

# ANNUAL REPORT

## 2012-13



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### **NORTH EASTERN CARRYING CORPORATION LIMITED**

REG./CORP. OFFICE: 9062/47 RAM BAGH ROAD, AZAD MARKET, DELHI- 110006

PHONE: 011-23517516-19      FAX: 011-23527700, 23516102

EMAIL: [CO@NECCGROUP.COM](mailto:CO@NECCGROUP.COM)      WEBSITE: [WWW.NECCGROUP.COM](http://WWW.NECCGROUP.COM)

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*M O V I N G      Y O U      A H E A D*

# NORTH EASTERN CARRYING CORPORATION LIMITED

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# NORTH EASTERN CARRYING CORPORATION LIMITED

## Corporate Information

### Board

Mr. Sunil Kumar Jain  
Mr. Manoj Kumar Jain  
Mr. Mohak Jain  
Mr. Utsav Jain

Chairman & Managing Director  
Non executive & Independent Director  
Non executive & Independent Director  
Non executive & Independent Director

### Registered Office

9062/47, Ram Bagh Road,  
Azad Market, Delhi-1100 06

### Corporate Office

#### **"NECC HOUSE"**

9062/47, Ram Bagh Road,  
Azad Market, Delhi-1100 06  
Ph: +91-23517516-19  
Fax: +91-23527700, 23516102  
Email: [co@neccgroup.com](mailto:co@neccgroup.com)  
Web: [www.neccgroup.com](http://www.neccgroup.com)

### Bankers

Oriental Bank of Commerce  
Kotak Mahindra Bank Limited

### Depositories

NSDL  
CDSL

### Registrar & Share Transfer Agent

MAS Services Limited  
T-34, 2nd Floor,  
Okhla Industrial Area, Phase - II,  
New Delhi - 110 020  
Ph:- 26387281/82/83  
Fax:- 26387384  
Email:- [info@masserv.com](mailto:info@masserv.com)  
Website: [www.masserv.com](http://www.masserv.com)

### Credit Rating Agency

CRISIL LIMITED  
CRISIL House - 4th Floor,  
Central Avenue Road,  
Hiranandani Business Park  
Powai, Mumbai - 400076  
Phone number - 022-40405899  
Fax : (+91) 22- 40405800



# NORTH EASTERN CARRYING CORPORATION LIMITED

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## Management

### Top Management

Mr. S.L. Yadav  
Mr. R. Balachandran  
Mr. Vinod R. Nair  
Mr. John Vaz

C.F.O. & Vice President  
Dty. General Manager  
Asth. General Manager  
Asth. General Manager

### Functional Head

Mr. S.N. Singh  
Mr. R.N. Prasad  
Mr. P.J. Singh

Manager Accounts  
Manager IT  
Manager Administration



# NORTH EASTERN CARRYING CORPORATION LIMITED

## DIRECTORS REPORT

### TO THE SHAREHOLDERS

The Directors take pleasure in presenting the Twenty-Eighth Annual Report on the business and operation of the Company and the Audited Statement of Accounts for the year ended March 31st, 2013.

#### 1. FINANCIAL PERFORMANCE

The Financial Result of the Company for the year under report is as under:

(Rs. Rupees)

Particulars	For the year ended	
	31.03.2013	31.03.2012
Profit before Depreciation & Income Tax	116253289	113817264
Less: Depreciation	34911135	33511274
Profit after depreciation	81342154	80305990
Less: Provision for:		
Income Tax	29327214	29252040
Wealth Tax	0	25000
Less/ Add: Deferred tax Saving/Liability	0	2255479
Add/Less : Previous year adjustment	0	(540369)
Profit After Taxation	52014940	52744060
Add: Profit brought Forward	224850368	172106308
Less : Profits used for distributing Bonus Shares	224531149	0
Balance Carried over to Balance Sheet	52334159	224850368

#### 2. DIVIDEND

Your Company needs capital for its expansion plans, therefore the board has decided to invest the profit into the operation of the Company. Hence, no dividend is recommended for the year ended 31st March, 2013.

#### 3. SUBSIDIARY COMPANY

During the period under review, your Company has incorporated a wholly owned Subsidiary Company in the name and style of 'N.E.C.C. Retail Solutions Private Limited' incorporated on 14<sup>th</sup> February, 2013. However as on 31-03-2013 the Company has no Investments and the subsidiary has not commenced any operations till 31.03.2013.

#### 4. SHARE CAPITAL & LISTING OF SHARES

During the period under review, your Company had issued and allotted 3,76,48,002 bonus equity shares of Rs. 10/- each to its share holders in the ratio of 3:1. Consequently, the total Paid-up Capital of the Company has increased from Rs. 12,54,93,340/- comprising of 1,25,49,334 equity shares of Rs. 10/- each to Rs. 50,19,73,360/- comprising of 5,01,97,336 equity shares of Rs. 10/- each.

The Equity Shares of the Company are listed on BSE LIMITED dated AUGUST 10, 2012 & Delhi Stock Exchange Limited. Your Company has paid the Annual Listing fee and Annual Custody fees to the Stock Exchanges and Depositories up-to-date.



# NORTH EASTERN CARRYING CORPORATION LIMITED

## 5. DIRECTORS

Mr. Manoj Kumar Jain, Non- Executive and Independent Director of the Company retire by rotation and being eligible, offer himself for re-appointment. Their re-appointment is subject to the approval of members at the ensuing Annual General Meeting.

## 6. SUDDEN DEMISE OF SH. JASWANT RAI JAIN, THE FOUNDER OF YOUR COMPANY

Sh. Jaswant Rai Jain, the director of the Company has expired on 17<sup>th</sup> January, 2013.

## 7. RESIGNATION OF MR. SANJEEV JAIN & MR. ROSHAN DABRIWAL FROM THE DIRECTORSHIP OF THE COMPANY

Mr. Sanjeev Jain & Mr. Roshan Dabriwal, the directors of the Company have resigned from the office during the Financial Year 2012-2013.

## 8. AUDITORS REPORT

Auditors Report on the final accounts of the Company is attached herewith. The Auditor's Report does not contain any adverse remark.

## 9. AUDITORS

M/s Sanghi & Company, Chartered Accountants, retire at the conclusion of this Annual General Meeting and being eligible offer themselves for reappointment to hold from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting.

## 10. PUBLIC DEPOSITS

The Company has not accepted any deposits within the meaning of section 58A of the Companies Act, 1956 and the rules framed there under.

## 11. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO:

There is nothing to be disclosed in respect of Conservation of Energy, From A of Companies (Disclosure of particulars in the Report of Board of Director) Rules, 1988 does not apply to your Company since the Company is not engaged in any manufacturing activity. No agreement has been entered into for Technology absorption. The foreign exchange outgo is Nil/-.

## 12. INFORMATION PURSUANT TO LISTING AGREEMENT WITH BSE LIMITED & DELHI STOCK EXCHANGE LIMITED:

The name and address of the Stock Exchange where the Company's shares are listed:-

The BSE Limited  
Phiroze Jeejeebhoy Towers, Dalal Street,  
Mumbai-4000 01

The Delhi Stock Exchange Limited  
3 & 4/4 B, Asaf Ali Road,  
New Delhi - 110002

The listing fee for 2013-14 has been paid and there being neither de-listing nor suspension of shares from Trading during the year under review.



# NORTH EASTERN CARRYING CORPORATION LIMITED

## 13. PARTICULARS OF EMPLOYEES:

Particulars as required under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 are NIL since none of the employees during the year has earned a monthly remuneration of Rs, 5,00,000/- or more.

## 14. DIRECTORS QUALIFICATION U/s. 274(1)(g):

The Board of Directors hereby confirm and represent that none of the directors of the Company is disqualified from being appointed as director U/s. 274 (1) (g) of the Companies Act, 1956.

## 15. DIRECTORS RESPONSIBILITY STATEMENT U/s. 217 (2AA):

- (a) The applicable accounting standards along with proper explanations relating to material departures have been followed in the preparation of the annual accounts.
- (b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31st, 2013 and of the Profit/Loss of the Company for the year ended March 31st, 2013.
- (c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (d) The directors have prepared the annual accounts on a going concern basis.

## 16. CORPORATE GOVERNANCE:

Your Company believes in achieving highest standard of Corporate Governance. A Separate report on the Corporate Governance and Management Discussion and Analysis is enclosed as part of this Director Report.

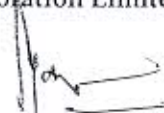
## 17. ACCOUNTING STANDARDS:

The Institute of Chartered Accountants of India has introduced various Accounting Standards to make the financial statements and disclosures in line with the international accounting practices and disclosures. The main accounting standards implemented by your Company are AS 18 - Related Party Disclosure, AS 20 - Earning per Shares and AS 22 - Accounting for Taxes on Income. There is nothing to be disclosed under AS 17, Segment Reporting since there is no business segment of geographical segments which a reportable segment is based on the definitions, contained in the accounting standard.

## 18. ACKNOWLEDGEMENT

The directors acknowledge the dedicated services of the employees of the Company during the year under review:

On behalf of the Board of Directors of  
North Eastern Carrying Corporation Limited

  
Sunil Kumar Jain  
(Chairman)

Place: Delhi  
Date: 30<sup>th</sup> May, 2013

# NORTH EASTERN CARRYING CORPORATION LIMITED

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956, RELATING TO COMPANY'S INTEREST IN SUBSIDIARY COMPANIES AS ON AND FOR THE PERIOD ENDED MARCH 31, 2013

S. No.	Name of the Subsidiary Co.	F.Y. of the Subs. Co.	Holding Co.	Extent of Holding (%)	Face Value of Share	No. of Shares held by the Holding Co.	Net Aggregate amount of profit/(loss) of the subsidiary so far as it concerns the members of the Holding Co. and is not dealt with in account of Holding Co.
1.	N.E.C.C. Retail Solutions Private Limited	March 31, 2013	North Eastern Carrying Corporation Limited	100	10/-	10000 (As per Subscription Clause of Memorandum of Association. However the amount is yet to be invested/Subscribed by the company as at March 31, 2013)	Nil





# NORTH EASTERN CARRYING CORPORATION LIMITED

## "ANNEXURE A" TO THE DIRECTORS REPORT REPORT ON CORPORATE GOVERNANCE

### PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The key to good Corporate Governance is a well functioning Board of Directors. The Board should have a core group of excellent Directors who understand their role and honestly discharge their fiduciary responsibilities towards the Company's stakeholders. The implementation of the recommendations in totality is a critical success factor for survival, and an aid to brand building. Therefore, ultimate responsibility for putting into the practice lies directly with the Board of Directors and the Management of the Company. The deriving forces of Corporate Governance at North Eastern Carrying Corporation are its core values-belief in people, entrepreneurship, customer orientation and the pursuit of excellence.

The Company's goal is to find creative and productive ways of informing its stakeholders, that is, Investors, Customers and Associates, while fulfilling the role of a responsible Corporate committed to best practice. A report on the implementation of the code of Corporate Governance introduced by SEBI and incorporated in the Listing Agreement is given below.

### BOARD OF DIRECTORS

#### Composition & Category as on March 31<sup>st</sup>, 2013

The Board of Directors comprises of Four members, One Director is executive and the other three are non-executive. The non- executive Directors are independent i.e. independent of management responsibilities, free from business or any other relationship, which could materially interfere with the exercise of their independent judgment. The Directors bring to the Board a wide range of experience and skills. The Board consists of the following directors:

Composition, Category and attendance of each director as on March 31<sup>st</sup>, 2013 including retired/resigned, at the Board Meetings and the last Annual General Meeting.

Name	Position	Category	Particulars of Change		Attendance		No. of Directorship in other public company	No. of Committee position held in other public company	
			Appt.	Resig.	BM	Last AGM		Chairman	Member
Sh. Sunil Kumar Jain	Chairman & Managing Director	Executive	10.10.94	-	27	Yes	1	-	2
Sh. Jaswant Rai Jain	Director	Executive	30.09.95	25.01.2013	-	-	-	-	-
Sh. Sanjeev Jain	Director	Executive	10.10.94	31.01.2013	-	Yes	1	-	-
Sh. Roshan Dabrial	Director	Non-Ex & I	18.09.04	22.03.2013	26	Yes	3	-	-
Sh. Manoj Kumar Jain	Director	Non-Ex & I	24.03.09	-	27	Yes	2	-	-
Sh. Mohak Jain	Director	Non-Ex & I	15.10.09	-	1	-	1	-	-
Sh. Utsav Jain	Director	Non-Ex & I	04.01.11	-	1	-	1	-	-

\*Non-Ex & I - Non-Ex & Independent director

#### NOTE:

- Private Limited Companies, Foreign Companies and Companies constituted under section 25 of the Companies Act, 1956 are excluded for the above purpose.
- Only Audit Committee and Share Transfer/Investors Grievance Committee are considered for the purpose of Committee positions as per Listing Agreement.
- None of the Director is a member of more than ten Board level committees or a chairman of five such committees as required under clause 49 of the listing agreement.



# NORTH EASTERN CARRYING CORPORATION LIMITED

- d) None of the independent directors is related to any other directors. None of the independent directors has any business relationship with the Company.

## Board Meeting Held

During the year the Board of Directors of North Eastern Carrying Corporation Limited met 27 times i.e. 09/04/2012, 11/04/2012, 20/04/2012, 01/05/2012, 10/05/2012, 30/05/2012, 09/06/2012, 25/06/2012, 02/07/2012, 30/07/2012, 14/08/2012, 16/08/2012, 24/09/2012, 03/10/2012, 06/10/2012, 08/10/2012, 12/11/2012, 15/11/2012, 19/11/2012, 30/11/2012, 17/12/2012, 08/01/2013, 25/01/2013, 31/01/2013, 09/02/2013, 09/03/2013 & 25/03/2013 on the maximum gap between any two meetings was not more than four months.

## BOARD COMMITTEE

### AUDIT COMMITTEE

The terms of reference of the Audit Committee covers the areas mentioned under clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956. The composition of the committee as on 31<sup>st</sup> March 2013 is as under:

Members	Designation	Category (as Director)	Particulars of Change		No. of meeting attended
			Appointment	Resignation	
Sh. Roshan Dabriwal	Chairman	Non-Ex & I	18.09.2004	22.03.2013	6
Sh. Manoj Kumar Jain	Chairman	Non-Ex & I	24.03.2009	-	6
Sh. Mohak Jain	Member	Non-Ex & I	31.08.2010	-	6
Sh Utsav Jain	Member	Non-Ex & I	22.03.2013	-	1

\*Non-Ex & I - Non-Ex & Independent director

During the year the committee has met 6 times on 03.04.2012, 26.05.2012, 08.08.2012, 09.11.2012, 09.02.2013 & 22.03.2013. The minutes of the Audit Committee were placed before the Board.

### REMUNERATION COMMITTEE

In compliance with Schedule XIII of the Companies Act, 1956, relating to appointment of Director, Remuneration Committee was constituted on September 18<sup>th</sup> 2004 by Board of Directors. The composition of the committee as on 31<sup>st</sup> March 2013 is as under:

Members	Designation	Category (as Director)	Particulars of Change		No. of meeting attended
			Appointment	Resignation	
Sh. Roshan Dabriwal	Chairman	Non-Ex & I	18.09.2004	22.03.2013	4
Sh. Manoj Kumar Jain	Chairman	Non-Ex & I	24.03.2009	-	4
Sh Mohak Jain	Member	Non-Ex & I	31.08.2010	-	4
Sh Utsav Jain	Member	Non-Ex & I	22.03.2013	-	1

\*Non-Ex & I - Non-Ex & Independent director

Remuneration Committee meeting was held on 01.04.2012, 27.07.2012, 26.10.2012 and 22.03.2013. The committee has review the remuneration paid to the director of the Company and not recommended any change.

### Remuneration of Directors

Details of remuneration paid to directors during 1<sup>st</sup> April 2012 to 31<sup>st</sup> March 2013 & part thereof:

Name	Designation	Salary	Commission	Sitting Fees
Sh. Sunil Kumar Jain	Managing Director	36,00,000/-	Nil	Nil
Sh. Manoj Kumar Jain	Director	Nil	Nil	Nil
Sh. Mohak Jain	Director	Nil	Nil	Nil
Sh. Utsav Jain	Director	Nil	Nil	Nil

No sitting fees have been paid to Non-Executive Independent Directors for attending the Board/Committee meetings.



# NORTH EASTERN CARRYING CORPORATION LIMITED

## SHAREHOLDERS/INVESTORS GRIEVANCES & SHARE TRANSFER COMMITTEE

The Board of Directors of the Company has constituted Shareholders/Investors Grievances committee. The composition of the committee as on 31<sup>st</sup> March 2013 is as under:

Members	Designation	Category (as Director)	Particulars of Change		No. of meeting attended
			Appointment	Resignation	
Sh. Roshan Dabrial	Chairman	Non-Ex & I	18.09.2004	22.03.2013	5
Sh. Manoj Kumar Jain	Chairman	Non-Ex & I	24.03.2009	-	1
Sh. Mohak Jain	Member	Non-Ex & I	31.08.2010	-	5
Sh. Utsav Jain	Member	Non-Ex & I	22.03.2013	-	1

\*Non-Ex & I - Non-Ex & Independent director

During the year the committee has met 5 times on 05.10.2012, 11.02.2013, 25.02.2013, 08.03.2013 and 22.03.2013. The minutes of the Committee were placed before the Board.

Committee looks into shareholders complaints like transfer, transmission of shares, etc. The Committee also looks after the performance of the Registrar and Transfer Agents, and recommends measures for overall improvement in the quality of investor services.

### Procedures at Committee Meetings

Company's guidelines relating to Board Meetings are applicable to Committee Meetings as far as may be practicable. Minutes of the proceedings of each of the Committee meeting shall be placed before the Board for its perusal and noting.

## GENERAL BODY MEETING

### Annual General Meetings:

Year	Location	Date	Time	Details of Special Resolution (s)
2011-12	9062/47, Ram Bagh Road, Azad Market, Delhi-06	30.08.12	11:00 AM	Increase in Remuneration of Managing Director
2010-11	9062/47, Ram Bagh Road, Azad Market, Delhi-06	02.09.11	10:30 AM	No Special Resolution
2009-10	9062/47, Ram Bagh Road, Azad Market, Delhi-06	31.08.10	10:30 AM	No Special Resolution

### Extraordinary General Meeting:

There was one Extraordinary General Meeting held during the year from 1<sup>st</sup> April, 2012 to 31<sup>st</sup> March, 2013 dated October 31<sup>st</sup>, 2012 for the purpose of Issuing Bonus Shares.

## DISCLOSURES

- None of the transactions of material nature with any of the related parties was in conflict with the interest of the Company at large.
- The Company has no litigation with SEBI, BSE & DSE for non-compliance of any of regulations wide SEBI (SAST) Regulation 1997, SEBI (Prohibition of insider Trading) Regulation 2002 and Clause 40A of Listing agreement. The Company is, however, complying the provision of Clause 40A of Listing Agreement. No penalties were imposed or strictures passed on the Company by Stock Exchanges, SEBI or by any Statutory Authority related to Capital Market.
- The Company is duly incorporated the changes made Listing Agreement and same has been reflecting in the disclosures made at the end of last quarter i.e. 31<sup>st</sup> March 2013.



# NORTH EASTERN CARRYING CORPORATION LIMITED

## MEANS OF COMMUNICATION

Half yearly report sent to each household of Shareholder  
Quarterly Results, in which newspaper normally published

-No  
-FinancialExpress/  
Jansatta/Economic Times  
-www.necgroup.com

Any Website, where displayed

Whether it also displays official news releases and

Presentations made to institutional investors/ Analysts

Whether MD & A is a part of Annual Report

Whether Shareholder Information section forms part of the Annual Report

-No

-No

-Yes

-Yes

## GENERAL SHAREHOLDER INFORMATION

### 1. Annual General Meeting:

The 28<sup>th</sup> Annual General Meeting of the Company will be held on 30<sup>th</sup> September, 2013 at 11:00 am, at the registered office of the company at 9062/47, Ram Bagh Road, Azad Market, Delhi-06

### 2. Financial Calendar:

Financial Year

1<sup>st</sup> April to 31<sup>st</sup> March

Financial Year (under review)

1<sup>st</sup> April 2012 to 31<sup>st</sup> March 2013

Result for quarter ending 30<sup>th</sup> June 12

Latest by 15<sup>th</sup> August 2012

Result for quarter ending 30<sup>th</sup> September 12

Latest by 15<sup>th</sup> November 2012

Result for quarter ending 31<sup>st</sup> December 12

Latest by 15<sup>th</sup> February 2013

Result for quarter ending 31<sup>st</sup> March 13

Latest by 30<sup>th</sup> May 2013

### 3. Book Closure Date:

The register of members and Share transfer register shall remain closed during the 25<sup>th</sup> day of September 2013 to 30<sup>th</sup> day of September 2013 (both days inclusive) for the purpose of Annual General Meeting.

### 4. Listing of Equity shares:

The equity shares of the Company is and shall remain listed at:

BSE Limited

Phiroze Jeejeebhoy Towers, Dalal Street,

Mumbai-4000 01

Delhi Stock Exchange Limited,

DSE House, 3/1, Asaf Ali Road,

New Delhi-110002

5. Stock Code: 534615(BSE) & 16093 (DSE)

6. ISIN INE553C01016

### 7. Credit Rating

CRISIL Limited (our credit rating agency) has accredit and assigned BBB- to our various Banking facilities.

### 8. Stock Market Price Data:

During the financial year 2012-13, there was no trading of shares of the Company on Delhi Stock Exchange Limited, however there was trading of shares on the BSE Limited, as the Company was listed on BSE Limited dated Aug. 10, 2012, the open price on this date was Rs. 55.25/-. Therefore, high and low prices for the period from Listing to the year end on BSE Limited on month basis were:

Month	High Price (Rs.)	Low Price (Rs.)
August 2012	122.20	55.25
September 2012	192.45	117.05
October 2012	224.90	181.85
November 2012	235.00	59.00
December 2012	75.45	61.90



# NORTH EASTERN CARRYING CORPORATION LIMITED

January 2013	94.80	62.00
February 2013	99.00	75.45
March 2013	80.80	61.35

## 9. Registrar & Share Transfer Agents:

MAS Services Limited, having its office at T-34 IInd Floor, Okhla Industrial Area Phase II, New Delhi-20 is appointed Registrar & Share Transfer agent of the Company. Investors' queries/request for transfer, transmission and issue of duplicate share certificates etc. shall be sent to MAS Services Limited.

## 10. Share Transfer System:

Requests for Share Transfer in physical form can be lodged with the Registrar & Share Transfer agents, MAS Services Limited at their address given above. The Share transfers which are received in physical form are registered and the share certificates are returned within 15 days from the date of receipt, subject to the documents being valid and complete in all respects. Shares under objection are, in general, returned within 7 days.

## 11. Nomination facility

Pursuant to Companies (Amendment) Act, 1999, the members are allowed to nominate any person to whom they desirous of making/changing a nomination in respect of their shareholding in the Company, are requested to submit to the MAS Services Limited the prescribed form 2B for this purpose, which can be furnished MAS Services Limited on request.

## 12. Distribution & Categories of Shareholding

Distribution of shareholding as on 31st March, 2013:

No. of Equity Shares held	No. of Shareholders	% of Shareholders	Total no. of Shares held	% of Shareholding
Upto 5000	379	80.98	482844	0.96
5001-10000	29	6.20	198779	0.40
10001-50000	34	7.26	768255	1.53
50001-100000	6	01.28	447138	0.89
100001-500000	11	02.35	2534530	5.05
500001-1000000	2	00.43	1458876	02.91
1000001 and above	7	1.50	44306914	88.27
Total	468	100.00	50197336	100.00

Categories of Shareholding as on 31st March, 2013:

Sr. No.	Category of Holder	No. of Shares	% of Equity
1.	Promoters' Holdings	37561100	74.83
	SUB TOTAL (A)	37561100	74.83
2.	Mutual Funds / UTI	---	--
3.	Banks/Financial Institutions/Insurance Companies (Central/State Govt. Institutions) Non Govt. Institutions	----	--
4.	FII's/ GDR	----	--
	SUB TOTAL (B)	37561100	74.83
5.	Others	---	--
	Corporate Bodies	9664645	19.25
	Indian Public	2949614	5.88
	Any other	21977	0.04
	Sub Total	12636236	25.17
	GRAND TOTAL (A+B)	50197336	100.00

# NORTH EASTERN CARRYING CORPORATION LIMITED

**13. Dematerialization:**

The Company had proceeded towards dematerialized of its equity share and in this behalf Company had altered its Articles of Association (AOA) by inserting a new clause 52A and some important definitions in its AOA.

**14. Outstanding GDR/ ADRs/Warrants/Options:**

There are no outstanding GDRs/ ADRs/Warrants/ Options or any convertible instruments.

**15. Details on use of public funds obtained in the last three years:**

No funds have been raised from the public since the last three years.

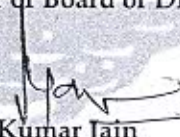
**16. Transfer of unclaimed amounts to Investor Education and Protection Fund:**

No amount was transferred to Investor Education and Protection Fund during the year 2012-13

**17. Address for Correspondence**

9062/47, Ram Bagh Road  
Azad Market, Delhi - 110006  
Email: [co@neccgroup.com](mailto:co@neccgroup.com)

For and on behalf of Board of Directors

  
Sunil Kumar Jain  
(Chairman)

Place: Delhi

Date: 30<sup>th</sup> May, 2013





# NORTH EASTERN CARRYING CORPORATION LIMITED

## MANAGEMENT DISCUSSION AND ANALYSIS

(As per clause 49 of listing agreement)

### INDIAN ROAD TRANSPORT INDUSTRY

The long-distance road transport industry in India in order to identify inefficiencies that could reduce the benefits to be derived from the large investments now being made by the Government in the nation's highway infrastructure. The road transportation industry has been the most significant constituent of the Indian logistics industry. However, the segment continues to struggle to cater to the country's size and widely spread consumption hubs. The road transport and logistics market is one of the key sector of growth of the Indian Economy.

India has an extensive road network and provides amenity to millions of people every day, thus road transport is one of the important ingredients for the social and economic development of the country. India has the third largest road network in the world stretching 4.24 million kilometers in length out of which approx 32% is single lane, 56% is double lane and rest is four of more lane standard. The country had approximately 2.00 lacs km of national (state & national) highway. The significance of transportation is relative to the economy and the population of a country; India being the world's second fastest growing economy and being the second largest populated, transportation plays a crucial role in its economic development and sustainable growth.

### OPERATION AND FUTURE OUTLOOK (ABOUT NECC)

North Eastern Carrying Corporation Limited, part of NECC Group, is a leading giant founded in 1984, the Company started the business of core transportation & carriage of goods in FTL and Parchoon segment in 1999-2000. Since then it never looks back and achieved its target turnover for the financial year 2012-13. During the period the Company had not only enhances its turnover but also its client base and its fleet.

The Company currently operates through its 200 (approx) branches and 850 (approx) employee base. The Company provides carriage of both FTL (Full Truck Load) and Parchoon products throughout four corners of India, Nepal and Bhutan. FTL clients include big giants of FMCG, beverage and electrical industries while textile & hosiery, FMCG, Auto & Motor parts Pharma and chemicals sectors is the parchoon client.

The Company's strategy is well thought of and in line with domestic market trend and industry. The Company is growing its traditional parchoon market and simultaneously spreading and picking the FTL market segment. The new clients have been introduced and associated with our services. The Company is broadening and condensing its market through out the Indian subcontinent, Nepal and Bhutan.

### OPPORTUNITIES & THREATS

Historically, road freight in India has increased since its 1950-51 level of 6 billion tonne kilometers (BTKMs) to 1,086 BTKMs in 2009-2010, witnessing a CAGR of 9.21 percent during this period. However, the market scenario is uncertain in future, given the uncertainty in global and domestic economies. Hence, several possible scenarios have been considered to plot market projections for the next few years. While the optimistic scenario assumes GDP growth of 6.1 percent – implying a freight CAGR ~ 7.6 percent – the optimistic scenario assumes a GDP of 9.0 percent, implying a freight CAGR ~ 9.6 percent. The resulting road freight opportunity is estimated to range from about 1,300 BTKMs in 2012-13 to more than 2,000 BTKMs in 2016- 17.

As said above, the Indian Road transport industry is on a tremendous growth path which leaves many opportunities and threats which determine the Company's growth:

#### Opportunities

- Increased demand of 3PL (third party Logistics). The improving infrastructure and rising focus on core business operations will lead the future growth of the Indian 3PL.



# NORTH EASTERN CARRYING CORPORATION LIMITED

- Infrastructural Development Investment policies of Central & State governments shall result in higher growth opportunity for transportation business.
- Expected increase in freight during 2010-2020.
- Successful completion of National Highways Projects shall open up new venues and improved service quality.
- The satellite watch over fleets through GPRS system shall also enhance the timely and prompt delivery of consignments to the prospective clients.
- ERP system under development shall, after its installation, improve the quality of documentation, records, billings etc.
- The increased fleets shall ease the operation.
- Online system will increase the efficiency and effectiveness towards decision making and accountability towards the clients which develops healthy relations with clients.

## Threat

- Competition from local and multinational players.
- Damages, accident and theft are matter of concern during voyage.
- Natural disturbance inform of floods, cyclone, landslides in major parts of India.
- Due to above two conditions, the claims from clients increases and inflow of revenue decreases and finally resulted into long legal litigation.

## INTERNAL CONTROL SYSTEM

The Company has in place adequate internal control systems commensurate with its size and nature of business. These systems provide a reasonable assurance in respect of providing financial and operational information, compliance with applicable statutes and safeguarding of assets of the Company.

These systems ensure that transactions are executed in accordance with specified policies and resources are deployed as per the business plans and policies. The Company has an in-house internal audit division and the head of internal audit function reports directly to the Audit Committee to ensure independence of this function.

The Internal control team, reviews and evaluates the adequacy and effectiveness of internal control, ensuring adherence to operating guidelines and statutory requirements. This system comprises well documented policies, guidelines and authorization and approval procedures.

## RISK MANAGEMENT

The Indian transport industry is a growing avenue and widely opens for new entrepreneurs. The Company takes a very extensive view of business risk. The Company always keeps itself changing with the changed environment of operation, technology and innovative ideas. The Company has risk management team constituting the professionals and functional specialists who critically examines and audit the adequacy, relevancy, efficiency and effectiveness of the control system, compliance with policies. The Company however faces the following risks:

- **Competition Risk:** This risk arises from more players wanting a share in the same pie. Like in most other industries, opportunity brings with itself competition. We face different levels of competition in each segment, from domestic as well as multinational players. However, NECC has established strong brand goodwill in the market and a strong foothold in the entire logistics value spectrum.
- **Regulatory Risk:** If we are unable to obtain required approvals and licenses in a timely manner, our business and operations may be adversely affected. However, the Government has come up with a number of initiatives to boost the logistics sector and has planned massive investments in the infrastructure sector. As all industry predictions suggest that this will be the trend in the future as well and given our own experience in obtaining such permissions, we do not expect this risk to affect us materially in the coming years.
- **Liability Risk:** This risk refers to our liability arising from any damage to cargo, equipment, life and third parties which may adversely affect our business. The Company attempts to mitigate this risk through contractual obligations and insurance policies.



# **NORTH EASTERN CARRYING CORPORATION LIMITED**

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## **CONTINGENT LIABILITIES**

The details of the Company's contingent liabilities are given in note no 26 attached to and forming part of the Balance Sheet as on 31<sup>st</sup> March 2013.

## **CAUTIONARY STATEMENT**

Statements in the Management Discussion Analysis Report may be forward looking statement with in 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 operation include socio-economic conditions, affection demand/supply and freight rate condition in the market in which Company operates. Changes in govt. regulations, policies and other statutes including tax laws are other incidental factors to the growth of Company.



# NORTH EASTERN CARRYING CORPORATION LIMITED

## CERTIFICATE BY EXECUTIVE DIRECTOR AND VICE PRESIDENT

(Pursuant to clause 49(V) of the listing Agreement)

We, Sunil Kumar Jain, Chairman & Managing Director and S.L. Yadav, Vice President & C.F.O. heading the finance function certify to the Board that:

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls and have taken steps to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee:
  - (i) significant changes in internal control over financial reporting during the year;
  - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which we have become aware, and of the involvement of management or employee having a significant role in the Company's internal control system over financial reporting.



Sunil Kumar Jain  
Chairman

  
S.L. Yadav  
Vice President

Place: Delhi

Date: 30.05.2013





**Sanghi & Co.**  
Chartered Accountants

F-7, IInd Floor, 203, Main Road,  
Kalkaji, New Delhi-110019  
Ph: 011-41329617, 9811685010  
E-mail: ca\_rksanghi@yahoo.co.in

**"ANNEXURE B" TO THE DIRECTORS REPORT**  
**CERTIFICATE ON CORPORATE GOVERNANCE**  
(Pursuant to clause 49(VII) of the listing Agreement)

To  
The Members  
North Eastern Carrying Corporation Limited

We have examined the compliance of conditions of Corporate Governance by North Eastern Carrying Corporation Limited (the company) for the year ended on 31<sup>st</sup> March 2013, as stipulated in Clause 49(VII) of the Listing Agreement of the company with the Stock Exchange.

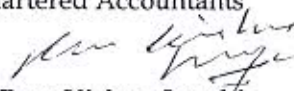
The compliance of condition of Corporate Governance is the responsibility of management. Our examination was limited to procedures and implementation thereof, adopted by company for ensuring the compliance of conditions of the Corporate Governance. It is neither an audit nor an expression of opinion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

In our opinion and to the best of our information and according to the explanation given to us, and the representation made by the Directors and the management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the Listing Agreement.

We state that as per the report given by the Registrars of the Company to the Shareholder/investors Grievances Committee, as on 31<sup>st</sup> March, 2013, there was no investor grievance matter against the company remains pending for more than 30 days.

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

For M/s Sanghi & Co.  
Chartered Accountants

  
Ram Kishan Sanghi  
Proprietor  
M. No. 091534

Place: New Delhi  
Date: 30.05.2013

# NORTH EASTERN CARRYING CORPORATION LIMITED

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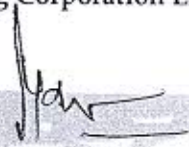
## DECLARATION

To,

The Members of  
North Eastern Carrying Corporation Limited

I, Sunil Kumar Jain, Chairman & Managing Director of North Eastern Carrying Corporation Limited ("the Company"), hereby declare that all Board Members and senior Management of the Company have individually affirmed compliance with the code of business conduct and ethics adopted by the Company during the year 2012-13. This code of conduct is available at the registered office of the Company.

On Behalf of the Board of Director of  
North Eastern Carrying Corporation Limited

  
Sunil Kumar Jain  
Chairman

Place: Delhi  
Date: 30.05.2013







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## INDEPENDENT AUDITOR'S REPORT

### To the Members of North Eastern Carrying Corporation Limited

#### Report on the Financial Statements

We have audited the accompanying financial statements of North Eastern Carrying Corporation Limited, which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

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

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
  - b) in the case of the Profit and Loss Account, of the profit/ loss for the year ended on that date; and
- D

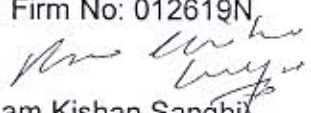
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. The Companies (Auditor's Report) Order, 2003 ("the Order") Issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act we annex hereto a Statement on the matters specified in paragraphs 4 & 5 of the said order.
2. As required by section 227(3) of the Act, we report that:-
  - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. the Balance Sheet, and Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account ;
  - d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
  - e. on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
  - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

Date: 30.05.2013  
Place: Delhi

For M/s Sanghi & Company  
Chartered Accountants  
Firm No: 012619N

  
(Ram Kishan Sanghi)  
Proprietor  
M. No. 091534



**NORTH EASTERN CARRYING CORPORATION LIMITED**

Annexure to the Auditors Report of the  
NORTH EASTERN CARRYING CORPORATION LTD  
(Referred to in Paragraph 3 of the report of even date)

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

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of the fixed assets.  
  
(b) All the assets have been physically verified by the management during the year and there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.  
  
(c) During the year, the company has disposed off some of the fixed assets. We are of the opinion that the sale of the said fixed assets has not affected the going concern status of the company.
2. (a) The company is not dealing in any goods therefore there is no physical verification of inventory.  
  
(b) As already stated, since the company is not dealing any goods, there is no question of procedure of physical verification of stock.  
  
(c) As already stated, since the company is not dealing in any goods, there is no question of inventory records and physical verification of inventory.
3. (a) The company has not granted, any loans, secured or unsecured, to the companies, firms or other parties covered in the register U/s. 301 of the Companies Act, 1956.  
  
(b) As the company has not granted any loans, the question of interest being prejudicial to the interest of the company does not arise.  
  
(c) As the company has not granted any loans, the question of repayment does not arise.  
  
(d) There are no overdue amount of loans granted, if any, to companies listed in the register maintained under section 301 of the Companies Act, 1956.  
  
(e) The company has taken unsecured loans from the companies, firms or other parties covered in the register U/s. 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 3 Lacs and the year-end balance of loans taken from such parties was Rs. 3 Lacs.  
  
(f) In our opinion, the rate of interest and other terms & conditions on which loans have been taken from the companies, firms or other parties covered in the register U/s. 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the company.
- (g) The company is regular in repaying the principal amounts as stipulated
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of fixed

asset and sale of services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.

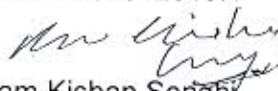
5. (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangement, if any, referred to in section 301 of the Act have been entered in the register required to be maintained under that section.  
  
(b) According to the information and explanations given to us, there are no such transactions made in pursuance to contracts or arrangements which need to be entered in the register maintained U/s. 301 of the Companies Act, 1956 exceeding the value of Rs.5.00 Lakh in respect of any party during the year.
6. The Company has not accepted any deposits from the public. Therefore, the applicability of section 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 does not arise.
7. In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
8. Maintenance of cost records has not been prescribed by the Central Government U/s. 209(1)(d) of the Companies Act, 1956.
9. (a) As per information and record produced before us, the company is regular in depositing undisputed statutory dues including Provident Fund, ESI, Professional Tax, TDS, Income Tax, Wealth Tax and Service Tax within time to the appropriate authorities.  
  
(b) According to the information and explanation given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax and Service Tax were in arrears, as at 31.03.2013 for a period of more than six months from the date they become payable.  
  
(c) According to the information and explanation given to us, there are no dues of Income Tax, Wealth Tax and Service Tax, which have not been deposited on account of any dispute.
10. The company does not have any accumulated losses.
11. In our opinion and according to the information and explanation given to us, the company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
12. As per information furnished to us, the company has not granted loans and advances on the basis of security by way of pledge of shares & securities.
13. Clause (xiii) of the order is not applicable to the company as the company is not a chit fund company or mutual benefit society.
14. The company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
15. As per information furnished to us, the company has not given any guarantee for loans taken by others from bank or financial institution.





16. In our opinion, the term loans have been applied for the purpose for which they were raised.
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the no fund raised on short-term basis have been used for long term investment.
18. The company has not made any preferential allotment of shares during the year to the parties covered by Register U/s. 301 of the Companies Act, 1956.
19. During the year, no security or charge have been created in respect of debentures issued.
20. The company has not raised any money by public issues during the year.
21. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

**For M/s Sanghi & Company**  
Chartered Accountants  
Firm No: 012619N

  
Ram Kishan Sanghi  
Proprietor  
M. No. 091534

Date: 30.05.2013  
Place: Delhi

**NORTH EASTERN CARRYING CORPORATION LIMITED**

**BALANCE SHEET AS AT 31ST MARCH, 2013**

PARTICULARS	Notes	As At 31.03.2013 <u>Amt. In Rs.</u>	As At 31.03.2012 <u>Amt. In Rs.</u>
<b>EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	4	50,19,73,360	12,54,93,340
(b) Reserves and Surplus	5	5,23,35,260	37,68,00,340
(c) Money received against share warrants		0	0
<b>(2) Share Application money pending allotment</b>		0	0
<b>(3) Non-Current Liabilities</b>			
(a) Long-Term Borrowings	6	1,26,13,657	2,74,75,939
(b) Deferred Tax Liabilities (Net)		53,49,097	53,49,097
(c) Other Long Term Liabilities		0	0
(d) Long Term Provisions		0	0
<b>(4) Current Liabilities</b>			
(a) Short-Term Borrowings	7	64,06,19,233	45,14,24,924
(b) Trade Payables	8	81,40,034	48,68,823
(c) Other Current Liabilities	9	2,46,51,874	4,37,34,948
(d) Short-Term Provisions	10	11,66,78,805	8,43,43,010
<b>Total Equity &amp; Liabilities</b>		<u>136,23,61,320</u>	<u>111,94,90,421</u>
<b>ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Fixed Assets	11		
(i) Gross Block		32,86,35,282	31,21,70,917
(ii) Depreciation		17,83,41,949	14,63,69,201
(iii) Net Block		<u>15,02,93,333</u>	<u>16,58,01,716</u>
(b) Non-current investments			
(c) Deferred tax assets (net)		0	0
(d) Long term loans and advances	12	3,89,38,513	4,65,14,632
(e) Other non-current assets		0	0
<b>(2) Current Assets</b>			
(a) Current investments		0	0
(b) Inventories		0	0
(c) Trade receivables	13	98,99,41,914	75,69,41,270
(d) Cash and cash equivalents	14	4,77,13,245	4,33,64,170
(e) Short-term loans and advances	15	13,54,74,315	10,68,68,633
(f) Other current assets		0	0
<b>Total Assets</b>		<u>136,23,61,320</u>	<u>111,94,90,421</u>

Significant Accounting Policies 1,2,3  
The Notes No. 1 to 35 are integral part of these financial statements.

**Auditor's Report**

As per our separate report of even date attached

**For M/s. Sanghi & Company**

Chartered Accountants

Firm No: 012619N

*Ram Kishan Sanghi*

Ram Kishan Sanghi

Proprietor

M. No. 091534

Place: Delhi

Date: 30.05.2013

**For North Eastern Carrying Corporation Limited**

*Sunil Kumar Jain*  
Sunil Kumar Jain  
Managing Director

*S. L. Yadav*  
S. L. Yadav  
Vice President

*Manoj Kumar Jain*  
Manoj Kumar Jain  
Director

*Ankit Gupta*  
Ankit Gupta  
Company Secretary

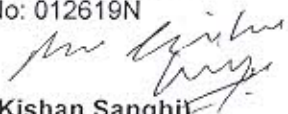


# NORTH EASTERN CARRYING CORPORATION LIMITED

## STATEMENT OF PROFIT AND LOSS AS AT 31ST MARCH, 2013

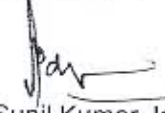
PARTICULARS	Notes	As At 31.03.2013 <u>Amt. In Rs.</u>	As At 31.03.2012 <u>Amt. In Rs.</u>
<b>INCOME</b>			
Revenue from operations	16	540,77,48,284	477,36,64,794
Other Income	17	16,81,596	47,05,552
<b>Total</b>		<u>540,94,29,880</u>	<u>477,83,70,346</u>
<b>EXPENSES</b>			
Operating/Direct Cost/Services Availed	18	502,29,55,479	441,19,79,068
Purchase of Stock-in-Trade		0	0
Changes in inventories of Finished Goods, WIP & Stock		0	0
Employee Benefit Expenses	19	7,83,53,187	8,27,70,127
Financial Costs	20	6,60,04,583	5,81,35,881
Depreciation and Amortization Expense	21	3,49,11,135	3,35,11,274
Other Administrative Expenses	22	12,58,63,342	11,16,68,006
<b>Total</b>		<u>532,80,87,726</u>	<u>469,80,64,356</u>
Profit before exceptional and extraordinary items and tax		8,13,42,154	8,03,05,990
Exceptional Items		0	0
Profit before extraordinary items and tax		8,13,42,154	8,03,05,990
Extraordinary Items		0	0
Profit before tax		8,13,42,154	8,03,05,990
<b>Tax expense:</b>			
(1) Provision for Current tax (Income Tax)		2,93,27,214	2,69,96,561
(2) Provision for Current tax (Wealth Tax)		0	25,000
(4) Provision for tax (Earlier year)		0	5,40,369
Profit/(Loss) from the period from continuing operations		5,20,14,940	5,27,44,060
Profit/(Loss) from discontinued operations		0	0
Tax expense of discontinued operations		0	0
Profit/(Loss) from Discontinued operations		0	0
<b>Profit/(Loss) for the period</b>		<u>5,20,14,940</u>	<u>5,27,44,060</u>
<b>Earning per equity share:</b>			
(1) Basic		1.98	4.20
(2) Diluted		1.98	4.20

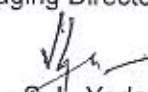
Significant Accounting Policies 1,2,3  
The Notes No. 1 to 35 are integral part of these financial statements.

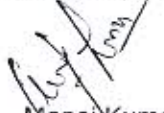
Auditor's Report  
As per our separate report of even date attached  
**For M/s. Sanghi & Company**  
Chartered Accountants  
Firm No: 012619N  
  
(Ram Kishan Sanghi)  
Proprietor  
M. No. 091534


Place: Delhi  
Date: 30.05.2013

For North Eastern Carrying Corporation Limited

  
Sunil Kumar Jain  
Managing Director

  
S. L. Yadav  
Vice President

  
Manoj Kumar Jain  
Director

  
Ankit Gupta  
Company Secretary

## NORTH EASTERN CARRYING CORPORATION LIMITED

### Notes to the financial statements for the year ended March 31, 2013

#### 1. Corporate information

North Eastern Carrying Corporation Limited is a Limited Company incorporated under the provisions of the Companies Act, 1956. The company is engaged in the business of transportation.

#### 2. Basis of preparation

- The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP).
- The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956.
- The company follows the Mercantile System of Accounting recognizing Income and Expenditure on accrual basis.
- The directors have certified that there are no outstanding expenses not provided for and nor there are income which have fallen due but not accounted for. The accounts are prepared on historical cost basis and as a going concern.
- The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

#### 3. Summary of significant accounting policies

During the year ended 31 March 2013, the revised Schedule VI notified under the Companies Act 1956, has become applicable to the company, for preparation and presentation of its financial statements. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

##### • Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

##### • Contingent Liabilities

Contingent Liability are disclosed by way of notes in the Balance Sheet.

##### • Fixed Assets

Fixed Assets are stated at cost. Depreciation of fixed assets is calculated at the rates prescribed under Schedule XIV to the Companies Act, 1956.





- **Leases**  
Lease rentals in respect of operating lease arrangements are recognized as an expense in the profit & loss account on accrual basis with reference to lease terms and other considerations.
- **Investment**  
Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. On initial recognition, all investments are measured at cost.  
Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.
- **Inventories**  
Raw materials, components, stores and spares are valued at lower of cost and net realizable value. Work in progress and finished goods are valued at lower of cost and net realizable value.
- **Revenue Recognition**  
Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.
- **Income tax**
  - Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.
  - Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years.
- **Retirement Benefits**
  - **Gratuity:** The company has a defined employee benefit scheme in the form of gratuity. Accordingly gratuity is provided on the basis of calculations made by the company and is payable on the termination of the services of employee.
  - **Provident Fund:** Contribution to the Provident Fund as per provisions of Employees Provident Fund Act 1952 is remitted to the P.F. Commissioner and is charged to the Profit & loss Account.
  - **Leave Encashment :** Leave Encashment benefits (short term compensated absences) are provided on the basis of calculations made by the Company based on average encashable salary of the employee.



**NORTH EASTERN CARRYING CORPORATION LIMITED**  
Notes forming part of Balance Sheet and Statement of Profit & Loss  
for the year ended 31st March, 2013

	As On 31.03.2013 Amt.In (Rs.)	As On 31.03.2012 Amt.In (Rs.)
<b>Note - 4: Share Capital</b>		
<b>Authorized Share Capital :</b>		
54000000 (13500000) Equity Shares of Rs 10 each	54,00,00,000	13,50,00,000
<b>Issued , Subscribed and fully paid up shares :</b>		
50197336 (12549334) Equity Shares of Rs 10 each fully paid up	50,19,73,360	12,54,93,340

**Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period**

At the beginning of the period	1,25,49,334	1,25,49,334
Issued during the period	3,76,48,002	0
At the end of the period	5,01,97,336	1,25,49,334

**Terms/Rights attached to equity shares**

The company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share.

**Aggregate number of bonus shares issued, shares issued for consideration other than cash during the period and during five years immediately preceding the reporting date**

Shares issued during the year 2012-13	3,76,48,002	0
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**Details of Shareholders holding more than 5% equity shares in the company**

Jaswant Rai Jain	0	1298520(10.35%)
NECC Automobiles (P) Limited	8334152(16.60%)	2083538(16.60%)
NECC Securities (P) Limited	7656880(15.25%)	1914220(15.25%)
Sunil Kumar Jain	15663768(31.20%)	2617422(20.86%)
Suvi Developers P Ltd	3631400(7.23%)	907850(7.23%)
Religare Finvest Limited	5327814 (10.61%)	0

**For North Eastern Carrying Corporation Limited**

Sunil Kumar Jain  
Managing Director

S. L. Yadav  
Vice President

Manoj Kumar Jain  
Director

Ankit Gupta  
Company Secretary



# NORTH EASTERN CARRYING CORPORATION LIMITED

Notes forming part of Balance Sheet and Profit & Loss A/c.  
for the year ended 31st March, 2013

	As On 31.03.2013 <u>Amt.In (Rs.)</u>	As On 31.03.2012 <u>Amt.In (Rs.)</u>
<b>Note : 5 Reserves &amp; Surplus</b>		
Shree Ganesh Ji Maharaj	1,101	1,101
<b>Security Premium Account</b>		
Opening Balance	9,00,00,000	9,00,00,000
Add : Addition during the year	0	0
Less : Bonus Shares Issued	<u>9,00,00,000</u>	<u>0</u>
Closing Balance	0	9,00,00,000
<b>General Reserve</b>		
Opening Balance	6,19,48,871	6,19,48,871
Add : Addition during the year	0	0
Less : Bonus Shares Issued	<u>6,19,48,871</u>	<u>0</u>
Closing Balance	0	6,19,48,871
<b>Surplus/Deficit in the statement of profit and loss</b>		
Balance as per last financial statements	22,48,50,368	17,21,06,308
Profit (-Loss) after tax for the year	5,20,14,940	5,27,44,060
Less : Bonus Shares Issued	<u>22,45,31,149</u>	<u>0</u>
Closing Balance	<u>5,23,34,159</u>	<u>22,48,50,368</u>
<b>Total</b>	<u>5,23,35,260</u>	<u>37,68,00,340</u>
<b>Note:6 Long Term Borrowings</b>		
Mahindra & Mahindra Financial Services Ltd.	52,659	2,05,939
BMW India Financial Services Limited	0	15,04,261
Volkswagen	36,684	0
ICICI Bank Limited	10,84,232	0
HDFC Bank Limited	56,79,556	47,97,876
Reliance Capital Limited	57,60,526	2,09,67,863
(Secured against hypothecation of vehicles financed)		
<b>Total</b>	<u>1,26,13,657</u>	<u>2,74,75,939</u>

For NORTH EASTERN CARRYING CORPORATION LIMITED

Sunil Kumar Jain  
Managing Director

S. L. Yadav  
Vice President

Manoj Kumar Jain  
Director

Ankit Gupta  
Company Secretary

# NORTH EASTERN CARRYING CORPORATION LIMITED

Notes forming part of Balance Sheet and Profit & Loss A/c.  
for the year ended 31st March, 2013

	As On 31.03.2013 <u>Amt.In (Rs.)</u>	As On 31.03.2012 <u>Amt.In (Rs.)</u>
<b>Note:7 Short Term Borrowings</b>		
Mahindra & Mahindra Financial Services Ltd.	1,53,280	2,07,361
BMW India Financial Services Limited	15,04,261	14,95,300
HDFC Bank Limited	75,27,511	2,20,09,327
ICICI Bank Limited	7,40,204	0
Volkswagen	4,39,815	0
Reliance Capital Limited	1,49,51,311	1,40,44,748
(Secured against hypothecation of vehicles financed)		
 Kotak Mahindra Bank ( OD A/c)	 22,78,25,361	 12,68,72,757
Oriental Bank of Commerce (OD A/c.)	38,71,77,490	28,67,95,431
(Both the loans secured against hypothecation/charge on all the current assets incl. Book Debts and collaterally secured by charge against properties of Directors of the Company and other Associated Concerns and personal gurantee of some of Directors, their HUF and Corporate Gurantee of Associated Concerns)		
 <b>Unsecured Loans</b>	 3,00,000	 0
	<u>64,06,19,233</u>	<u>45,14,24,924</u>
<b>Note:8 Trade Payables</b>		
Sundry Creditors	81,40,034	48,68,823
<b>Total</b>	<u>81,40,034</u>	<u>48,68,823</u>
<b>Note:9 Other Current Liabilities</b>		
Security Deposits	6,74,000	4,34,000
E. S. I. Payable	1,26,135	1,64,353
Provident Fund Payable	6,01,395	6,01,515
Professional Tax Payable	5,450	7,635
T. D. S. Payable	12,08,206	11,86,379
Service Tax Payable	5,68,577	27,30,403
Bonus/ Ex-Gratia Payable	34,10,908	46,76,231
Leave Encashment Payable	35,56,782	23,80,625
Lorry Freight Payable	96,52,063	2,21,70,610
Claim Payable	8,13,458	9,65,945
Other Expenses & Liabilities Payable	39,06,852	80,62,261
Service Tax Not Received Not Due	1,28,048	3,54,991
<b>Total</b>	<u>2,46,51,874</u>	<u>4,37,34,948</u>

For NORTH EASTERN CARRYING CORPORATION LIMITED

Sunil Kumar Jain  
Managing Director

S. L. Yadav  
Vice President

Mahoj Kumar Jain  
Director

Ankit Gupta  
Company Secretary



# NORTH EASTERN CARRYING CORPORATION LIMITED

Notes forming part of Balance Sheet and Profit & Loss A/c.  
for the year ended 31st March, 2013

	As On 31.03.2013 <u>Amt.In (Rs.)</u>	As On 31.03.2012 <u>Amt.In (Rs.)</u>
<b>Note:10 Short Term provisions</b>		
Provision for I. Tax (AY 2013-2014)	2,93,27,214	0
Provision for I. Tax (AY 2012-2013)	2,92,52,040	2,92,52,040
Provision for I. Tax (AY 2011-2012)	2,21,60,772	2,21,60,772
Provision for I. Tax (AY 2010-2011)	1,72,00,000	1,72,00,000
Provision for Fringe Benefit Tax (AY 2009-10)	12,96,751	12,96,751
Provision for Wealth Tax	25,000	25,000
Provision for Gratuity	1,74,17,028	1,44,08,447
<b>Total</b>	<u>11,66,78,805</u>	<u>8,43,43,010</u>

## **Note :12 Long Term Loans & Advances**

Security Deposits	1,53,299	1,53,299
Earnest Money Deposits	1,37,42,328	1,10,19,841
Landlord Security Deposits	2,50,42,886	2,22,96,989
Other Advances	0	1,30,44,503
	<u>3,89,38,513</u>	<u>4,65,14,632</u>

## **Note:13 Trade Receivables**

(Unconfirmed, Unsecured and Considered Good)

Debts outstanding for more than six months	8,35,70,740	6,32,85,275
Others Debts	90,63,71,174	69,36,55,995
<b>Total</b>	<u>98,99,41,914</u>	<u>75,69,41,270</u>

## **Note : 14 Cash & Cash Equivalent**

### **Cash-in-Hand**

Cash in Hand	80,56,178	44,16,054
Funds In Transit	1,20,46,955	1,15,27,570
	<u>2,01,03,133</u>	<u>1,59,43,624</u>

### **Bank Balance**

Balance - In Current A/c	2,38,36,363	2,08,65,068
Balance - In Fixed Deposits	37,73,749	65,55,478
	<u>2,76,10,112</u>	<u>2,74,20,546</u>
<b>Total</b>	<u>4,77,13,245</u>	<u>4,33,64,170</u>

For NORTH EASTERN CARRYING CORPORATION LIMITED

Sunil Kumar Jain  
Managing Director

S. L. Yadav  
Vice President

Manoj Kumar Jain  
Director

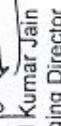
Ankit Gupta  
Company Secretary

**NORTH EASTERN CARRYING CORPORATION LIMITED**

Note 11: Fixed Assets Annexed to and Forming Part of the Balance Sheet as on 31.03.2013

Particulars	Rates (WDV)	GROSS BLOCK			DEPRECIATION			Amount In Rupees	
		As At 01.04.2012	Addition during the Yr.	Sale during the Year	As At 31.03.2013	Sale Adjustment	For the Year	As At 31.03.2013	As At 31.03.2012
<b>Tangible Assets</b>									
Land	0.00%	24,45,049	0	0	24,45,049	0	0	24,45,049	24,45,049
Building	5.00%	2,48,46,332	3,25,497	0	2,51,71,829	74,48,061	0	83,18,020	1,68,53,809
Car & Scooter	25.89%	2,81,29,838	1,61,92,008	36,42,235	4,06,79,611	1,29,23,599	25,94,987	1,66,67,581	2,40,12,030
Air Conditioner & Coolers	13.91%	23,86,712	95,340	0	24,82,052	14,26,818	0	15,72,147	9,09,905
Electrical Install. & Fitt.	13.91%	12,62,990	14,700	0	12,77,690	4,78,394	0	5,88,702	6,88,988
Generators	13.91%	12,75,825	0	7,500	12,68,325	7,47,958	7,500	8,14,158	4,54,167
Weighing Scales	13.91%	2,88,027	0	0	2,88,027	2,18,493	0	2,28,165	59,862
Cycles	20.00%	1,61,238	17,280	0	1,78,518	1,09,139	0	1,20,994	57,524
Office Equipments	13.91%	46,88,603	6,26,925	1,000	53,14,528	28,17,340	1,000	31,13,314	22,01,214
Computers	40.00%	2,73,04,413	30,52,337	9,900	3,03,46,850	2,45,19,244	9,900	2,59,77,382	43,69,468
Furniture & Fixtures	18.10%	1,10,68,711	1,25,913	0	1,11,94,624	82,36,928	0	87,60,560	24,34,064
Typewriters	13.91%	1,797	0	0	1,797	1,565	0	1,597	200
Lorry & Trucks	16.21% (SLM)	15,49,37,382	0	3,25,000	15,46,12,382	8,74,41,662	3,25,000	11,21,79,329	4,24,33,053
<b>Intangible Assets</b>									
Goodwill	0.00%	5,33,74,000	0	0	5,33,74,000	0	0	0	53,374,000
<b>Total</b>		258,796,917	20,450,000	3,985,635	275,261,282	146,369,201	2,938,387	178,341,949	96,919,333
									112,427,716
		31,21,70,917	2,04,50,000	39,85,635	32,86,35,282	14,63,69,201	29,38,387	17,83,41,949	15,02,93,333
<b>Previous Year</b>		310,893,528	6,928,821	5,651,432	312,170,917	117,460,304	4,602,377	14,63,69,201	16,58,01,716
									19,34,33,224

**FOR NORTH EASTERN CARRYING CORPORATION LIMITED**

  
Sunil Kumar Jain  
Managing Director

  
Ankit Gupta  
Company Secretary



# NORTH EASTERN CARRYING CORPORATION LIMITED

Notes forming part of Balance Sheet and Profit & Loss A/c.  
for the year ended 31st March, 2013

	As On 31.03.2013 <u>Amt.In (Rs.)</u>	As On 31.03.2012 <u>Amt.In (Rs.)</u>
<b>Note:15 Short Term Loans and Advances</b>		
(Unconfirmed, Unsecured & Considered Good)		
(Advance recoverable in cash or in kind or for value to be recd.)		
Staff Advances	96,73,165	1,20,99,992
Rates & Taxes Receivable	86,03,910	70,91,424
Prepaid Expenses & Recoverables	15,99,446	26,06,745
Refund Due ( A/Y 09-10)	18,11,405	18,11,405
Advance Income Tax/TDS (AY 10-11)	2,01,85,133	2,01,85,133
Advance Income Tax/TDS (AY 11-12)	2,20,43,455	2,20,43,455
Advance Income Tax/TDS (AY 12-13)	2,99,19,412	2,73,03,049
Advance Income Tax/TDS (AY 13-14)	2,70,43,473	0
Advance Fringe Benefit Tax (AY 09-10)	13,25,000	13,25,000
Other Advances	1,28,58,517	1,21,17,637
Interest Accrued but not recieved on FDR	4,11,399	2,84,793
<b>Total</b>	<u>13,54,74,315</u>	<u>10,68,68,633</u>

## Note :16 Revenue from Operations

Freight	540,73,35,136	477,31,75,525
Demurages	4,13,148	4,89,269
<b>Total</b>	<u>540,77,48,284</u>	<u>477,36,64,794</u>

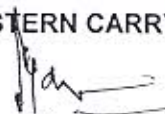
## Note :17 Other Income

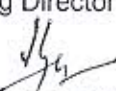
Profit on sale of Fixed Assets	5,21,652	18,37,283
Discount on Finance	33,201	0
Insurance Claim	0	22,50,490
Other Income	78,000	0
Interest received	10,48,743	6,17,779
<b>Total</b>	<u>16,81,596</u>	<u>47,05,552</u>


## Note : 18 Operating / Direct Cost/ Services Aailed

Lorry Freight	498,79,30,080	439,44,06,633
Lorry Maintenance	1,87,01,889	40,77,323
Commission	58,52,649	65,58,888
Claims	1,04,70,861	69,36,224
	<u>502,29,55,479</u>	<u>441,19,79,068</u>

For NORTH EASTERN CARRYING CORPORATION LIMITED

  
Sunil Kumar Jain  
Managing Director

  
S. L. Yadav  
Vice President

  
Manoj Kumar Jain  
Director

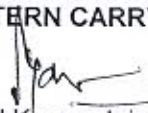
  
Ankit Gupta  
Company Secretary

**NORTH EASTERN CARRYING CORPORATION LIMITED**

Notes forming part of Balance Sheet and Profit &amp; Loss A/c.

for the year ended 31st March, 2013

	As On 31.03.2013 <u>Amt.In (Rs.)</u>	As On 31.03.2012 <u>Amt.In (Rs.)</u>
<b>Note :19 Employee Benefit Expenses</b>		
Establishment Expenses	6,91,92,543	6,86,61,731
PF/ESI	53,24,370	54,15,207
Gratuity	38,36,274	38,93,752
Recruitment & Training Expenses	0	1,97,450
Directors Remuneration	0	24,00,000
Staff Welfare	0	22,01,987
<b>Total</b>	<u>7,83,53,187</u>	<u>8,27,70,127</u>
<b>Note :20 Financial Cost</b>		
Bank Interest	6,60,04,583	5,81,35,881
<b>Total</b>	<u>6,60,04,583</u>	<u>5,81,35,881</u>
<b>Note : 21 Depreciation &amp; Amortised Cost</b>		
Depreciation	3,49,11,135	3,35,11,274
<b>Total</b>	<u>3,49,11,135</u>	<u>3,35,11,274</u>

**For NORTH EASTERN CARRYING CORPORATION LIMITED**  
Sunil Kumar Jain  
Managing Director  
S. L. Yadav  
Vice President  
Manoj Kumar Jain  
Director  
  
Ankit Gupta  
Company Secretary

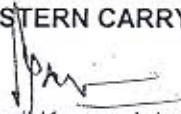


**NORTH EASTERN CARRYING CORPORATION LIMITED**


Notes forming part of Balance Sheet and Profit & Loss A/c.  
for the year ended 31st March, 2013

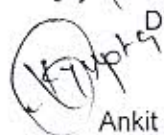
	As On 31.03.2013 <u>Amt.In (Rs.)</u>	As On 31.03.2012 <u>Amt.In (Rs.)</u>
<b>Note : 22 Other Administrative Expenses</b>		
Advertisement & Publicity	9,50,608	5,48,316
Books & Periodicals	9,930	9,430
Business Promotion	1,06,859	18,11,086
Bank Charges & Comm.	40,98,443	31,96,505
Car Expenses	28,64,794	26,88,934
Conveyance & Scooter Petrol	17,97,280	17,05,032
Diwali Expenses	12,10,084	5,70,589
Directors Remuneration	36,00,000	0
Donations	11,43,500	10,49,000
Electricity & Water Charges	57,09,432	48,64,436
Fees, Rates & Taxes	4,75,764	6,50,118
General Expenses	13,45,666	11,74,175
Generator Hire & Maintenance Charges	11,54,972	10,51,100
Insurance (Car)	1,41,831	1,95,450
Insurance (Others)	18,81,264	29,36,052
Interest on Late Deposit of Govt. Dues	3,82,391	1,08,791
Internet Charges	48,324	52,277
Legal & Professional Expenses	69,80,129	24,05,422
Office Expenses	6,56,000	8,68,158
Packing & Forwarding Expenses	11,41,527	5,84,235
Payment to Auditors	90,000	65,000
Penalties Paid	1,17,750	4,000
Postage & Courier	18,13,769	17,73,816
Printing & Stationery	40,23,489	43,32,092
Rent	5,13,31,533	4,86,80,043
Repair & Maintenance	46,07,091	36,22,667
Recruitment & Training Expenses	4,000	0
Scholarship	2,10,000	1,55,000
Scooter Expenses	28,30,077	25,76,478
Security Guard Charges	13,06,041	13,50,525
Staff Welfare	26,24,135	0
Subscriptions	10,39,118	5,62,711
Telephone Expenses	55,82,813	56,53,784
Travelling Expenses	86,38,308	80,63,649
Vehicles Finance Cost	59,46,420	83,59,135
<b>Total</b>	<b>12,58,63,342</b>	<b>11,16,68,006</b>

**For NORTH EASTERN CARRYING CORPORATION LIMITED**

  
Sunil Kumar Jain  
Managing Director

  
S. L. Yadav  
Vice President

  
Manoj Kumar Jain  
Director

  
Ankit Gupta  
Company Secretary

### 23.Related Party Disclosures

During the year, the company entered into transactions with related parties. Those transactions are listed below:

- List of related parties being associates having significant influence or control.
  - a. N. E. C. C. Logistics Limited
  - b. N. E. C. C. Securities Private Limited
  - c. N. E. C. C. Financial Services Private Limited.
  - d. N. E. C. C. Automobiles Private. Limited.
  - e. Shreyans Buildwell Private Limited
  - f. Shreyans Buildtech Private Limited
  - g. Shreyans Logistics Private Limited
  - h. Indika Agro Products Private Limited
  - i. Jaswant Rai Jain & Sons (HUF)
  - j. Sunil Kumar Jain & Sons (HUF)

Nature of Transactions	Amount (Rs.)
Rent Paid	19,04,404 /-
Unsecured Loans	3,00,000/-

- Key Management Personnel and their relatives
  - a. Mr. Jaswant Rai Jain
  - b. Mr. Sunil Kumar Jain
  - c. Mrs. Vanya Jain
  - d. Mr. Utkarsh Jain

Nature of Transactions	Amount (Rs.)
Rent Paid	42,56,000/-
Directors Remuneration (excluding perquisite)	36,00,000/-

24. The Company has been advised that the computation of net profits for the purpose of directors remuneration under section 349 of the Companies Act, 1956 need not be enumerated since no commission has been paid to the directors. Fixed monthly remuneration has been paid to the directors within the limits laid down under Schedule – XIII to the Companies Act, 1956.

25. Remuneration to Directors Rs.36,00,000/- (Previous Year Rs. 24,00,000/-)



Place Delhi  
Date: 30.05.2013

**NORTH EASTERN CARRYING CORPORATION LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2013**

	<u>Amt. In Rs.</u>	<u>As At</u> <u>31.03.2013</u> <u>Amt. In Rs.</u>	<u>As At</u> <u>31.03.2012</u> <u>Amt. In Rs.</u>
<b>A. Cash Flow From Operating Activities:</b>			
Net Profit before taxation	8,13,42,154	8,03,05,990	
Add: Depreciation	3,49,11,135	3,35,11,277	
Sub-Total	11,62,53,289	11,38,17,267	
Less: Profit on Sale of Fixed Assets	5,21,652	18,37,283	
Less: Interest on Income Tax Refund/Other Interest	10,48,743	6,17,779	
Less: Profit on Sale of Shares	0	-	
Operating Profit before working capital changes	11,46,82,894	11,13,62,205	
Less: Increase in Sundry Debtors	23,30,00,644	14,17,89,995	
Less: Increase in Loans & Advances	2,10,29,563	45,75,334	
Add: Increase in Current Liabilities	1,65,23,933	3,31,95,100	
Cash generated from operations	(12,28,23,380)	73,42,644	
Less: Income Tax Paid/ Provided	2,93,27,214	2,75,61,930	
Net Cash From Operating Activities	(15,21,50,594)	(2,02,19,286)	(2,02,19,286)
<b>B. Cash Flow From Investing Activities:</b>			
Add: Sale Proceeds of Fixed Assets	15,68,900	28,86,338	
Add: Profit on Sale of Shares	-	-	
Add: Interest on Income Tax Refund/Other Interest	10,48,743	6,17,779	
Less: Purchase of Fixed Assets	2,04,50,000	69,28,821	
Net Cash Outflow from Investing Activities	(1,78,32,357)	(34,24,704)	(34,24,704)
<b>C. Cash Flow From Financing Activities:</b>			
Add: Increase in Secured Loans	17,43,32,027	1,42,74,243	
Add: Increase in Unsecured Loans	-	-	
Net Cash Inflow from Financing Activities	17,43,32,027	1,42,74,243	1,42,74,243
Net Increase in Cash & Cash Equivalents (A+B+C)	43,49,075	(93,69,747)	
Add: Cash & Cash Equivalents at beginning of Year	4,33,64,170	5,27,33,920	
Cash & Cash Equivalents at end of Year	4,77,13,245	4,33,64,173	

Place: Delhi  
Date: 30.05.2013

For and on behalf of board of director of  
**North Eastern Carrying Corporation Limited**

Suhil Kumar Jain  
Managing Director

S. L. Yadav  
Vice President

Mehar Kumar Jain  
Director

Ankit Gupta  
Company Secretary

**Auditor's Certificate:**

We have examined the above Cash Flow Statement of North Eastern Carrying Corporation Ltd. for the year ended 31.03.13. The Statement has been prepared by the Company in accordance with the requirement of listing agreement Clause 32 with Stock Exchange and is based on and in agreement with the books and records of the company and also the Profit & Loss and Balance Sheet of the company covered by our report of even date to the members of the Company.

Place: Delhi  
Date: 30.05.2013

For M/s. Sanghi & Company  
Chartered Accountants  
Firm No: 012619N  
Ram Kishan Sanghi  
Proprietor  
M. No. 091534



# NORTH EASTERN CARRYING CORPORATION LIMITED

## NOTICE

Notice is hereby given that the Twenty-Eighth Annual General Meeting of the shareholders of M/s North Eastern Carrying Corporation Limited will be held on Monday the 30<sup>th</sup> day of September, 2013 at the registered office of the Company at 9062/47, Ram Bagh Road, Azad Market, Delhi-110006 at 11:00 am to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at March 31<sup>st</sup>, 2013 and the Profit and Loss account for the year ended on that date together with Auditors Report and Directors Report thereon.
2. To appoint a director in place of Mr. Manoj Kumar Jain, who retires by rotation and being eligible, offers himself for re-appointment on existing terms and conditions.
3. To appoint the Auditors to hold office from the conclusion of this meeting to the conclusion of the next Annual General Meeting and to fix their remuneration.

### SPECIAL BUSINESS:

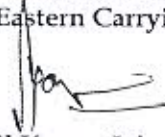
#### 4. Increase in Borrowing Power:

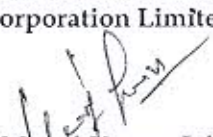
To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT in supersession of the resolution passed by the members of the Company under Sec. 293 (1) (d) of the Companies Act, 1956 at the Extra-ordinary General Meeting held on March 18, 2009, the consent of the Company be and is hereby granted pursuant to Sec 293 (1) (d) and other applicable provisions if any of the Companies Act, 1956 (including any statutory modification(s) and re-enactment(s) thereof for the time being in force) (hereinafter referred to as the ("Act")), to the Board of directors of the Company to borrow for the purpose of the business of the Company from time to time on such terms and conditions as the Board may deem fit, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained and/or to be obtained from the Company's bankers in the ordinary course of business) will or may exceed the aggregate of the paid up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose, so that the total amounts up to which the monies may be borrowed by the Board shall not at any time exceed Rs. 1,50,00,00,000/- (Rupees One Hundred Fifty Crores).

RESOLVED FURTHER THAT the Board or such other person as may be authorized by the Board of directors be and is hereby authorized to finalize the form, extent and manner of and the documents and deeds, whichever applicable, for creating the appropriate mortgages and/or charges on such immovable and/or movable properties of the Company on such terms and conditions as may be decided by the Board in consultation with the lenders and for reserving the aforesaid right and for performing all such acts and things as may be necessary for giving effect to this resolution."

On Behalf of the Board of Directors  
North Eastern Carrying Corporation Limited

  
Sunil Kumar Jain  
Chairman

  
Manoj Kumar Jain  
Director

Place: Delhi  
Date: 30.08.2013

# **NORTH EASTERN CARRYING CORPORATION LIMITED**

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**NOTE:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEEDS NOT TO BE A MEMBER.
2. THE PROXIE, IN ORDER TO BE VALID MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. THE REGISTER OF MEMBERS AND SHARE TRANSFER BOOKS OF THE COMPANY WILL REMAIN CLOSED FROM 25<sup>th</sup> DAY OF SEPTEMBER 2013 TO 30<sup>th</sup> DAY OF SEPTEMBER 2013 (BOTH DAYS INCLUSIVE).
4. THE EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 IN RESPECT OF ITEM NO. 5 AS SET OUT ABOVE IS ANNEXED HERETO.





# NORTH EASTERN CARRYING CORPORATION LIMITED

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) READ WITH CLAUSE (B) OF II PART OF SECHEDULE XIII OF THE COMPANIES ACT, 1956:

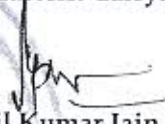
## ITEM NO. 4

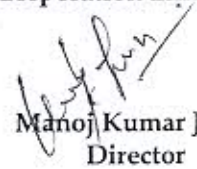
At the Extra-ordinary General Meeting held on March 18, 2009 the Board of Directors were authorized under Section 293 (1) (d) of the Companies Act, 1956, to borrow up to a limit of Rs. 70,00,00,000/- apart from temporary loans obtained/to be obtained from the bankers (by way of cash credit limits and working capital demand loans) in the ordinary course of business.

Your Directors are of the view that there will be steady growth in business. The growth in business would require additional funds. Hence, the mobilization of funds by the Company will substantially increase. Therefore it is considered desirable to increase the limit of borrowings to 1,50,00,00,000/- apart from the temporary loans obtained/to be obtained from the Company's bankers in the ordinary course of business.

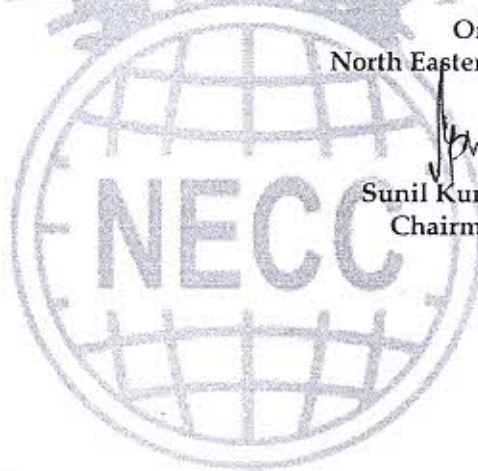
None of the Directors of the Company is in any way, concerned or interested in the proposed resolution. The Board of directors commend passing of the resolution set out in Item No. 04 of the accompanying Notice.

On Behalf of the Board of Director  
North Eastern Carrying Corporation Limited

  
Sunil Kumar Jain  
Chairman

  
Manoj Kumar Jain  
Director

Place: Delhi  
Date: 30.08.2013



# NORTH EASTERN CARRYING CORPORATION LIMITED

## ATTENDANCE SLIP- 28<sup>TH</sup> ANNUAL GENERAL MEETING

Name of the attending Member: \_\_\_\_\_  
Name of the proxy: \_\_\_\_\_  
No. of share held: \_\_\_\_\_ ( \_\_\_\_\_ equity shares)  
Ledger Folio no: \_\_\_\_\_  
DP ID/Client ID no: \_\_\_\_\_ ; \_\_\_\_\_

I hereby record my presence at the Annual General Meeting on 30<sup>th</sup> September, 2013 at 11:00 am at the registered office of the Company at 9062/47, Ram Bagh Road, Azad Market, Delhi- 110006.

Member's signature \_\_\_\_\_

Proxy Signature \_\_\_\_\_

Shareholder/proxies are requested to bring the attendance slip with them. Duplicate slip will not be issued. Signature (s) of member (s) should tally with specimen signature (s) registered with the Company.

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## PROXY FORM- 28<sup>TH</sup> ANNUAL GENERAL MEETING

(To be reach at the registered office before 48 hrs of the time fixed for meeting)

I/we, \_\_\_\_\_ resident \_\_\_\_\_ of \_\_\_\_\_  
being a member(s) of NORTH EASTERN  
CARRYING CORPORATION LIMITED Hereby appoint Mr. \_\_\_\_\_  
resident of \_\_\_\_\_ as my/our proxy to  
attend and vote for me/ us on my/ our behalf at the Annual General Meeting on 30<sup>th</sup> September, 2013 at  
11:00 am at the registered office at 9062/47, Ram Bagh Road, Azad Market, Delhi-06, of the Company.

No. of shares held: \_\_\_\_\_  
Ledger Folio no: \_\_\_\_\_  
DP ID/Client ID no: \_\_\_\_\_ ; \_\_\_\_\_

Affix Re. 1/-  
Revenue  
Stamp

Members Signature \_\_\_\_\_

Date: \_\_\_\_\_

Place: \_\_\_\_\_