

NORTH EASTERN CARRYING CORPORATION LIMITED

DIRECTORS REPORT

TO THE SHAREHOLDERS

The Directors have pleasure in presenting the Twenty-Seventh Annual Reports on the business and operation of the Company and the Audited Statement of Accounts for the year ended March 31st, 2012.

1. FINANCIAL PERFORMANCE

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

(Rs. Rupees)

Particulars	For the year ended	
	31.03.2012	31.03.2011
Profit before Depreciation & Income Tax	113817264	103683270
Less: Depreciation	33511274	30952727
Profit after depreciation	80305990	72730543
Less: Provision for:		
Income Tax	29252040	22043455
Wealth Tax	25000	25000
Less/ Add: Deferred tax Saving/Liability	2255479	(2028838)
Add/Less : Previous year adjustment	(540369)	513086
Profit After Taxation	52744060	49146336
Add: Profit brought Forward	172106308	122959972
Balance Carried over to Balance Sheet	224850368	172106308

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, 2012.

3. DIRECTORS

Mr. Mohak Jain and Mr. Roshan Dabriwal, Directors of the Company retire by rotation and being eligible, offer there selves for re-appointment. Their re-appointment is subject to the approval of members at the ensuing Annual General Meeting.

4. AUDITORS REPORT

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

5. 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.

6. 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.

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7. 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/-.

8. INFORMATION PURSUANT TO LISTING AGREEMENT WITH DSE:

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

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

The listing fee for 2012-13 has been paid and there being neither de-listing nor suspension of shares from Trading during the year under review.

9. 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.

10. 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.

11. 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, 2012 and of the Profit/Loss of the Company for the year ended March 31st, 2012.
- (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.

12. 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.

13. 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.

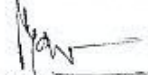
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14. ACKNOWLEDGEMENT

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

Place: Delhi
Date: 30th May, 2012


Sunil Kumar Jain
(Chairman)



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 31st, 2012

The Board of Directors comprises of Seven members, three Directors are executive and the other four 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 31st, 2012 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	-	23	Yes	3	-	7
Sh. Jaswant Rai Jain	Director	Executive	30.09.95	-	-	-	-	-	-
Sh. Praveen Jain	Director	Executive	03.01.86	15.11.2011	-	-	1	-	-
Sh. Sanjeev Jain	Director	Executive	10.10.94	-	18	Yes	1	-	-
Sh. Roshan Dabrial	Director	Non-Ex & I	18.09.04	-	21	Yes	3	-	-
Sh. Manoj Kumar Jain	Director	Non-Ex & I	24.03.09	-	22	Yes	2	-	-
Sh. Mohak Jain	Director	Non-Ex & I	15.10.09	-	15	-	1	-	-
Sh. Utsav Jain	Director	Non-Ex & I	04.01.11	-	16	-	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.

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- c) 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.
- 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 23 times i.e. 08.04.2011, 09.04.2011, 04.05.2011, 30.05.2011, 11.07.2011, 13.07.2011, 14.07.2011, 23.07.2011, 25.07.2011, 02.08.2011, 04.08.2011, 12.08.2011, 16.08.2011, 07.09.2011, 10.10.2011, 17.10.2011, 11.11.2011, 15.11.2011, 24.11.2011, 09.01.2012, 28.01.2012, 05.03.2012 and 21.03.2012 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 31st March 2012 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	-	5
Sh. Manoj Kumar Jain	Member	Non-Ex & I	24.03.2009	-	5
Sh. Mohak Jain	Member	Non-Ex & I	31.08.2010	-	5

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

During the year the committee has met 5 times on 03.04.2011, 26.05.2011, 08.08.2011, 09.11.2011 and 09.02.2012. 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 18th 2004 by Board of Directors. The composition of the committee as on 31st March 2012 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	-	4
Sh. Manoj Kumar Jain	Member	Non-Ex & I	24.03.2009	-	4
Sh. Mohak Jain	Member	Non-Ex & I	31.08.2010	-	4

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

Remuneration Committee meeting was held on 05.04.2011, 29.07.2011, 26.10.2011 and 23.01.2012. 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 1st April 2011 to 31st March 2012 & part thereof:

Name	Designation	Salary	Commission	Sitting Fees
Sh. Jaswant Rai Jain	Director	Nil	Nil	Nil
Sh. Sunil Kumar Jain	Director	24,00,000/-	Nil	Nil
Sh. Sanjeev Jain	Director	Nil	Nil	Nil
Sh. Roshan Dabriwal	Director	Nil	Nil	Nil
Sh. Manoj Kumar Jain	Director	Nil	Nil	Nil
Sh. Mohak Jain	Director	Nil	Nil	Nil
Sh. Utsav Jain	Add. Director	Nil	Nil	Nil

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

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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 31st March 2012 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	-	5
Sh. Manoj Kumar Jain	Member	Non-Ex & I	24.03.2009	-	5
Sh. Mohak Jain	Member	Non-Ex & I	31.08.2010	-	5

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

During the year the committee has met 5 times on 03.04.2011, 09.06.2011, 06.08.2011, 24.11.2011 and 10.02.2012. 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)
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
2008-09	9062/47, Ram Bagh Road, Azad Market, Delhi-06	30.09.09	10:30 AM	No Special Resolution

Extraordinary General Meeting:

There was no Extraordinary General Meeting held during the year from 1st April, 2011 to 31st March, 2012.

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 & 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. 31st March 2012.

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MEANS OF COMMUNICATION

Half yearly report sent to each household of Shareholder	-No
Quarterly Results, in which newspaper normally published	-FinancialExpress/ Jansatta
Any Website, where displayed	-www.neccgroupp.com
Whether it also displays official news releases and	-No
Presentations made to institutional investors/ Analysts	-No
Whether MD & A is a part of Annual Report	-Yes
Whether Shareholder Information section forms part of the Annual Report	-Yes

GENERAL SHAREHOLDER INFORMATION

- Annual General Meeting:**
The 27th Annual General meeting of the company will be held on 30th August, 2012 at 11:00 am, at the registered office of the company at 9062/47, Ram Bagh Road, Azad Market, Delhi-06
- Financial Calendar:**

Financial Year	1 st April to 31 st March
Financial Year (under review)	1 st April 2011 to 31 st March 2012
Result for quarter ending 30 th June 11	Latest by 15 th August 2011
Result for quarter ending 30 th September 11	Latest by 15 th November 2011
Result for quarter ending 31 st December 11	Latest by 15 th February 2012
Result for quarter ending 31 st March 12	Latest by 30 th May 2012

(In case company opted to file Audited Financial Account with in 60 days from end of financial year, then unaudited result for the last quarter shall be filed with Annual Audited Result with Stock Exchange(s))

- Book Closure Date:**
The register of members and Share transfer register shall remain closed during the 25th day of August 2012 to 30th day of August 2012 (both days inclusive) for the purpose of Annual General Meeting.
- Listing of Equity shares:**
The equity shares of the company is and shall remain listed at:

Delhi Stock Exchange Limited,
DSE House, 3/1, Asaf Ali Road,
New Delhi-110002
- Stock Code:** 16093
- ISIN** INE553C01016
- Credit Rating**
CRISIL Limited (our credit rating agency) has accredit and assigned +BBB to our various Banking facilities.
- Stock Market Price Data:**
During the financial year 2011-12, there was no trading of shares of the company on Delhi stock exchange. Therefore, high and low prices for the period cannot be given.
- 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.

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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 to 30 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, 2012:

No of Equity Shares held	No. of Shareholders	% of Shareholders	Total no. of Shares held	% of Shareholding
Upto 5000	937	94.84	487809	03.89
5001-10000	Nil	Nil	Nil	Nil
10001-50000	Nil	Nil	Nil	Nil
50001-100000	45	04.56	2671250	21.29
100001-500000	Nil	Nil	Nil	Nil
500001-1000000	2	00.20	1476575	11.76
1000001 and above	4	00.40	7913700	63.06
Total	988	100.00	12549334	100.00

Categories of Shareholding as on 31st March, 2012:

Sr. No.	Category of Holder	No. of Shares	% of Equity
1.	Promoters' Holdings	9390275	74.83
	SUB TOTAL (A)	9390275	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)	9390275	74.83
5.	Others	----	--
	Corporate Bodies	2492040	19.86
	Indian Public	667019	5.31
	NRI's/OCBs/Foreign Company	----	--
	Any other	----	--
	Sub Total	3159059	25.17
	GRAND TOTAL (A+B)	12549334	100.00

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:

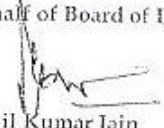
No funds have been raised from the public since the last three years.

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16. Transfer of unclaimed amounts to Investor Education and Protection Fund:
No amount was transferred to Investor Education and Protection Fund during the year 2011-12

17. Address for Correspondence
9062/47, Ram Bagh Road
Azad Market, Delhi - 110006
Email: co@necgroup.com

For and on behalf of Board of Directors


Sunil Kumar Jain
(Chairman)

Place: Delhi
Date: 30th May, 2012



NORTH EASTERN CARRYING CORPORATION LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS

(As per clause 49 of listing agreement)

INDIAN ROAD TRANSPORT INDUSTRY

The road transport and logistics market is one of the key sector of growth of the Indian economy. Diversifying from the unorganized sector to the well managed/organized sector, the transport sector playing very significant role in the development of India economy.

The transport industry is growing at around 16-18%, resulting in overall market size greater than 100 billion dollars. The roads are the dominant mode of transportation in India today. They carry almost 90 percent of the country's passenger traffic and 65 percent of its freight. The total length of Indian road network is approximately 33.00 lacs km. out of which approx 32% is single lane, 56% is double lane and rest is four of more lane standard. The country had only 1.95 lacs km of national (state & national) highway.

OPERATION AND FUTURE OUTLOOK

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 2011-12. During the period the company had not only enhanced its turnover but also its client base and its fleet.

The company's strategy is well thought of and in line with domestic market trend and industry. The company is growing its traditional parchoon (retail) 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.

STRENGTH, WEAKNESSES, OPPORTUNITIES & THREATS (SWOT)

The government concentration & concern over infrastructural development of country booms the growth opportunity and productivity of associated industries which ultimately increases the possible growth of transport industry. In the recent union budget allocation of Road Transport and Highways Ministry enhanced by 14 per cent to Rs. 25,360 crore. It clearly describes the importance & concerns of road transportation and its infrastructure over the economy and industry.

The Indian Road transport industry is on a tremendous growth path however, there is certain thing which determines the Company's growth as enumerated as a SWOT analysis on the Company:

Strength:

- The large geographic spread of operation not only in urban areas but also in rural and remote unprivileged areas of the country.
- Large customer base of big business houses as well as remote retails.
- Experienced and committed workforce associated with the company since last 10-35 years.
- The diversify services in form of FTL, Parchoon loading and household segment through its packers and movers division.
- The company's brand loyalty and visibility in the market.

Weaknesses:

- Gradual increase in price of crude oil globally, it raises an unexpected running cost.
- Government proposal for uplifting of subsidy to petro product may further increase the running cost of the company.
- Increased competitive pressure resulting in wage inflation due to increases competition for experienced and skilled human resources as well freight rate due to immense competition from other companies.
- Breakdowns in telecom links, land sliding, cyclones and floods during rainy season or other natural disaster could temporarily impact over quality of services.

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- Constant socio-communal riot in eastern & north eastern territories and other parts of India becomes major hindrance in quality of services and profitability of the company.
- Dependency of operation on external source of fund, delays in which might affect the expansion plans and day to day operation of the company.

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.
- Infrastructural Development Investment policies of Central & State governments shall result in higher growth opportunity for transportation business.
- 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.

Threat

- Damages, accident and theft are matter of concern during voyage.
- Natural disturbance in form 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 Internal control team, reviews and evaluates the adequacy and effectiveness of internal control, ensuring adherence to operating guidelines and statutory requirements. The company has efficient Internal Control Procedure commensurate and adequate with its size and business. This system comprises well documented policies, guidelines and authorization and approval procedures. The company has an Internal Audit department which carries out an extensive audit throughout the year. These audit test the adequacy and effectiveness of the internal controls laid down by the management.

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.

CONTINGENT LIABILITIES

The details of the company's contingent liabilities are given in note no 8 of schedule 14 Attached to and forming part of the Balance Sheet as on 31st March 2012.

CAUTIONARY STATEMENT

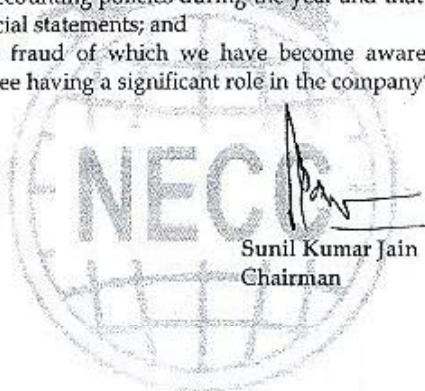
Statements in the Management Discussion Analysis Report may be forward looking statement with in the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's operation 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 & Executive Director and S.L. Yadav, Vice President 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

A handwritten signature of S.L. Yadav is written above the Vice President's name.

S.L. Yadav
Vice President

Place: Delhi
Date: 30.05.2012



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 31st March 2012, 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.

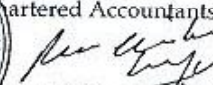
In our opinion and to the best of our information and according to the explanation given to us, and the representation made by the Directors and the management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the Listing Agreement.

We state that as per the report given by the Registrars of the Company to the Shareholder/investors Grievances Committee, as on 31st March, 2012, 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: 30.05.2012

NORTH EASTERN CARRYING CORPORATION LIMITED

CONFIRMATION OF COMPLIANCE OF CODE OF CONDUCT AND ETHICS

I, declares that all Board Members and senior Management have individually affirmed compliance with the code of business conduct and ethics adopted by the company during the year 2011-12. 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: 30.05.2012

