

# **CHAMPARAN MARKETING COMPANY LIMITED**

## **NOTICE**

Notice is hereby given that the Sixty Third Annual General Meeting of Champaran Marketing Company Limited will be held on Wednesday, 10th September, 2014 at 10.30 A.M. at 9/1, R. N. Mukherjee Road, Birla Building, 5th Floor, Kolkata - 700 001 to transact the following businesses :

### **AS ORDINARY BUSINESS :**

1. To consider and adopt the audited Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Tola Ram Chachan (holding DIN : 00050558) who retires by rotation and is eligible for re-appointment.
3. To appoint Auditors and to fix their remuneration. In this connection, to consider and, if thought fit, to pass the following Resolution which will be proposed as an Ordinary Resolution :

"RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 read with Companies (Audit & Auditors) Rules, 2014, all other applicable provisions of the Companies Act, 2013 and the rules made thereunder including any statutory modifications or re-enactments thereof M/s. K. P. Gutgutia & Co., Chartered Accountants, 2, Princep Street, Kolkata - 700 072 having Firm Registration No. 305028E be and they are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting at such remuneration and other terms of engagement as would be fixed by the Board of Directors."

### **AS SPECIAL BUSINESS :**

To consider and if thought fit to pass with or without modification the following Resolution as Ordinary Resolutions :

4. "RESOLVED THAT Mr. Ashok Kumar Daga (holding DIN : 03621528) who was appointed as an Additional Director of the Company w.e.f. 21st February, 2014 and who holds office upto the date of this Annual General Meeting be and he is hereby appointed as a Director of the Company".

To consider and if thought fit to pass with or without modification the following Resolutions as a Special Resolution :

# **CHAMPARAN MARKETING COMPANY LIMITED**

## **NOTICE (Contd.)**

5. "RESOLVED in supersession of the Ordinary Resolution adopted under Section 293(1)(d) of the Companies Act, 1956 in the meeting of the shareholders of the Company held on 5th March, 2012 and pursuant to Section 180(1)(c) of the Companies Act, 2013, other applicable provisions of the Companies Act, 2013 and the rules made thereunder including any statutory modifications or re-enactments thereof THAT the Board of Directors of the Company be and they are hereby authorised and empowered to borrow money in excess of the aggregate of the paid up capital and free reserves of the Company provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business, shall not be in excess of Rs. 50 crores (Rupees fifty crores only).

RESOLVED FURTHER THAT the Board of Directors of the Company be and they are hereby authorized to do or cause to be done in the name and at the cost of the Company all such acts, deeds and things and to take all such steps as may be necessary, proper or expedient to give effect to the aforesaid Resolution."

Regd. Office :

9/1, R. N. Mukherjee Road,

5th Floor, Kolkata - 700 001

CIN : U15424WB1951PLC019451

Tel. : 2242 9956, 2248 7068

Fax : 2248 6369

E-mail : birlasugar@birla-sugar.com

Dated : 11th August, 2014

By Order of the Board

Sunil Choraria

Director

**NOTE : A member entitled to attend and vote at the Annual General Meeting ("AGM") is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than forty-eight hours before commencement of the meeting.**

**In terms of Rule 19 of the Companies (Management & Administration) Rules, 2014, a person can act as a proxy on behalf of not exceeding fifty members and holding in aggregate not more than 10% of the total paid up share capital of the Company carrying voting rights. A member holding more than ten percent of the paid up share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or shareholder.**

# **CHAMPARAN MARKETING COMPANY LIMITED**

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

### **Item No. 4 of Special Business :**

The Board of Directors of the Company at their meeting held on 21st February, 2014 had appointed Mr. Ashok Kumar Daga (holding DIN : 03621528) as an Additional Director of the Company pursuant to the provisions of Section 260 of the Companies Act, 1956 and the Articles of Association of the Company.

Since the tenure of appointment of Mr. Ashok Kumar Daga as an Additional Director of the Board expires at the ensuing Annual General Meeting, approval of the shareholders is being sought to confirm his appointment as a Director of the Company. As required under Section 160 of the Companies Act, 2013, notice has been received from a shareholder signifying their intention to propose the appointment of Mr. Ashok Kumar Daga as a Director of the Company.

His appointment as a Director of the Company is considered desirable in the interest of the Company so that the Company may be able to avail his valuable advices. The Directors, accordingly, recommend the Resolution mentioned in Item No. 4 of the Notice for your approval.

Save and except Mr. Ashok Kumar Daga and his relatives to the extent of their shareholding, if any, none of the Directors or the Key Managerial Personnel or their relatives are in any way concerned or interested in the proposed Resolution.

### **Item No. 5 of Special Business :**

The shareholders of the Company at the Extra-Ordinary General Meeting of the Company held on 5th March, 2012 had accorded their approval by way of an Ordinary Resolution to the Board of Directors of the Company to borrow money in excess of the aggregate of its paid up capital and free reserves upto an amount of Rs. 50 crores (Rupees fifty crores).

The newly introduced Section 180(1)(c) of the Companies Act, 2013, enforced from 12th September, 2013, mandates every Company to seek prior approval of its shareholders through a Special Resolution to borrow money in excess of the aggregate of the paid up capital and free reserves of the Company.

It is therefore, necessary to seek a fresh approval of the shareholders of the Company by way of a Special Resolution pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 and the rules made thereunder to make contributions for borrowing money in excess of the aggregate of the paid up capital and free reserves of the Company upto an amount not exceeding Rs. 50 crores (Rupees fifty crores).

The Directors, accordingly, recommend the Resolution mentioned in Item No. 5 of the Notice for your approval.

None of the Directors or the Key Managerial Personnel or their relatives is in any way concerned or interested in the proposed Resolution.

# **CHAMPARAN MARKETING COMPANY LIMITED**

## **Directors' Report**

To

The Shareholders,

Your Directors have pleasure in presenting their Sixty Third Annual Report on the performance of your Company along with the Audited Accounts of the Company for the year ended 31st March, 2014.

	<u>Rs.</u>	<u>Rs.</u>
<b>2. Financial Results :</b>		
The Statement of Profit & Loss shows a profit of		22,38,979
To which is added the Balance brought forward from the previous year		<u>1,30,92,793</u>
Making a total of		<u>1,53,31,772</u>
Out of this provision have been made for		
Reserve Fund	4,48,000	
Current Tax net of excess provision for Tax of earlier years	1,16,630	
Standard Assets	<u>6,100</u>	<u>5,70,730</u>
Balance to be carried forward		<u>1,47,61,042</u>

### **3. Dividend :**

Your Directors have not recommended any dividend.

### **4. Capital :**

During the year under review, there has been no change in the capital base of the Company which comprised of 43,49,000 fully paid Equity Shares of Rs. 2.50 each.

### **5. Deposits :**

Your Company did not accept any deposits within the meaning of Section 58A of the Companies Act, 1956 and the rules made there under.

### **6. Directors :**

In accordance with the provisions of the Companies Act, 2013, Mr. Tola Ram Chachan retires from the Board by rotation and is eligible for re-appointment.

Mr. Vikash Saraswat resigned from the Board of Directors of the Company and thus ceased to be a Director of the Company with effect from 21st February, 2014. The Board places on record its deep appreciation for the services rendered by him during his tenure as a Director of the Company.

Pursuant to the provisions of Section 260 of the Companies Act, 1956, Mr. Ashok Kumar Daga was appointed as an Additional Director on 21st February, 2014 and accordingly he would hold office upto the date of the ensuing Annual General Meeting.

### **7. Statutory Disclosures :**

None of the Directors of the Company are disqualified as per the provisions of Section 274(1)(g) of the Companies Act, 1956.

## **CHAMPARAN MARKETING COMPANY LIMITED**

### **Directors' Report (Contd.)**

8. **Auditors :**

The Auditors, M/s. K. P. Gutgutia & Co., Chartered Accountants, 2, Princep Street, Kolkata - 700 072 having Firm Registration No. 305028E allotted by The Institute of Chartered Accountants of India (ICAI) retires as Auditor of your Company at the ensuing Annual General Meeting (AGM) and have confirmed their eligibility and willingness to accept the office of Auditors, if re-appointed. Your Company has obtained a written consent form M/s. K. P. Gutgutia & Co., Chartered Accountants to the effect that their appointment, if made, will be within the limits specified under Section 139 and 141 of the Companies Act, 2013 and are eligible for re-appointment.

9. **Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo :**

As the Company has no manufacturing activity, it is not required to furnish any information with regard to conservation of energy. There is no information to furnish with regard to technology absorption. During the year, no foreign exchange was earned or used by the Company.

10. **Particulars of Employees :**

The provisions of Section 217(2A) of the Companies Act, 1956 are not applicable to the Company as there is no employee.

11. **Directors' Responsibility Statement :**

Your Directors confirm that –

- i) in preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures ;
- ii) they 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 at the end of the financial year and of the profit of the Company for that year ;
- iii) they 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 ;
- iv) they have prepared the annual accounts on a going concern basis.

12. **Compliance Certificate :**

A copy of the Compliance Certificate from M/s. D. Raut & Associates, Company Secretaries, as required under Section 383A of the Companies Act, 1956 is attached and forms a part of this Report.

9/1, R. N. Mukherjee Road,  
Kolkata-700 001.  
Dated : 24th April, 2014

SUNIL CHORARIA  
BAIJNATH BANSAL | *Directors*

## **CHAMPARAN MARKETING COMPANY LIMITED**

### **COMPLIANCE CERTIFICATE**

Nominal Capital : Rs. 1,75,00,000/-

Registration No. : 21-019451

To

The Members,  
Champaran Marketing Company Limited  
9/1, R. N. Mukherjee Road,  
Kolkata - 700 001

We have examined the registers, records, books and papers of Champaran Marketing Company Limited (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and / or Companies Act, 2013 to the extent applicable and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended 31st March, 2014. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the financial year.

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the Rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms as stated in Annexure 'B' to this certificate, with the Registrar of Companies within the time prescribed under the Act and the rules made thereunder.
3. The Company, being a public limited company, clause 3 is not applicable.
4. The Board of Directors duly met Four (4) times respectively on 25th April, 2013, 23rd September, 2013, 8th November, 2013 and 21st February, 2014 and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
5. The Company was not required to close its Register of Members during the period under scrutiny since it is not listed with any Stock Exchange.
6. The Annual General Meeting for the financial year ended on 31st March, 2013 was held on 6th August, 2013 after giving notice to the Members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting held during the financial year.
8. The Company has not advanced any loans to its Directors or persons or firms or Companies referred to under Section 295 of the Companies Act, 1956 and read with Section 185 of Companies Act, 2013.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Companies Act, 1956.

## **CHAMPARAN MARKETING COMPANY LIMITED**

### **Compliance Certificate (Contd.)**

10. The Company was not required to make any entries in the register maintained under Section 301 of the Companies Act, 1956.
11. As there was no instance falling within the purview of Section 314 of the Companies Act, 1956, the Company was not required to obtain any approvals from the Board of Directors, Members or Central Government.
12. The Company has not issued any duplicate share certificates during the period under scrutiny.
13. The Company has :
  - a. not allotted / transmitted / transferred any Shares during the financial year.
  - b. not deposited any amount in a separate Bank Account as no dividend was declared during the period.
  - c. was not required to post warrants to member of the Company as no dividend was declared during the period.
  - d. no amount in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon and as such it was not required to transfer any amount to Investor Education & Protection Fund.
  - e. duly complied with the requirements of Section 217 of the Companies Act, 1956.
14. The Board of Directors of the Company is duly constituted.
15. The Company has not appointed any Managing Director / Whole-time Director / Manager during the period under scrutiny.
16. The Company has not appointed any sole-selling agents during the period under scrutiny.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies or such other authorities as may be prescribed under the various provisions of the Act during the period under scrutiny.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any shares, debentures or other securities during the period under scrutiny.
20. The Company has not bought back any shares during the period under scrutiny.
21. There was no redemption of preference Shares or debentures during the period under scrutiny.
22. There was no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.

## **CHAMPARAN MARKETING COMPANY LIMITED**

### **Compliance Certificate (Contd.)**

23. The Company has not invited/accepted any deposits under Section 58A of the Companies Act, 1956 during the financial year.
24. The Company has not made any borrowing during the year.
25. The principal business of the Company is acquisition of shares, stocks, debentures or other securities and the Company is NBFC. Hence provisions of 372A Companies Act, 1956 is not applicable to it during the year. However Company maintains register of investment u/s 372A.
26. The Company has not altered the provisions of the Memorandum with respect to the situation of the Company's registered office from one state to another during the period under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the period under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the period under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to Share Capital of the Company during the period under scrutiny.
30. The Company has not altered its Articles of Association during the period under scrutiny.
31. There was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the period under scrutiny, for offences under the Act.
32. Since the Company has no employees, it didn't receive any money as security from its employees during the financial year.
33. Since the Company has no employees, the provisions of EPF & Miscellaneous Provisions Act, 1952 are not applicable, consequently it was not required to deduct any contribution towards Provident Fund during the financial year.

It is stated that the compliance of all the applicable provisions of the Companies Act, 1956 and / or Companies Act, 2013 to the extent applicable is the responsibility of the management. Our examination, on a test-check basis, was limited to procedures followed by the Company for ensuring the compliance with the said provisions. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted its affairs. We further state that this is neither an audit nor an expression of opinion on the financial activities/statements of the Company.

Moreover, we have not covered any matter related to any other law which may be applicable to the Company except the Companies Act, 1956 and/or Companies Act, 2013 to the extent applicable.

# **CHAMPARAN MARKETING COMPANY LIMITED**

## **Compliance Certificate (Contd.)**

### **Annexure 'A'**

#### **Registers/Records as maintained by the Company**

1. Register of Investment u/s 49(7).
2. Register of Transfers u/s 108/111.
3. Register of Members u/s 150.
4. Minutes Book of Board Meetings u/s 193.
5. Minutes Book of General Meetings u/s 193.
6. Books of Accounts u/s 209.
7. Register of Notice of Interest given by the Directors u/s 299.
8. Register of Contracts, Companies and firm in which Directors are interested u/s 301.
9. Register of Directors, Managing Director, Manager and Secretary u/s 303.
10. Register of Loans & Investments.
11. Register of Charges u/s 143.
12. Application for and allotment of Shares.
13. Copies of Annual Return u/s 163.

### **Annexure 'B'**

Forms and Returns as filed by the Company with Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ended 31st March, 2014.

1. Annual Return Filed in Form 20B u/s 159 of Companies Act, 1956 on 03-10-2013 made up to 06-08-2013 with ROC.
2. Balance Sheet Filed in Form No. 23AC along with Profit & Loss Account in Form No. 23ACA u/s 220 of Companies Act, 1956 on 05-09-2013 for the Financial year ended 31-03-2013 with ROC.
3. Compliance Certificate Filed in Form No. 66 u/s 383A of Companies Act, 1956 on 05-09-2013 for the year ended 31-03-2013 with ROC.
4. Form 32 Filed for Appointment of Director u/s 303(2) of Companies Act, 1956 and 161(1) of Companies Act, 2013 on 23-05-2013 with ROC.
5. Form 32 Filed for change in designation Director of u/s 303(2) of Companies Act, 1956 and 161(1) of Companies Act, 2013 on 04-09-2013 with ROC.
6. Form 32 Filed for cessation of Director u/s 303(2) of Companies Act, 1956 and 161(1) of Companies Act, 2013 on 26-02-2014 with ROC.

Commerce House  
7th Floor, Room No.10  
2A, Ganesh Chandra Avenue  
Kolkata - 700 013  
Dated : the 24th April, 2014

for **D. RAUT & ASSOCIATES**  
*Company Secretaries*  
**DEBENDRA RAUT**  
Proprietor  
C. P. No. : 5232

# **CHAMPARAN MARKETING COMPANY LIMITED**

## **Auditors' Report to the Members**

### **1. Report On The Financial Statements**

We have audited the accompanying financial statements of Champaran Marketing Company Limited, which comprise the Balance Sheet as at 31st March, 2014 and the Statement of Profit & Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **2. 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. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give true and fair view and are free from material misstatements, whether due to fraud or error.

### **3. Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

As audit involves performing procedures to obtain audit evidence about the amount 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.

### **4. Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the said statements accounts read with other notes thereon, give the information required by the Companies Act, 1956 in the manner so required and also give a true and fair view in conformity with the accounting principles generally accepted in India.

## **CHAMPARAN MARKETING COMPANY LIMITED**

### **Auditors' Report to the Members (Contd.)**

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

#### **5. Report on Other Legal and Regulatory Requirements**

- i) As required by the Companies (Auditor's Report) Order 2003 Issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable to the company.
- ii) 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 the law have been kept by the company as far as appears from our examination of those books.
  - c) The Balance Sheet, Statement of Profit & 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 & Loss and Cash Flow Statement dealt with by this report comply with the requirements of the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
  - e) On the basis of written representations received from the directors as on 31st March, 2014 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2014 from being appointed as a Director in terms of Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

2, Princep Street,  
Kolkata - 700 072  
Dated, the 24th April, 2014

For K. P. GUTGUTIA & CO.  
Firm Registration No. 305028E  
*Chartered Accountants*  
(K. P. GUTGUTIA)  
*Proprietor*  
Membership No. 7250

## **CHAMPARAN MARKETING COMPANY LIMITED**

### **Annexure referred to in Paragraph 5 of the Auditors' Report to the Member**

1. The Company has no Fixed Assets, as such the question of maintenance of fixed assets records and physical verification thereof does not arise.
2. The Company has no manufacturing and/or trading activities and as such the question of having any stock and maintenance of records in respect thereof and physical verification of inventory does not arise.
3. The Company has not taken/granted any loans, secured or unsecured, from/to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
4. The Company has not purchased any goods and fixed assets and also there is no sale of goods and services during the year and as such the question of having any internal control system with regard to purchase of inventory, fixed assets and sale of goods does not arise.
5. There were no transactions which required to be entered in the register in pursuance of Section 301 of the Companies Act, 1956.
6. The Company has not accepted any deposits from the public.
7. The internal audit was conducted by a service company and in our opinion the internal audit system is commensurate with the size of the Company and the nature of its business.
8. The Company is not required to maintain any cost records under Section 209(1)(d) of the Companies Act, 1956.
9. The Company has been regular in depositing undisputed statutory dues with the appropriate authorities as applicable. As the Company has no employee and no manufacturing and/or trading activities are carried on by the Company the question of payment of provident fund, employees' state insurance, sales tax, custom duty, excise duty, service tax, cess etc. does not arise. According to the information and explanations given to us no undisputed amounts payable in respect of statutory dues were outstanding as at 31st March, 2014 for a period of more than six months from the date they became payable. There are no dues outstanding in respect of statutory dues on account of any dispute.
10. The Company has no accumulated losses at the end of the financial year and it has not incurred any cash losses in the current and immediate preceding financial year.
11. In our opinion and according to the information and explanations given to us, the Company has not taken any loan from financial institutions, bank as such, the question of any default in repayment does not arise.

## **CHAMPARAN MARKETING COMPANY LIMITED**

Annexure referred to in Paragraph 5 of the Auditors' Report to the Member *(Contd.)*

12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi/mutual benefit fund/societies.
14. In respect of dealing in shares, securities, debentures and other investments, in our opinion and according to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. The shares, securities, debentures and other investments have been held by the Company in its own name.
15. The Company has not given any guarantee for loans taken by others from banks and financial institutions.
16. The Company has not taken any term loan from any financial institutions or bank. The Company does not have any borrowing by way of debentures.
17. We have been informed by the management that no funds were raised either on short term basis or on long term basis.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
19. The Company has not issued any debentures during the year.
20. The Company has not raised any money through a public issue during the year.
21. Based upon the audit procedures performed and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

2, Princep Street,  
Kolkata - 700 072  
Dated, the 24th April, 2014

For K. P. GUTGUTIA & CO.  
Firm Registration No. 305028E  
*Chartered Accountants*  
(K. P. GUTGUTIA)  
*Proprietor*  
Membership No. 7250

## **CHAMPARAN MARKETING COMPANY LIMITED**

### **BALANCE SHEET AS AT 31ST MARCH, 2014**

	<u>Notes</u>	<u>As at 31st March, 2014 Rs.</u>	<u>As at 31st March, 2013 Rs.</u>
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' Fund</b>			
Share Capital	3	<b>1,08,72,500</b>	1,08,72,500
Reserves & Surplus	4	<b>4,84,97,043</b>	4,63,80,793
<b>Current Liabilities</b>			
Short term Borrowings	5	<b>20,00,00,000</b>	20,00,00,000
Other Current Liabilities	6	<b>27,54,950</b>	27,41,780
Short term Provisions	7	<b>5,24,100</b>	5,18,000
<b>Total</b>		<b><u>26,26,48,593</u></b>	<u>26,05,13,073</u>
<b>II. ASSETS</b>			
<b>Non Current Assets</b>			
Non Current Investments	8	<b>5,31,37,572</b>	5,29,15,352
<b>Current Assets</b>			
Cash and Cash Equivalents	9	<b>3,11,062</b>	95,945
Short term Loans and advances	10	<b>20,66,77,493</b>	20,49,78,546
Other Current Assets	11	<b>25,22,466</b>	25,23,230
<b>Total</b>		<b><u>26,26,48,593</u></b>	<u>26,05,13,073</u>

### **Summary of significant accounting policies 2**

The Accompanying notes are an integral part of the financial statements

In terms of our attached report of even date.

For K. P. GUTGUTIA & CO.  
Firm Registration No. 305028E  
*Chartered Accountants*  
(K. P. GUTGUTIA)  
*Proprietor*  
2, Princep Street,  
Kolkata - 700 072  
Dated : 24th April, 2014

For K. P. GUTGUTIA & CO.  
Firm Registration No. 305028E  
*Chartered Accountants*  
(K. P. GUTGUTIA)  
*Proprietor*  
Membership No. 7250

SUNIL CHORARIA | *Directors*  
BAIJNATH BANSAL

## CHAMPARAN MARKETING COMPANY LIMITED

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

	Notes	For the year ended	
		2013-2014 Rs.	2012-2013 Rs.
<b>I. INCOME</b>			
Revenue from Operations	12	3,19,78,879	3,24,31,760
Other Income	13	6,169	—
<b>Total Revenue</b>		<b>3,19,85,048</b>	<b>3,24,31,760</b>
<b>II. Expenses</b>			
Other Expenses	14	2,51,811	1,74,249
<b>Total</b>		<b>2,51,811</b>	<b>1,74,249</b>
<b>Earnings before Finance Cost, Depreciation &amp; amortisation and Tax (I-II)</b>			
		<b>3,17,33,237</b>	3,22,57,511
Finance Cost	15	2,95,00,358	2,98,73,971
<b>Profit before Tax</b>		<b>22,32,879</b>	<b>23,83,540</b>
<b>Tax Expenses</b>			
Current Tax		1,20,000	1,89,543
Add : Excess provision for Tax Written Back		3,370	—
<b>Total Tax Expense</b>		<b>1,16,630</b>	<b>1,89,543</b>
<b>Profit for the year</b>		<b>21,16,249</b>	<b>21,93,997</b>
Earning per Equity Share of Face Value of Rs. 2.50 each			
Basic & Diluted		<b>0.49</b>	0.50

#### Summary of significant accounting policies 2

The Accompanying notes are an integral part of the financial statements

In terms of our attached report of even date.

For K. P. GUTGUTIA & CO.  
Firm Registration No. 305028E  
Chartered Accountants  
(K. P. GUTGUTIA)  
Proprietor

2, Princep Street,  
Kolkata - 700 072  
Dated : 24th April, 2014

SUNIL CHORARIA  
BAIJNATH BANSAL | Directors

## CHAMPARAN MARKETING COMPANY LIMITED

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

	(All Figures in Rs.)	
	2013-2014	2012-2013
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Profit / (Loss) before tax	22,32,879	23,83,540
Adjustment for :		
Depreciation	—	—
Dividend & Interest Income	3,19,78,879	3,24,31,760
<b>Operating profit/(loss) before working capital changes</b>	<b>(2,97,46,000)</b>	<b>(3,00,48,220)</b>
Adjustment for :		
Decrease/(Increase) in Trade & Other receivables	(2,49,236)	(39,72,751)
Increase/(Decrease) in Provisions	6,100	10,000
Increase/(Decrease) in Current Liabilities	13,170	18,25,012
<b>Cash generated from operations</b>	<b>(2,99,75,966)</b>	<b>(3,21,85,959)</b>
Direct Taxes Paid (Net of refunds)	(15,65,576)	(1,89,543)
<b>Net Cash from Operating Activities (A)</b>	<b>(3,15,41,542)</b>	<b>(3,23,75,502)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of fixed assets	—	—
Sale / (Purchase) of Investments	(2,22,220)	—
Dividend Received	19,78,882	19,31,844
Interest Received	2,99,99,997	3,04,99,916
<b>Net Cash from Investing Activities (B)</b>	<b>3,17,56,659</b>	<b>3,24,31,760</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Loan	—	—
<b>Net Cash From Financing Activities (C)</b>	<b>—</b>	<b>—</b>
<b>Net changes in Cash and Cash equivalents (A+B+C)</b>	<b>2,15,117</b>	<b>56,258</b>
Cash and Cash Equivalents - Opening Balance*	95,945	39,687
Cash and Cash Equivalents - Closing Balance*	3,11,062	95,945
*Represents Cash & Bank Balances as indicated in Note 9		

For K. P. GUTGUTIA & CO.  
Firm Registration No. 305028E  
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(K. P. GUTGUTIA)  
Proprietor

2, Princep Street,  
Kolkata - 700 072  
Dated : 24th April, 2014

SUNIL CHORARIA  
BAIJNATH BANSAL | Directors



## **CHAMPARAN MARKETING COMPANY LIMITED**

### **Notes to Financial Statements for the year ended 31st March, 2014**

**1. Corporate Information**

Champaran Marketing Company Limited is primarily a NBFC Company under registered with RBI. It is engaged in Investments of its funds in shares, debentures, bonds etc of joint stock companies, Bonds etc of different mutual fund schemes and incorporate/other deposit with Indian Companies and Nationalised banks etc.

**2. Summary of Significant Accounting Policies**

**a. Basis of Preparation**

The financial statements have been prepared to comply in all material aspects with the Accounting Standards Notified by the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies applied by the Company are consistent with those used in the previous year, except for the change in accounting policy explained below.

**b. Revenue Recognition Policy**

- (i) Interest Income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest Income is included under the head 'Operating Income' in the Profit & Loss Account.
- (ii) Dividend Income is recognized when the shareholders' right to receive payment is established by the balance sheet date.

**c. Investment**

Long Term Investments are considered at cost on individual basis, unless there is permanent decline in value thereof, in which case adequate provision is made against the diminution in the value of Investments

**d. Items of Income and Expenditure are recognised on accrual basis.**

**e. Income taxes**

Tax expense comprises of 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. Deferred Tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

**f. Earning per Share**

Basic earning per Share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted number of Equity Shares outstanding during the period.

For the purpose of calculating diluted earning per share, net profit or loss for the period attributable to equity share holders and the weighted average number of shares outstanding during the period, are adjusted for the effect of all dilutive potential equity shares.

**g. Cash and Cash equivalents**

Cash and cash equivalents in the balance sheet comprise of cash at bank and on hand and short-term deposit with an original maturity of three months or less.

## **CHAMPARAN MARKETING COMPANY LIMITED**

### **Notes to Financial Statements for the year ended 31st March, 2014 (Contd.)**

	As at 31st March, 2014 Rs.	As at 31st March, 2013 Rs.
<b>3. Share Capital</b>		
(a) <b>Authorised Shares</b>		
6,406 Equity Shares of Rs. 10 each	<b>64,060</b>	64,060
59,74,376 Equity Shares of Rs. 2.50 each	<b>1,49,35,940</b>	1,49,35,940
2,50,000 Preference Shares of Rs. 10 each	<b>25,00,000</b>	25,00,000
	<b>1,75,00,000</b>	1,75,00,000
(b) <b>Issued, subscribed and fully paid-up Shares :</b>		
43,50,000 Equity Shares of Rs. 2.50 each	<b>1,08,75,000</b>	1,08,75,000
(c) <b>Subscribed &amp; Paid up Capital :</b>		
43,49,000 Equity Shares of Rs. 2.50 each fully paid up	<b>1,08,72,500</b>	1,08,72,500
	<b>1,08,72,500</b>	1,08,72,500

**(d) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

	31-03-2014		31-03-2013	
	No.	Rs.	No.	Rs.
Equity Shares				
At the beginning of the Period	43,49,000	1,08,72,500	43,49,000	1,08,72,500
Add : Issued during the period	—	—	—	—
Outstanding at the end of the Period	<b>43,49,000</b>	<b>1,08,72,500</b>	43,49,000	1,08,72,500

**(e) Terms/rights attached to Equity Shares**

The Company has only one class of Equity Share having a par value of Rs. 2.50 per share. Each holder of Equity Shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees.

For the year ended 31st March, 2014, the Board of Directors has not proposed any dividend. (Previous Year Nil)

In the event of liquidation of the company, the holders of equity shares will be entitled to receive value of remaining assets of the Company, after distribution of all preferential amounts. The distribution to Equity Shareholders will be in proportion to the amount paid up or credited as paid up.

**(f) Details of shareholders holding more than 5% shares in the Company**

	31-03-2014		31-03-2013	
	No.	% holding	No.	% holding
Equity Shares of Rs. 2.50 each fully paid				
The Oudh Sugar Mills Limited	43,49,000	100%	43,49,000	100%

## CHAMPARAN MARKETING COMPANY LIMITED

Notes to Financial Statements for the year ended 31st March, 2014 (Contd.)

	<u>As at 31st March, 2014 Rs.</u>	<u>As at 31st March, 2013 Rs.</u>
<b>4. Reserve &amp; Surplus</b>		
<b>Share Premium Account</b>		
As per last Account	86,95,000	86,95,000
<b>General Reserve</b>		
As per last Account	1,50,00,000	1,50,00,000
<b>Reserve Fund</b>		
As per last Account	75,93,000	71,53,000
Add : Transfer from Statement of Profit & Loss	4,48,000	4,40,000
	<u>80,41,000</u>	<u>75,93,000</u>
<b>Capital Redemption Reserve</b>	<u>20,00,000</u>	<u>20,00,000</u>
<b>Surplus/(Deficit) in the Statement of Profit &amp; Loss</b>		
Balance as per last financial statements	1,30,92,793	1,13,38,796
Profit / (Loss) for the year	21,16,249	21,93,997
	<u>1,52,09,043</u>	<u>1,35,32,793</u>
Less : Appropriations		
Transfer to Reserve Fund	4,48,000	4,40,000
Net Surplus/(Deficit) in the Statement of Profit and Loss	<u>1,47,61,043</u>	<u>1,30,92,793</u>
<b>Total Reserves and Surplus</b>	<u>4,84,97,043</u>	<u>4,63,80,793</u>
<b>5. Short-term borrowings</b>		
<b>Other Loans &amp; Advances</b>		
Unsecured Loan		
Sil Investments Limited	20,00,00,000	20,00,00,000
	<u>20,00,00,000</u>	<u>20,00,00,000</u>
The above Borrowing is payable on demand and carries Interest @ 14.75% p.a.		
<b>6. Other Current Liabilities</b>		
TDS Payable	4,90,019	4,76,849
Audit Fees	10,000	10,000
Interest Accrued	22,54,931	22,54,931
	<u>27,54,950</u>	<u>27,41,780</u>
<b>7. Short Term Provisions</b>		
Contingent Provision against standard Assets	5,24,100	5,18,000
	<u>5,24,100</u>	<u>5,18,000</u>

## CHAMPARAN MARKETING COMPANY LIMITED

Notes to Financial Statements for the year ended 31st March, 2014 (Contd.)

	<u>No. of Shares</u>	<u>Face Value (Rs.)</u>	<u>As at 31st March, 2014 (Rs.)</u>	<u>As at 31st March, 2013 (Rs.)</u>
<b>8. Non Current Investments (At Cost) (Non Trade)</b>				
<b>QUOTED (Fully Paid)</b>				
<b>Equity Shares</b>				
Chambal Fertilisers & Chemicals Ltd.	3,02,500	10	55,00,000	55,00,000
New India Retailing & Investment Ltd.	94,077	10	75,23,560	75,23,560
Upper Ganges Sugar & Industries Ltd.	2,60,841	10	1,95,59,479	1,95,59,479
Sil Investments Limited	1,99,773	10	38,14,988	38,14,988
Sutlej Textiles & Industries Ltd.	3,09,810	10	64,41,985	64,41,985
	(2,06,540)			
Manavta Holdings Ltd.	72,000	10	3,52,755	3,52,755
			<u>4,31,92,767</u>	<u>4,31,92,767</u>
<b>UNQUOTED</b>				
<b>Equity Shares : (Partly Paid)</b>				
Modern DiaGen Services Ltd.	5,00,000	10	10,00,000	10,00,000
<b>Equity Shares : (Fully Paid)</b>				
Taparia Limited	3,500	10	40,105	40,105
Shree Vihar Properties Ltd.	7,47,692	10	65,76,920	65,76,920
Modern Diagen Services Ltd.	10,556	10	1,05,560	1,05,560
Hargaon Properties Limited	2,22,222	10	22,22,220	20,00,000
	(2,00,000)			
Leas Communications Ltd. (Value Written off)	21,000	10	-	-
Chandausi Rice Mills Ltd. (Value Written off)	1,000	10	-	-
Swadeshi Jute Machinery Corporation Ltd. (In liquidation) (Value Written off)	15,000	10	-	-
Maruti Ltd. (In liquidation) (Value Written off)	10,000	10	-	-
			<u>89,44,805</u>	<u>87,22,585</u>
			<u>99,44,805</u>	<u>97,22,585</u>
			<u>5,31,37,572</u>	<u>5,29,15,352</u>
<b>AGGREGATE VALUE OF INVESTMENTS</b>				
Quoted			4,31,92,767	4,31,92,767
Unquoted			99,44,805	97,22,585
			<u>5,31,37,572</u>	<u>5,29,15,352</u>
Market Value of Quoted Investments			9,81,51,196	8,11,84,871

## **CHAMPARAN MARKETING COMPANY LIMITED**

**Notes to Financial Statements for the year ended 31st March, 2014 (Contd.)**

	<b>As at 31st March, 2014 Rs.</b>	<b>As at 31st March, 2013 Rs.</b>
<b>9. Cash and Bank Balances</b>		
<b>Cash and Cash equivalents</b>		
Balances with Banks :		
On Current Account	3,06,656	90,889
Cash in Hand	4,406	5,056
	<b>3,11,062</b>	<b>95,945</b>
<b>10. Loans and Advances</b>		
<b>Current</b>		
<b>(Unsecured Loan)</b>		
<b>Loans and Advances in nature of loan given to Related Party (Holding Company)</b>		
The Oudh Sugar Mills Limited		
Bearing Interest	20,00,00,000	20,00,00,000
Interest Free	48,00,000	45,50,000
Advance Income Tax (Net)	18,77,493	4,28,546
	<b>20,66,77,493</b>	<b>20,49,78,546</b>
<b>11. Other Current Assets</b>		
Interest Accrued on Loan	25,22,466	25,23,230
	<b>25,22,466</b>	<b>25,23,230</b>
	<b>For the year ended</b>	
	<b>31st March, 2014 Rs.</b>	<b>31st March, 2013 Rs.</b>
<b>12. Revenue from Operations</b>		
Interest on loan to Body Corporate	2,99,99,997	3,04,99,916
Dividend on Long Term Investments	19,78,882	19,31,844
	<b>3,19,78,879</b>	<b>3,24,31,760</b>

## **CHAMPARAN MARKETING COMPANY LIMITED**

**Notes to Financial Statements for the year ended 31st March, 2014 (Contd.)**

	<b>For the year ended</b>	
	<b>31st March, 2014 Rs.</b>	<b>31st March, 2013 Rs.</b>
<b>13. Other Income</b>		
Interest from Income Tax Department	6,169	—
	<b>6,169</b>	<b>—</b>
<b>14. Other Expenses</b>		
Rates & Taxes	7,800	7,300
Payment to Auditors		
Audit Fee	10,000	10,000
In other capacity for certificates & other services	3,000	3,369
Bank Charges	1,127	1,763
Professional Fees	7,000	24,304
Service Charges	1,91,012	78,652
Directors Sitting Fees	—	1,200
Depository Charges	1,869	11,786
Printing & Stationery	3,250	2,900
Miscellaneous Expenses	17,653	20,975
Filling Fees	3,000	2,000
Provision for Standard Assets	6,100	10,000
	<b>2,51,811</b>	<b>1,74,249</b>
<b>15. Finance Cost</b>		
Interest paid to Income tax Department	359	—
Interest on Loan	2,94,99,999	2,98,73,971
	<b>2,95,00,358</b>	<b>2,98,73,971</b>

## CHAMPARAN MARKETING COMPANY LIMITED

### Notes to Financial Statements for the year ended 31st March, 2014 (Contd.)

16. No Provision has been made in respect of diminution in the value of certain investments aggregating to Rs. 170.94 lacs (Previous Year Amount Rs. 144.86 lacs as the same, in the opinion of the management is not permanent in nature. However, there is no diminution in the overall market value of Investments.

17. **Earning per Share (EPS)**

The following reflects the profit / (loss) and share data used in basic and diluted EPS computations :

	<b>31st March, 2014</b>	31st March, 2013
	<b>Rs.</b>	Rs.
<b>Total operations for the year</b>		
Profit / (Loss) after tax	<b>21,16,249</b>	21,93,997
Less : Dividends on Preference Shares and Tax thereon	—	—
<b>Net profit / (loss) for calculation of basic / diluted EPS</b>	<b>21,16,249</b>	21,93,997
	<b>Nos.</b>	Nos.
Weighted average number of equity shares in calculating basic EPS	<b>43,49,000</b>	43,49,000
Effect of dilution	—	—
<b>Weighted average number of equity shares in calculating diluted EPS</b>	<b>43,49,000</b>	43,49,000
<b>Earning per Share</b>	<b>0.49</b>	0.50

18. **Names of related parties and description of relationships**

The Oudh Sugar Mills Limited Holding Company

**Transaction with Related parties (Holding Co.)** (Figure in Rs.)

	<b>Interest Recd.</b>	<b>Closing Loan Balance</b>
a) <b>Loan Given</b>		
20,00,00,000	2,99,99,997	20,00,00,000

b) Advances given Rs. 48,00,000/- (Non Interest bearing)

19. Revenue from Operation include Rs. 2,99,99,997/- representing Interest on Loan extended, against which company has paid Rs. 2,94,99,999/-, which has been shown in finance cost.

20. Previous years' figures have been regrouped and/or rearranged, where-ever necessary.

In terms of our attached report of even date.

For K. P. GUTGUTIA & CO.  
Firm Registration No. 305028E

*Chartered Accountants*

(K. P. GUTGUTIA)

*Proprietor*

Membership No. 7250

2, Princep Street,  
Kolkata - 700 072

Dated : 24th April, 2014

SUNIL CHORARIA  
BAIJNATH BANSAL | *Directors*

## CHAMPARAN MARKETING COMPANY LIMITED

### Schedule to the Balance Sheet of a Non-Banking Financial Company

(As required in terms of paragraph 13 of Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 2007)

<b>PARTICULARS</b>	<b>Amount Outstanding</b>	<b>(Rs. in lacs) Amount Overdue</b>
	(As on 31-03-2014)	(As on 31-03-2014)

**Liabilities Side :**

1. **Loans and Advances availed by the NBFC's**

**inclusive of interest accrued thereon but not paid :**

(a) Debentures : Secured	Nil	Nil
Unsecured	Nil	Nil
(Other than falling within the meaning of Public Deposits)		
(b) Deferred Credits	Nil	Nil
(c) Term Loans	Nil	Nil
(d) Inter-Corporate Loans and Borrowings	Nil	Nil
(e) Commercial Paper	Nil	Nil
(f) Other Loans (unsecured)	2,000.00	Nil

**Assets Side :**

2. **Break-up of Loans and Advances including Bills receivables (other than those included in (3) below)**

	Amount outstanding
(a) Secured	Nil
(b) Unsecured	2,048.00

3. **Break-up of Leased Assets and Stock on Hire and other assets counting towards AFC activities**

i) Lease Assets including lease rentals under sundry debtors :	
(a) Financial Lease	Nil
(b) Operating Lease	Nil
ii) Stock on hire including hire charges under sundry debtors :	
(a) Assets on Hire	Nil
(b) Repossessed Assets	Nil
iii) Other Loans counting towards AFC activities :	
(a) Loans where assets have been repossessed	Nil
(b) Loans other than (a) above	Nil

