

NE HILLS HYDRO LIMITED

SATYAM TOWERS, 3 ALIPORE ROAD, UNIT NO. - 9B, KOLKATA - 700 027

ANNUAL REPORT

2011 - 2012

AUDITORS

S. Bhalotia & Associates
Chartered Accountants
20B, British Indian Street
East India House, 1st Floor, Room No. 1F
Kolkata - 700 069
Phone: 4004-7183/84/88
E-mail: ho@sbassociates.co.in

Corporate Information

Board of Directors

Hari Prasad Agarwal, *Director*

Sanjay Agarwal, *Director*

Rajesh Agarwal, *Director*

Auditors

S. Bhalotia & Associates

Chartered Accountants

20B, British India Street, East India House

1st Floor, Room No. 1F

Kolkata - 700 069

Bankers

Oriental Bank of Commerce

Registered & Corporate Office

'Satyam Towers' 1st Floor, Unit No. 9B

3, Alipore Road

Kolkata - 700 027

DIRECTORS' REPORT

To
The Members,

Your Directors have the pleasure in presenting the 5th Annual Report, together with the Audited Balance Sheet as at 31st March 2012.

1. WORKING RESULTS

As there was no commercial Operation for the period under review the company has not prepared the profit & Loss Account.

2. DEPOSITS

The Company has not accepted any deposits during the financial year within the meaning of Section 58A of the companies Act, 1956 and the rules made there under.

3. AUDITORS' REPORT

The observations made in the Auditors' Report are self-explanatory and therefore do not call for any further comments under section 217 (3) of the Companies Act'1956

4. AUDITORS

M/s S. Bhalotia & Associates., Chartered Accountant, Auditors of the Company, will retire at the forthcoming Annual General Meeting and are eligible for re-appointment. The Directors recommend their re-appointment for the year 2012-13. The members are requested to appoint the Auditors and authorize the Board of Directors to fix their remuneration.

5. DIRECTORS

Mr. Rajesh Agarwal, Director of the Company is retiring by rotation and being eligible, offer himself for re-appointment.

6. HOLDING COMPANY

Your Company continues to be a 100% subsidiary of Cement Manufacturing Company Limited.

7. PARTICULARS OF EMPLOYEES

The Company has no employees whose salary exceeds the limit prescribed under section 217(2A) of the Companies Act, 1956. Hence information required to be given under the said section read with the Companies (Particular of Employees) Rules, 1975 as amended has not been provided in this report.

8. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 217(2AA) of the Companies Act, 1956, the Board of Directors hereby state:

1. That in the preparation of Annual Accounts for the financial year ended 31st March 2012; the applicable Accounting Standards had been followed along with proper explanation relating to material departures, if any.
2. That they have selected Accounting policies and made judgments & estimates that are reasonable & prudent so as to give a true and a fair view of the State of Affairs of the Company as at the end of the Financial year.
3. That they have had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Ac, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. That they have prepared the annual accounts on going concern basis.

9. DISCLOSURE AS PER COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988, AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH' 2012

TECHNICAL, ABSORPTION AND ENERGY CONSERVATION

NOT APPLICABLE to the Company.

10. ACKNOWLEDGEMENT

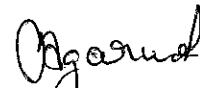
The directors would like to express their grateful appreciations for the assistance and co-operations received from the various Government authorities. Your directors wish to place on record their deep sense of appreciation for the committed services of the public at large.

For and on behalf of the Board

Place: Kolkata
Date: 19th April 2012



Hari Prasad Agarwal
Director



Rajesh Agarwal
Director



AUDITORS' REPORT

TO THE SHAREHOLDERS OF NE HILLS HYDRO LIMITED

We have audited the Balance Sheet of **NE HILLS HYDRO LIMITED (Formerly SHYAM CENTURY POWERTECH LIMITED)** as at 31st March 2012. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit. No Profit & Loss account has been prepared as the company is yet to start its revenue operations.

We conducted our audit in accordance with auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurances about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis of our opinion.

1. As required by the Companies Auditor's Report Order, 2003(as amended), issued by the Central Government of India, in terms of Section 227(4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraph 4 and 5 of the said Order.
2. Subject to the annexure and comments under Paragraph - 1
 - 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 accounts, as required by law have been kept by the Company, so far as it appears from our examination of those books;
 - c) The Balance Sheet referred to in our report are in agreement with the books of accounts;
 - d) In our opinion, the Balance Sheet comply with 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 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of clause (g) of sub - section (1) of section 274 of the Companies Act, 1956;

For S.Bhalotia & Associates
(Chartered Accountants)
Firm's Registration No. 325040E

V K C

CA. Vikash Kumar
(Partner)
Membership No. 067471
Place: Kolkata
Date: The 19th Day of April 2012.





ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 1 of our report of even date)

- (i) The company does not have fixed assets as on 31st March 2012 or at any time during the financial year ended 31st March 2012.

In view of the above other sub clauses of this clause are not applicable.

- (ii) The Company does not have inventory as on 31st March 2012 or at any time during the financial year ended 31st March 2012.

In view of the above other sub clauses of this clause is not applicable to the company.

- (iii) As informed to us the company has not granted any loans, (secured/unsecured) to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.

In view of the above sub clause (b), (c), (d) of this clause is not applicable.

(e)As informed to us the company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.

In view of the above sub clause (f), & (g) of this clause is not applicable.

- (iv) In our opinion and according to the information and explanation given to us there is an adequate internal control procedure commensurate with the size of the company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. The company has not yet started its revenue operation and there was no purchase of inventory and fixed assets during the period under review.

- (v) To the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that there were no transactions that need to be entered into the register maintained under Section 301 of the Companies Act, 1956.

In view of the above other sub clauses of this clause is not applicable.

- (vi) The company has not accepted any deposits from public during the year.

- (vii) Clause 4(vii) of the Companies Auditor's Report Order, 2003 is not applicable to the company.

- (viii) According to information and explanation given to us, the company has not started its commercial production and hence maintenance of cost records under clause (d) of sub section 1 of Section 209 of the Companies Act, 1956 is not applicable during the year under audit.





- (ix) (a) According to the record of the Company, the company is generally regular in depositing statutory dues with the appropriate authorities which is applicable to it. According to the information and explanations given to us, no any other undisputed amounts payable were outstanding at the end for a period of more than six months from the date they become payable.
- (b) As per the information and explanations given to us there are no disputed liabilities in respect of dues of sales tax, income tax custom duty, wealth tax, service tax, excise duty cess or any other statutory dues.
- (x) The Company has registered for less than five years and hence Clause 4(x) of the Companies Auditor's Report Order, 2003 is not applicable to the company.
- (xi) Based on our audit and according to the information and explanations given by the management the Company does not have any borrowings from financial institution or by way of debentures.
- (xii) According to the information and explanations given to us the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) 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.
- (xiv) The Company is not dealing in securities.
- (xv) The company has not given any guarantee for loans taken by others from bank or financial institution.
- (xvi) According to the records of the company, the company has not obtained any term loans.
- (xvii) The clause is not applicable since no fund has been raised by the company during the period.
- (xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company did not have any outstanding debentures during the year.
- (xx) The Company has not raised any money through a public issue during the year.



S. Bhalotia & Associates

CHARTERED ACCOUNTANTS



HEADOFFICE:
1F, EAST INDIA HOUSE
20B, ABDUL HAMID STREET
(BRITISH INDIAN STREET)
KOLKATA - 700 069
PHONE: + 91 4004 7183/84/88
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(xxi) Based upon the audit procedure performed and information and explanations given by the management we report that no fraud on or by the Company has been noticed or reopened during the course of our audit.



For S Bhalotia & Associates
(Chartered Accountants)
Firm's Registration No. 325040E

Vikash Kumar

CA. Vikash Kumar
(Partner)

Membership No. 067471

Place: Kolkata

Date: The 19th Day of April, 2012.

NE HILLS HYDRO LIMITED
Regd. Office: 1st FLOOR, UNIT 9B, SATYAM TOWER, 3 ALIPORE ROAD
KOLKATA-700027
Balance Sheet as at 31st March 2012

Rs. In Hundred

	Note No	31.03.12	31.03.11
<u>EQUITY AND LIABILITIES</u>			
<u>Shareholders' Funds</u>			
Share Capital	2.1	7,000.00	7,000.00
<u>Current liabilities</u>			
Other Current Liabilities	2.2	55.15	55.15
Total		7,055.15	7,055.15
<u>ASSETS</u>			
<u>Non-current Assets</u>			
Fixed Assets			
-Capital Work in Progress	2.3	749.37	530.53
		749.37	530.53
Non Current Investments	2.4	2,700.00	2,700.00
Long Term Loans and Advances	2.5	750.00	750.00
Other Non Current Assets	2.6	417.08	417.08
		3,867.08	3,867.08
<u>Current Assets</u>			
Cash and Cash Equivalents	2.7	2,438.70	2,657.54
Total		7,055.15	7,055.15
Summary of significant accounting policies and notes on account		1 & 2	
The accompanying notes are an integral part of the financial statements			

As per our report of even date

For S. Bhalotia & Associates
 Firm's Registration No. 325040E
 Chartered Accountants

Vikash Kumar

CA. Vikash Kumar
 Partner
 Membership No. 067471
 Date: 19th April 2012
 Place: Kolkata



For & on behalf of Board

Hari Prasad Agarwal
Hari Prasad Agarwal
 Director

Rajesh Agarwal
Rajesh Agarwal
 Director

NE HILLS HYDRO LIMITED
(Formerly Shyam Century Powertech Limited)

Significant Accounting Policies & Notes on Accounts

Corporate information

NE Hills Hydro Limited (the company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. No Statement of Profit & Loss Account has been prepared since the Company has not commenced commercial operation.

1. Significant Accounting Policies

1.1. Basis of preparation

The financial statements are prepared under the historical cost convention on accrual basis and on the basis of going concern and in accordance with the applicable Accounting Standards notified by the Companies Accounting Standards Rules 2006 and other guidelines issued by The Institute of Chartered Accountants of India (ICAI) and the relevant provisions of the Companies Act, 1956.

1.2. Presentation and disclosure of financial statements

During the year ended 31st March 2012, 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 financial statements. The company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

1.3 Fixed Assets

- i) Fixed Assets are stated at cost net of CENVAT/Value Added Tax, rebates, less accumulated depreciation and impairment loss, if any.
- ii) All costs, including financing costs till commencement of commercial production, net charges on foreign exchange contracts and adjustment arising from exchange rate variations attributable to fixed assets are capitalized.
- iii) Expenses incurred relating to project prior to commencement of commercial production are classified as Pre-operative expenditure and disclosed under Capital Work in Progress (net of income earned during Pre-operative Stage.)

1.4 Depreciation

Depreciation on Fixed Assets is provided on written down value method at the rates and in the manner as prescribed in Schedule XIV to the Companies Act, 1956.



NE HILLS HYDRO LIMITED
(Formerly Shyam Century Powertech Limited)

1.5 Capital Work In Progress

Capital work in progress is carried at cost comprising direct cost and pre-operatives expense during construction period to be allocated to the fixed assets on the completion of construction.

1.6 Investments

Current Investments are stated at lower of cost and market/fair value. Long-term investments are stated at cost after deducting provisions for permanent diminution in the value, if any.

1.7 Revenue Recognition

Sale is recognized on passing of title of goods and net of trade discount and rebate and duties in respect of which set-off can be claimed. Expenses to the extent considered payable, unless specifically stated to be otherwise, are accounted on mercantile basis.

1.8 Miscellaneous Expenditure

Preliminary Expenses are written of in the first year of operation.

1.9 Taxes on Income

Tax expenses comprises of current and deferred tax. Provision for the current tax is made on the basis of taxable income for the current accounting year in accordance with the provisions of Income Tax Act, 1961. The deferred tax in respect of timing differences which originate during the tax holiday period and is likely to reverse during the tax holiday period, is not recognized to the extent income is subject to deduction during the tax holiday period as per the requirements of the Income Tax Act, 1961. The deferred tax asset is recognized and carried forward only to the extent that there is reasonable certainty that the assets will be realized in future. Deferred tax assets / liabilities are reviewed as at Balance Sheet date based on developments during the year and available case laws to reassess realization / liabilities.

1.10 Provisions and Contingencies

A Provision is recognized for a present obligation as a result of past events if it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on best estimates of the amount required to settle the obligation at the Balance Sheet date. A contingent liability of an outflow of resources is remote. Contingent assets are neither recognized nor disclosed in the financial statements.



NE HILLS HYDRO LIMITED
(Formerly Shyam Century Powertech Limited)

NOTE -2.8

- i) No Statement of Profit and Loss Account has been prepared since the Company has not commenced revenue operation. The expenditures incurred during the construction period are classified as 'Pre-operative Expenses' pending capitalization and will be apportioned to the Assets on the completion.

Sl. No.	Particulars	(Rs. in hundred)	
		For the year 2011-12	For the year 2010-11
	Opening Balance	530.53	344.69
(i)	Auditors Remuneration	55.15	55.15
(ii)	Bank Charges	0.44	1.10
(iii)	Travelling & Conveyance	-	1.11
(iv)	Legal Expenses	-	21.30
(v)	Filing Fees	20.90	4.38
(vi)	Professional & Cons.	18.50	31.55
(vii)	Printing & Stationary	3.85	52.75
(ix)	Rates & Taxes	-	18.50
(x)	Certification Fees	2.000	-
(xi)	Director Sitting Fees	100.00	-
	Total	749.37	530.53

- ii) Payment made to the Auditors' during the period is as under:

Particulars	(Rs. in hundred)	
	2011-12	2010-11
As Auditor		
- Audit Fees	55.15	55.15

- iii) The contingent liability of the company is nil.
- iv) The Company does not have dues with respect to the Micro, Small and Medium Enterprises as defined in Micro, Small & Medium Enterprise Development Act, 2006.
- v) Considering the nature of company's business and operations, there are no separate reportable segments (business and/or geographical) in accordance with the requirements of Accounting Standard 17-'Segment reporting'. Notified in the Companies (Accounting Standards) Rules 2006.



NE HILLS HYDRO LIMITED
(Formerly Shyam Century Powertech Limited)

vi) **Related Party Disclosures**

Names of the transacting related parties and related party relationship

Holding Company	Cement Manufacturing Company Limited (CMCL)
Key Management Personnel	Mr. Hari Prasad Agarwal(Director)
	Mr. Sanjay Agarwal (Director)
	Mr. Rajesh Agarwal (Director)

Details of transactions between the Company and related parties and the status of outstanding balance as at 31st March'2012

SE No.	Types of Transactions	(Rs. in hundred)							
		Holding Company		Subsidiaries		Associates		Key Management Personnel	
		2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
	Reimbursement of Expenses/ Cost of Materials sold or given								
	CMCL	53.94	750.00						

vii) **Previous year figures**

Till the year ended 31 March 2011, the company was using pre- revised Schedule VI to the Companies Act 1956, for preparation and presentation of its financial statements. During the year ended 31 March 2012, the revised Schedule VI notified under the Companies Act 1956 has become applicable to the company. The company has reclassified previous year figures to conform to this year's classification.

viii) All the figures have rounded to the nearest Rupees in Hundred.

For S.Bhalotia & Associates
(Chartered Accountants)
Firm's Registration No. 325040E

Vikash Kumar

CA. Vikash Kumar
(Partner)
Membership No - 067471
Date: 19th Day of April'2012
Place: Kolkata



For and on behalf of the Board

Hari Prasad Agarwal
Hari Prasad Agarwal
Director

Rajesh Agarwal
Rajesh Agarwal
Director

NE HILLS HYDRO LIMITED

2. Note to Financial Statement for the year ended 31st March 2012

Rs. In Hundred

Note - 2.1	31.03.12	31.03.11
Share Capital		
Authorised Capital 1,00,000 (1,00,000 as at 31.03.11) Equity Shares of Rs.10/- each	10,000	10,000
Issued, Subscribed & Paid -up 70,000 (70,000 as at 31.03.11) Equity Shares of Rs.10/- each fully paid up in cash	7,000	7,000

a Terms/Rights attached to equity shares

The company has only one class of equity shares having par value of Rs. 10/- per share. Each holder of Equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual general meeting.

In the event of liquidation of the company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

b Reconciliation of No of shares outstanding at the beginning and at the end of the reporting

<u>Equity Share Capital</u>	<u>No. of Shares</u>	<u>No. of Shares</u>
At the beginning of the year	70,000	70,000
Issued during the year	-	-
Outstanding at the end of the year	70,000	70,000

c Shares held by Holding Company

	<u>No. of Shares</u>	<u>No. of Shares</u>
Cement Manufacturing Company Ltd	69994	69994

d Details of Shareholders holding more than 5% of Equity Share capital

<u>Name of the Shareholder</u>	<u>No. of Shares</u>	<u>No. of Shares</u>
	<u>% of holding</u>	<u>% of holding</u>
Cement Manufacturing Company Ltd	69994	69994
	99.99%	99.99%

Rs. In Hundred

Note - 2.2	31.03.12	31.03.11
Other Current Liabilities		
-Creditors for expenses	55.15	55.15
	55.15	55.15



NE HILLS HYDRO LIMITED**Note to Financial Statement for the year ended 31st March 2012**

Rs. in Hundred

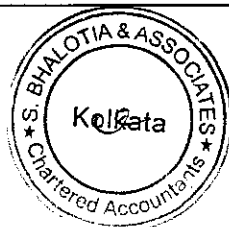
	31.03.12	31.03.11
Note -2.3		
CAPITAL WORK IN PROGRESS		
Pre-operative Expenses pending allocation		
Audit Fees	276.78	221.63
Bank Charges	4.07	3.63
Certification Expenses	32.51	12.51
Director Sitting Fees	100.00	-
Filing Fees - Pre-Operative	77.15	56.25
General Expenses	20.50	20.50
Legal Expenses	21.30	21.30
Printing & Stationery	64.40	60.55
Professional & Consultancy	52.55	34.05
Rates & Taxes	99.00	99.00
Travelling & Conveyence	1.11	1.11
	749.37	530.53



NE HILLS HYDRO LIMITED

Note to Financial Statement for the year ended 31st March 2012

			Rs. In Hundred	
<u>Note - 2.4</u>	31.03.12	31.03.11		
<u>Non Current Investments</u>				
<u>Trade Investments (Valued at cost unless stated otherwise)</u>				
<u>Investment in Unquoted Equity Instruments</u>				
Ribhoi Engineering Co Pvt Ltd				
27,000 (27000 as at 31.03.11) Equity Shares of Rs 10/- each fully paid up	2,700.00	2,700.00		
	2,700.00	2,700.00		
			Rs. In Hundred	
<u>Note - 2.5</u>	31.03.12	31.03.11		
<u>Long Term Loans and Advances</u>				
<u>Capital Advances</u>				
-Advances against Capital Works	750.00	750.00		
	750.00	750.00		



NE HILLS HYDRO LIMITED

Note to Financial Statement for the year ended 31st March 2012

Note - 2.6	Rs. In Hundred	
	31.03.12	31.03.11
<u>Other Non Current Assets</u>		
<u>Others</u>		
-Unammortised Expenses	417.08	417.08
	417.08	417.08

Note - 2.7	Rs. In Hundred	
	31.03.12	31.03.11
<u>Cash & Cash Equivalents</u>		
<u>Bank Balance</u>		
- Balances With Bank in Current Account	1,419.30	1,628.83
<u>Cash In Hand</u>	1,019.40	1,028.71
	2,438.70	2,657.54

