arun Kumar Rungta	1,00,000	3.33	1,00,000	3.33
4	Bossom Marketing Pvt. Ltd.	1,00,000	3.33	1,00,000	3.33
5	Caplin Vinimay Pvt. Ltd.	1,00,000	3.33	1,00,000	3.33
6	Murari Lal Agarwal	50,000	1.67	50,000	1.67
7	Chanda Rungta	50,000	1.67	50,000	1.67
8	Gobind Ram Khirwal	50,000	1.67	50,000	1.67
9	Shyam Sunder Seksaria	6,000	0.20	6,000	0.20



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

Sl. No.	Shareholding of each Directors and KMP	Shareholding as on 01.04.2016		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
1	V. N. Agarwal - Director	2,00,000	6.67	2,00,000	6.67
2	Premlata Agarwal - Director	2,00,000	6.67	2,00,000	6.67

V. INDEBTEDNESS

The Company has no amounts outstanding, both at the beginning and at the end of the year, towards any Indebtedness in the nature of Secured or Unsecured Loans or Deposits nor has it incurred any such indebtedness during the year.

VI. REMUNERATION OF DIRECTORS AND KMP

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

Not Applicable as there is no Managing Director, Whole-time Director and/or Manager in the Company.

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors			Total (Rs.)
1	Independent Directors	K. K. Ganeriwala	A. K. Ghosh	R. K. Agarwal	
	Fee for attending board meetings	3,000	4,000	4,000	11,000
	Commission	--	--	--	--
	Others	--	--	--	--
	Total (1)	3,000	4,000	4,000	11,000
2	Other Non-Executive Directors	V. N. Agarwal	Premlata Agarwal		
	Fee for attending board meetings	4,000	4,000		8,000
	Commission	--	--		--
	Others	--	--		--
	Total (2)	4,000	4,000		8,000
	Total=(1+2)			19,000	

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD:

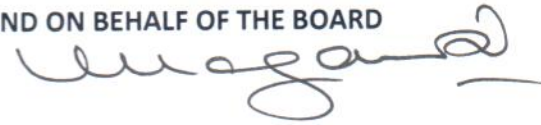
Not Applicable as there was no KMP (CEO/CFO/CS) appointed in the Company during the Financial Year 2016-17.



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

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

FOR AND ON BEHALF OF THE BOARD



PLACE: KOLKATA  
DATE: 28<sup>TH</sup> APRIL, 2017



**DIRECTORS**

### Form MR-3

### SECRETARIAL AUDIT REPORT

### FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2017

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

**TO**  
**THE MEMBERS OF NEPTUNE EXPORTS LIMITED**

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

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial ended on 31<sup>st</sup> March, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:-

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by NEPTUNE EXPORTS LIMITED ("Company") for the financial year ended on 31<sup>st</sup> March, 2017, according to the applicable provisions of:-
  - (i) The Companies Act, 2013 (the Act) and the rules made there under;
  - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
  - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
  - (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under (Not applicable to the Company during audit period);
  - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-



- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (Not applicable to the Company during audit period);
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (Not applicable to the Company during audit period);
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during audit period);
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable to the Company during audit period);
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during audit period);
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (Not applicable to the Company during audit period);
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during audit period);
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during audit period);
- (vi) There are no such laws that are specifically applicable to the Company with respect to the sector in which it is operating.

2. We have also examined compliance with the applicable clauses of the following:-

- (i) Secretarial Standards (SS-1 and SS-2) as issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc., mentioned above.





3. We further report that:

- (a) The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors. The changes in the composition of the Board that took place during the year under review were carried out in compliance with the provisions of the Act;
- (b) Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation of the meeting;
- (c) Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

4. We further report that there are adequate systems and processes in the Company with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.



**FOR RINKU GUPTA & ASSOCIATES  
COMPANY SECRETARIES**

**PLACE: KOLKATA**

**DATE: 28.04.2017**

**RINKU GUPTA  
COMPANY SECRETARY IN PRACTISE  
FCS – 9237, CP NO. 9248**

## **INDEPENDENT AUDITOR'S REPORT**

**To The Members of NEPTUNE EXPORTS LIMITED**

### **Report on the Financial Statements**

I have audited the accompanying financial statements of NEPTUNE EXPORTS LIMITED which comprise the Balance Sheet as at 31<sup>st</sup> March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

My responsibility is to express an opinion on these financial statements based on my audit.

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

I conducted my audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the financial statements.

### **Basis for Qualified Opinion**

In absence of Statement of accounts from the Bank I am unable to comment on recoverability of balance of Rs.4881.25 maintained with UCO Bank IBB Branch Kolkata and on transaction, if any, carried out through this account.



In my opinion and to the best of my information and according to the explanations given to me, except for the matter prescribed in the Basis for Qualified Opinion paragraph, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2017, and its loss and its cash flows for the year ended on that date.

**Other Matter**

The company is yet to be registered with Reserve bank of India as a Non-Banking Financial Company.

**Report on Other Legal and Regulatory Requirements**

- 1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section(11) of section 143 of the Companies Act, 2013, I give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2) As required by Section 143 (3) of the Act, we report that:
  - (a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit.
  - (b) In my opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those bks.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In my opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to my separate Report in "Annexure A". My report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in my opinion and to the best of my information and according to the explanations given to me by the Management.
    - i) The Company did not have any pending litigations as at 31<sup>st</sup> March, 2017 which would impact its financial position.
    - ii) The company did not have any long term contracts including derivative contract as at 31<sup>st</sup> March, 2017.
    - iii) There was no amount which was required to be transferred to the investors education protection fund by the company.
    - iv) The company has provided requisite disclosure in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 08.2016 to December 30, 2016 and these are in accordance with the books of account maintained by the Company. Refer to Note 19(5) to the financial statements.

Place : Kolkata  
Date : 28<sup>th</sup> April 2017

For AMITAVA SARKAR & CO.  
Chartered Accountants  
FRN : 328605E

  
Amitava Sarkar  
Proprietor

Membership No 050290



**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF  
NEPTUNE EXPORTS LIMITED**

**(Referred to Paragraph 2(f) of Report on Other Legal and Regulatory Requirements of my Report of even date)**

I have audited the internal financial controls over financial reporting of NEPTUNE EXPORTS LIMITED ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

My responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on my audit. I conducted my audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. My audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## Inherent Limitations of Internal Financial Controls over Financial Reporting

AMITAVA SARKAR & C

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial

reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In my opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : Kolkata  
Date : 28<sup>th</sup> April, 2017

For AMITAVA SARKAR & CO.  
Chartered Accountants  
FRN : 328605E

  
Amitava Sarkar

Proprietor  
Membership No 050290



## Annexure - B

**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF  
NEPTUNE EXPORTS LIMITED**

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

On the basis of such checks as I considered appropriate and according to the information and explanation given to me during the course of the audit, I report that:

1. a) The company maintained proper records showing full particulars including quantitative details and situation of its fixed assets.  
b) Fixed assets were physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.  
c) The title deeds of the immovable property were held in the name of the company
2. The company did not have any Inventory during the year under review.
3. The Company did not grant any loan during the year under review.
4. In respect of Investment made during the year under review, the provisions of section 185 and 186 have been complied with.
5. The company did not accept any deposit to which directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rule framed there were applicable.
6. Maintenance of cost records has not been prescribed by the Central Government under section 148(1) of the Companies Act, 2013 in respect of the company's examined activities.
7. a) The company was regular in depositing the undisputed statutory dues. There were no undisputed amounts payable in respect of Income Tax, Value Added Tax, Wealth Tax, Excise Duty and Customs Duty which were outstanding as on 31<sup>st</sup> March 2017 for a period of more than six months from the date they became payable.  
b) Disputed Statutory Dues amounting to Rs.29,71,276 relating to Income Tax have not been deposited with appropriate authorities. The Income Tax Appellate Tribunal is the Forum where the disputes are pending.
8. The Company did not default in repayment of dues to any bank. There were no dues to any financial institution or debenture holder.
9. The company did not raise any money by way of initial/further public offer or by way of term loan during the year under review.
10. I did not come across any fraud by the Company or any fraud on the Company by its Officers or Employees noticed or reported during the year under review.
11. Managerial remuneration was paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act.
12. The Company was not a Nidhi Company during the year under review.
13. All transactions with related parties during the year under review were in compliance sections 177 and 188 of the Companies Act 2013 where applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.



14. The company did not make any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
15. The company did not enter into any non-cash transactions with directors or persons connected with him during the year under review.
16. For the year under review the company was not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934.

For AMITAVA SARKAR & CO.  
Chartered Accountants  
FRN : 328605E

  
Amitava Sarkar  
Proprietor



Membership No 050290

Place: Kolkata  
Date: 28<sup>th</sup> April, 2017

# NEPTUNE EXPORTS LIMITED

## Balance Sheet as at 31st March, 2017

AMOUNT IN RS.

I. EQUITY AND LIABILITIES	Notes	As at 31st March, 2017	As at 31st March, 2016
<b>Shareholder's Funds</b>			
(a) Share Capital	3	30,000,000	30,000,000
(b) Reserves and Surplus	4	149,927,729	239,916,151
		<b>179,927,729</b>	<b>269,916,151</b>
<b>Current Liabilities</b>			
(a) Current Liabilities	5	23,760	252,809
(b) Short-term Provisions	6	-	22,493,000
		<b>23,760</b>	<b>22,745,809</b>
<b>Total</b>		<b>179,951,489</b>	<b>292,661,960</b>
<b>II. ASSETS</b>		<b>As at 31st March, 2017</b>	<b>As at 31st March, 2016</b>
<b>Non-current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	7	26,180,377	27,731,633
(b) Non-current Investments	8	53,213,792	117,713,792
(c) Long term Loans and advances	9	32,212	52,212
		<b>79,426,381</b>	<b>145,497,637</b>
<b>Current Assets</b>			
(a) Short Term Loans & Advances	10	99,949,963	147,020,511
(b) Cash and Bank Balances	11	575,145	143,812
		<b>100,525,109</b>	<b>147,164,323</b>
<b>Total</b>		<b>179,951,489</b>	<b>292,661,960</b>
Notes to Financial Statements	1 to 16	-	-
For AMITAVA SARKAR & CO. Chartered Accountants FRN : 328605E		For and on behalf of the Board	
 AMITAVA SARKAR PROPRIETOR Membership No. : 050290 Place : Kolkata Date : 28.04.2017		  <b>DIRECTORS</b>	

# NEPTUNE EXPORTS LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

AMOUNT IN RS.

Particulars	Notes	For the year ended 31st March, 2017	For the year ended 31st March, 2016
I. Revenue from Operations	12	10,075,305	9,197,684
II. Other Income	13	21,863	12,658
<b>III. Total Revenue (I + II)</b>		<b>10,097,168</b>	<b>9,210,342</b>
<b>IV. Expenses:</b>			
Employee Benefit Expenses	14	2,074,730	1,994,870
Depreciation Expenses	7	1,551,256	1,551,256
Other Expenses	15	4,511,628	2,961,823
Loss on Sale of Investments		90,000,000	-
<b>Total Expenses</b>		<b>98,137,614</b>	<b>6,507,949</b>
V. Profit/ (Loss) Before Prior Period adjustments, Exceptional items and Tax (III - IV)		(88,040,446)	2,702,393
VI. Prior Period Adjustments		-	-
VII. Profit/ (Loss) before tax (V- VI)		(88,040,446)	2,702,393
<b>VIII. Tax expense:</b>			
- Current Tax		-	295,000
- Tax for Earlier Year		1,947,975	-
IX. Profit/(Loss) after Tax (VII - VIII)		(89,988,421)	2,407,393
X. Earning per equity share		(30.00)	0.80

Notes to Financial Statements

1 to 16

For **AMITAVA SARKAR & CO.**  
Chartered Accountants  
FRN : 328605E



**AMITAVA SARKAR**  
PROPRIETOR

Membership No. : 050290

Place : Kolkata

Date : 28.04.2017

For and on behalf of the Board



**DIRECTORS**



**NEPTUNE EXPORTS LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017**

AMOUNT IN RS.		
A. CASH FLOW FROM OPERATING ACTIVITIES	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Net Profit/(Loss) before tax	(88,040,447)	2,702,392
<u>Adjustment for:</u>		
Depreciation	1,551,256	1,551,256
Interest Received	(4,456,425)	(3,578,804)
Rent Received	(5,618,880)	(5,618,880)
(Profit)/Loss On Sale of Investments	90,000,000	-
Advance Written Off	-	435,353
Dividend Received	(21,863)	(12,658)
<b>Operating Profit before Working Capital Changes</b>	<b>(6,586,359)</b>	<b>(4,521,341)</b>
<b>Movements In Working Capital :</b>		
Increase/(Decrease) in Other Current Liabilities	(229,049)	(2,682,195)
Decrease/(Increase) in Provisions	(24,440,975)	-
Decrease/(Increase) in Trade Receivables	-	-
Decrease/(Increase) in Long- Term Loans and Advances	20,000	389,179
Decrease/(Increase) in Short - Term Loans and Advances	47,070,548	(99,569,875)
<b>Cash generated from operations/(used in) Operations</b>	<b>15,834,165</b>	<b>(106,384,232)</b>
<b>Net Cash from Operating Activities</b>	<b>15,834,165</b>	<b>(106,384,232)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets (Including Capital Work in Progress)	-	(48,616)
Purchase of Investments (Including Share Application Money)	(30,000,000)	-
Sale of Investments	4,500,000	60,700,000
Interest Received	4,456,425	3,578,804
Rent Received	5,618,880	5,618,880
Dividend Received	21,863	12,658
Advance Written Off	-	(435,353)
<b>Net Cash from Investing Activities</b>	<b>(15,402,832)</b>	<b>69,426,373</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
<b>Net Cash from Financing Activities</b>	<b>-</b>	<b>-</b>
<b>Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>431,333</b>	<b>(36,957,859)</b>
<b>Cash and Cash Equivalents At The Beginning Of The Period</b>	<b>143,812</b>	<b>37,101,671</b>
<b>Cash and Cash Equivalents At The End Of The Period</b>	<b>575,145</b>	<b>143,812</b>
Balances With Banks		
- In Current Account	569,675	63,131
Cash On Hand	5,470	80,681
	<b>575,145</b>	<b>143,812</b>

**Note:**

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

For AMITAVA SARKAR & CO.  
Chartered Accountants  
FRN : 328605E



AMITAVA SARKAR  
PROPRIETOR  
Membership No. : 050290  
Place : Kolkata  
Date : 28.04.2017

For and on behalf of the Board



DIRECTORS

# NEPTUNE EXPORTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

## 1 CORPORATE INFORMATION

The Company mainly deals in Export of manufactured/blended Tea to the middle-east countries. Due to Political uncertainty and economic crisis in those countries, in the recent past, the Company was unable to procure any business. The Company has been trying to develop business in other markets.

## 2 SIGNIFICANT ACCOUNTING POLICIES

### 2.1 ACCOUNTING CONCEPTS

The accounts of the company are prepared under the historical cost convention under accrual method of accounting unless stated otherwise hereinafter. Accounting Policies not specifically referred to, are in consistence with generally accepted accounting principles.

### 2.2 FIXED ASSETS

- (i) Fixed Assets are stated at cost less depreciation. The cost of fixed assets include installation and other incidental expenses.
- (ii) Depreciation is provided on Straight Line method at the rates prescribed in schedule II of the Companies Act, 2013.

### 2.3 INVESTMENTS

These are recorded at cost inclusive of transfer expenses. When any investment is acquired without any cost (such as bonus) the same is valued at nil.

### 2.4 REVENUE RECOGNITION

Revenue from the Sale of goods are recognised on passing of title to the customers.

### 2.5 RETIREMENT BENEFITS

These are accounted for on cash basis except gratuity which has been provided based on year end liability.



# NEPTUNE EXPORTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Note : 3 SHARE CAPITAL		As at 31st March, 2017		As at 31st March, 2016
<b>Authorised Shares</b>				
30,00,000 Equity Shares of Rs 10/- each		30,000,000		30,000,000
		30,000,000		30,000,000
<b>Issued, Subscribed &amp; Paid-Up Shares</b>				
30,00,000 Equity Shares of Rs 10/- each - fully paid up		30,000,000		30,000,000
<b>Total</b>		<b>30,000,000</b>		<b>30,000,000</b>

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

Equity Shares	As at 31st March, 2017		As at 31st March, 2016	
	Nos.	Rs.	Nos.	Rs.
At the beginning of the period	3,000,000	30,000,000	3,000,000	30,000,000
Issued during the period	NIL	NIL	NIL	NIL
Outstanding at the end of the period	3,000,000	30,000,000	3,000,000	30,000,000

### 3.2 Aggregate number of Bonus share issued & share issued for consideration other than cash.

Equity Shares	As at 31st March, 2017		As at 31st March, 2017	
	Nos.	Rs.	Nos.	Rs.
<b>Equity share allotted as fully paid bonus share by capital</b>	NIL	NIL	NIL	NIL
At the beginning of the year	NIL	NIL	NIL	NIL
Issued during the year	NIL	NIL	NIL	NIL
Outstanding at the end of the year	-	-	-	-

### 3.3 Equity share allotted as fully paid up pursuant to contracts for consideration other than Cash

At the beginning of the year	-	-	-	-
Issued during the year	-	-	-	-
Outstanding at the end of the year	-	-	-	-

### 3.4 Rights Attached to Equity Shares

- The company has only one class of shares i.e. Equity Shares having par value of Rs 10/- per share. Each equity shareholder is entitled to one vote per share.

- Each Shareholder is eligible to receive dividend, if distributed and in the event of liquidation of the Company, a shareholder is entitled to receive remaining assets of the Company, after distribution of all preferential dues in proportion to the number of equity shares held by the shareholders.

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

Shareholder Name	As at 31st March, 2017		As at 31st March, 2016	
	Nos.	%	Nos.	%
<b>Equity Shares of Rs. 10 Each</b>				
ASUTOSH ENTERPRISES LIMITED	295,000	9.83	295,000	9.83
TEA TIME LIMITED	288,830	9.63	288,830	9.63
ORIENT INTERNATIONAL LIMITED	286,500	9.55	286,500	9.55
HINDUSTHAN UDYOG LIMITED	230,500	7.68	230,500	7.68
BENGAL STEEL INDUSTRIES LIMITED	230,000	7.67	230,000	7.67
PRAKASH AGARWAL	220,720	7.36	220,720	7.36
VISHWANATH AGARWAL	200,000	6.67	200,000	6.67
PREMLATA AGARWAL	200,000	6.67	200,000	6.67

# NEPTUNE EXPORTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

AMOUNT IN RS.

Note : 4 RESERVE & SURPLUS	As at 31st March, 2017	As at 31st March, 2016
<b>a) General Reserve</b>		
Opening Balance	70,039,558	70,039,558
Addition	-	-
Deduction	-	-
<b>Closing Balance</b>	<b>70,039,558</b>	<b>70,039,558</b>
<b>b) Statement of Profit and Loss</b>		
Opening Balance	169,876,592	167,469,201
Addition/(Deduction)	(89,988,421)	2,407,392
<b>Closing Balance</b>	<b>79,888,171</b>	<b>169,876,593</b>
<b>Total</b>	<b>149,927,729</b>	<b>239,916,151</b>

Note : 5 CURRENT LIABILITIES	As at 31st March, 2017	As at 31st March, 2016
Statutory Dues	1,950	3,050
Other Dues	21,810	249,759
<b>Total</b>	<b>23,760</b>	<b>252,809</b>

Note : 6 SHORT TERM PROVISIONS	As at 31st March, 2017	As at 31st March, 2016
Provision For Income Tax	-	22,493,000
<b>Total</b>	<b>-</b>	<b>22,493,000</b>

**NEPTUNE EXPORTS LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

Note : 7 FIXED ASSETS

AMOUNT IN RS.

PARTICULARS	COST			ACCUMULATED DEPRECIATION AND AMORTISATION				NET BOOK VALUE	
	As on 01.04.2016	ADDITION	DEDUCTION	As at 01.04.2016	CHARGE THE YEAR	DEDUCTION/ ADJUSTMENT	As at 31.03.2017	As at 31.03.2017	As at 30.06.2016
<u>TANGIBLE ASSETS</u>									
BUILDING	36,454,751	-	-	9,108,937	1,408,984	-	10,517,921	25,936,830	27,345,814
MOTOR CAR	1,093,014	-	-	733,887	120,348	-	854,235	238,779	359,127
COMPUTER	48,616	-	-	21,924	21,924	-	43,848	4,768	26,692
Total	37,596,380	-	-	9,864,748	1,551,256	-	11,416,004	26,180,377	27,731,632
PREVIOUS YEAR	37,547,764	48,616	-	8,313,492	1,551,256	-	9,864,748	27,731,633	



# NEPTUNE EXPORTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 8

NON CURRENT INVESTMENT : ( At cost)

PARTICULARS	FACE VALUE Rs.	AS AT 31.03.2017		AS AT 31.03.16	
		No. of Shares/ Units	Value Rs.	No. of Shares/ Units	Value Rs.
A. Trade Investment	-	-	-	-	-
B. Other Investments					
I) <u>Investment in Equity Instruments - Quoted</u>					
Orient International Limited	10/-	219,700	649,240	219,700	649,240
Tea Time Limited	10/-	241,100	603,500	241,100	603,500
Northern Projects Limited	10/-	218,930	566,914	218,930	566,914
Hindusthan Udyog Limited	10/-	590,400	2,537,069	590,400	2,537,069
Bengal Steel Industries Limited	10/-	495,601	1,377,113	495,601	1,377,113
Asutosh Enterprises Limited	10/-	219,450	578,751	219,450	578,751
NHPC Limited	10/-	9,589	345,207	9,589	345,207
<b>TOTAL A</b>			<b>6,657,792</b>		<b>6,657,792</b>
II) <u>Investment in Equity Instruments - Unquoted</u>					
Hindusthan Parsons Limited	10/-	425,000	856,000	425,000	856,000
V N Enterprises Ltd.	100/-	-	-	45,000	94,500,000
Bharat Oil & Chemicals Industries Ltd.	10/-	200,000	400,000	200,000	400,000
<b>TOTAL B</b>			<b>1,256,000</b>		<b>95,756,000</b>
C. Investment in Mutual Fund					
Birla Sun Life Mutual Fund			15,300,000		15,300,000
<b>TOTAL C</b>			<b>15,300,000</b>		<b>15,300,000</b>
D. Investment in Preference Shares					
V N Enterprises Ltd.	100/-	300,000	30,000,000		-
<b>TOTAL D</b>			<b>30,000,000</b>		-
<b>Total ( A + B + C + D )</b>			<b>53,213,792</b>		<b>117,713,792</b>

	As at 31st March, 2017		As at 31st March, 2016	
	Cost	Market Value	Cost	Market Value
	Rs.	Rs.	Rs.	Rs.
Aggregate value of Quoted Investments	6,657,792	6,092,305	6,657,794	6,016,073

# NEPTUNE EXPORTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

AMOUNT IN RS.

Note 9 : LONG TERM LOANS AND ADVANCES Unsecured - Considered Good	As at 31st March, 2017	As at 31st March, 2016
Security Deposits	32,212	52,212
<b>Total</b>	<b>32,212</b>	<b>52,212</b>

Note : 10 SHORT TERM LOANS & ADVANCES - Unsecured - Considered Good	As at 31st March, 2017	As at 31st March, 2016
Advance Income tax and Other taxes	3,925,125	27,537,499
Rent Receivable	-	2,931,182
Other Receivable	6,554,838	4,892,076
Advance to Others Considers Good	89,470,000	111,659,754
<b>Total</b>	<b>99,949,963</b>	<b>147,020,511</b>

Note : 11 CASH AND CASH EQUIVALENTS	As at 31st March, 2017	As at 31st March, 2016
Balances With Banks	569,675	63,131
Cash On Hand	5,470	80,681
<b>Total</b>	<b>575,145</b>	<b>143,812</b>

# NEPTUNE EXPORTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

AMOUNT IN RS.

Note : 12 REVENUE FROM OPERATIONS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
(a) Other Operating Revenue:		
Interest Receipts	4,456,425	3,578,804
Rent Receipts	5,618,880	5,618,880
<b>Total</b>	<b>10,075,305</b>	<b>9,197,684</b>

Note : 13 OTHER INCOME	For the year ended 31st March, 2017	For the year ended 31st March, 2016
(a) Dividend Income		
From Long Term Investments	21,863	12,658
<b>Total</b>	<b>21,863</b>	<b>12,658</b>

Note : 14 EMPLOYEE BENEFIT EXPENSES	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Salaries and Wages	1,928,530	1,928,530
Staff Welfare Expenses	146,200	66,340
<b>Total</b>	<b>2,074,730</b>	<b>1,994,870</b>

Note : 15 OTHER EXPENSES	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Directors Meeting Fees	19,000	24,000
Service Charges	516,845	326,750
Rates & Taxes	23,320	16,817
Bank Charges	3,507	3,368
Travelling Expenses	1,204,780	230,842
Conveyance Charges	968,315	880,365
Vehicle Expenses	240,330	268,756
Postage, Telegram & Telephone	10,000	10,040
Printing & Stationery Items	16,693	17,630
<u>Payment to Auditors</u>		
- As Auditors	12,000	12,000
- For Taxation matters	5,000	5,000
- For Certification	14,500	21,500
Listing Fees	745,575	25,000
Subscription & Donation	39,721	26,858
Advertisement	18,354	34,883
Electric Charges	152,190	151,720
Telephone Charges	84,619	84,619
Advances Written Off	-	435,353
Miscellaneous Expense	436,880	386,322
<b>Total</b>	<b>4,511,628</b>	<b>2,961,823</b>



# NEPTUNE EXPORTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

1 Contingent Liabilities in respect of Income Tax matter under appeal Rs. 26,63,540/- (Previous Year Rs. 26,63,540/-)

## 2 Segment Reporting :

Segment Reporting as defined in Accounting Standard - 17 on 'Segment Reporting' issued by ICAI, is not applicable since the operations of the company relates to only one segment.

## 3 Related Party Disclosure :

The management is of the opinion that considering the shareholding and composition of Board of Directors, the company can not be considered to be an associate or to have control over any other enterprise. The relationship and transactions with key Management Personnel are disclosed,

### a) Key Management Personnel

Directors and their Relatives :

V N Agarwal	(Director)
Premlata Agarwal	(Director)
K K Ganeriwala	(Director)
A K Ghosh	(Director)
R K Agarwal	(Director)

### b) Transactions with Related Parties :

Meeting Attendance Fees	19,000/-
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## 4 Earning Per share :

Profit / (Loss) after Taxation	Rs	(89,988,421)
Weighted average number of equity Share Outstanding		3,000,000
Basic & Diluted earning per share (Face Value Rs. 10/-)	Rs	(30.00)

## 5 Disclosure in respect of Specified Bank Notes :

	SBNs	Other denomination notes	Total
	Amount	Amount	Amount
Closing Balance as at 8 November 2016	150,000	44,184	194,184
Transactions between 9th November 2016 and 30th December 2016			
Add: Withdrawal from Bank accounts	-	100,000	100,000
Add: Receipts for permitted transactions	-	-	-
Add: Receipts for non-permitted transactions (if	-	-	-
Less : Paid for permitted transactions	-	34,350	34,350
Less : Paid for non-permitted transactions (if	-	-	-
Less: Deposited in bank accounts	150,000	-	150,000
Closing balance as at 30 December 2016	-	109,834	109,834

# NEPTUNE EXPORTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

## 6 Deffered Tax Assets / Liabilities :

The difference between taxable income and accounting income generally give rise to differred tax assets and liabilities, b in view of the uncertainty and insufficiency of future profits, it has not been considered prudent by the management : account of such assets and liabilities.

7 The Company has no amounts due to supliers under the Micro, Small & Medium Enterprises as defined under the Micro, Small & Medium Enterprises Development Act.' 2006 (MSMED) as at 31.03.2017. Hence no additional disclosure have been made. The information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the bases of information.

8 Previous years figures have been regrouped and rearranged, whenever necessary.

For AMITAVA SARKAR & CO.

Chartered Accountants

FRN : 328605E



AMITAVA SARKAR

PROPRIETOR

Membership No. : 050290

Place : Kolkata

Date : 28.04.2017

For and on behalf of the Board



DIRECTORS