
29th Annual Report
2013 - 2014



Driving the Future of Technical Textiles...

C O N T E N T S

	Page No.
Company's Overview	
<input type="checkbox"/> Corporate Information	1
<input type="checkbox"/> Board of Directors	3
<input type="checkbox"/> Letter to Shareholders	4
<input type="checkbox"/> Major Products and Brands	5
Statutory Reports	
<input type="checkbox"/> Notice of Annual General Meeting	6
<input type="checkbox"/> Management Discussion & Analysis Report	14
<input type="checkbox"/> Report on Corporate Social Responsibility	16
<input type="checkbox"/> Directors' Report	17
<input type="checkbox"/> Report on Corporate Governance	20
<input type="checkbox"/> Managing Director Certification on Company's Code of Conduct	24
<input type="checkbox"/> Certificate from CEO	25
<input type="checkbox"/> Company Secretary Certificate on Corporate Governance	25
Financial Statements	
<input type="checkbox"/> Independent Auditor's Report on Financial Statement	26
<input type="checkbox"/> Annexure to the Independent Auditors' Report	27
<input type="checkbox"/> Balance Sheet	29
<input type="checkbox"/> Statement of Profit & Loss Account	30
<input type="checkbox"/> Cash Flow Statement	31
<input type="checkbox"/> Significant Accounting Policies	32
<input type="checkbox"/> Notes on Financial Statements	34
<input type="checkbox"/> Statement of Subsidiary Companies	49
<input type="checkbox"/> Independent Auditor's Report on Consolidated Financial Statements	50
<input type="checkbox"/> Consolidated Balance Sheet	51
<input type="checkbox"/> Consolidated Statement of Profit & Loss	52
<input type="checkbox"/> Significant Accounting Policies & Notes on Consolidated Financial Statements	53
<input type="checkbox"/> Balance Sheet Abstract & Company's General Business Profile	54
<input type="checkbox"/> Letter to Shareholders for Green Initiative	55
<input type="checkbox"/> Attendance Slip and Proxy Form	56

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Sunil Kumar Trivedi	Chairman & Managing Director
Mr. Utkarsh Trivedi	Executive Director
Mr. Pradhuman Sharma	Whole-time Director
Mr. Shrawan Kumar Patodi	Independent Director
Mrs. Shobha Dube	Independent Director
Mr. Ladhram Patel	Independent Director
Mr. Rolland Coderre	Independent Director

BOARD COMMITTEES

<u>Audit Committee</u>	<u>Nomination & Remuneration Committee</u>	<u>Stakeholders Relationship Committee</u>	<u>CSR Committee</u>
Mr. Shrawan Kumar Patodi (Chairman)	Mr. Shrawan Kumar Patodi (Chairman)	Mr. Shrawan Kumar Patodi (Chairman)	Mr. Sunil Kumar Trivedi (Chairman)
Ms. Swati Gangrade (Secretary)	Ms. Swati Gangrade (Secretary)	Ms. Swati Gangrade (Secretary)	Ms. Swati Gangrade (Secretary)
Mr. Ladhram Patel	Mr. Ladhram Patel	Mr. Ladhram Patel	Mrs. Shobha Dube
Mrs. Shobha Dube	Mrs. Shobha Dube	Mrs. Shobha Dube	Mr. Shrawan Kumar Patodi

SECRETARIAL

Ms. Swati Gangrade	Company Secretary
Ms. Vaishali Jain	Asst. CS & Compliance Officer

STATUTORY AUDITORS

M/s. A. P. Garg & Company
Chartered Accountants
 'Vastu Bhawan' (1st Floor)
 71, Dhar Kothi
 Indore - 452 001
 Madhya Pradesh INDIA

BANKERS

State Bank of India
 IDBI Bank Limited
 Punjab National Bank
 State Bank of Bikaner & Jaipur
 State Bank of Travancore
 Union Bank of India

REGISTERED OFFICE

220 Mahavir Industrial Estate
 Off Mahakali Caves Road
 Andheri (E), Mumbai - 400 093
 Maharashtra INDIA
 P/F: +91 22 2687 9510
 E : investor_relations@neocorp.co.in/bom@neocorp.co.in
 W: www.neocorp.co.in

WORKS & CORPORATE OFFICE (DTA)

Plot No.62-63 Industrial Area Sector 1
 Pithampur, Dist. Dhar - 454 775
 Madhya Pradesh INDIA
 P: +91 7292 410 400 (2 Lines)
 F: +91 7292 420 499
 E: contact@neocorp.co.in

PLANT LOCATIONS

GEOTECH WORLDWIDE

(A Division of NCIL)
 Plot # A12 & A13 SEZ II Sector 3,
 (Apparel & Pharma Park)
 Pithampur, Dist. Dhar - 454 775
 Madhya Pradesh INDIA

TECHTEXTIL (100% EOU)

(A Division of NCIL)
 Plot # 64-A, Industrial Area Sector 1, Pithampur,
 Dist. Dhar - 454 775
 Madhya Pradesh INDIA

POLY LOGIC INTERNATIONAL (P) LIMITED

(A wholly owned subsidiary of NCIL)
 Plot # 64-B, Industrial Area, Sector 1,
 Pithampur, Dist. Dhar - 454 775
 Madhya Pradesh INDIA

SACOS INDIGO (P) LIMITED

(A wholly owned subsidiary of NCIL)
 Plot # 90-90-A, Industrial Area Sector 1, Pithampur,
 Dist. Dhar - 454 775
 Madhya Pradesh INDIA

BRANCH OFFICES**Ahmedabad**

Plot # 108/2 GIDC Estate
Opp. Ambica Nagar, Odhav
Ahmedabad - 382 415
Gujarat INDIA

New Delhi

LGF-74 Word Trade Centre
Babar Road, Connaught Place
New Delhi -110 001
NCT INDIA

Kolkata

'Malancha' Apartment
Block C Ground Floor
251 Pulin Avenue, Kolkata - 700 081
Paschim Bangal INDIA

Patna

'Rock 'n Roll'
6 More Kankarbhag
Patna - 800 020
Bihar INDIA

INTERNATIONAL OFFICES**China (SAR)**

Polybase (H.K.) Limited
19/F Yat Chau Building
262 Des Voeux Road Central
Sheung Wan Hong Kong

United States of America

84-24 Unit 2A
Lefferts Boulevard, Kew Gardens
New York NY 11415 USA

United Kingdom

Euro Plast Limited
24 Cygnet Avenue
Feltham, Middlesex TW14 0DX
London UNITED KINGDOM

REGISTRAR AND TRANSFER AGENT**M/s. Ankit Consultancy (P) Limited**

Plot # 60, Electronics Complex
Pardeshipura, Indore - 452 010
Madhya Pradesh INDIA

BOARD OF DIRECTORS



Mr. Sunil Kumar Trivedi
Chairman & Managing Director



Mr. Utkarsh Trivedi
Executive Director



Mr. Pradhuman Sharma
Whole-time Director



Mr. Ladharam Patel
Independent Director



Mrs. Shobha Dube
Independent Director



Mr. Shrawan Kumar Patodi
Independent Director



Mr. Rolland Coderre
Independent Director

FROM THE CHAIRMAN'S DESK....



Dear Stakeholders,

Fiscal 2014 was a yet another year of optimism and excitement for Neo Corp International Limited. We crossed a turnover of ₹592.24 crores which is an increase of 39.61 % over the previous year. The profit before tax for the financial year ended 31st March 2014 increased to ₹ 34.45 Crores from ₹ 30.07 Crores in the previous year.

Our clients are one of our most important stakeholders and we strive to be consistently relevant to their changing business needs. On a consolidated basis, we added 15 new clients, taking our client base to 75 in international marketing while domestic marketing reached to 800 plus distributor and dealer client base. We also expanded our global footprint further this fiscal, with a new clients from Syria and Iraq.

Seeing the ever changing business environment, we embarked on a strategy that ensures all rounded growth envision. We focused first on being highly competitive, large revenue yielding products; second, customizing the products; end to end solutions leveraging production methods for higher margins.

NCIL acknowledges the fact that 'Taking care of Business means Taking care of People'. We worked hard during the year to strengthen our Human Resource Management systems. Building capabilities through training and development, enhancing trust and employee satisfaction through various HR interventions were our focus areas. The interventions received a very positive response and the change has been conspicuous. We added 131 employees during the year and as on March 31, 2014 our total staff strength was 459 for NCIL and its subsidiaries.

In terms of HRM initiatives, a robust recruitment and selection process was introduced which had an immediate impact on quality of people being hired into the organisation. Competency based performance and appraisal system was designed and implemented to provide a firm foundation for training and development. Annual Excellence Awards initiative was a first in the history of NCIL where performers were rewarded at a grand function. Employees with 10, 15 and more years of service were also felicitated at the function. Carom League and Cricket league were conducted in addition to various other competitions.

NCIL introduced various corporate governance mechanisms during the year that include monitoring of actions, new policies and collaborative decision making processes. In pursuit of clean and effective governance systems were introduced at core committee and functional head levels for open and transparent interactions to facilitate speedier decision making. We continue to expand our reach to new markets with new products. Empowering people and betterment of communities was on our agenda through CSR activities like Free Health Check-up camps, Eye Camps and 'Shishuvihar' pre-school for the children of the lesser privileged.

The new fiscal year heralds an opportunity for reimagining and reinforcing the future of the organization. We are in globally connected world where in the technology is changing rapid fast. This game changing intervention has led to innovation of new production method, breakdown of traditional way of thinking and behaviors and innovative ways of problem solving and solutioning. These opportunities to contribute are there for every company and the ones who see it, seize it, internalize it, recognizing changes as the only constant, will be the ones to survive and thrive in such a fast changing world.

We could not agree more with George Bernard Shaw who said, "Progress is impossible without change." In the year ahead, plans are afoot to unveil a series of initiatives. We also foresee change. With your continued trust and support, we are confident that we will continue to evolve with the changing times.

Acknowledgement







I take this opportunity to acknowledge the hard work and team effort put in by all employees and the support we have enjoyed from our stakeholders. Your continued goodwill greatly encourages us in all efforts to take your Company to a more rewarding future.

I sincerely thank our bankers, customers and suppliers for sharing our vision and supporting us and foresee a continued support in our future endeavors.

1st Sept. 2014

Sunil K. Trivedi
(Chairman & Managing Director)

MAJOR PRODUCTS & BRANDS

Business/ Brand	Product	Brand Logo	End Uses
Agrotech	Shade Nets Warp Knit Fabric	 	a) Crop production (cereals, cotton, tobacco, etc), through forestry and horticulture (fruits, vegetables, trees and flowers), to animal and poultry rearing and fishing. b) Green House c) Shading Net as to reduce temperature / control environments. D) Carpet Nets : used in Events & Functions in Flooring.
	Vermibed		Used for Vermiculture, and it is used in the Agriculture and Horticultures.
	Mansarovar		It is used in Agriculture / Horticulture, layed in the farms and it increases the productivity and reduces the Weeds etc
	Mulch Film		It is used in Agriculture / Horticulture, layed in the farms and it increases the productivity and reduces the Weeds etc
	Pond Liner		It is used in the ponds for retaining of the of water level and escape from seepage in the earth.
	Mulch Mat		
	HDPE / PP Rope		Fishing, Ports, Material Handling, Electricity Boards, Construction, Industrial Application
Leno Bag		Fruit Packing, Vegetables packing, etc.	
Buildtech	Safety Nets		Safety purpose for building and constructions.
Geotech	Geotextile		Reinforcement fabric for road construction, canal lines, landfill.
Hometech	Carpet Backing		Primary fabric for making Carpets.
Packtech	Flexible Intermediate Bulk Containers (FIBC)		Bags (Sacks) for transport and storage of material in bulk.
	PP Woven Sack		Packaging material for cement, fertilizers and food grains like wheat, rice etc.
	Jumbo Bag		Temporary containment, Carriage, Storage and protection of Industrial, Agricultural and other goods.

NEO CORP INTERNATIONAL LTD.

CIN: L24132MH1985PLC223220

220, MAHAVIR INDUSTRIAL ESTATE, OFF. MAHAKALI CAVES ROAD,
ANDHERI (E), MUMBAI-400093**NOTICE**

NOTICE IS HEREBY GIVEN THAT THE TWENTY NINTH ANNUAL GENERAL MEETING OF THE MEMBERS OF THE COMPANY WILL BE HELD ON TUESDAY THE 30TH SEPTEMBER, 2014 AT 4.00 P.M. AT THE REGISTERED OFFICE OF THE COMPANY AT 220, MAHAVIR INDUSTRIAL ESTATE, OFF. MAHAKALI CAVES ROAD, ANDHERI (E), MUMBAI-400093 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2014 and statement of Profit & Loss Account for the year ended on that date, together with the report of the Board of Directors and Auditors thereon.
2. To declare final dividend on the equity shares for the financial year 2013-14.
3. To appoint a Director in place of Mr. Utkarsh Trivedi (DIN 00773581), who retires by rotation and being eligible offers himself for re-appointment.
4. To Appoint Auditors of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to section 139 of the Companies Act, 2013 M/s A. P. Garg & Co., Chartered Accountants, (Firm Reg. No. 002413C) be and are hereby reappointed as Statutory Auditors of the Company from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting on such remuneration as agreed upon by the Board of Directors and the Auditors in addition to reimbursement of expenses and actual out of pocket expenses for financial year ending 31st March, 2015”.

SPECIAL BUSINESS**5. Appointment of Mr. Shrawan K. Patodi as an Independent Director**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to said Act and Companies (Appointment and qualification of Directors) Rules, 2014, and the clause 49 of the listing agreement as may

be amended from time to time, Mr. Shrawan Kumar Patodi (holding DIN 00343334), who was holding position of the Independent Director of the Company, whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director of the company and who has also submitted a declaration confirming that he meets the criteria for independence as provided in section 149(6) of the Act and is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office a term up to five consecutive years up to 31st March, 2019 and he will not be liable to retire by rotation.”

6. Appointment of Mr. Ladharam Patel as an Independent Director

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to said Act and Companies (Appointment and qualification of Directors) Rules, 2014, and the clause 49 of the listing agreement as may be amended from time to time, Mr. Ladharam Patel (DIN 01546601), who was holding positions of the independent Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director of the company and who has also submitted a declaration confirming that he meets the criteria for independence as provided in section 149(6) of the Act and is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office a term up to five consecutive years up to 31st March, 2019 and he will not be liable to retire by rotation.”

7. Appointment of Mrs. Shobha Dube as an Independent Director

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“**RESOLVED** that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to said Act and Companies (Appointment and qualification of Directors) Rules, 2014, and the clause 49 of the listing agreement as may be amended from time to time, Mrs. Shobha Dube (DIN 00178064), who was holding positions of the independent Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director of the company and who has also submitted a declaration confirming that she meets the criteria for independence as provided in section 149(6) of the Act and is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office a term up to five consecutive years up to 31st March, 2019 and she will not be liable to retire by rotation.”

8. Appointment of Mr. Rolland Coderre as Independent Director

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“**RESOLVED** that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to said Act and Companies (Appointment and qualification of Directors) Rules, 2014, and the clause 49 of the listing agreement as may be amended from time to time, Mr. Rolland Coderre (DIN 02544100), who was holding positions of the independent Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director of the company and who has also submitted a declaration confirming that he meets the criteria for independence as provided in section 149(6) of the Act and is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office a term up to five consecutive years up to 31st March, 2019 and he will not be liable to retire by rotation.”

9. Creation of mortgage and/or charge on all or any of the movable and/or immovable properties of the company u/s 180 (1) (a) of the Companies Act, 2013

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“**RESOLVED THAT** in supersession of all earlier resolution (without prejudice to the actions already taken by virtue thereof) and pursuant to the provisions of section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and Rules made there under (including any statutory modifications, amendments or re-enactments thereto for the time being in force), the consent of the company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “ the Board” which term shall be deemed to include any committee of Directors which the Board may have constituted or hereinafter constitute to exercise its power including the powers conferred by the resolution) to mortgage and / or charge/ hypothecation/ pledge/ create security in any form or manner on all or any of the immovable and movable properties of the Company, wherever situated, both present and future or the whole or substantially the whole of the undertaking or undertakings for securing any loan(s) or facility(ies) including Rupee Loans, foreign currency loan, debentures, bonds, or other instrument or fund based non-fund based working capital facilities availed or as may be availed from time to time from any financial Institutions / banks / insurance companies or person or persons or entities together with interest, costs, charges, commitment charges expenses and any other money payable by the company to the concerned lenders within the overall borrowing limit of the Company.”

“**RESOLVED FURTHER THAT** the securities to be created by the Company aforesaid may rank prior/pari-passu/ subservient with/ to the mortgages and/or charges already created or to be created by the company as may be agreed to between the concerned parties.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things and to sign all such documents and writings as may be necessary, expedient and incidental thereto to give effect to this resolution and for matter connected therewith or incidental thereto.”

10. Authority to obtain loan/borrowings under Section 180 (1)(c) of the Companies Act, 2013

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“**RESOLVED THAT** in supersession of all earlier resolution (without prejudice to the actions already taken by virtue thereof) and pursuant to Section 180(1)(c) and (2) and other applicable provisions, if any, of the Companies Act, 2013 as may be applicable (including any statutory modifications, amendments or re-enactments thereto for the time being in force) the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “ the Board” which term shall be deemed to include any committee of Directors which the Board may have constituted or hereinafter constitute to exercise its power including the powers conferred by the resolution) for borrowing any sum or sums of monies from time to time for the purpose of the



Company's business on such terms and conditions and with or without security from any bank, financial institutions or any other lending institutions, firms, bodies corporate or persons, of India or otherwise from the foreign parties/entities subject to the provisions of the FDI and/or FEMA, as may be considered appropriate and suitable by the Board notwithstanding that the sum or sums of monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up capital of the Company and its free-reserves, provided that the total amount so borrowed by the Board shall not at any time exceed the limit of **₹ 600.00 Crores (Rupees Six Hundred Crores)** over and above the paid up capital of the Company and its free reserves."

"RESOLVED FURTHER THAT Board of Directors be and is hereby further authorized to create mortgages and/or charges on such properties of the Company as it may think fit and for that purpose to execute such documents, papers, deeds, and writings containing such conditions and covenants as the Board may think fit and to take all such steps as may be necessary or desirable to give effect to this Resolution."

For and on behalf of the Board

Sunil K. Trivedi
(Chairman & Managing Director)
(DIN-00053000)

Place: Mumbai

Date: 01.09.2014

NOTES

1. The relative Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013 in respect of Special Business as set out above is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES IN ORDER TO VALID MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
3. A person can act as a proxy on behalf of members not exceeding 50 and holding in aggregating not more than 10% of the total share capital of the Company carry voting rights may appoint a single person as a proxy and such person shall not act as a proxy for any other person or member. A proxy form is sent here with.
4. Corporate Members are requested to forward a Certified Copy of Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
5. Copies of relevant documents can be inspected at the Registered office of the Company on all working days from Monday to Friday between 11.00 A.M. to 2.00 P.M. up to date of meeting
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. The Register of Members and share transfer book of the Company will remain closed during the period from 24th September, 2014 to 30th September, 2014 (both days inclusive) for the purpose of payment of dividend to those members whose name stand on the Register of Members as on 24th September, 2014. The Dividend in respect of equity shares held in electronic form will be payable to the beneficial owner of the equity shares as at the end of business hours on 23rd September, 2014, as per the details furnished by the depositories for this purpose.
8. Members are requested to send their queries, if any at least 10 days in advance so that the information can be made available at the meeting and to bring their copies of the Annual Report at the time of attending the Annual General Meeting.
9. Members are requested to contact the Registrar and Share Transfer Agent for all matter connected with Company's shares at Ankit Consultancy Private Limited, Plot No. 60, Electronics Complex, Pardeshipura, Indore,(M.P.)-452010.
10. In all correspondence with the Company, members are requested to quote their Account/Folio numbers and in case their shares are held in dematerialised form, they must quote their client ID and DP ID number.
11. The Company has designated an exclusive email ID investor_relations@neocorp.co.in which would enable the members to post their grievances and monitor its redressed. Any member having any grievance may post the same to the said Email address for its quick redressal.
12. SEBI has notified for compulsory trading of shares of the Company in demat form so members, who have not dematerialised their shares are advised to contact Depository Participant in this regard.
13. Under the Companies Act, 2013, dividends that are unclaimed for a period of seven years are required to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government. Members, who have not en-cashed the dividend warrant, are requested to make their claim to the Company. It may be noted that once the amounts in the unpaid dividend accounts are transferred to IEPF (Investor Education and Protection Fund) or the Company in respect thereof and the Members would lose their right to claim such dividend.



14. Members, who have not encashed their dividend warrant for the financial year ended 31st March, 2007 and/or the dividend warrants issued after 1st April, 2007 or any subsequent financial year so far, are requested to make their claim to the Secretarial Department / Share Transfer Agent of the company or send an email to investor_relations@neocorp.co.in.
15. Pursuant to Section 72 of the Companies Act, 2013, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to fill and send form SH-13 (Copy of which will be made available on request)
16. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such folio and send relevant share certificates to companies Registrar and Share Transfer Agent for their doing needful.
17. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with the Company's Registrar & Share Transfer Agent / Depositories.
18. Members attending the meeting are requested to bring with them the Attendance slip attached to the Annual Report dully filled in and signed and handover the same at the entrance of the hall.
 - (a) The Electronic copy of the Annual Report for the financial year ending 31 March, 2014 is being sent to all the members whose email ID are registered with the Company / Depository Participant(s).
 - (b) For members who have not registered their email address, physical copies of the Annual report for the year ending 31st March, 2014 is being sent in the permitted mode and the same is placed on the website of the company viz. www.neocorp.co.in.
19. The businesses as set out in the Notice may be transacted through electronic voting system and the Company will provide a facility for voting by electronic means. In compliance with the provisions of section 108 of the Companies Act, 2013 read with Rule 20 of the companies (Management and Administration) Rules, 2014, the company is pleased to offer the facility of the voting through electronic means, as an alternate, to all its members to enable them to cast their votes electronically instead of casting their vote at the meeting.
20. Information as required under Clause 49 of the Listing Agreement in respect of Directors being re-appointed / appointed is given separately in the notice.
21. Voting through Electronic means
 - i. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to

exercise their right to vote at the 29th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by CDSL.

The procedure and instructions for e-voting are as follows:

- A) (i) Log on to the e-voting website www.evotingindia.com.
- (ii) Click on "Shareholders" tab to cast your votes.
- (iii) Now, select the Electronic Voting Sequence Number - "EVSN" along with "Neo Corp International Limited" from the drop down menu and click on "SUBMIT"
- (iv) If you are holding shares in Demat form and have already voted earlier on www.evotingindia.com for a voting of any Company, then your existing login id and password are to be used. If you are a first time user follow the steps given below.
- (v) For Shareholders holding shares in physical form and first time users holding shares in electronic form, the steps given below are to be followed:

PAN*	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department.</p> <p>* Members who have not updated their PAN with the Company/DP are requested to use the first two letters of their name in CAPITAL followed by the last 8 digits of their demat account number/Folio No., as the case may be, in the PAN field.</p> <p>* In case the Folio No. is less than 8 digits enter the applicable number of 0s before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar and Folio No. is 1 then enter RA00000001 in the PAN field.</p>
DOB OR Dividend Bank Details	<p>Enter the Date of Birth as recorded in your demat account or in the Company's records for the said demat account in dd/mm/yyyy format or enter Folio No.</p> <p>Enter the Bank Account Number as recorded in your demat account or in the Company's records for the said demat account or Folio No.</p> <p>Please enter any one of the details in order to login. In case either of the details are not recorded with the depository/company, please enter the number of shares held by you as on 29TH August, 2014 in the Dividend Bank details field.</p>



- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Members holding shares in physical form will then reach directly the EVSN selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the relevant EVSN on which you choose to vote.
- (x) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- (xii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xv) If Demat account holder has forgotten the changed password then enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
- (xvi) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and POA (which they have issued in favour of the Custodian), in PDF format in the system for the scrutinizer to verify the vote.
- B) The voting period begins on 24th September, 2014 (10.00 a.m.) and ends on 26th September, 2014 (6.00 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 29th August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and evoting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
- II. a. Mr. Ashish Shrivastava, ACS, Practicing Company Secretary (CP No.13228) has been appointed as Scrutinizer to scrutinize voting process in a fair and transparent manner.
- b. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- c. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be available for inspection and also placed on the website of the Company within prescribed period.

For and on behalf of the Board

SUNIL K. TRIVEDI
DIN No. 00053000
(Chairman & Managing Director)

Place: Mumbai
Date: 01.09.2014

Regd. Office:
NEO CORP INTERNATIONAL LTD
CIN NO. L24132MH1985PLC223220
220 Mahavir Industrial Estate,
Off. Mahakali Caves Road, Andheri (E),
Mumbai-400093 (M.H.)

EXPLANATORY STATEMENT

{Pursuant to Section 102(1) of the Companies Act, 2013}

ITEM NO. 5 to 8

The Company had, pursuant to the provisions of Clause 49 of the Listing Agreement entered into with the Stock Exchanges, appointed Mr. Shrawan Kumar Patodi, Mr. Ladharam Patel, Mrs. Shobha Dube and Mr. Rolland Coderre as Independent Directors at various times, in compliance with the requirement of the said Clause.

Pursuant to the provisions of Section 149 of the Companies Act, 2013 ("the Act"), which came into effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation.

Keeping in view of the experience and expertise of the above referred directors and the contribution made by them to the Company, the Board of Directors considers it desirable that their continued association would be of immense benefit to the company and hence the company should continue to avail their services and accordingly recommends the Resolutions as set out in Item No. 5 to 8 for approval of the members.

Mr. Shrawan Kumar Patodi, Mr. Ladharam Patel, Mrs. Shobha Dube and Mr. Rolland Coderre, Directors of the Company have given a declaration to the Board that they meet the criteria of independence as provided under Section 149(6) of the Act. In the opinion of the Board, each of these directors fulfill the conditions specified in the Act and the Rules framed there under for appointment as Independent Director and they are independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of these directors as Independent Directors is now being recommended for a term of 5 (five) consecutive years upto 31st March 2019 and placed before the Members for approval.

The terms and conditions of appointment of the above Directors shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

Mr. Shrawan Kumar Patodi, Mr. Ladharam Patel, Mrs. Shobha Dube and Mr. Rolland Coderre, respectively, are concerned or interested in the Resolutions of the accompanying Notice relating to their own appointment.

Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board commends the Ordinary Resolutions as set out at Item Nos. 5 to 8 of the Notice for approval by the members.

The brief profile of the directors who are proposed to be appointed as Independent directors are as follows:

Mr. Shrawan Kumar Patodi

Mr. Shrawan Kumar Patodi joined the Board of Directors of the Company in September 2005. Mr. Patodi is an eminent lawyer. He is Bachelor of Law having vast experience in the field of law. He has done B. Com. M.A., LL.B. and D.H.B. He has experience of 10 years as Export Executive. He has experience of over two decades in the various fields. Mr. Patodi does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

Mr. Ladharam Patel

Mr. Ladharam Patel joined the Board of Directors of the Company in June 2007. Mr. Patel has done B.Com. He has 40 years experience in the business of manufacture and trading of marbles and timber. Mr. Patel does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

Mrs. Shobha Dube

Mrs. Shobha Dube joined the Board of Directors of the Company in September 2012. Mrs. Shobha Dube has done LLB and has a vast experience in the legal arena. She has served as Member Judge Consumer Forum for a decade. Mrs. Dube does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

Mr. Rolland Coderre

Mr. Rolland Coderre joined the Board of Directors of the Company in June 2009. Mr. Rolland Coderre is an entrepreneur from Canada having experience in vast number of fields like packaging, construction etc. He is on the board of Emballage Coderre Packaging Inc and Sacs Industries Inc. Mr. Coderre does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

ITEM NO. 9

Section 180(1)(a) of the Companies Act, 2013 provides that the Board of Directors of company shall not, without the prior approval of shareholders in general meeting by way of special resolution, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company.

As the financial assistances from the institutions/banks provided/agreed to be provided to the Company have to be secured by the mortgage and charge of the assets of the Company, both present and future and the whole of the undertaking of the Company and the aforesaid institutions would like to retain a power to take over the management of the business and concern of the Company in certain events, it is necessary for the members to pass a resolution under Section 180(1)(a) of the Companies Act, 2013.

Hence, the Board of Directors of the Company needs to authorize to create charge on the movable and immovable

assets and properties of the company in favour of the lenders.
The Board recommends this resolution for approval of the members as a Special Resolution.

Pursuant to applicable provisions of the Companies Act, 2013, none of the directors & Key managerial Personal and their relatives is either directly or indirectly concerned or interested, financially or otherwise in the proposed resolution except in capacity of shareholder.

ITEM NO. 10

As per the provisions of section 180(1) (c) of the Companies Act, 2013, the Board of Directors of the Company cannot, apart from temporary loans obtained or to be obtained from the Company's banker in the ordinary course of business except with the permission of the Shareholders in General Meeting by way of special resolution, borrow monies in excess of the aggregate of the paid-up capital and free reserves of the Company.

Keeping in view the Company's business requirement and its growth plans, it is considered desirable to increase borrowing limits up to ₹ 600 crores.

The Board recommends this resolution for approval of the members as a Special Resolution.

Pursuant to applicable provisions of the Companies Act, 2013, none of the directors & Key managerial Personal and their relatives is either directly or indirectly concerned or interested, in the proposed resolution. However the directors may be considered as financially interested to the extent of the interest as may be received by them on the unsecured loan if any as may be provided by the Directors and other shareholders, being their relatives if any. But they are not interested otherwise in any manner except as a member of the company.

For and on behalf of the Board

SUNIL K. TRIVEDI
DIN No. 00053000
(Chairman & Managing Director)

Place: Mumbai
Date: 01.09.2014

Regd. Office:
NEO CORP INTERNATIONAL LTD
CIN NO. L24132MH1985PLC223220
220 Mahavir Industrial Estate,
Off. Mahakali Caves Road, Andheri (E),
Mumbai-400093 (M.H.)

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT IN THE ENSUING ANNUAL GENERAL MEETING AS REQUIRED UNDER CLAUSE 49 OF LISTING AGREEMENT WITH STOCK EXCHANGE

Name of Directors	Mr. Utkarsh Trivedi	Mr. Shrawan Kumar Patodi	Mr. Ladharam Patel	Mrs. Shobha Dube	Mr. Rolland Coderre
Date of Birth	24/04/1988	19/07/1941	28/05/1946	19/11/1953	16/01/1937
Date of appointment	22/04/2013	01/09/2005	08/07/2007	01/09/2012	30/06/2009
Expertise / Experience in specific functional areas	Around 5 years of experience in the field of administration and management.	An eminent lawyer having vast experience in the field of law. Experience of 10 years as Export Executive.	40 years experience in the business of manufacture and trading of marbles and timber.	A vast experience in the legal arena. She has served as a Member Judge in Consumer Forum for a decade.	An entrepreneur from Canada having experience in vast number of fields like packaging, construction
Qualification	BA honours in Business Studies from De Montfort University, Leicester, England and diploma in Family Business Management from S.P. Jain Institute of Management and Research, Mumbai	B. Com. M.A., LL.B. and D.H.B.	B.Com.	B.A. LLB.	Degree in Business Administration and business accounts & finance
No. & % of Equity Shares held	858337 2.26%	NIL	NIL	NIL	NIL
List of outside Company's directorship held	1. Vishwakarma Creations P. Ltd. 2. Olympian Investors & Traders P. Ltd. 3. Poly Logic International P. Ltd. 4. Neo DS Advanced Nonwovens Ltd. 5. Synergy Education International P. Ltd. 6. Neoflex Infracon Ltd. 7. Sacos Indigo P. Ltd.	Neoflex Infracon Limited	NIL	Sacos Indigo Pvt. Ltd.	NIL
Chairman / Member of the Committees of the Board of Directors of the Company Neo Corp International Limited	NIL	Chairman: 1. Stakeholders Relationship Committee, 2. Audit Committee, 3. Nomination & Remuneration Committee Member: 1. Corporate Social Responsibility Committee	Member: 1. Stakeholders Relationship Committee, 2. Audit Committee, 3. Nomination & Remuneration Committee	Member: 1. Stakeholders Relationship Committee, 2. Audit Committee, 3. Nomination & Remuneration Committee 4. Corporate Social Responsibility Committee.	NIL
Chairman / Member of the Committees of the Board Directors of other Companies in which he is director	NIL	NIL	NIL	Sacos Indigo Pvt. Ltd. Member of Corporate Social Responsibility Committee.	NIL

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

OVERVIEW

In India, the value-added textiles industry is collectively grouped into a single sector commonly referred to as technical textiles.

Worldwide, Technical Textiles are the fastest growing segment of Textile sector. In the developed countries, the share of such textile products has now reached 60% of all textiles. The key demand drivers are the growth in GDP and the growth in infrastructure and overall quality of living.

The company is all geared to get an opportunity to enter into larger market in the value added market of FIBC (Flexible Intermediate Bulk Container) and other technical textiles. The Company embarked on a vigorous growth phase with more concentration in the manufacture of high quality environment friendly technical textiles falling under Packtech, Geotech, Agrotech & Oekotech segments.

The company's growth graph with respect to the financials showed a steep upward trend on account of diversification into the value added Packtech products likes FIBC's for packaging of food products; leno bags and additions of Agrotech products.

SYNOPSIS ON GROWTH OF NCIL

Neo Corp International Limited was incorporated in Year 15th February 1985.

NCIL, since its inception in 1985, is dedicated in making tailor designed products under Packtech. NCIL reached the status of a fore-runner internationally as a reliable supplier of Packtech products.

With its current growth initiative, NCIL has entered into other technical textile segments like Geotech and Agrotech.

NCIL is a listed Public Limited Company with an equity base of ₹ 38.02 Crores. It is listed on the Bombay Stock Exchange, Madhya Pradesh Stock exchange and Luxembourg Stock Exchange. It approached public for subscription in 1992 and went through Rights issue in 1996. NCIL has 6 subsidiary companies namely Euro Plast Limited, Sacos Indigo Private Limited, Neoflex Infracon Limited, Polybase (H.K.), Poly Logic International Private Limited and Prism Fxible Solutions Private Limited.

NCIL also enjoys a Star Export House status recognized by the Government of India continuously from 1994 in view of the Company's excellent Export performance.

COMPANY'S OUTLOOK

The technical textile business is one of the most promising and faster growing areas for global and Indian textile industry. NCIL has planned for systematic and continuous addition of several products under various technical textile segments. The object behind the same is to provide holistic solution to customer. For example geogrids, geonet and geomembrane shall make basket of geosynthetics complete. With consistent modernization and expansion with machinery of latest technology, it is expected that the Company will be able to improve efficiency and successfully face global competition and will be one of the leading players in the domestic as well as international markets.

As a strategy, we always wanted to be one-stop shop for all woven packaging needs of our customers. To this end, we have developed ourselves as a multi-product, multi-location and multi-market company serving to the needs of our customers. We also propose to

further invest in forward and backward integration.

The company's growth graph with respect to the financials showed a steep upward trend on account of diversification into the value added Packtech products likes FIBC's for packaging of food products; leno bags and additions of Agrotech products

STRENGTH & OPPORTUNITIES

- Continuous raw material availability that helps Company to control costs and reduce the lead times across the operation.
- Availability of Low Cost and Skilled Manpower provides competitive advantage.
- Large domestic market, enabling to spread out risks.
- In house Research & Development and product development centre.
- Developing new FIBC models which provide innovation in bag design and utility.
- Improvements in infrastructure and regulations.
- ISO quality standards, BRC and Astho certification will enable entry into rich e market.
- Increased requirement of Industrial Packaging in India.
- Worldwide ever increasing high demand.
- Increase in Infrastructural and Agricultural activities to give boost to companies Geotech, Buildtech and Agrotech market.

WEAKNESS & THREATS

- Fragmented Industry restricts the scope of enlarging base and emergence as global leaders.
- Lack of desirable levels of Technological Development affect the productivity and other activities in whole value chain.
- Pricing pressure, as the market is price sensitive.
- Enhanced competition from other countries.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified and cover all offices, factories and key areas of business.

The Company is fully committed to ensuring an effective internal control environment. The Company has a sound system of internal control in place, which assures the Board of Directors and the management that there is a structured system to closely monitor and evaluate the efficacy and adequacy of business planning, compliance with operating systems and accounting procedures and policies, ensuring legal and regulatory compliances, protecting company's assets and prevention and detection of fraud and error.

The Company has adequate qualified and experienced executives to monitor the internal control systems. In order to achieve operational excellence and to strengthen internal control system, Company has hired world class people from Price water house Coopers (PWC) for complete transformation of operational system. PWC has helped our company to meet its HR measurement and benchmarking strategies to improve productivity, discretionary efforts and return on investment in human capital. Proper measurement and assessment will also provide clarity on operational/HR cost drivers to more effectively manage our organization's assets, which is consistent with today's business priorities.

INFORMATION TECHNOLOGY

Company has implemented Systematic Application Procedure (SAP) in the Company which has enabled alignment of Strategies and Operations, better supply chain, control at operational level and access to consolidated data. SAP is a world class system enforces best practices. Among other benefits, SAP provides real-time data, supports in strategy formulation, leads to adoption of uniform and transparent business practices render cost optimisation and value enhancement.

The Company continuously invests in upgrading the SAP platform to leverage the latest functionality and technology enhancements to deliver business efficiencies.

During the year Company has introduced stringent Preventive Maintenance Schedules to reduce down time. Also 24/7 Point to Point Connectivity is established between all offices. The Robust data-backup system has been introduced for the IT security and reliable disaster recovery management processes to ensure that all critical systems are always available. These are periodically reviewed, upgraded and tested for efficiency, adequacy, security and reliability.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES AND INDUSTRIAL RELATIONS FRONT

Your Company is committed to creating a transparent organization and a highly conducive environment that is focused on people and their capability enabling them to deliver superior performance.

The company is adequately manned with professionals in the field of Engineering, Finance and Administration etc. In order to meet the challenge of growth and new product line, the company has organized in-house training of its staff and workmen to improve soft skills, technical knowledge, work culture and efficient manufacturing practices. During the year company took following initiatives:

Creation and implementation of an Employability Assessment Test (EAT) that has had an immediate impact on the quality of people being hired in the company.

Introduction of Internal Customer Service Feedback (ICSF) and KYC (Know Your Customer) Milan that improved internal coordination and communication among the thirty odd departments in the company.

Creation of an exhaustive Competency Dictionary with each competency having multiple dimensions and impact levels for different grades to set behavioral expectations at all levels.

An elaborate Performance Management System linking performance parameters, feedback systems, training and development for enhancing the potential of employees.

Linking competencies with Performance Management, Multi Rater Assessment, establishing an assessment center to assess training needs scientifically based on data and run development programs

Conducting seminars and workshops to train front line managers and middle management on the right people practices to drive performance and improve productivity.

Regular Core Committee meetings for the senior management to understand and assess the impact of human resource strategies on productivity, organizational diagnosis architecture, evidence based management, trust building through right people practices.

FORWARD-LOOKING STATEMENT

Management Discussion and Analysis forming part of this Report is in compliance with Corporate Governance Standards incorporated in the listing agreement with Stock Exchanges and such statements may be "forward looking" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand / supply and price conditions in the domestic and overseas markets in which the company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors.

REPORT ON CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility (CSR), is at the forefront of business initiatives for us at Neo Corp. The importance of incorporating responsible business operations into a company's core values is growing daily and we are taking a lead role in pioneering CSR efforts across the organisation. We define CSR as the management of business operations in an economically, environmentally and socially sustainable manner that takes into account the diverse interests of stakeholders.

While Corporate Social Responsibility (CSR) means different things to different companies, it can be broadly defined as the concept that corporations should voluntarily commit to ethical and responsible business practices, reflecting the interests of all stakeholders in the company's policies and actions. Key areas of concern include employee relations, environmental stewardship, community outreach and corporate governance.

108 Ambulance Facility:

NCIL has started a Booth that offers round-the-clock 108 ambulance availability. To provide comprehensive Emergency Response services and improve the access to Medical services, particularly attending to emergency situations.



Yog Kendra:

Neo Corp is also funding "Satyananda Yoga Kendra", Indore. It disseminates "Satyananda Yoga" for all age group of people. This Center in last 7 Years has transformed life of several citizens. With a strong belief of maintaining the equilibrium by giving back to the society, Neo Corp endeavors to undertake these projects for bringing good health and spiritual upliftment for the community.



Drishti Daan Yojna:

A unique "Drishti-Daan Yojna" in the form of a cataract eye camp, was sponsored by Neo Corp at Rikhiapeeth from 1st September to 8th September 2013. This eye camp was helping the needy neighbors by providing them world class health care through Sivananda Datavya Chikitsalaya, a charitable clinic established at Rikhiapeeth. A team of expert optometrists from Shankar Netralaya, Kolkata performed vision testing of all the patients. A special feature of the camp was a special spectacle making van which prepared spectacles within minutes so that patients were able to walk away with their prescribed glasses. Over 2000 patients were examined over a span of these 7 days, around 1000 received spectacles, 142 were operated for cataract and many received medications the entire project was sponsored by Neo Corp.



Skill Development / Empowerment

NCIL's one the core initiative that it facilitates the fulfillment of the National Plan Goals and objectives, as to ensure gender sensitivity, skill enhancement entrepreneurship development and employment generation by co-creating value with local people. Activities related to Sustainable Development and Capacity Building, NCIL take up innovative social investments by networking with the Labour Ministries in Government of Madhya Pradesh. As a unique way of improving the competitiveness of middle pass local youth, Neo Corp introduced a 'Skill Development Programme' exposing them to various learning courses free of cost. This Skill development classes are also held in order to improve their skill and knowledge. This training is helping individuals to get jobs and also become self employed.



DIRECTOR'S REPORT

To
The Members
M/s Neo Corp International Limited

Dear Shareholders

Your Directors are delighted to present the 29th Annual Report of your Company along with the audited accounts for the year ended on 31st March 2014.

PERFORMANCE HIGHLIGHTS

The financial results for the year ended on 31.03.2014 are as under:

(₹ In Lacs)

PARTICULARS	2013-14	2012-13
Gross Income	59966.23	43010.98
Profit before Interest, Depreciation and Tax	7046.89	4930.37
Less :		
1) Interest	2832.95	2225.35
2) Depreciation	768.81	479.70
3) Provision for Tax		
- Current Tax	1425.00	541.00
- Deferred Tax	47.54	101.27
4) Prior Period adjustments		
Profit after Tax	1972.59	1583.05
Appropriation		
Transfer to General Reserve	25.00	25.00
Proposed dividend and tax on prop. Dividend	89.21	220.95
Earning per equity share	5.19	4.16

YEAR IN RETROSPECT

Your Company has maintained its excellent pace of growth reflected by the significant rise in Turnover. During the year under review, your Company has recorded a turnover of ₹ 592.25 Crores as against ₹ 424.23 Crores in the previous year registering an increase of 39.61%. The Net profit (before tax and extra ordinary items) for the financial year ended 31st March 2014 increased to ₹34.45 Crores from ₹ 30.07 Crores in the previous year representing an increase of 14.57%.

DIVIDEND

Your directors are pleased to recommend a dividend of ₹ 0.20/- per equity share at the rate of 2% for the financial year ended on 31st March 2014 on 38022198 fully paid equity shares of ₹ 10/- each. The dividend, if approved, will be paid to the members within the time period stipulated by the Companies Act, 2013.

The directors recommend that after making provision for taxation and proposed dividend the amount of ₹ 0.25 Cr. be transferred to General Reserve. With this the company's reserve and surplus stands at ₹ 218.48 Cr.

BUSINESS OVERVIEW

The technical textiles sector being one of the most innovative branches of the industry in the world is ranking as one of the five high tech sectors with the greatest potential for development. India is now emerging as a powerhouse of both production as well as end-use consumption of technical textiles. The demand for technical textiles will be boosted by the changing economic scenario.

The success of technical textiles is primarily due to the creativity, innovation and versatility in fibres, yarns and woven/ knitted/ nonwoven fabrics with applications spanning an enormous range of

uses. The ability of technical textiles to combine with each other and with others to create a new functional products offer unlimited opportunity to growth.

The production of different items of technical textile industry has been slowly but steadily increasing in the country which is further contributing in the growth of the industry as a whole.

Global Scenario:

Technical Textile is the sunrise segment of the global Textile industry. With increasing competition and diminishing margins in the production of conventional textiles, textile manufacturers in industrialized countries have switched over to production of value-added technical textiles. As the use of technical textiles is dictated by need, its pricing normally offers good margins. The Technical Textile industry is estimated to account for over 50% of the total textile activity in certain industrialized countries. While the US continues to be the main manufacturers and consumers of functional textiles, China has emerged as a large manufacturer of the same. India and Russia are the other important markets for technical textiles, where consumption is increasing at a fast pace.

The Indian Scenario:

India is emerging as a significant player in technical textiles. The fast-paced economic growth leading to infrastructure creation as well as higher disposable income has made India a key market for the technical textile products. Moreover, the country has developed a foothold in the production of technical textiles. Considering its highly skilled and scientific/technical manpower and abundant availability of raw materials, India can emerge as a key player in the technical textiles industry.

Indian Textile Industry involves around 35 million workers directly and accounts for 21% of the total employment generated in the economy, the second largest provider of employment after agriculture. Thus, Technical textiles holds significant potential in India and the government has already taken steps to promote this industry. Indian technical textile market is nascent and is quite honestly depending on government's push and mandatory regulations to penetrate into different sectors. The market for technical textiles is expected to cross ₹ 1.5 lakh crore by 2016-17. The strong interest in the segment is driven by better profit margins and less competition.

JOINT VENTURE

For its long term strategic objectives, your Company continued to give impetus towards taking new business initiatives by formation of a new Joint Venture (JV) named 'Neo Ds Advanced Nonwovens Limited'. The JV is controlled by Neo Corp and a Belgium Based Company De Saedeleir Textile Platform ('DS') with a plan to venture into rPET needlefelt project. 'DS' is one of the major European PET fibre and needlefelt producers. Neo Corp is having 51% stake in the share capital of the new JV Neo Ds Advanced Nonwovens Limited'.

SUBSIDIARY COMPANIES

Information and Documents Pursuant to the provisions of the Section 212 of the Companies Act, 1956 relating to Europlast Limited, Sacos Indigo Private Limited, Neoflex Infracon Limited, Poly Logic International Private Limited, Prism Flexible Solutions Private Limited and Polybase (H.K.) Limited subsidiary Companies are annexed forming Part of this Report.



CONSOLIDATION OF ACCOUNTS

The Consolidated Financial Statements presented by the Company include financial results of its subsidiary companies approved in accordance with Accounting Standards and as per revised Schedule VI of the Companies Act, 1956. The Ministry of Corporate Affairs, Government of India vide its circular No. 5/12/2007-CL-III dated 8th February, 2011 has granted exemption under 212(8) of the Companies Act, 1956 from attaching Balance Sheet, Profit and Loss account and other documents of the subsidiary companies to the balance sheet of the Company, provided certain conditions are fulfilled.

Accordingly, the Company will make available the Annual Accounts of the subsidiary companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary companies will also be kept open for inspection at the Registered Office of the Company and that of the respective subsidiary companies. The company will furnish a hard copy of details of accounts of subsidiaries to any shareholder on demand.

GOVERNMENT RECOGNIZED R & D CENTER

NCIL has set its own R & D Centre which is recognized by Department of Science and Industrial Research under Ministry of Science and Technology. R & D Centre is equipped with all necessary testing equipments and competent scientists to conduct R&D activities. R & D Centre is having a library where all national and international standards, magazines, newsletters and technical literature necessary for R & D activities available. R & D envisions in assisting NCIL, to raise its profile to the zenith of top most manufactures of technical textile through relentless R & D activities. Mission of R & D center is to discover new materials, process and technologies to deliver products, services and solutions to the complete satisfaction of end users.

INSURANCE CLAIM

A fire broke out in TECHTEXTIL, the EOU division of NCIL situated at Pithampur, on 27th February at midnight, 2010 bringing a loss to plant, machinery, stock in process and finished stock. The inferno which caused damaged was insured under various policies taken from United India Insurance Company Limited and Oriental Insurance Company Limited. The total claim launched was to the tune of INR 52.05 crores. The company has received the claim of INR 39.43 Crores, during the earlier year. The Company has filed arbitration against the assessment of claim of INR 4.88 Crores. The Company is hopeful to receive the said amount .

CORPORATE GOVERNANCE

A detailed report on the status of implementation of the corporate governance guidelines has been furnished as an annexure to this report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Sec 217(2AA) of Companies Act, 1956, the directors state that:

- that in preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanations relating to material departures if any,
- that the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the company at the end of the financial year

and of the profit of the company for that period,

- that the directors have taken proper and sufficient care of the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities,
- that the directors have prepared the annual accounts on a going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION & FOREIGN EXCHANGE EARNING AND OUTGO

A. CONSERVATION OF ENERGY

The rules relating to the disclosure of particulars with respect to the conservation of energy is not applicable to the company. However the company continued its conscious efforts to minimize energy consumption and more and more innovations and improvements were introduced to further reduce the energy consumption.

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

RESEARCH AND DEVELOPMENT (R&D):

The Company has set up a separate R&D department with a mandate to take care of Continuous enhancement in process, efficiency, product range and protection of intellectual property rights

Filing of patents for several products developed in past years is in advance stage.

Specific areas in which R & D carried out by the company

The company continued its efforts towards the extension of the product range, lowering costs, process improvements & upgradation, installation of energy efficient equipments.

Benefits derived

- Performance improvement
- Development of in-house skills to manufacture high value added products
- Improving supply chain efficiency
- Cost reduction
- Environment sustainability

Future Plan of action

- Development of Geotextile fabrics for various re-enforcement, filtration and separation applications.
- Ensuring perennial business with the network.
- Reduced cost of network management.
- OEE analysis & Productivity improvement of Blown film plant and knitting machines
- Differentiating ourselves on technical excellence across all faculties.

Expenditure on R & D: ₹ 67.00 Lacs

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

The company also continued to use the latest technologies for improving the productivity and quality of the products manufactured. The company is employing indigenous technology for its operations.

FOREIGN EXCHANGE EARNING AND OUTGO

The company has earned foreign exchange of ₹ 14255.18 lacs during the year.

The details of foreign exchange outgo are as follows:

Material import	: ₹ 3223.92 lacs
Stores & spares	: ₹ NIL
Capital goods	: ₹ 2884.60 lacs
Expenditure in foreign currency	: ₹ 68.72 lacs

PARTICULARS OF EMPLOYEES

The information required under Sec 217(2A) of the Companies Act 1956 is not given as there was no employee in receipt of remuneration during the year, exceeding the limits prescribed by the Companies (Particulars of Employees) Rules, 1975 as revised.

DEPOSITS

The company has not accepted any deposit from the public attracting the provisions of Sec 58A of the Companies Act 1956.

DIRECTORS

At the ensuing Annual General Meeting, Mr. Utkarsh Trivedi, Director of the Company, retires by rotation and being eligible offers himself for re-appointment.

AUDITORS

M/s. A. P. Garg & Co., Chartered Accountants hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. They have furnished a certificate to the effect that their appointment if made, would be within the prescribed limits under Sec 224(1B) of the Companies Act 1956.

AUDITORS' REPORT

Report of the auditors and their observations and notes to the accounts of the company for the year under review are attached herewith which are self-explanatory and do not require further explanation.

ACKNOWLEDGEMENT

Your Directors provide their gratitude to the various Government Agencies, Banks and financial institutions, investors, Company's business associates, customers, suppliers and other service providers for their continued support.

Your Directors place on record their sincere appreciation of the contributions made by the employees of the Company and its subsidiaries at all level through their hard work, dedication and support in ensuring an excellent all around operational performance.

The Board appreciates and value the contributions made by every member of the "NCIL" family globally. The Board is also deeply grateful to the shareholders for the confidence and faith that has been reposed in them. Driven by values and powered by internal vitality, the entire "NCIL Group" stands committed to create an even brighter future for all the stakeholders.

Date: 30th May, 2014
Place: Indore

For and on behalf of the
Board of Directors

SUNIL K. TRIVEDI
DIN No. 00053000
(Chairman & Managing Director)

REPORT ON CORPORATE GOVERNANCE

Company's Philosophy on Corporate of Governance

The Company believes in adopting the Best Global Practices in the area of Corporate Governance and follows the principles of full transparency and accountability, thereby protecting the interests of all its stakeholders. The Board considers itself a Trustee of all shareholders and acknowledges its responsibilities to the shareholders for creating and safeguarding their wealth. During the financial year under review, the Board continued its pursuit of achieving these objectives through the adoption and monitoring of corporate strategies, prudent business plans, monitoring of major risks of the Company's business and ensuring that the Company pursues policies and procedures to satisfy its legal and ethical responsibilities.

Ethical business conduct, integrity and commitment to values, which enhance and retain stakeholders' trust are the hallmarks of good corporate governance. The philosophy of your Company is to satisfy not just the letter of the law but also the spirit of Law. Accordingly accurate disclosure of information regarding the financial situation, performance, ownership, governance of the Company and to maintain a high degree of disclosure levels is an integral part of Corporate Governance.

In compliance with Clause 49 of the Listing Agreement with Stock Exchanges, the Company submits the Report on the matters mentioned in the said Clause and practice followed by the Company.

1. BOARD OF DIRECTORS:

a) Composition of the Board

The Directors are the main organ of the Company which provides a vision and strategic direction to the operations of the Company and enhances the value of the stakeholders. The Board at NCIL represents an optimum mix of professionalism, knowledge and experience, the Board comprises of 7 Directors with a Chairman & Managing Director, a Whole Time Director, an Executive Director and 4 Non-executive Independent Directors. None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees (as per Clause 49 of the Listing Agreement), across all the Companies in which he is a Director.

b) Number of Board meetings, attendance of Director at Board Meeting and at the Annual General Meeting, outside directorship and Board Committee membership:

During the financial year 2013-14, the Board of Directors of the Company met 22 times on the following dates:

22-Apr-13	30-May-13	28-Jun-13	23-Jul-13
28-Jul-13	29-Jul-13	14-Aug-13	31-Aug-13
3 Sep 13	9 Oct 13	19 Oct 13	14 Nov 13
15-Nov-13	2-Dec-13	3-Dec-13	5-Dec-13
14-Feb-14	19-Feb-14	22-Feb-14	20-Mar-14
24-Mar-14	28-Mar-14		

The interval between any two successive meetings did not exceed four calendar months.

The last Annual General meeting was held on 30th September, 2013.

Name of Directors and Designations	Attendance		No. of Directorships/ Committee Membership held in other companies	
	Board	Last AGM	Directorship / Chairmanship	Committee Member-ship
Mr. Sunil K. Trivedi (Chairman & Managing Director)	22	Present	4	--
Mr. Utkarsh S. Trivedi (Executive Director)	17	Present	6	--
Mr. Pradhman Sharma (Whole-time Director)	12	Present	2	--
Mr. Shrawan Kumar Patodi (Non Executive Independent Director)	19	Present	1	--
Mr. Ladharam Patel (Non Executive Independent Director)	11	Present	--	--
Mrs. Shobha Dube (Non Executive Independent Director)	12	Present	--	--
Mr. Rolland Coderre (Non Executive Independent Director)	Absent	Absent	--	--

* Mr. Sunil K. Trivedi, Chairman & Managing Director and Mr. Utkarsh S. Trivedi, Executive Director, are father and son consecutively and are related to each other within the meaning of Section 2(77) of the Companies Act, 2013.

c) Code of Conduct

The Board of Directors have adopted a code of conduct for the Board members and senior management of the company. The said code has been circulated to the Directors and members of the Senior Management. The code has also been posted on the Company's website. The declaration by Mr. Sunil K. Trivedi, Chairman & Managing Director of the company, regarding compliance by the Board members and Senior Management personnel with the said code of conduct is attached to this report.

2. COMMITTEE OF THE BOARD

A. Audit Committee

I. Composition :

The Audit Committee comprises 3 member all of them being Non-executive Independent Directors. The members of the Committee including its Chairman are as follows:

Mr. Shrawan Kumar Patodi	Chairman
Mr. Ladharam Patel	Member
Mrs. Shobha Dube	Member

Company Secretary acts as the Secretary to the Committee.

II. Terms of Reference:

The powers role and terms of reference of the audit committee covers the area as mentioned under clause 49 of the Listing Agreement and Section 177 of the Companies Act, 2013 besides other terms as may be referred by the Board of Directors. The terms of reference of the Audit Committee, broadly are as under:

1. Overseeing of the Company's financial reporting process and the disclosures of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the Statutory Auditors and the fixation of audit fees.
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors
4. Reviewing, with the Management, the Annual Financial Statements and the auditors' report thereon before submission to the Board for approval, with particular reference to:
 - ♦ review and monitor the auditor's independence and performance, and effectiveness of audit process;
 - ♦ approval or any subsequent modification of transactions of the company with related parties;
 - ♦ scrutiny of inter-corporate loans and investments;
 - ♦ valuation of undertakings or assets of the company, wherever it is necessary;
 - ♦ evaluation of internal financial controls and risk management systems;
 - ♦ monitoring the end use of funds raised through public offers and related matters.
 - ♦ Changes, if any, in accounting policies and practices and reasons for the same.
 - ♦ Major accounting entries involving estimates based on the exercise of judgment by Management.
 - ♦ Compliance with listing and other legal requirements relating to financial statements.
5. Direct access to the chairperson of the Audit Committee in appropriate or exceptional cases under the vigil mechanism for providing adequate safeguards against victimization of persons who use such mechanism.

III. **Meetings and attendance:**

During the year 2013-14 the Audit Committee met 6 times on 22.04.2013, 30.05.2013, 14.08.2013, 03.09.2013, 14.11.2013 and 14.02.2014. The attendance of members at the meetings was as follows:

Name of Member	No of Meetings Attended
Mr Shrawan Kumar Patodi	5
Mr Ladharam Patel	5
Mrs. Shobha Dube	4

B. **NOMINATION AND REMUNERATION COMMITTEE:**

I. **Composition :**

The Nomination and Remuneration Committee comprises 3 director all of them being Non-executive Independent Directors. The members of the Committee including its Chairman are as follows:

Mr. Shrawan Kumar Patodi	Chairman
Mr. Ladharam Patel	Member
Mrs. Shobha Dube	Member

Company Secretary acts as the Secretary to the Committee.

II. **Terms of Reference:**

- ♦ Review the performance of the Managing, Whole-time and Executive Directors.
- ♦ Recommend to the Board remuneration including salary and perquisites compensation payable to Managing and Executive Director.

III. **Meetings and attendance:**

During the year 2013-14 there were two meetings of the Nomination and Remuneration Committee held on 30.05.2013, 03.09.2013. The attendance of members at the meeting was as follows:

Name of Member	No of Meetings Attended
Mr. Shrawan Kum ar Patodi	2
Mr. Ladharam Patel	2
Mrs. Shobha Dube	2

DETAILS OF REMUNERATION TO DIRECTORS:

Remuneration to Executive Directors

The Nomination and Remuneration Committee has been constituted to recommend/review the remuneration package of the Managing/Whole Time Director, based on performance and defined criteria.

The remuneration policy is directed towards rewarding performance based on review of achievements on a periodical basis. The remuneration policy is in consonance with the existing industry practice.

The particulars of remuneration of Executive Directors during the financial year 2013-14 are as under:

Name	Designation	Salary, HRA, Bonus Allowances	Gratuity, Provident Fund & Others	Total
Mr. Sunil K. Trivedi	Chairman & Managing Director	2688000	230400	2918400
Mr. Utkarsh Trivedi	Executive Director	722400	0	722400
Mr. Pradhuman Sharma	Whole Time Director	1091640	92544	1184184
Mr. Sanjay K. Trivedi	Executive Director	252000	0	252000

Sitting fees to Non-Executive Directors

The non-executive directors of the company are paid ₹ 500/- for every board meeting attended by them, which is in accordance with the approval by the Board of Directors pursuant to the Articles of Association of the Company. No commission was paid or payable to the Non-Executive Directors during the financial year 2013-14.

During the financial year 2013-14 the following sitting fees were paid to Non-Executive Directors.

Name of Director	Amount (₹)
Mr. Shrawan Kumar Patodi	15500
Mr. Ladharam Patel	11500
Mrs. Shobha Dube	11000

C. STAKEHOLDERS RELATIONSHIP COMMITTEE :

I. Composition :

The stakeholders' relationship committee comprises 3 directors all of them being Non-executive Independent Directors. The members of the Committee including its Chairman are as follows:

Mr. Shrawan Kumar Patodi	Chairman
Mr. Ladharam Patel	Member
Mrs. Shobha Dube	Member

Company Secretary acts as the Secretary to the Committee.

II. Terms of Reference:

The stakeholders' relationship committee focuses on shareholders grievances and strengthening of investor's relation, specifically looking into redressal of grievances pertaining to:

1. Transfer of shares
2. Dematerialisation / Rematerialisation of shares
3. Replacement of lost/stolen/mutilated share certificates
4. Non-receipt of dividend/notices/annual report, etc.
5. Complaint letters received from Stock Exchanges, RoC, SEBI etc.

During the financial year 19 number of investor complaints received. All the complaints were resolved to the satisfaction of the shareholders.

Number of share transfers/ transmission/issue of Duplicate share certificate pending as on 31st March 2014 was NIL.

Ms. Swati Gangrade, Company Secretary, is the Compliance Officer of the Company.

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE :

I. Composition :

The Corporate Social Responsibility committee comprises 3 directors. The members of the Committee including its Chairman are as follows:

Mr. Sunil K. Trivedi	Chairman
Mr. Shrawan Kumar Patodi	Member
Mrs. Shobha Dube	Member

Company Secretary acts as the Secretary to the Committee.

Appointments to the Committee shall be for a period of up to three years, which may be extended for further periods of up to three years, provided the individual still meets the criteria for membership of the Committee.

II. Terms of Reference:

The CSR committee focuses on building core strengths and trust in community, specifically looking into long term sustainability pertaining to:

1. Take ownership to minimize environmental damage
2. Engage in-house facility for coordinating roll out of CSR activities
3. Build partnerships with others
4. Establish and timely review of CSR policies and programs.
5. Oversight and implementation of CSR compliance systems;
6. Review of annual budgets with respect to CSR initiatives.
7. Establish and develop the Company's strategic framework and objectives with respect to CSR initiatives.
8. Provide reports to management on the Company's CSR initiatives including significant sustainable community development action plans.
9. Share proper information to the management on the Company's CSR performance to assess the effectiveness of the declared initiatives.
10. Act upon the findings and recommendations from any investigation or audit by regulatory agencies or external auditors or consultants concerning the CSR audit.
11. Disclosure of corporate social responsibility matters in the Company's continuous disclosure documents and any annual social responsibility report.

3. DETAILS OF GENERAL BODY MEETING:

The last three Annual General Meetings of the Company were held as under:

Financial Year	Location	Date	Time	No. of Special resolutions passed
2012-13	220 Mahavir Industrial Estate, Off. Mahakali Caves Road, Andheri (E), Mumbai-400 093 Maharashtra, India	30.09.2013	4.00 PM	2
2011-12	220 Mahavir Industrial Estate, Off. Mahakali Caves Road, Andheri (E), Mumbai-400 093 Maharashtra, India	29.09.2012	4.00 PM	5
2010-11	Industrial Area, Plot no 62, -63-64A, Sector 1, Pithampur, Dist. Dhar - 454 775 Madhya Pradesh, India	30.09.2011	4.00 PM	1

- I. During the year ended on 31.03.2014, a special resolution was passed through postal ballot for alteration in object clause of Memorandum of association and Commencement of new business of the Company on 21.01.2014. No such resolution is proposed to be passed by postal ballot at the ensuing Annual General Meeting.

4. **MANAGEMENT**

A. **The Management discussion and analysis report**

The Management Discussion and Analysis report has been attached to the Directors Report and forms part of the Annual Report

B. **Disclosure by Management to the Board**

All details relating to the financial and commercial transactions where directors may have a potential interest are provided to the Board, and the interested Directors neither participate in the discussion, nor do they vote on such matters.

5. **DISCLOSURES**

- A. There were material transactions of the Company with its promoters, directors, and management or their relatives and those are not having any conflict with the interest of the Company at large.
- B. The particulars of transactions between the Company and its related parties in accordance with the Accounting Standard 18 are set out in annual report. These transactions are in the ordinary course of business and are not likely to have any conflict with the interest of the Company.
- C. There has been no non-compliance by the company or penalty or strictures imposed on the company by the stock exchange or SEBI or any statutory authority, on any matter related to capital markets during last three years.

6. **MEANS OF COMMUNICATION:**

The quarterly and yearly financial results of the Company are published in the prominent daily newspapers having circulation in the region where the registered office of the company is situated. The quarterly/yearly financial results are also regularly sent to the Stock Exchanges.

Company's Corporate Website: All the data related to the financial results, press releases and other general information about the company is available on the company's website www.neocorp.co.in

7. **GENERAL SHAREHOLDERS INFORMATION:**

A. AGM: Date Time Venue	30th September, 2014 Tuesday 4.00 p.m., 220 Mahavir Industrial Estate, Off. Mahakali Caves Road, Andheri (E), Mumbai - 400 093 Maharashtra, India
B. Registered Office	220 Mahavir Industrial Estate, Off. Mahakali Caves Road, Andheri (E), Mumbai - 400 093 Maharashtra, India
C. Corporate & Works Location	Industrial Area, Plot No. 62-63-64A, Sector 1, Pithampur, Dist Dhar- 454 775 Madhya Pradesh, India
D. Date of Book Closure	Commencement – 24 th September, 2014 Ending 30 th September, 2014 (both days inclusive)
E. Listing on Stock Exchanges	1. The Bombay Stock Exchange Limited Stock code: 523820 2. The M.P. Stock Exchange Limited Stock code: N80 3. Luxembourg Stock Exchange
F. ISIN Number of NSDL and CDSL	INE851C01014
G. Registrar and Transfer Agents	M/s Ankit Consultancy Pvt Ltd, Plot no.60, Electronics Complex, Pardeshipura, Indore-452010 Madhya Pradesh, India Phone No. (0731) 3198601, Fax No. : 0731-4065798 E-mail : ankit_4321@yahoo.com
H. Share Transfer System	All the transfer received are processed by the Registrar and transfer Agent
I. Share Holding pattern as on 31.03.2014	Please see Annexure 'A'
J. Market Rate	Please see Annexure 'B'

K. **Dividend Payment:**

Dividend, if any, declared in the forthcoming Annual general Meeting will be paid within 30 days from the date of declaration.

L. **Shares held in Physical and Dematerialization form:**

As on 31st March 2014, 96.99% of shares were held in dematerialised form and rest 3.01% in physical form.

M. **Reconciliation of Share Capital Audit:**

As stipulated by SEBI a qualified practicing Company Secretary carries out secretarial Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the listed stock exchanges. The audit confirms that the total listed and paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL/CDSL) and total number of shares in physical form.

N. Company Secretary Certificate on Corporate Governance

The Company has obtained the certificate from the qualified Company Secretary compliance with the provisions relating to corporate governance laid down in clause 49 of the Listing Agreement with the stock exchanges. This report is annexed to the Director's Report for the year 2013-2014.

O. Address for Correspondence

Corporate & Works Office :	Registrar & Share Transfer Agents:
Company Secretary Neo Corp International Limited Industrial Area, Plot No. 62-63-64A, Sector 1, Pithampur, Dist Dhar - 454 775 Madhya Pradesh, India Tel: 07292-410 400,01 Fax No. : 07292-410 499 Email: investor_relations@neocorp.co.in	M/s. Ankit Consultancy P Ltd. Plot no.60, Electronic Complex, Pardeshipura, Indore-452010 Madhya Pradesh, India Tel: 0731 - 3198601, Fax No. : 0731-4065798 E-mail : ankit_4321@yahoo.com

DISTRIBUTION SCHEDULE AS ON 31ST MARCH 2014

(Annexure A)

Share holding of nominal value ₹	Shares holders		Shares Amount	
	Number	% To Total	Rs.	% of Total Amount.
Upto-5000	7737	80.23	10689850	3.43
5001-10000	669	6.94	5765900	1.52
10001-20000	404	4.19	6494080	1.71
20001-30000	170	1.76	4492080	1.18
30001-40000	87	0.90	3227890	0.85
40001-50000	105	1.09	5054400	1.33
50001-100000	186	1.93	14113460	3.71
100001 and above	285	2.96	328009040	86.27
Total	9643	100.00	380221980	100.00

SHAREHOLDING PATTERN AS AT 31ST MARCH 2014

Category	No. Of Shares held	Percentage of Shareholding
A. Promoters Holding		
1. Promoters		
Indian Promoters	8469785	22.28
Foreign Promoters	--	--
Sub-Total (A)	8469785	22.28
B. Non-Promoters Holding		
1. Institutional Investors		
a. Mutual Funds and UTI	5600	0.01
b. Banks, Financial Institutions, Insurance Companies [Central/ State Govt. Institutions, Non- Government Institution]	200	0.00
c. FIs	338134	0.89
Sub Total (B1)	343934	0.90
2. Others		
Private Corporate Bodies	10767702	28.32
Indian Public	12705506	33.42
NRIs/OCBs	616968	1.62
Any other [clearing member]	192023	0.51
Sub-Total (B2)	24282199	63.87
Sub Total (B)	24626133	64.77
C. Share held by Custodians against which Depository receipts have been issued:		
1. Promoter and Promoter group	--	--
2. Public	4926280	12.96
Grand Total [A+B+C]	38022198	100.00

MARKET PRICE DATA

(Annexure B)

The monthly High & Low Share prices of the company traded at the Stock Exchange, Mumbai from 1st April 2013 to 31st March, 2014 are given below:

Bombay Stock Exchange		
Months	Months High Price ₹	Months Low Price ₹
April, 2013	23.50	18.20
May, 2013	22.15	19.30
June, 2013	21.70	16.00
July, 2013	22.00	15.20
Aug, 2013	20.80	15.15
Sept, 2013	20.60	15.25
Oct, 2013	20.65	13.45
Nov, 2013	15.20	6.12
Dec, 2013	16.76	10.29
Jan, 2014	17.10	9.90
Feb, 2014	11.46	9.55
Mar, 2014	11.04	8.70

DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

To
The Members of
M/s. Neo Corp International Limited

The Company has framed a specific Code of Conduct for the members of the Board of Directors and the senior management personnel of the Company pursuant to Clause 49 of the Listing Agreement with Stock Exchanges to further strengthen corporate governance practices in the Company.

All the members of the Board and Senior Management Personnel of the Company have affirmed due observance of the said code of conduct in so far as it is applicable to them and there is no non-compliance thereof during the year ended 31st March 2014.

Place: Indore
Date: 30th May, 2014

SUNIL K. TRIVEDI
Chairman & Managing Director
DIN No.00053000

INDEPENDENT AUDITOR'S REPORT

To,
The Members,
NEO CORP INTERNATIONAL LIMITED

Report on the Financial Statements

1. We have audited the accompanying financial statements of NEO CORP INTERNATIONAL LIMITED ("the Company"), which comprise the Balance-Sheet as at March 31st, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year ended, and a summary of the significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 of India ("the Act") read with the General Circular 15/2013 dated 13th September 2013 of the Minister of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principal generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by The Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence, about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the financial statement.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the accompanying financial

statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31st, 2014;
- (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

7. As required by 'the Companies (Auditor's Report) Order, 2003', as amended by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
8. As required by Section 227(3) of the Act, we report that:
- (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) The company has maintained its account on a highly integrated computerized software system namely "SAP" but being an international software, the books of accounts generated through the software system differ from the Indian traditional formats of the books of accounts. However, on the basis of viewing the data in the computerized form, we conducted our audit. We are of the view that the appropriate feeding of the primary data from the corresponding source documents, their processing on SAP and resultant trial balance generated by the system provide a reasonable basis for us in expressing our opinion on the financial statements under reference to this report.
 - (c) The Balance-Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the Balance-Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report comply with the Accounting Standards notified under the Companies Act, 1956 (the Act) read with the General Circular 15/2013 dated 13th September 2013 of the Minister of Corporate Affairs in respect of Section 133 of the Companies Act, 2013
 - (e) On the basis of written representations received from the directors as on March 31st, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31st, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act.

For: A.P. GARG & CO.
Chartered Accountants
(F.R. No. 002413C)

Place: Indore
Date: 30th May, 2014

Abdresh Bansal
Partner
(Membership No. 079758)

Name of Statute	Nature of the Disputed Dues	Amount (in Lacs)	Period to which Amount relates	Forum where pending	Remarks
Central Excise Act 1944	CENVAT Credit on Inputs	1.86	1995-1996	Asst. Commissioner of Central Excise, Pithampur	Provided in the Books
Central Excise Act 1944	CENVAT Credit on Thread	0.22	1996-1997	Asst. Commissioner of Central Excise, Pithampur	Provided in the Books
Customs Act 1962	Customs Duty on Capital Goods Imported Under EPCG Scheme	18.11	1996-1997	High Court of M.P. Bench Indore	Provided in the Books
Central Excise Act 1944	Excise Duty	1.27	2000-2001	Additional Commissioner of Central Excise & Customs (Appeal), Indore	(Part of DBK case)
Central Excise Act 1944	Duty free input under annexure 45	53.77	2006-2007	Customs, Excise & Service Tax	WP with H.C. Annex 45 case
Income Tax Act, 1961	Income Tax	21.16	2001-2002	ITAT, Indore	Provided in the Books
Custom Act, 1962	Custom Duty	3.20	1997-1998	High Court of M. P. Bench, Indore	Drawback on sacks with Liner
MP Entry Tax Act	Entry Tax on expansion	52.47	2008-09	MP Commercial Tax Appellate Board, Bhopal	--
MP VAT Act	Credit of Input Rebate	4.55	2008-09	MP Commercial Tax Appellate Board, Bhopal	--
MP Entry Tax Act	Entry Tax on Expansion	23.02	2009-10	MP Commercial Tax Appellate Board, Bhopal	--
MP VAT Act	Classification of Goods	5.87	2009-10	MP Commercial Tax Appellate Board Bhopal	--
Central Sales Tax Act	Classification of Goods	7.39	2009-10	MP Commercial Tax Appellate Board, Bhopal	--
MP Entry Tax Act	Entry tax on new unit	41.88	2009-10	MP Commercial Tax Appellate Board, Bhopal	--
MP VAT Act	Classification of Goods	21.45	2010-11	High Court of M. P. Bench, Indore	--
Central Sales Tax Act	Classification of Goods	12.60	2010-11	High Court of M. P. Bench, Indore	--

- 10) The company has no accumulated losses at the end of the financial year and it has not incurred any cash losses in the current and the preceding financial year.
- 11) In our opinion and according to the information and explanations given to us, the company has not defaulted in the repayment of its dues to the financial institutions and banks.
- 12) The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13) In our opinion, the company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause (xiii) of Para 4 of the Companies (Auditor's Report) Order, 2003 is not applicable to the company.
- 14) In our opinion, the company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, clause (xiv) of Para 4 of the Companies (Auditor's Report) Order, 2003 is not applicable to the company.
- 15) According to the information and explanations given to us, the company has given guarantee for loans taken by its subsidiaries from bank or financial institutions, the terms and conditions whereof, in our opinion, are not prima-facie prejudicial to the interest of the Company.
- 16) Based on the information and explanations given to us by the management, the term loans availed by the Company during

the year were applied for the purposes for which the loans were obtained.

- 17) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the company for the year under report, we are of the opinion that no funds raised on short term basis have been used for long term investment.
- 18) The company has not made any preferential allotment of shares to any parties or companies covered in the register maintained under Sec. 301 of the Companies Act, 1956.
- 19) The company has not issued any debentures during the year.
- 20) The company has not raised any money by way of public issue during the year.

According to the information and explanations given to us and on the basis of examination of records, no fraud by or on the Company has been noticed or reported during the year.

Place: Indore
Date: 30th May, 2014

For: **A. P. GARG & CO.**
Chartered Accountants
(F. R. No. 002413C)

Abdesh Bansal
Partner
(Membership No. 079758)

BALANCE SHEET AS AT 31ST MARCH, 2014

(Amount in ₹)

Particulars	Note No.	As at 31.03.2014	As at 31.03.2013
<u>I. EQUITY & LIABILITIES</u>			
1 <u>SHARE HOLDERS'S FUND</u>			
(a) Share Capital	2	380221980	380221980
(b) Reserve & Surplus	3	2184750789	1974224005
2 <u>SHARE APPLICATION MONEY PENDING FOR ALLOTMENT</u>			
3 <u>NON - CURRENT LIABILITIES</u>			
(a) Long Term Borrowings	4	722879912	593654622
(b) Deferred Tax Liabilities (Net)	5	97699952	92946266
(c) Other Long Term Liabilities		-	-
(d) Long Term Provisions	6	9176556	7899645
4 <u>CURRENT LIABILITIES</u>			
(a) Short Term Borrowing	7	1404826190	971401878
(b) Trade Payables	8	974076538	748291718
(C) Other Current Liabilites	9	452553751	391107000
(d) Short Trem Provisions	10	111738182	76928978
TOTAL		6337923849	5236676092
<u>II. ASSETS</u>			
1 <u>NON - CURRENT ASSETS</u>			
(a) Fixed Assets	11		
(i) Tangible Assets		1333390735	795664001
(ii) Intangible Assets		7463341	8452838
(iii) Capital Work in Progress		278069465	541935231
(iv) Intangible Assets under development		-	650000
(b) Non-current Investments	12	608752760	592820440
(c) Long Term Loans & Advances	13	379990080	562928997
(d) Other Non-current Assets	14	-	31154401
2 <u>CURRENT ASSETS</u>			
(a) Current Investments		-	-
(b) Inventories	15	2320165162	1297018732
(c) Trade Receivables	16	527122912	764642255
(d) Cash & Bank Balances	17	412070433	123960230
(e) Short Term Loans & Advacnes	18	110171622	127355868
(f) Other Current Assets	19	360727339	390093101
TOTAL		6337923849	5236676092
SIGNIFICANT ACCOUNTING POLICIES	1		
NOTES ON FINANCIAL STATMENTS	2 to 40		

"AS PER OUR REPORT OF EVEN DATE ATTACHED"

For A. P. GARG & CO.
CHARTERED ACCOUNTANTS
F.R. No.002143C

(ABDHESH BANSAL)
PARTNER
M. No. 079758

Place : Indore

Date : 30th May 2014

"FOR AND ON BEHALF OF THE BOARD"

SUNIL K. TRIVEDI
(Chairman & Managing Director)

SHARWAN KUMAR PATODI
(Director)

PRADHUMAN SHARMA
(Director)

SWATI GANGRADE
(Company Secretary)

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

(Amount in ₹)

Particulars	Note No.	For the year 31.03.2014	For the year 31.03.2013
I. Revenue from Operations	20	5922460944	4242330540
II. Other Income	21	74161919	58767790
III. Total Revenue (I + II)		5996622863	4301098329
IV. Expenses:			
Cost of Material Consumed	22	5335763975	3725852485
Purchase of Stock in Trade	23	-	1347487
Change in Inventories of Finished Goods, Work in Process and Stock in Trade	24	(597398695)	(384977554)
Employee Benefits Expenses	25	182022196	164424256
Finance Costs	26	283294893	222534842
Depreciation & Amortization Expenses	11	76881009	47970375
Other Expenses	27	371546378	223176848
TOTAL		5652109756	4000328741
V. Profit before exceptional and extraordinary item and tax (III-IV)		344513107	300769589
VI. Exceptional and Extraordinary Items	28	-	78237728
VII. Profit before tax (V-VI)		344513107	222531860
VIII. Tax Expenses:			
(a) Current Tax		142500000	54099977
(b) Deferred Tax		4753685	10126396
IX. Profit (Loss) for the period (VII-VIII)		197259422	158305487
X. Earning per equity share:			
(a) Basic		5.19	4
(b) Diluted		5.19	4
SIGNIFICANT ACCOUNTING POLICIES	1		
NOTES ON FINANCIAL STATEMENTS	2 to 40		

"AS PER OUR REPORT OF EVEN DATE ATTACHED"

For A .P. GARG & CO.
CHARTERED ACCOUNTANTS
F.R. No.002143C

(ABDHESH BANSAL)
PARTNER
M. No. 079758

"FOR AND ON BEHALF OF THE BOARD"

SUNIL K. TRIVEDI
(Chairman & Managing Director)

SHARWAN KUMAR PATODI
(Director)

PRADHUMAN SHARMA
(Director)

SWATI GANGRADE
(Company Secretary)

Place : Indore

Date : 30th May 2014

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014

(Figures in ₹ Lacs)

Particulars	As at 31st March 2014	As at 31st March 2013
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and Extraordinary items Adjusted for:	3445.13	3007.70
a Non Cash Item		
Depreciation	768.81	479.70
Preliminary Expenses Written Off	311.54	38.90
Propotionate Written off of Capital Subsidy	(26.08)	(6.57)
	4499.41	3519.73
b Item not Part of Operating Activity		
Interest & Finacial Charges(Net of Tuff Subsidy)	2832.95	2225.35
(Profit)/ Loss on sale of Fixed Assets	0.00	0.24
Prior Period Items shown saperately	0.85	1.53
Interest Income	(169.32)	(148.16)
Operating Profit before Working Capital Changes	7163.89	5598.69
Adjustments for Working Capital changes		
(Increase)/ Decrease in Inventories	(10231.46)	(4186.30)
(Increase)/ Decrease in Trade Rece. and Other Current Assets	2956.08	886.42
Increase / (Decrease) in Trade Payables & Current Liability	2180.93	1200.71
Cash Generated from Operation (Before Extraordinary Items and Prior Period Adjustment)	2069.44	3499.53
Prior Period Adjustment (Income)	(0.85)	(1.53)
Extra Ordinary Items	-	782.38
Cash Generated from Operation	2068.58	4280.37
Less : Income Tax Paid	478.09	488.01
NET CASH FROM OPERATING ACTIVITIES (A)	1590.50	3792.36
(B) CASH FLOW FROM INVESTING ACTIVITY		
Purchase of Fixed Assets and Capital WIP	(802.03)	(2818.07)
Sale of Fixed Assets	-	15.22
Purchase of Long Term Non Current Investments	(152.23)	(722.00)
Investment in Share Application Money in Subsidiary Companies	(7.09)	(521.25)
Proceed from Long Term Loans and Advanes	(859.61)	2248.55
Interest Received	169.32	148.16
NET CASH FROM INVESTING ACTIVITIES (B)	(1651.64)	(1649.39)
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings (Net)	1292.25	(150.72)
Proceed from Short Term Borrowing (Net)	4334.24	414.46
Interest & Finacial Charges Paid	(2832.95)	(2225.35)
Dividend Paid	148.70	(18.89)
NET CASH INFLOW IN FINANCING ACTIVITIES (C)	2942.24	(1980.50)
Net Increase/decrease in Cash & Cash Equivalents [A+B+C]	2881.10	162.47
Add :- Cash and Cash Equivalents as at 1st April 2013 [Opening Balance]	1239.60	1077.14
Cash and Cash Equivalents as at 31st March 2014 [Closing Balance]	4120.70	1239.60

"AS PER OUR REPORT OF EVEN DATE ATTACHED"

For A .P. GARG & CO.
 CHARTERED ACCOUNTANTS
 F.R. No.002143C

(ABDHESH BANSAL)
 PARTNER
 M. No. 079758

Place : Indore
 Date : 30th May 2014

"FOR AND ON BEHALF OF THE BOARD"

SUNIL K. TRIVEDI
 (Chairman & Managing Director)

SHARWAN KUMAR PATODI
 (Director)

PRADHUMAN SHARMA
 (Director)

SWATI GANGRADE
 (Company Secretary)

Note 1 : SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation of Financial Statements

The financial statements of the Company have been prepared under historical cost convention on accrual basis in accordance with the Generally Accepted Accounting Principles in India to comply with the accounting Standards notified under the Companies (Accounting Standards) Rule 2006 (as amended) and the relevant provision of the Companies Act, 1956. The accounting policies have been consistently applied by the company unless otherwise stated.

B. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affects the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, the difference between the actual results and estimates are recognized in the period in which the results are known/materialized.

C. Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation, impairment losses and specific grant/subsidies, if any. The cost comprises of purchase price/cost of construction, freight, duties (net of CENVAT), taxes and any directly attributable expenses of bringing the assets to working condition for its intended use. Financial costs relating to acquisition of fixed assets which take substantial period of time to get ready for use are included to the extent they are related to the period till such assets are ready for intended use. Expenditure for additions, modifications, improvements and renewals are capitalized and expenditure for maintenance and repairs are charged to the Profit & Loss Account. When assets are sold, destroyed or discarded, the respective cost and accumulated depreciation are removed from the accounts and any gain or loss resulting from their disposal is charged to the Profit & Loss Account.

D. Capital work in progress:

The assets which are under construction, erection & installation and not ready for their intended use and other Capital work in progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

E. Revenue Recognition

Revenue from sale of goods (other than export sales) is recognized on dispatch which coincides with transfer of significant risks & rewards to customer and is inclusive of excise duty and net of trade discounts, sales returns and commercial tax where applicable. Revenue from export sales is recognized on the date of the bill of lading or air way bill.

Sale of Services, Government grants/subsidies (Including Capital and Revenue), interest and other income are recognized on accrual basis but the dividend is recognized in the year of receipt.

F. Depreciation

Depreciation is provided on the straight Line Method basis, at the rate and in the manner prescribed in schedule XIV of the Companies Act, 1956 except on the plant and machinery acquired during the period 31st March 1995 to 31st March 2008 is provided on written down value method at the rates and in the manner prescribed in schedule XIV to the Companies Act, 1956. The Assets purchased and put to use during the year has been charged depreciation on pro-rata basis on prescribed rate.

G. Inventories

Cost of Inventory comprises all cost of purchase, cost of conversion, and other cost incurred for bringing the inventory to their present condition and location.

Items of Inventories are valued as under:-

- i] Raw Materials, Stores & Spares & Consumable are valued at Cost.
- ii] Process Stocks are valued at direct raw material cost plus average cost of processing for various operation performed up to estimated stage of process.
- iii] Finished Goods are valued at cost or market value whichever is lower.

H. Investment

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term Investments. Long term investments are carried at cost less provision made to recognize a decline, other than temporary, in value of such investment. Current investments are carried at lower of cost and fair value determined on individual investment basis. Cost of acquisition is inclusive of expenditure incidental to acquisition.

I. Foreign Currency transactions and translations

Foreign Currency transactions are recorded at the exchange rate prevailing at the time of the transaction. The current assets and current liabilities other than the transactions covered are translated at the rate prevailing on the Balance Sheet date and the resultant gain/loss is recognized in the financial statements. The transactions covered are recorded at the rate at which the forward contract was entered into.

Investment in subsidiary company is expressed in Indian Rupees at the rate of exchange prevailing at the date of investment.

J. Borrowing Costs

Borrowing cost that is attributable to the acquisition or construction of qualifying/eligible assets is capitalized as part of the cost of such assets. A qualifying/eligible asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing cost is recognized as an expense in the period in which they are incurred.

K. Employee Benefit

a) Defined Contribution Plans

Contribution paid/payable to defined contribution plans

comprising of provident fund, pension fund, superannuation fund etc, in accordance with the applicable laws and regulations are recognized as expenses during the period in which the employees perform the services that the payments cover.

The Company makes monthly contributions and has no further obligation under plans beyond its contributions.

b) Defined Benefit Plan

The liability as at the Balance Sheet date is provided for based on the actuarial valuation, based on Projected Unit Credit Method at the Balance Sheet date, carried out by an independent actuary. Actuarial Gains and Losses comprise experience adjustment and the effect of charges in the actuarial assumptions and are recognized immediately in the Profit and Loss account as an income or expense.

c) Other Long Terms employee Benefits

Employee benefits including compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the Balance Sheet date based on actuarial valuation method of Projected Unit Credit carried out at each Balance Sheet date. Actuarial Gains and Losses are recognized immediately in the Profit and Loss account as an income or expense.

d) Short Term Employee Benefits

Short term employee benefits including compensated absences as at the Balance Sheet date are recognized as an expense as per the Group's schemes based on the expected obligation on an undiscounted basis.

L. Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average numbers of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (Consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss after tax attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

M. Taxation

Tax expenses comprises of current tax & deferred tax. Current tax is determined as per the provisions of the Income tax Act, 1961 in respect of Taxable Income for the year. Deferred Tax Liability is computed as per Accounting Standard [AS-22]. Deferred Tax Assets and Deferred Tax Liability are recognized for all timing differences subject to consideration of prudence, applying the tax rates that have been substantively enacted on closing date.

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountant of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

N. Impairment of Assets

All the fixed assets including intangible assets are assessed for any indication of impairment at the end financial year. On such indication, the impairment (being the excess of carrying value over the asset) is charged to the Profit and Loss account in the respective financial year. Recoverable amount is higher of the net selling price of an asset and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

O. Provisions, Contingent Liabilities and Contingent Assets

The company recognizes a provision when there is present obligation as a result of a past event that probably requires an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. A disclosure for a contingent liability made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

2. SHARE CAPITAL

Particulars	As at 31.03.2014		As at 31.03.2013	
	Number	Amount	Number	Amount
Authorised				
A) Equity Shares of ₹ 10/- each	69000000	690000000	69000000	690000000
B) Cum. Compulsorily Convertible Pref. Shares of ₹ 10/- each	1000000	10000000	1000000	10000000
Total	70000000	700000000	70000000	700000000
Issued, Subscribed & Paid up				
38022198 equity Shares of ₹10/- each fully paid up	38022198	380221980	38022198	380221980
Total	38022198	380221980	38022198	380221980

- 2.1 NIL Authorised Capital Increased by 52000000 Equity Shares of ₹ 10/- each in order to raise Equity by way of issue of Global Depository Receipts(GDRs)/ American Depository Receipts (ADR's) / Foreign Currency Convertible Bonds/ Equity Shares/Warrants or any other similar instruments in financial year 2011-12.
- 2.2 NIL 24000000 Equity Shares representing 1200000 GDRs at US\$ 19.25 were allotted out of the issued, subscribed and paid up share capital in the year 2011-12. Underlying Equity Shares being ₹ 20 per GDR.
- 2.3 NIL 3500000 Equity Shares of ₹ 10/- each at a premium of ₹ 50 per share were allotted on preferential basis out of the issued, subscribed and paid up share capital in the year 2010-11.
- 2.4 NIL 292898 Equity Shares of ₹ 10/- each at a premium of ₹ 58 per share were allotted on conversion of 292898 Cumulative Compulsory Convertible Preference Shares ('CCCPs') out of the issued, subscribed and paid up share capital in the year 2010-11.
- 2.5 NIL 1575000 Equity Shares of ₹ 10/- each at a premium of ₹ 43/- per share were allotted pursuant to conversion of warrants out of the issued, subscribed and paid up share capital in compliance with SEBI(ICDR) Regulations, 2009 in the year 2010-11.
- 2.6 2423573 2423573 Equity shares out of the issued, subscribed and paid up share capital held by subsidiary and associate companies having voting (799984) rights and eligible for dividend.
- 2.7 Details of shareholders holding more than 5% shares

Name of the shareholder	As at 31.03.2014		As at 31.03.2013	
	No. of shares	% of Holding	No. of shares	% of Holding
SSJ Finance & Securities Private Limited	-	-	2064704	5.43
Total	-	-	2064704	5.43

- 2.8 The reconciliation of the number of shares outstanding is set out below :

Name of the shareholder	As at 31.03.2014		As at 31.03.2013	
	No. of shares		No. of shares	
Equity Shares at the beginning of the year	38022198		38022198	
Add : Addition in shares	-		-	
Equity Shares at the end of the year	38022198		38022198	

3 RESERVE & SURPLUS

Particulars	As at 31.03.2014 Amount	As at 31.03.2013 Amount
<u>a. Capital Reserve</u>		
Opening Balance	50016751	25273364
Add : Current Year Transfer	-	-
(+) Addition during the year (Refer note 3.1)	11538900	25400800
Less : Written Back in Current Year (Refer note 3.2)	2607829	657413
Closing Balance (a)	58947822	50016751
<u>b. Securities Premium Reserve</u>		
Opening Balance	1100440584	1100440584
Add : Securities Premium credited during year	-	-
Closing Balance (b)	1100440584	1100440584
<u>c. General Reserve</u>		
Opening Balance	96369768	93869768
Add : Transfer in Current Year	2500000	2500000
Less : Written Back in Current Year	-	-
Closing Balance (c)	98869768	96369768
<u>d. Foreign Currency Fluctuation Reserve</u>		
Opening Balance	49746286	49746286
Add : Addition in Current Year	-	-
Closing Balance (d)	49746286	49746286
<u>e. Surplus in the Statement of Profit & Loss Account</u>		
Opening balance	677650616	543940303
Add :Net Profit/(Net Loss) for the Current Year	197259422	158305487
Add : Reversal of proposed Dividend & Dividend Tax (Refer note 3.3)	13257105	-
Less : Proposed Dividends and Dividend Tax	8920814	22095175
Less : Transfer to Reserve	2500000	2500000
Closing Balance (e)	876746329	677650616
TOTAL (a + b + c + d + e)	2184750789	1974224005

- 3.1 The Capital Subsidy of ₹ 115.38 Lacs is receivable under TUFF Scheme from Ministry of Textiles, Govt. of India on eligible assets. The company has accounted the same on accrual basis and proposed to amortise in future years as per AS-12 "Government Grants" and AS-10 "Fixed Assets".
- 3.2 As per AS-12 "Government Grants" and AS-10 "Fixed Assets", proportionate capital subsidy amounting to ₹ 2607829/-has been written back to Profit & Loss Accounts during the year under head "Other Income".
- 3.3 Board of the company had proposed dividend of 5% per equity share for the year 2012-13. But in the AGM of the Company same has been approved @ 2% per equity share. Consequently 3% has been written back in books of accounts during year.

4. LONG TERM BORROWINGS

Particulars	As at 31.03.2014 Amount	As at 31.03.2013 Amount
<u>a. Secured</u>		
<u>Term Loans from Bank (Rupee Term Loan)</u>		
1 State Bank Of India	177118705	242430961
2 State Bank Of Bikaner and Jaipur	42078456	56785974
3 State Bank Of Travancore	23474881	7849430
4 Punjab National Bank	332053602	210292832
5 IDBI Bank Limited	70430378	88030716
6 State Bank Of India (For Wind Mill)	36791994	46561947
7 Union Bank Of India	182696640	-
Sub Total	864644656	651951860
Less:- Installment of Term Loan payable in next one year	148334000	151646000
Total (a)	716310656	500305860
<u>b. Unsecured</u>		
<u>Term Loans (from Banks)**</u>		
1 (Hire Purchase against Hypothecations of Vehicles)	11402050	9609483
Less:- Instalment of Term Loan payable in next one year	4832794	5019681
Sub Total	6569256	4589802
2 From Corporate Bodies	-	88758959
Total (b)	6569256	93348761
Total	722879912	593654622

- 4.1 (a) Term Loans are secured by equitable mortgage on the entire immovable fixed assets of the company, hypothecation of entire movable plant and machinery and second paripasu charge on the entire current assets located at plot No.62-63-64 A, Sector 1 and Plot no. A 12-13, SEZ Phase II, Industrial Area, Pithampur. Term Loan is further secured by pledge of Equity Shares & Corporate Guarantee of Promoter / Associates/ Subsidiaries and others.
- (b) Term loan of ₹ 5.81 Crore is secured by Machine and Equipments of Wind Mills at Bavdikheada (Mahuriya), District Sajapur M.P. exclusively with State Bank of India and pledge of Equity Shares of Promoters & Others.
- (c) All the term loans are further secured by personal guarantee of the Chairman & Managing Director, Mr. Sunil K. Trivedi.
- ** (d) Vehicle loans are secured by hypothecation of respective vehicles of the Company

4.2 Maturity Profile Term Loans

S. No.	Particulars	Due within 12 Months	
		As at 31.03.2014 Amount	As at 31.03.2013 Amount
a	Secured Term Loans from Banks	148334000	151646000
b	Un-Secured Term Loans	4832794	5019681

5. DEFFERED TAX LIABILITY (NET)

Particulars	As at 31.03.2014 Amount	As at 31.03.2013 Amount
Opening Balance	92946266	82819870
Add : Addition during year		
- Related to Fixed Assets	4825067	11314379
- Related to Disallowance of Expenses in Income Tax Act	(71381)	-1187983
Closing Balance	97699952	92946266
TOTAL	97699952	92946266

6. LONG TERM PROVISION

Particulars	As at 31.03.2014 Amount	As at 31.03.2013 Amount
Provision for Employee Benefits		
Provision for Gratuity	5906123	5139107
Provision for Leave Encashment	3270433	2760538
TOTAL	9176556	7899645

7. SHORT TERM BORROWINGS

Particulars	As at 31.03.2014 Amount	As at 31.03.2013 Amount
Secured Loan		
i. Working Capital Loans from Banks *		
1 State Bank Of India	338600745	317748976
2 State Bank Of Bikaner and Jaipur	187092503	201104706
3 State Bank Of Travancore	84727222	61747075
4 Punjab National Bank	192532282	53934133
5 IDBI Bank Limited	89646786	81414524
6 Export Import Bank of India	115299222	105168425
Sub Total	1007898759	821117840
ii. Channel Finance Limit from SBI**	37965427	38533234
iii. Factoring Limit from SBI Global Factors***	110966661	110970862
Unsecured Loan		
i. From Directors	2947307	779941
ii. From Corporate Bodies	245048035	-
TOTAL	1404826190	971401878

- * 7.1 The Working capital Limit is secured by first charge on entire current assets viz Raw Material, Finished Goods, Packing Material, Stores & Spares, Work in Progress, Book Debts, Outstanding Moneys Receivables, Claims & Second Pari Passu charge on the entire Fixed Assets of the Company. The working capital is further secured by pledge of Equity Shares & Corporate Guarantee of Promoter / Associates/ Subsidiaries and others.
- ** 7.2 The channel finance limit from SBI is secured by hypothecation of receivables for which the invoices have been raised along with equitable mortgage on the property located at Plot no. 9, Devgudadia, Indore. It is also secured by way of personal guarantee of the Chairman & Managing Director, Mr. Sunil K. Trivedi.
- *** 7.3 The factoring limit from SBI Global Factors is secured by FDR worth ₹ 2.95 Crores and personal guarantee of Chairman & Managing Director, Mr. Sunil K. Trivedi and Director, Mr. Utkarsh S. Trivedi.
- 7.4 All the Working Capital Limit are further secured by personal guarantee of the Chairman & Managing Director, Mr. Sunil K. Trivedi.

8. TRADE PAYABLES

Particulars	As at 31.03.2014 Amount	As at 31.03.2013 Amount
<u>Trade Payables</u>		
(a) Micro, Small and Medium Enterprises #	-	-
(b) Others	974076538	748291718
Total	974076538	748291718

- # As per the information provided by the Management that none of the suppliers of the Company are registered under the Micro, Small & Medium Enterprises Development Act 2006. The Company has not received any claims in respect of interest from any such undertaking during the year.

9. OTHER CURRENT LIABILITIES

Particulars	As at 31.03.2014 Amount	As at 31.03.2013 Amount
(a) Current Maturities of long-term debt (Refer Note No. 4.2 (a))	148334000	151646000
(b) Current Maturities of un-secured term loans (Refer Note No. 4.2 (b))	4832794	5019681
(c) Unpaid Dividend	20952156	18769681
(d) Advance from Customer	11820106	7708751
(e) Other Payable #	266614695	207962887
TOTAL	452553751	391107000

- #9(e)(i) Other payables include creditors for Capital Expenditure of ₹ 56292614/- and amount payable to M/s Fukam International Limited (the shareholders of Euro Plast Limited (U. K.) ₹ 38891500/- towards takeover of the Company in previous years and also include amount payable of ₹ 57,180/- to Allshores Fiduciary Services Pte for acquiring 100 % shares of Company M/s Polybase (H.K.) Limited.
- * 9(e)(ii) As information and explanation given by the management, there is no amount due and outstanding to be credited to Investor Education & Protection Fund as on 31.03.2014.

10. SHORT TERM PROVISIONS

Particulars	As at 31.03.2014 Amount	As at 31.03.2013 Amount
(a) Proposed Dividend	7604440	19011099
(b) Tax on Dividend	1316734	3084076
(c) Income Tax and MAT Tax Payable	94131244	45393406
(d) Interest on Statutory Dues	8685764	9440398
TOTAL	111738182	76928978

NOTE - 11 (A) Fixed Assets

Fixed Assets	Gross Block				Accumulated Depreciation			Net Block		
	Balance as at 1st Apr.2013	Additions during the year	Disposals/ Deduction during the year	Transfer	Balance as at 31st Mar.2014	Balance as at 1st Apr.2013	Depreciation charge for the year	On disposals	Balance as at 31st Mar.2014	Balance as at 31st Mar. 2013
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
A Tangible Assets										
Land & Site Development	53265757	-	-	-	53265757	-	-	-	53265757	53265757
Plant & Machinery (WDV)	165396883	-	-	-	165396883	4678565	-	-	25430420	30108985
Plant & Machinery (SLM)	379623688	462686712	-	-	842310400	508102266	41476115	-	750024019	328813422
Plant & Machinery (WDV) (used for R & D)	821821	-	-	-	821821	617964	27656	-	176201	203857
Plant & Machinery (SLM) (used for R & D)	75321624	149900	-	-	75471524	8252583	3982923	-	63236018	67069041
Building	195660352	122719520	-	-	318379872	21298708	10532821	-	286548343	174361644
Electric Installation (Fac.)	20474437	18613424	-	-	39087861	4884618	2583225	-	31620018	15589819
Electric Installation (Off.)	15964	-	-	-	15964	15521	442	-	15963	443
Office Equipments	4051076	208464	-	-	4259540	743228	200235	-	943463	3307847.92
Vehicles	29566791	7336948	-	-	36903739	7819494	3205750	-	11025244	21747297
Fire Extinguisher	163845	-	-	-	163845	131723	7783	-	139506	32122
Furniture & Fixture	13037361	156590	-	-	13193951	2978981	831141	-	9383829.21	10058380
Weighting Scales	386216	92949	-	-	479165	149324	22625	-	307216	236892
Computer	15672625	1003742	-	-	16676367	12136203	2605996	-	1934168	3536422
Wind Mill	92047347	-	-	-	92047347	7284645	4860100	-	79902602	84762702
Total	1045505787	612968249	-	-	1658474036	252411156	75015377	-	1331047503	793094631
B Intangible Assets										
Software	9480130	650000	-	-	10130130	1027292	1639497	-	7463341	8452838
Total	9480130	650000	-	-	10130130	1027292	1639497	-	7463341	8452838
C Capital Work In Progress										
	541935231	349069283	612935049	-	278069465	-	-	-	278069465	541935231
Total	541935231	349069283	612935049	-	278069465	-	-	-	278069465	541935231
D Intangible assets under Development										
	650000	-	650000	-	-	-	-	-	-	650000
Total	1597571148	962687532	613585049	-	1946673632	253438448	76654874	-	330093322	1344132700

11(A)(1) Depreciation on fixed assets is provided on straight line method at the rates and in the manner prescribed in schedule XIV to the Companies Act, 1956 except depreciation on the plant & machinery on which depreciation provided as follows:

Period	Method
Acquired up to 30 th March 1995	Straight Line Method
31 st March 1995 to 31 st March 2008	Written Down Value Method
1 st April 2008 onward	Straight Line Method

NOTE - 11 (B) Fixed Assets

Fixed Assets	Gross Block			Accumulated Depreciation			Net Block		
	Balance as at 1st Apr.2013 ₹	Additions during the year ₹	Disposals/ Deduction during the year ₹	Transfer ₹	Balance as at 31st Mar.2014 ₹	Depreciation charge for the year ₹	On disposals ₹	Balance as at 31st Mar.2014 ₹	Balance as at 31st Mar. 2013 ₹
A Tangible Assets									
Land & Site Development	130931	-	-	-	130931	-	-	130931	130931
Plant & Machinery From 01.04.1986 to till date	23107512	-	-	-	23107512	-	-	22215665	891847
Plant & Machinery (SLM) up to 31.03.1985	8125634	-	-	-	8125634	-	-	7719352	406282
Building	4870366	-	-	-	4870366	162670	-	4151088	881948
Electric Installation (Fac.)	752521	-	-	-	752521	-	-	714895	37626
Electric Installation (Off)	42092	-	-	-	42092	-	-	40572	1520
Office Equipments	1255109	-	-	-	1255109	59618	-	1207335	107392
Vehicles	3275	-	-	-	3275	-	-	3275	-
Fire Extinguisher	19298	-	-	-	19298	335	-	19297	336
Furniture & Fixture	2258107	-	-	-	2258107	-	-	2245191	12916
Weighting Scales	73943	-	-	-	73943	3512	-	54559	22896
Computer	1513455	-	-	-	1513455	-	-	1437782	75673
Total	42152243	-	-	-	42152243	226135	-	39809011	2569367

11(B)(1) Depreciation on fixed assets is provided on straight line method at the rates and in the manner prescribed in schedule XIV to the Companies Act, 1956 except depreciation on the plant & machinery on which depreciation provided as follows:

Period	Method
Acquired up to 30 th March 1995	Straight Line Method
31 st March 1995 to 31 st March 2008	Written Down Value Method
1 st April 2008 onward	Straight Line Method

15. INVENTORIES

Particulars	As at 31.03.2014 Amount	As at 31.03.2013 Amount
(a) Raw Materials and Components	733971039	322648392
(b) Work-in-progress	685846468	317345855
(c) Finished Goods	877148323	635978208
(d) Stores and Spares	18100368	15969566
(e) Packing Material	5098963	5076711
TOTAL	2320165162	1297018732

The valuation of closing stock of finished goods include excise duty payable of ₹ 22720991/- as on 31.03.2014 (₹ 10448958/- as on 31.03.2013).

16. TRADE RECEIVABLES

Particulars	As at 31.03.2014 Amount	As at 31.03.2013 Amount
Trade Receivables (Unsecured and Considered Good)		
(a) More than six months	34695546	22593615
(b) Others	492427366	742048640
TOTAL	527122912	764642255

17. CASH AND BANK BALANCE

Particulars	As at 31.03.2014 Amount	As at 31.03.2013 Amount
(a) Balance with Scheduled Bank #	260699183	5017365
(b) Deposits with Bank*	-	85649339
(c) Security against Borrowings	147788019	29257073
(d) Cash in Hand	3583230	4036453
TOTAL	412070433	123960230

- a. # Balance with Scheduled Bank includes Unclaimed dividend of ₹ 14982197/- (₹ 3884634/-) as on 31.03.2014.
b. *Fixed deposit with Banks include deposits of ₹ 78116118/- (₹ 13303099/-) with maturity of more than 12 months.

18. SHORT TERM LOANS AND ADVANCES

Particulars	As at 31.03.2014 Amount	As at 31.03.2013 Amount
Loans and Advances		
Unsecured, considered good *	110171622	127355868
TOTAL	110171622	127355868

* The above amount include advance given to employees of the company amounting to ₹ 4618732/- (₹ 1957494/-)

19. OTHER CURRENT ASSETS

Particulars	As at 31.03.2014 Amount	As at 31.03.2013 Amount
(a) Sundry Receivables	311859765	341225527
(b) Insurance Claim Receivables #	48867574	48867574
TOTAL	360727339	390093101

There was a major fire accident in the factory premises of the unit named M/s. Techtexile (A 100% EOU Division of the Company) during the year 2009-10. The Company had accounted for losses net of claim received during the year 2012-13. The Company has gone in Arbitration for balance claim of ₹ 488.68 Lacs not considered by the Insurance Companies and shown as receivable and consider good being decision of Arbitration is awaited.

20. REVENUE FROM OPERATIONS

Particulars	For the year Ended 31.03.2014 Amount	For the year Ended 31.03.2013 Amount
Sale of Products		
Domestic Sales	4278294415	3110630659
Export Sales	1473762624	1031440685
Trading Sales	-	1392083
Sale of Services #	7862249	5937834
Export Incentive	166424885	103257925
	5926344173	4252659186
Less : Excise duty	3883229	10328646
TOTAL	5922460944	4242330540

The Company is having consignment stockist and Del Cedder Agency of Indian Oil Corporation Limited run in separate Poylmer Division.

21. OTHER INCOME

Particulars	For the year Ended 31.03.2014 Amount	For the year Ended 31.03.2013 Amount
Processing Charges	30531555	6604578
Interest Income	16932051	14816006
Miscellaneous Account Written Off	109233	5772628
Exchange Difference (Net)	12603593	17458152
Miscellaneous Income	24000	20896
Other non-operating Income (net of expenses) #	10853658	13438117
Proportionate Capital Reserve Written Back *	2607829	657413
Income from Rent	500000	-
TOTAL	74161919	58767790

The Company has a Wind Mill at Bavdikheada (Mahuriya), District Sajapur M.P. During the year it has earned an income of ₹ 10853658/- (₹ 13438117/-) by way of sale of power to MPPKVV.Co. Ltd.

* The Captial Subsidy received to Company against purchase of Fixed Assets in different years is adjusted as per AS-12 "Government Grants" and AS-10 "Fixed Assets" . During year company has written back proportionate subsidy amounting to ₹ 2607829/- (₹ 657413/-) has been written back to Profit & Loss Accounts.

22. COST OF MATERIAL CONSUMED

Particulars	For the year Ended 31.03.2014 Amount	For the year Ended 31.03.2013 Amount
Raw Material Consumed #	5287644270	3696230185
Stores & Spares Part Consumed	31340853	17965093
Packing Material Consumed	16778851	11657208
TOTAL	5335763975	3725852485

Raw Material consumed includes an amount of ₹ 191451/- (₹ 9269156/-) for consumption in R & D Center.

23. PURCHASE OF STOCK IN TRADE

Particulars	For the year Ended 31.03.2014 Amount	For the year Ended 31.03.2013 Amount
Purchase of Material	-	1347487
TOTAL	-	1347487

24. CHANGE IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

Particulars	For the year Ended 31.03.2014	For the year Ended 31.03.2013
Opening Stock		
- Finished Goods	635978208	387872955
- Work In Progress	317345855	174723174
Closing Stock		
- Finished Goods	877148323	635978208
- Work In Progress	685846468	317345855
Change in Excise duty on closing stock	12272033	5750380
TOTAL	(597398695)	-384977554

25. EMPLOYEE BENEFIT EXPENSES #

Particulars	For the year Ended 31.03.2014 Amount	For the year Ended 31.03.2013 Amount
(a) Salaries and Incentives	175023158	158961712
(b) Staff Welfare Expenses	1993742	288785
<u>(c) Contributions to -</u>		
(i) Provident Fund	2643319	2422831
(ii) ESIC	1298643	928897
(iii) Gratuity Fund	1063334	1822031
TOTAL	182022196	164424256

Includes an amount of ₹ 4430783/- (₹ 4852670/-) pertaining to the employee expenses incurred on its R&D Center.

The Company has adopted revised accounting standard – 15 “Employees Benefits” issued by the Institute of Chartered Accountants of India with effect from 1.4.2007 and consequently the transitional excess provisions of gratuity as per the actuary report has been taken in provision. As per accounting standard 15 "Employee benefits" the disclosures as defined in the Accounting Standard are given as under ;

(i) **Provident Fund : Defined Distribution Plan**

All Employees are entitled to Provident Fund Benefits. The amount debited to Profit and Loss Account is ₹ 2643319/- (₹ 2422831/-) during the year.

(ii) **Gratuity and Leave Encashment: Definite Benefit Plans**

Provisions made as per actuarial valuation.

(B) OTHER DISCLOSURES AS PER THE REVISED AS-15 ARE AS UNDER :

Particulars	Non funded		Non funded	
	Gratuity 31.03.14	Leave Encashment 31.03.14	Gratuity 31.03.13	Leave Encashment 31.03.13
<u>Expenses recognized in the statement of Profit and Loss account for the year ended on 31st March 2014</u>				
1. Current Services cost	1000818/-	770271/-	946821/-	825219/-
2. Interest Cost	438363/-	237739/-	286415/-	171325/-
3. Employee contribution	----	----	----	----
4. Actuarial (Gains)/Losses	(690263/-)	(534506/-)	568734/-	(90019/-)
5. Past Service Cost	----	----	----	----
6. Settlement Cost	----	----	----	----
7. Expenses recognized in the profit & loss account	748918/-	473504/-	1801970/-	906525/-
<u>Net Assets/(Liability) recognized in the Balance sheet as on 31st March 2014</u>				
1. Present value of Defined benefit Obligation	5906123/-	3270433/-	5147699/-	2777482/-
2. Fair Value of Plan assets	----	----	----	----
3. Funded status (Surplus/Deficit)	(5906123/-)	(3270433/-)	(5147699/-)	(2777482/-)
4. Net Asset/(Liability) as at 31st March 2014.	(5906123/-)	(3270433/-)	(5147699/-)	(2777482/-)
<u>Change in Obligation during the year ended on 31st March 2014</u>				
1. Present value of Defined benefit Obligation at the beginning of the year	5157205/-	2796929/-	3369598/-	2015582/-
2. Current services cost	1000818/-	770271/-	946821/-	825219/-
3. Interest Cost	438363/-	237739/-	286415/-	171325/-
4. Settlement Cost	----	----	----	----
5. Past service Cost	----	----	----	----
6. Employee contribution	----	----	----	----
7. Actuarial (Gains)/Losses	(690263/-)	(534506/-)	568734/-	(90019/-)
8. Benefit Payments	----	----	(23869/-)	(144625/-)
9. Present value of Defined benefit Obligation at the end of the year	5906123/-	3270433/-	5147699/-	2777482/-
<u>Change in assets during the year ended on 31st March 2014 (not separately invested)</u>				
1. Plan assets at the beginning of the year	----	----	----	----
2. Assets acquired on amalgamation in previous year	----	----	----	----
3. Settlement	----	----	----	----
4. Expected return on plan assets	----	----	----	----
5. Contribution by employer	----	----	----	----
6. Actual Benefit paid	----	----	----	----
7. Actuarial (Gains)/Losses	----	----	----	----
8. Plan assets at the end of the year	----	----	----	----
9. Actual Return on plan assets	----	----	----	----
<u>Actuarial assumptions:</u>				
(for year 2013 - 14)				
i. Discount rate	8.50%			
ii. Mortality	As per IALM(1994-96) duly modified			
iii. Turnover rate	Up to 30 Years - 3%			
	Up to 44 Years - 2%			
	Above 44 Years - 1%			

26. FINANCE COST

Particulars	For the year Ended 31.03.2014 Amount	For the year Ended 31.03.2013 Amount
Interest Expenses *	180739567	192766818
Other Borrowing Cost	102555327	29768024
TOTAL	283294893	222534842

* (Net of Tuff Subsidy Receivable)

27. OTHER EXPENSES #

Particulars	For the year Ended 31.03.2014 Amount	For the year Ended 31.03.2013 Amount
Power and Fuel Expenses	64373709	56994794
Rent	4706764	4272734
Repairs to Buildings	477751	601083
Repairs to Machinery	10232598	3940514
Insurance	4271610	5428585
Rates and Taxes, excluding, Taxes on Income	4627272	3080867
Auditors' Remunerations	900000	712500
Profit/Loss on Sale/Discard of Fixed Assets	-	23652
Directors Meeting Fees	38000	-
Managerial Remuneration	8925372	7351703
Selling Expenses	780187	4130524
Commission on Sale	-	52799
Prior Period Items	85318	153356
Freight and Handling	78196904	60685654
Processing and Job Work Charges	102419709	36532700
Donation Expenses	1717200	2013000
Misc. Expenses (Refer note 27.1)	89793984	37202382
TOTAL	371546378	223176848

Includes an amount of ₹128702/- (₹2030628/-) pertaining to the administrative expenses, ₹1232500/- (₹ 1076250/-) pertaining to consultancy charges incurred and ₹567071/- (₹202594/-) pertaining to other manufacturing expenses on its R&D Center.

27.1. Miscellaneous expenses includes balance amount of ₹31123301/- of Preliminary Expenses incurred during the year 2011-12 for increase in Authorised Share Capital has being written off as per provision of Revised Schedule - VI of the Companies Act, 1956

27.2 VALUE OF STORES , CHEMICALS AND PACKING MATERIAL CONSUMED

Particulars	For the year Ended 31.03.2014 Amount	For the year Ended 31.03.2013 Amount
<u>Raw material</u>		
Imported	322391955	111196400
Indigenous	4963061862	3585033785
<u>Stores and Spares</u>		
Imported	-	591760
Indigenous	31340853	17373333
<u>Packing Material</u>		
Imported	-	-
Indigenous	18963797	11657208

27.3 C.I.F VALUE OF IMPORTS DURING THE YEAR

Particulars	For the year Ended 31.03.2014 Amount	For the year Ended 31.03.2013 Amount
Raw Materials	322391955	107204223
Capital Goods	288459501	54364750
Stores	-	591760

27.4 EXPENDITURE AND EARNINGS IN FOREIGN EXCHANGE

Particulars	For the year Ended 31.03.2014 Amount	For the year Ended 31.03.2013 Amount
Expenditure in Foreign Currency	6872102	3072416
FOB Value of Exports	1425517616	1008475404

28. Exceptional and Extraordinary Items include extraordinary item for written off insurance claim receivable of ₹NIL (₹78237728/-) against stock and ₹NIL (₹ 40078047/-) against fixed assets) during the year.

29 EARNINGS PER SHARE (EPS)

Particulars	For the year Ended 31.03.2014 Amount	For the year Ended 31.03.2013 Amount
Net Profit after tax as per Statement Of Profit and Loss	197259422	158305487
Weighted average number of shares(Basic)	38022198	38022198
Weighted average number of shares(Diluted)	38022198	38022198
Nominal Value of Equity Share	10/-	10/-
Earning per share (Basic)	5.19	4.16
Earning per share (Diluted)	5.19	4.16

30 RELATED PARTY DISCLOSURE

The Management has identified the following Companies and Individuals as related parties of the Company for the year ended 31st March 2014 for the purposes of reporting as per AS-18 (Related Party Transaction).

I. Related Party Relationship

Subsidiary Companies	M/s Euro Plast Limited M/s Sacos Indigo Private Limited M/s Neoflex Infracon Limited M/s Polybase (H.K.) Limited M/s Poly Logic International Private Limited M/s Prism Flexible Solutions Private Limited
Associated Companies	M/s Panam Packers Private Limited M/s Synergy Education International Private Limited M/s Vishwkarma Creations Private Limited M/s Olympian Investors & Traders Private Limited
Key Management Personnel	Mr. Sunil K. Trivedi Mr. Utkarsh S. Trivedi Mr. Pradhuman Sharma Mr. Sharwan Kumar Patodi Mr. Ladharam Patel Mrs Shobha Dubey Mr. Rolland Coderre
Relatives of Key Management Personnel	Ms. Nandita S. Trivedi Mr. Utkarsh S. Trivedi Ms. Rupal S. Trivedi Mr. Aatman S. Trivedi Mr. Sanjay K. Trivedi Mrs Maitri U. Trivedi

II. Transactions with Related Parties

	Year Ended 31.03.2014 (Amount in ₹)	Year Ended 31.03.2013 (Amount in ₹)
<u>Key Management Personnel :</u>		
Remuneration	8202972	5474953
Interest on Unsecured Loan	206648	84543
Rent	396000	360000
<u>Relatives of Key Management Personnel</u>		
Remuneration	722400	404994
Rent	3087200	2352000
<u>Other Related Parties:</u>		
Purchase of Materials	969716	----
Sales of Goods	58840377	7893626
Other Services availed	48631560	----
Other Services rendered	30382293	1735484
<u>Amount due to Related Parties:</u>		
Include in Unsecured Loan	2947307	779941
Include in other Current Liabilities	1276536	1884720
Include in Trade Payable	----	----
Include in Short Term Loans and Advances	195000	2227343
Include in Trade Receivables	11113112	2121276

31 SEGMENT REPORTING

The group operating business is organised and managed separately according to the nature of the product and services provided, with each segment representing a strategic business unit that offers different products and serves different market. The analysis of geographical segment is based on the areas in which major operating division of the group operate.

- a. The Company is generally in the business of manufacture of technical textiles. The Company also has a division namely Polymer Division in which consignment stockist and Del Cedder agency of Indian Oil Corporation Ltd is operated. The company has also set-up Wind Mill at Bavdikheada (Mahuriya), District Sajapur M.P for power generation. There are no other business segment reportable other than this, as per Accounting Standard AS – 17. The details are as under:

In respect of Business Segments the details are as under ;

Particulars	For the year Ended 31.03.2014 Amount	For the year Ended 31.03.2013 Amount
Manufacturing and Trading Segment	5914598695	4236392706
Consignment Stockist and Del Cedder Agency Segment	7862249	5937834
Wind Power Generation Segment	10853658	13438117

- b. The Company has two reportable segment on basis of geographical segment, one is domestic sales and another is overseas sales. There is no other separate reportable geographical segment other than this, as per Accounting Standard AS – 17.

Particulars	For the year Ended 31.03.2014 Amount	For the year Ended 31.03.2013 Amount
Domestic Sales	4278294415	3110630659
Overseas Sales	1473762624	1031440685

32 CONTINGENT LIABILITY AND COMMITMENT

Particulars	For the year Ended 31.03.2014 Amount	For the year Ended 31.03.2013 Amount
Letters of Credit opened	-	-
Bank Guarantee issued by Banks	36633000	36893000
Corporate Guarantee (Issued for subsidiary M/s. Sacos Indigo Private Limited)	1407000000	1107400000
Income Tax demands to the extent disputed in appeals	2116000	2116000
Commercial Tax demands to the extent disputed in appeals	16922649	16922649
Excise & Customs due under various show cause notices issued by the authorities is disputed by the company. The company is hopeful of getting the matter settled in its favour.	7843000	11719000

33 FINANCIAL AND DERIVATIVE INSTRUMENTS

The company has entered into forward contracts to offset foreign currency risks arising from the amounts denominated in currencies other than Indian Rupees. The counter party to such forward contract is bank. Details of Forward Contracts outstanding at the year end:

CURRENCY	EXPOSURE TO BUY/SELL	As at the year end	
		₹ in Lacs	Foreign Currency
GBP	Sell	929.46	875000
US \$	Sell	440.01	675000
Euro	Sell	750.00	846000

Net exchange difference in respect of forward contract is recognized in the current year

Foreign Currency exposure at the year end not hedged by derivative instruments:

Particulars (Foreign Currency)	For the year Ended 31.03.2014	For the year Ended 31.03.2014	For the year Ended 31.03.2013	For the year Ended 31.03.2013
	Amount in foreign currency	Amount in INR in Lacs	Amount in foreign currency	Amount in INR in Lacs
GBP	--	--	--	--
EURO	--	--	--	--
US DOLLAR	--	--	--	--

34. The Company has a SEZ Division namely M/s. Geotech Worldwide in which Company has exemption of Income Tax however provision of MAT is applicable on this division. Other divisions i.e DTA Division, 100% EOU Division and Polymer Division are covered under normal provision of the I.T.Act. The higher of Normal Tax Liability and MAT Tax Liability is provided in the Books of Accounts.
35. In respect to the Accounting Standard AS-19 pertaining to "Lease", issued by the ICAI which is mandatory with effect from 1st Apr 2001 and as applicable to all the leased assets for which the lease commences on or after 1st Apr 2001, the company did not have any operating lease during the year 2013-14. However, yearly lease rentals are charged directly to the profit & loss account with reference to the term of lease.
36. Estimated amount of contracts remaining to be executed on capital account is ₹ 650000000/- (Pre. Year ₹ 550000000/-).
37. In the opinion of the management and to the best of their knowledge and belief the value of realization of current assets, Loans and advances in the ordinary course of business will not be less than the amount at which they are stated in the balance sheet.
38. Debit and Credit balances are subject to confirmation.
39. Figure has been rounded off to the nearest rupees.
40. Figures of the previous year have been re-grouped/re-arranged/re-classified wherever necessary to the facilitate comparison.

"AS PER OUR REPORT OF EVEN DATE ATTACHED"

For A.P. GARG & CO.
CHARTERED ACCOUNTANTS
F.R. No.002143C

(ABDHESH BANSAL)
PARTNER
M. No. 079758

"FOR AND ON BEHALF OF THE BOARD"

SUNIL K. TRIVEDI
(Chairman & Managing Director)

SHARWAN KUMAR PATODI
(Director)

PRADHUMAN SHARMA
(Director)

SWATI GANGRADE
(Company Secretary)

Place : Indore

Date : 30th May 2014

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

1.	Name of the Subsidiary Company	Europlast Limited	Sacos Indigo Private Limited	Poly Logic International Private Limited	Neoflex Infracon Limited	Polybase (H.K.) Limited	Prism Flexible Solutions Private Limited
2.	Financial year of the Company ended on	31.03.2014	31.03.2014	31.03.2014	31.03.2014	31.03.2014	31.03.2014
3.	Shares held in the Subsidiary Company on the above date:						
	i) Number of Shares	1,00,000 equity shares of 1 GBP each	2294282 equity shares of ₹ 100/- each	16334000 equity shares of ₹ 10/- each	874384 equity shares of ₹ 10/- each	10,000 equity shares of 1 HKD each	20000 equity shares of ₹ 10/- each
	ii) Percentage of holding	100%	100%	99.96%	99.98%	100%	40%
4.	The net aggregate amount of the Profits/(losses) of the Subsidiary Company as far as it concerns the members of the Holding Company:						
	i) <u>Not dealt with in the Holding</u>						
	a) For the Financial year of the subsidiary	₹18683448/-	₹69523188/-	₹17621015/-	₹(3011812)	Nil	Nil
	b) For the previous Financial years since it became the Holding Company's Subsidiary	₹9884256/-	₹43803266/-	Nil	₹(657827)	Nil	Nil
	ii) <u>Dealt with in the Holding Company's Accounts</u>						
	a) For the Financial year of the subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
	b) For the previous Financial years since it became the Holding Company's Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
	Additional Information u/s 212 (5)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

Place: Indore
Date: 30th May, 2014

ON BEHALF OF THE BOARD
SUNIL K. TRIVEDI - CHAIRMAN & MANAGING DIRECTOR
PRADHUMAN SHARMA – DIRECTOR
SHRAWAN KUMAR PATODI - DIRECTOR
SWATI GANGRADE - COMPANY SECRETARY

INDEPENDENT AUDITOR'S REPORT

To,
The Members,
M/s NEO CORP INTERNATIONAL LIMITED

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of M/s. NEO CORP INTERNATIONAL LIMITED ("the Company") and its subsidiaries (collectively referred to as "the Group"), which comprise the consolidated Balance-Sheet as at March 31st, 2014 and the consolidated Statement of Profit and Loss for the year ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

2. The Company's Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position and consolidated financial performance of the Group in accordance with the Accounting Standards notified under the Companies Act, 1956 of India ("the Act") read with the General Circular 15/2013 dated 13th September 2013 of the Minister of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by The Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence, about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the consolidated 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 the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the consolidated financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries referred to below in the other matter paragraph,

the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March 2014; and
- (b) In the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date;

Other Matter

7. In respect of the financial statements of subsidiary namely M/s. Sacos Indigo Private Limited, M/s. Poly Logic International Private Ltd., and M/s. Neoflex Infracon Limited, we did not carry out the audit. These financial statement have been audited / reviewed by other auditor whose report have been furnished to us, and in our opinion, in so far as it relates to the amounts included in respect of the subsidiaries is based solely on the reports of the other auditor. The details of the assets and revenue in respect of this subsidiary to the extent to which they are reflected in the consolidated financial statements for the year ended on that date are given below:

	Total Assets	Total Revenue
Indian Subsidiary		
M/s. Sacos Indigo Private Limited	₹ 1572860393/-	₹ 2340431901/-
M/s. Poly Logic International Private Limited	₹ 1442664286/-	₹ 558291964/-
M/s. Neoflex Infracon Limited	₹ 32153875/-	₹ 2242682/-

8. In respect of the financial statements of subsidiary namely M/s. Prism Flexible Solution Private Limited have been audited / reviewed by us. The details of the assets and revenue in respect of this subsidiary to the extent to which they are reflected in the consolidated financial statements for the year ended on that date are given below :

	Total Assets	Total Revenue
M/s. Prism Flexible Solution Private Limited	₹ 219434/-	--

9. In respect of financial statements of another subsidiaries namely M/s. Europlast Limited and M/s. Polybase (H.K) Limited, we did not carry out the audit. These financial statements have not been audited and only certified by the management and have been furnished to us and in our opinion, in so far as it relates to the amounts included in respect of the subsidiaries is based solely on these certified financial statement provided by management. Since these financial statements for the financial year ended 31st March 2014, which were compiled by management of these companies, were not audited, any adjustment to their balances could have consequential effects on the attached consolidated financial statements. The details of the assets and revenue in respect of these subsidiaries to the extent to which they are reflected in the consolidated financial statements for the year ended on that date are given below :

	Total Assets	Total Revenue
Foreign Subsidiary		
1. M/s. Europlast Limited (Subject to point no.3 of notes to the account)	₹ 314326629/-	₹ 1095906554/-
2. M/s Polybase (H.K.) Limited	₹ 519603/-	--

Our opinion is not qualified in respect of this matter.

Place: Indore
Date: 30th May, 2014

For: A. P. GARG & CO.
Chartered Accountants
(F.R. No. 002413C)

Abdresh Bansal
Partner
(Membership No. 079758)

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2014

(Amount in ₹)

Particulars	Note No.	As at 31.03.2014	As at 31.03.2013
<u>I. EQUITY AND LIABILITIES</u>			
1 SHARE HOLDERS'S FUND			
(a) Share Capital	7	378441640	378441640
(b) Reserve & Surplus	8	2452962597	2115963860
(c) Money Received against Share Warrants		-	-
2 SHARE APPLICATION MONEY PENDING FOR ALLOTMENT		394000	15458500
3 NON - CURRENT LIABILITIES			
(a) Long Term Borrowings	9	1622302733	1231875114
(b) Deferred Tax Liabilities (Net)	10	148693847	121558687
(c) Other Long Term Liabilities	11	21983369	465000
(d) Long Term Provisions	12	9176556	7899645
4 CURRENT LIABILITIES			
(a) Short Term Borrowing	13	2054358705	1238072903
(b) Trade Payables	14	1591948579	961998316
(c) Other Current Liabilities	15	654846577	559479962
(d) Short Term Provisions	16	176541518	105153929
TOTAL		9111650120	6736367556
<u>II. ASSETS</u>			
1 NON - CURRENT ASSETS			
(a) Fixed Assets	17		
(i) Tangible Assets		1872049457	1116433515
(ii) Intangible Assets		42932855	44779249
(iii) Capital Work in Progress		968943677	693222274
(iii) Intangible Assets under development		-	650000
(b) Non-current Investments	18	2000	2000
(c) Long Term Loans & Advances	19	408581460	1272306128
(d) Other Non-current Assets	20	39009071	69498231
2 CURRENT ASSETS			
(a) Current Investments		-	-
(b) Inventories	21	3301542268	1723972959
(c) Trade Receivables	22	1362697269	1043415355
(d) Cash & Bank Balances	23	482844958	182589115
(e) Short Term Loans & Advances	24	178842692	145333070
(f) Other Current Assets	25	454204411	444165661
TOTAL		9111650120	6736367556
SIGNIFICANT ACCOUNTING POLICIES	1		
NOTES TO THE ACCOUNTS	2 to 46		

"AS PER OUR REPORT OF EVEN DATE ATTACHED"

For A .P. GARG & CO.
CHARTERED ACCOUNTANTS
F.R. No.002143C

(ABDHESH BANSAL)
PARTNER
M. No. 079758

"FOR AND ON BEHALF OF THE BOARD"

SUNIL K. TRIVEDI
 (Chairman & Managing Director)

SHARWAN KUMAR PATODI
 (Director)

PRADHUMAN SHARMA
 (Director)

SWATI GANGRADE
 (Company Secretary)

Place : Indore
 Date : 30th May 2014

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

(Amount in ₹)

Particulars	Note No.	For The Year 31.03.2014	For The Year 31.03.2013
I. Revenue From Operations	26	9793365738	6260681057
II. Other Income	27	47897457	63692200
III. Total Revenue (I + II)		9841263195	6324373256
IV. Expenses:			
Cost of Material Consumed	28	8059705855	5642947024
Purchase of Stock in Trade	29	1123002553	48078537
Change in Inventories of Finished Goods, Work in Process and Stock in Trade	30	(1031935673)	(577692095)
Employee Benefits Expenses	31	241779304	205754686
Finance Costs	32	422794783	274345351
Depreciation & Amortization Expenses	17	96731416	62829559
Other Expenses	33	430731418	290408945
TOTAL		9342809656	5946672009
V. Profit before exceptional and extraordinary item and tax (III-IV)		498453539	377701248
VI. Exceptional and Extraordinary Items	34	(1144632)	78237728
VII. Profit before tax (V-VI)		499598171	299463519
VIII. Tax Expenses:			
(a) Current Tax		172394364	72292159
(b) Deferred Tax		27135287	15836307
IX. Profit (Loss) for the preiod (VII+VIII)		300068520	211335053
X. Earning per equity share:			
(a) Basic		7.93	5.58
(a) Diluted		7.93	5.58
SIGNIFICANT ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS		1 2 to 46	

"AS PER OUR REPORT OF EVEN DATE ATTACHED"

For A .P. GARG & CO.
CHARTERED ACCOUNTANTS
F.R. No.002143C

(ABDHESH BANSAL)
PARTNER
M. No. 079758

"FOR AND ON BEHALF OF THE BOARD"

SUNIL K. TRIVEDI
(Chairman & Managing Director)

SHARWAN KUMAR PATODI
(Director)

PRADHUMAN SHARMA
(Director)

SWATI GANGRADE
(Company Secretary)

Place : Indore

Date : 30th May 2014



SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS

A. Basis of Preparation

The consolidated financial statements of Neo Corp International Limited and its subsidiaries M/s. Euro Plast Limited, M/s. Sacos Indigo Private Limited, M/s Poly Logic International Private Limited, M/s Neoflex Infracon Limited, M/s Polybase (H.K.) Limited and M/s. Prism Flexible Solutions Private Limited are prepared under the historical cost convention and in accordance with the requirements of the Companies Act 1956.

The Consolidated financial statements (CFS) are prepared in accordance with accounting standard (AS) 21 "Consolidated Financial Statements" as specified in companies accounting standard rules 2006. The Consolidated financial statement comprises the financial statement of company and its subsidiaries as above.

B. Principles of consolidation

The consolidated financial statements relate to NEO CORP INTERNATIONAL LIMITED (the Company) and its subsidiary companies. The consolidated financial statements have been prepared on the following basis:-

- The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21- "Consolidated Financial Statements".
- In the case of foreign subsidiaries, being non-integral foreign operations, revenue items are consolidated at the average

rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognized in the Foreign Exchange Translation Reserve.

- The difference between the cost of investment in the subsidiaries, and the Company's share of net assets at the time of acquisition of share in the subsidiaries is recognised in the financial statement as Goodwill or Capital Reserve as the case may be.
- Minority interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
- Minority interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separately under head other current liabilities.
- As far as possible, the consolidated financial statement are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statement.

C. Investment other than in Subsidiary

Investments other than in subsidiaries and associates have been accounted as per Accounting Standard (AS) 13 on "Accounting for Investment".

D. Other Significant Accounting Policies

These are set out under "Significant Accounting Policies" as given in the Company's separate financial statement.

NOTES ON CONSOLIDATED FINANCIAL STATEMENT

- The notes and significant policies of the CFS are intended to serve as guide for better understanding of the group's position. In this respect, the company has disclosed such notes and policies which represent the required disclosure.
- The List of subsidiaries included in the consolidated financial statement are as under :-

S. No.	Name of Subsidiary Company	Country of Incorporation	As at 31.03.2014		As at 31.03.2013	
			Proportion Of Ownership (%)	Proportion of Voting Power (%)	Proportion of Ownership (%)	Proportion of Voting Power (%)
1	M/s. Euro Plast Limited* (See Note No. 3)	*England	100.00	100.00	100.00	100.00
2	M/s. Sacos Indigo Private Limited	India	100.00	100.00	100.00	100.00
3	M/s Poly Logic International Private Limited	India	99.96	99.96	99.96	99.96
4	M/s Neoflex Infracon Limited	India	100.00	100.00	100.00	100.00
5	M/s Polybase (H.K.) Limited	Hong Kong	100.00	100.00	100.00	100.00
6	M/s. Prism Flexible Solution Private Limited*	India	40.00	40.00	40.00	40.00

- * That the aforesaid company became the subsidiary due to control on the composition of board of director of company as specified in the section of the Companies Act, 1956.
- Neo Corp International Limited (the holding company) has entered into takeover agreement on 29.03.2008 with M/s Europlast Limited, a U.K. based company for purchase of their entire shareholding on deferred payment basis for a consideration of ₹ 5,80,48,000/- (800,000 GBP) and paid ₹1,46,90,500/- (1,90,663 GBP) during the year 2009-10 after receiving permission from Reserve Bank of India. During year 2010-11 company has paid ₹ 44,66,000/- (65,686 GBP) to M/s. Fukam International Ltd., Hong Kong. and now the balance amount of ₹ 3,88,91,500/- (5,43,651 GBP) payable is reflected in other liability. However M/s. Fukam International Ltd., Hong Kong has transferred its completely shareholding consisting 99.99 % in favour of Neo Corp International Limited in accordance with the agreement signed between M/s. Fukam International Ltd. and the company.
- Minority Interest has been shown under head other current liabilities.
- Figure of the previous year have been re-grouped/re-arranged/re-classified wherever necessary to the facilitate comparison.

NEO CORP INTERNATIONAL LIMITED

220, Mahavir Industrial Estate, Off Mahakali Caves Road Andheri (E), Mumbai-400 093 Maharashtra, INDIA

Dear Shareholder,

The Ministry of Corporate Affairs ("MCA"), has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by companies vide circular dated April 21, 2011 bearing circular no.17/2011 and circular dated April 29, 2011 bearing circular no.18/2011 issued by the MCA. In such a case, the company has to obtain email addresses of its members for sending e-notices / documents electronically by giving an advance opportunity to the members to register their email addresses and changes therein, if any, from time to time with the company.

Shareholders holding share in the physical form and wishing to receive the annual report and other documents in the electronic mode, are requested to fill the form below and send the same to our Corporate & Works Office i.e. Industrial Area, Plot No. 62-63-64A, Sector 1, Pithampur, Dist Dhar- 454 775 Madhya Pradesh, INDIA or send their consent via e-mail at investor_relations@neocorp.co.in.

We are sure that you would welcome the "Green Initiative" taken by the MCA and your company's desire to participate in the same.

Thanking you,
Yours faithfully,

For Neo Corp International Limited

Company Secretary

NEO CORP INTERNATIONAL LIMITED

220, Mahavir Industrial Estate, Off Mahakali Caves Road Andheri (E), Mumbai-400 093 Maharashtra INDIA

CONSENT FOR RECEIVING DOCUMENTS IN ELECTRONIC MODE

To,
Neo Corp International Limited
Industrial Area, Plot No. 62-63-64A,
Sector 1, Pithampur, Dist Dhar- 454 775
Madhya Pradesh, INDIA

Dear Sir,

With Reference to your circular dated _____.I/We shareholder(s) of Neo Corp International Limited, agree to receive all notices and documents including the annual report, notice for general meetings and other shareholder communication in electronic mode.

I/We request you to kindly register my/our e-mail ID in the company's records for sending such communication through e-mail.

Folio No./Client ID No. : _____
Name of the Sole/First Shareholder : _____
Name of the Joint Shareholders : _____
No. of Shares : _____
E-mail ID for receipt of document in electronic mode : _____

Date:
Place:

Signature: _____
(Sole/First Shareholder)

NEO CORP INTERNATIONAL LIMITED

CIN: L24132MH1985PLC223220

220, Mahavir Industrial Estate, Off Mahakali Caves Road Andheri (E), Mumbai-400 093, Maharashtra INDIA

ATTENDANCE SLIP
PLEASE COMPLETE THE ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Client ID		Folio No.	
DP ID:		No. of Shares	
Name of Shareholder		Address	

 I hereby record my presence at the 29th Annual General Meeting of the Company held on Tuesday, **30th September 2014 at 4.00 pm** at 220, Mahavir Industrial Estate, Off. Mahakali Caves Road Andheri(E), Mumbai-400093.

Signature of Shareholder/Proxy _____

----- TEAR OFF -----

NEO CORP INTERNATIONAL LIMITED

CIN: L24132MH1985PLC223220

220, Mahavir Industrial Estate, Off Mahakali Caves Road Andheri (E), Mumbai-400 093, Maharashtra INDIA

PROXY FORM
29th ANNUAL GENERAL MEETING
[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s)		E - mail ID	
Registered Address		Folio No./Client ID: DP ID:	

I/We, being the member (s) of shares of the above named company, hereby appoint

- Name: Address:
E-mail Id: Signature:, or failing him
- Name: Address:
E-mail Id: Signature:, or failing him
- Name: Address:
E-mail Id: Signature:

 as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 29th Annual general meeting of the company, to be held on the **30th day of September 2014 at 4.00 p.m.** at 220, Mahavir Industrial Estate, Off. Mahakali Caves Road Andheri (E), Mumbai and at any adjournment thereof in respect of such resolutions as are indicated below:

- To receive, consider and adopt standalone and consolidated financial statements for the year ended 31st March, 2014.
- To declare Dividend for the financial year 2013-14.
- To appoint a Director in place of Mr. Utkarsh S. Trivedi, who retires by rotation and being eligible offers himself for re-appointment.
- To appoint Statutory Auditors and fix their remuneration.
- To appoint Mr. Shrawan Patodi as an Independent Director.
- To appoint Mr. Ladharam Patel as an Independent Director.
- To appoint Mrs. Shobha Dube as an Independent Director.
- To appoint Mr. Rolland Coderre as an Independent Director.
- Power To Sell, Lease or Dispose- off Undertaking of The Company u/s 180 (1)(a) of The Companies Act, 2013.
- Borrowing Power of The Company u/s 180 (1)(c) of The Companies Act, 2013

Signed this..... day of..... 20...

Signature of shareholder _____

Signature of Proxy holder(s) _____

Affix ₹1/- Revenue Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

NEO Corp Worldwide

- * Argentina
- * Austria
- * Bangladesh
- * Belgium
- * Brazil
- * Canada
- * Chile
- * Denmark
- * Djibouti
- * France
- * Germany
- * Greece
- * Italy
- * Muscat
- * Netherlands
- * New Zealand
- * Pakistan
- * Paraguay
- * Russia
- * Spain
- * Sri Lanka
- * Sweden
- * Uruguay
- * Syria
- * Iraq
- * United Arab Emirates
- * United Kingdom
- * United States of America



If undelivered please return to:

Neo Corp International Limited
Trivedi Chambers'
2 Maharani Road
Indore - 452 007
Madhya Pradesh INDIA

neocorp.co.in





- Government Recognised Export House
- ISO 9001:2008 & ISO 22000:2005 Certified
- BRC/IOP Certified


FORM A
(Covering letter of the annual audit report to be filed with the Stock Exchanges)

1	Name of the Company:	Neo Corp International Ltd
2	Annual financial statements for the year ended	31st March,2014
3	Type of Audit observation	Matter of Emphasis as mentioned in point No. 8(b) of the Auditors Report
4	Frequency of observation	Repetitive Since FY 2012-13

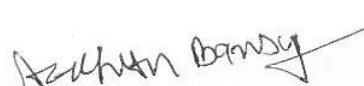
For Neo Corp International Ltd. For Neo Corp International Ltd. For Neo Corp International Ltd.


Sunil Kumar Trivedi
(Chairman & Managing Director)


Jyoti Dubey
(Chief Financial Officer)


Shrawan Kumar Patodi
(Audit Committee Chairman)

For A.P.Garg & Co.
Chartered Accountants
(Registration No.002413C)


(Abdhesh Bansal)
Partner
M.No. 079758



Registered Office: 220 Mahavir Industrial Estate, Off Mahakali Caves Road, Andheri (E), Mumbai - 400 093, Maharashtra INDIA
P: +91 22 2687 9510 | F: +91 22 2687 9510 | E: bom@neocorp.co.in

Corporate Office & Works: Plot No. 62-63 Industrial Area Sector 1, Pithampur, Dist. Dhar - 454 775, Madhya Pradesh INDIA
P: +91 7292 410 400 (2 lines) | F: +91 7292 420 499 | E: contact@neocorp.co.in

www.neocorp.co.in