



**THE WATERBASE LTD**

**2013-2014**

**27<sup>th</sup> ANNUAL REPORT**



# THE WATERBASE LIMITED

*27th Annual Report 2013 - 2014*

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# THE WATERBASE LIMITED

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## *27th Annual Report 2013 - 2014*

### **BOARD OF DIRECTORS**

Mr. VIKRAM M THAPAR, Chairman  
Mrs. JYOTI THAPAR  
Mr. VARUN THAPAR  
Mr. ANIL KUMAR BHANDARI  
Mr. ADARSH SARAN  
Lt. Gen. DEEPAK SUMMANWAR (Retd.)  
Mr. NAKUL KAMANI  
Mr. RANJIT MEHTA

### **CHIEF EXECUTIVE**

Mr. ASHOK NANJAPA

### **COMPANY SECRETARY**

Ms. SUGUNA KRISHNAMURTHY

### **AUDITORS**

MITRA KUNDU & BASU  
CHARTERED ACCOUNTANTS  
No.1, ACHARYA J.C. BOSE ROAD  
KOLKATA - 700 020

### **REGISTERED OFFICE & WORKS**

ANANTHAPURAM VILLAGE  
T.P. GUDUR MANDAL  
NELLORE - 524 344  
ANDHRA PRADESH  
CIN:L05005AP1987PLC018436

### **SHARE TRANSFER AGENTS**

CAMEO CORPORATE SERVICES LTD.  
SUBRAMANIAN BUILDING  
No.1, CLUB HOUSE ROAD  
CHENNAI - 600 002

### **LISTING IN STOCK EXCHANGE**

BSE LTD., MUMBAI

### **BANKERS**

STATE BANK OF INDIA, OVERSEAS BRANCH, CHENNAI - 600 001  
CANARA BANK, OVERSEAS BRANCH, CHENNAI - 600 002  
UNION BANK OF INDIA, OVERSEAS BRANCH, CHENNAI - 600 108  
STATE BANK OF HYDERABAD, INDUSTRIAL FINANCE BRANCH, CHENNAI - 600 001



## DIRECTORS' REPORT

₹ Lacs

Particulars	Current Year	Previous Year
Gross Sales/Services	22820.86	15702.09
Profit before Interest, Depreciation, Tax and Exceptional item	2511.91	1274.35

### OPERATIONS

During the year under review, the gross revenue from sales and services of the company has increased to ₹ 22820.86 lacs as against ₹ 15702.09 lacs for the corresponding period in the previous year, registering an impressive growth of 45%.

The profit before tax was ₹ 2043.56 lacs as against ₹ 758.49 lacs in the previous year.

The industry continues to do well as the area under Vannamei shrimp farming continues to increase.

With increased internal demand and lucrative prices for shrimps, the farmers have been able to get good prices for their produce.

### RIGHTS ISSUE

The Company's rights issue as approved by the shareholders and SEBI for ₹ 12.86 crores consisting of 1,28,67,750 Equity shares at face value of ₹ 10/- each for cash made on the basis of 1 share for every 2 equity share held as on the record date of September 12, 2013 was completed in October 2013. The issue was subscribed at 106.86%.

### PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO.

Information pursuant to Section 217 (1) (e) of the Companies Act 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given in Annexure – A of the Report.

### PARTICULARS OF EMPLOYEES

During the year under review, no employee of the company was in receipt of remuneration requiring disclosure under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

### DIRECTORS

In accordance with the requirements of the Companies Act 2013 and the Articles of Association of the company, Mr. Vikram M. Thapar retires by rotation and being eligible offers himself for reappointment.

Mr. Varun Aditya Thapar who was appointed as Additional Director on February 5, 2014 pursuant to Section 260 of the Companies Act, 1956 and the Articles of Association of the Company holds office upto the forthcoming AGM. The Company has received a notice in writing from a member along with required deposit proposing Mr. Varun Aditya Thapar as Director retiring by rotation.

Ms. Ayesha Thapar resigned from the Board with effect from February 5, 2014 due to professional preoccupation. The Board places on record its appreciation for the valuable contribution of Ms. Ayesha Thapar during her tenure as Director of the Company.

As per the provisions of Companies Act, 2013, Independent Directors are required to be appointed for a term of maximum of 5 (five) consequent years and Independent Directors shall not be liable to retire by rotation. Accordingly, Mr. Anil Kumar Bhandari, Lt. Gen. Deepak Summanwar (Retd.), Mr. Nakul Kamani and Mr. Ranjit Mehta are proposed to be appointed as Independent Directors to hold office for a term of five consecutive years upto 31st March 2019.



The Company has received requisite notices in writing from members proposing them for appointment as Independent Directors.

The Company has received declarations from all the independent Directors confirming that they meet with the criteria of independence as prescribed under section 146(6) of the Companies Act, 2013.

Mr. Ramakanth V. Akula has been appointed by the Board of Directors as Chief Executive Officer effective from 1st August 2014.

### **DIRECTOR'S RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 217 (2 AA) of the Companies Act, 1956 with respect to Director's Responsibility Statement, it is hereby confirmed that :

- (1) In the preparation of the Annual Accounts for the financial year ended March 31, 2014 the applicable Accounting Standards have been followed along with proper explanation relating to material departures.
- (2) The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the State of the affairs of the Company as at the end of the financial year and of the profit of the company for the year under review.
- (3) 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 safe guarding the assets of the company and for preventing and detecting fraud and other irregularities.
- (4) The Directors have prepared the Annual Accounts on a "going concern basis".

### **CORPORATE GOVERNANCE**

The Company has over the years been committed to good governance practices. A separate report on Corporate Governance together with Auditors certificate regarding compliance of conditions of corporate governance under Clause 49 of the listing agreement, forms part of the Annual report.

### **AUDITORS**

- 1) The Statutory Auditors M/s. Mitra Kundu & Basu, Chartered Accountants, retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.
- 2) The Company has received their letter confirming that their re-appointment, if made, would be within the prescribed limits under section 141(3) (g) of the Companies Act, 2013 and that they are not disqualified for re-appointment.

### **COST AUDIT**

Pursuant to Section 233 (B) (2) of the Companies Act 1956, the Board of Directors on the recommendation of the Audit Committee, appointed Mr. K. Suryanarayana, Practicing Cost Accountant as the Cost Auditor of the Company for the Financial Year ended 31<sup>st</sup> March, 2014.

### **ACKNOWLEDGEMENT**

Your Directors place on record their appreciation for the assistance and support extended by the Government Authorities and Banks.

Your Directors place on record their appreciation for the dedicated and sincere services rendered by the employees of the Company.

For and on behalf of the Board of Directors

New Delhi, July 31, 2014

**Vikram M Thapar**  
*Chairman*



## ANNEXURE TO THE DIRECTORS' REPORT - Annexure -A

### CONSERVATION OF ENERGY

Your Company has implemented a system for continuous review of energy costs to reduce energy generation costs and optimize the energy utilisation.

#### FORM - A

#### I. Power and Fuel Consumption

		2013-14	2012-2013
<b>1</b>	<b>Electricity</b>		
a)	Purchased		
	- Units (Kwh)	8026420	5718750
	- Total Amount -₹	57171292	32509671
	- Rate / Unit -₹	7.12	5.68
b)	Own Generation:		
i)	Through Diesel Generator - Units (Kwh)	508805	963601
	- Total Amount -₹	8966351	14898585
	- Rate / Unit -₹	17.62	15.46
	ii) Through Steam Turbine / Generator	NA	NA
<b>2</b>	<b>Coal (Quantity And Where Used)</b>	NA	NA
<b>3</b>	<b>Furnace Oil-Quantity (K.Lts)</b>		
	- Total Qty	278054	273630
	- Total Amount -₹	12462745	12108128
	- Average Rate -₹	44.82	44.25
<b>4</b>	<b>OTHER/INTERNAL GENERATION</b>	NA	NA
	Consumption per unit of production		
	Electricity (Unit/MT)	214.70	205.14
	Furnace Oil ( Litres / MT)	7.33	8.40

#### II. TECHNOLOGY ABSORPTION

Efforts made in technology absorption are shown in Form B below:

#### FORM - B

##### I. Research and Development (R&D)

The company continuously interacts with International Experts on Shrimp Feed Nutrition, water quality management and Development of specialised Feed Ingredients. The company also works closely with reputed Institutes who are involved in Aqua Feed Nutrition Research.

##### ii. Technology Absorption, Adaptation and Innovation

The company is continuing its Research work in implementing alternate Indigenous Raw Material in its Feed Manufacture. The company is engaged in finding animal protein substitutes and Feed Conversion improvement trials. The Company is conducting various trials on Shrimp culture related matters and is also working on alternate Feed ingredients and digestability studies.

#### III. Foreign Exchange Earnings and Outgo

	2013-14	2012-2013
	₹ in Lakhs	₹ in Lakhs
- Earnings	130.32	84.47
- Outgo	648.79	722.57

For and on behalf of the Board

**Vikram M Thapar**  
Chairman

New Delhi, July 31, 2014

## CORPORATE GOVERNANCE REPORT

### Company's philosophy on code of governance

The Company is firmly committed to the best practices of corporate governance that aims to protect the interest of all stakeholders through accountability, transparency and sustained growth. In compliance with Clause 49 of the Listing Agreement, a Report on Corporate governance is given below.

### Board of Directors

- a) Composition** The strength of the Board is eight Directors out of which four are Promoter Directors and four are independent directors. The Company has a Non-executive Promoter Chairman. All the Directors are Non-executive Directors. Ms. Ayesha Thapar, a Promoter Director, resigned from the Board with effect from February 5, 2014 and Mr Varun Thapar was appointed as additional Director by the Board. Except or the sitting fees paid for attending Board meetings, the Company has not had any pecuniary relationship with any of the Directors.
- b) No of Board Meetings and dates on which held** During the year, five Board Meetings were held as follows: May 24, 2013, July 28, 2013, August 29, 2013, October 29, 2013 & February 5, 2014. The gap between two meetings did not exceed four months. The necessary quorum was present for all meetings.
- c) Attendance of the Directors at the Board Meetings/ the last Annual General Meeting**

Name of the Director	Category / Relationship with other directors	Attendance Particulars		No. of other Directorships and Committee Memberships (other than TWL)*		
		Board Meeting	Last AGM	No. of Directorship	Member	Chairman
Mr. Vikram M Thapar Chairman	Non Executive, Promoter	5	Yes	8	Nil	2
Mrs. Jyoti Thapar	Non Executive, Promoter	5	No	2	Nil	1
Mr. Anil Kumar Bhandari	Non Executive, Independent	4	Yes	5	Nil	Nil
Mr. Adarsh Saran	Non Executive Promoter, brother in law of Mr. Vikram Thapar	2	No	3	Nil	Nil
Lt. Gen Deepak Summanwar	Non Executive, Independent	5	No	1	Nil	1
Mr. Nakul Kamani	Non Executive, Independent	3	Yes	5	Nil	Nil
Ms. Ayesha Thapar - Resigned w.e.f. 05.02.14.	Non Executive Promoter, daughter of Mr. & Mrs. Vikram Thapar, Niece of Mr. Adarsh Saran	-	No	3	Nil	Nil
Mr. Ranjit Mehta	Non Executive, Independent	5	No	0	Nil	Nil
Mr. Varun Aditya Thapar - Additional Director w.e.f. 05.02.14	Non Executive Promoter, son of Mr. & Mrs. Vikram Thapar, Nephew of Mr. Adarsh Saran	1	No	5	Nil	Nil

\*Does not include Directorships of private Limited Companies.

None of the directors of the Board is a member of more than 10 Committees and Chairman of more than 5 Committees as specified in clause 49 of the Listing Agreement.



## AUDIT COMMITTEE :

### Composition, No. of Meetings and Attendance during the year.

Name of the Member	Category	Meetings attended
Mr. Anil Kumar Bhandari, Chairman	Non-Executive, Independent	4
Mr. Vikram M Thapar	Non-Executive, Promoter	5
Lt. Gen. Deepak Summanwar (Retd.)	Non-Executive, Independent	5
Mr. Nakul Kamani	Non-Executive, Independent	3
Mr. Ranjit Mehta	Non-Executive, Independent	5

The Chief Executive, Financial Controller and Internal Auditor attended the meetings as invitees. The Company Secretary acted as the Secretary of the Audit Committee.

The Company has complied with the requirements of the Companies Act 1956 and Clause 49(II)(A) of the Listing Agreement in the constitution and working of the Committee.

The Audit Committee met five times on the following dates: May 24, 2013, July 28, 2013, August 29, 2013, October 29, 2013 & February 5, 2014.

#### Terms of reference

The terms of reference of Audit Committee cover all the areas prescribed by Clause 49(II)(D) and Section 292A of the Companies Act 1956 and includes the following:

- Review of Company's financial reporting process, quarterly and annual financial statements, and disclosure of financial information.
- Review with the management, internal and external auditors, the adequacy of the internal control systems.
- Review of reports of the Internal Auditor and functioning of the Internal Audit team.
- Post Audit review with Statutory Auditors and discussions on findings, suggestions, and any areas of concern.
- Recommending the appointment/removal of Statutory Auditors, fixation of audit fees and approval of payment for any other services.

#### Remuneration Committee

The Remuneration Committee consists of Mr. Anil Kumar Bhandari, Chairman, Lt. Gen. Deepak Summanwar (Retd.), Mr. Nakul Kamani, and Mr. Ranjit Mehta. The broad terms of reference of the Remuneration committee is to determine and approve remuneration payable to the Managerial personnel of the Company within the provisions of the Companies Act 1956 and amendments thereto.

#### Investor /Shareholders Grievance Committee and Share transfer Committee

The Committee comprises of two non executive Directors Mr. Anil Kumar Bhandari, the Chairman, and Lt. Gen Deepak Summanwar (Retd.). Ms. Suguna Krishnamurthy, Company Secretary is the Compliance Officer of the Company. The Committee met four times during the year on May 24, 2013, July 28, 2013, October 29, 2013 and February 5, 2014.

Share transfers in the physical form are approved on a fortnightly basis by the Company Secretary and these are confirmed by the Committee at its meetings. Requests for Demat of shares are processed within a period of 21 days by the Company's Registrars.



During the year under review, the Company received 44 cases of share transfer / Transmission / Transposition. As on March 31, 2014 no case was pending for transfer. During the year, 23 queries/complaints were received 20 pertaining to change of address, 3 for non-receipt of annual reports, share certificate. All the queries/complaints were duly attended and resolved to the satisfaction of the Investors.

- a) A practicing Company Secretary audits the system of shares that are de-materialised and in physical form every quarter and necessary certificates are filed with the Stock Exchange / Depositories. The shares in demat and physical form tally with the issued/paid up capital of the Company.
- b) A practicing Company Secretary carries out a Secretarial Compliance Audit pertaining to share transfers and transmissions every six months and the required Report is filed with the Stock Exchange.

## GENERAL BODY MEETING :

### Date, time, and location of last three Annual General Meetings :

Year	Date	Time	Location	Special resolutions passed
2010-11	2/09/2011	12.15 p.m.	Regd. office at Ananthapuram Village, Nellore	1) Reclassification of share capital 2) Alteration of Articles of Association 3) Re-appointment of Manager and Payment of remuneration 4) Approval of preferential issue of Equity shares 5) Approval for rights issue of equity shares
2011-12	28/09/2012	12.15 p.m.	-do-	NIL
2012-13	29/07/2013	12.15.p.m.	-do-	NIL

No postal ballots were used for voting at these meetings in respect of special resolutions passed.

### PARTICULARS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AS REQUIRED UNDER CLAUSE 49 (VI) A OF THE LISTING AGREEMENT

Name	Mr. Vikram M Thapar
Date of birth & Age	26.10.1947/67 years
Appointed on	23.11.1988
Qualification	Chartered Accountant
Experience	43 years
Directorship held in other Public Companies	KCT & Bros (Coal Sales) Ltd The Silkbase Co. Ltd Indian City Properties Ltd. Indicon Enterprises Ltd. Thapar Infra Construction India Ltd. Bharat Westfalia Engineering Ltd.

Membership/Chairmanship at Committees across public companies	KCT & Bros. (Coal Sales ) Ltd Indian City Properties Ltd.
No of shares held in Company	53,750

## Disclosures

**a) Materially significant related party transactions with its Promoters, Directors or Management or relatives etc that may have a potential conflict with the interest of the company.**

Details of transactions between the Company and related parties as per Accounting Standard 18 is set out on page 30 of the Annual report.

**b) Compliances by the Company**

There has been no case of non compliance by the Company, or any penalties / strictures imposed on the Company by the Stock Exchange, SEBI or any other authority on any matter related to capital markets in the last three years.

**c) Board disclosure - Risk management**

Risk management is done through review of the operations by the Board and necessary steps taken by the executive management to minimize/control the same..

**d) Compliance with mandatory requirements**

The Company has complied with all mandatory requirements of code of Corporate Governance stipulated Under Clause 49 of Listing Agreements with the BSE Ltd.

**e) Compliance with Non-mandatory requirements**

- a) There is no reimbursement of expenses to the office of the Non executive Chairman of the Company for the maintenance of his office.
- b) The statutory financial statements of the company are not qualified.
- c) The Company does not have a formal Whistle Blower policy. However access to Audit Committee is available to every employee.
- d) Preparation of financial statements are on the basis of generally accepted accounting principles and policies and the mandatory accounting standards announced by the Institute of Chartered Accountants of India.

**f) Declaration of Compliance with the Code of Conduct**

All the Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct as approved and adopted by the Board of Directors. The said Code of Conduct has also been posted on the website of the Company. A declaration signed by the Chief Executive Officer is given below:

“It is hereby declared that the Company has obtained confirmation from all members of the Board and the senior management of the Company that they have complied with the Code of Conduct of the Company for the financial year 2013-14.”

### g) Means of communication

The Quarterly, Half yearly and the Annual results of the company are sent to the Stock exchanges immediately after the Board's approval, first by fax and then by courier immediately after the Board approved the same. The results are also published in the Newspapers "Andhra Bhoomi", and "Indian Express". The Management Discussions and Analysis Report forms part of the Annual Report.

### General Shareholders Information

<p><b>(I) The Twenty seventh Annual General Meeting</b></p> <p><b>Venue</b> : Registered Office at Ananthapuram Village, Nellore - 524 344.</p> <p><b>Date</b> : Monday, September 29, 2014</p> <p><b>Time</b> : 12.15 p.m.</p>	<p><b>(ii) Financial Calender</b></p> <p>Publication of results for quarter ending June 30, 2014 - in August 2014</p> <p>Publication of results for quarter/half year ending September 30, 2014- in October 2014</p> <p>Publication of results for quarter/nine month ending December 31,2014-in January 2015</p> <p>Publication of Audited results for 2014-15 -in May 2015</p>
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### Book Closure

The Register of Members & Share Transfer Books of the Company shall remain closed from Wednesday, September 24, 2014 upto Monday, September 29, 2014 (both days inclusive).

### Listing on Stock Exchanges

At present the Company is listed with the BSE Ltd. The Annual Listing fee to the BSE and custodial fees to NSDL/CDSL have been paid.

### Registrars and Share Transfer Agent

M/s. Cameo Corporate Services Ltd are the Registrars & Share Transfer Agents of the Company.

### Dematerialisation of Shares

The Company has connectivity with M/s. National Securities Depositories Ltd.(NSDL) and Central Depository Services Ltd (CDSL), through the Registrars M/s Cameo Corporate Services Ltd.. As on 31/3/2014, 82.83 % of our paid up share capital has been dematerialized as against 74.15% in the previous year. The ISIN Number of the Company is INE054C01015.

### CATEGORIES OF EQUITY SHARE HOLDING AS ON MARCH 31, 2014

CATEGORY :	No. of Equity Shares	% of Shareholdings
<b>A. Promoters holdings</b>		
Indian Promoters/Persons acting in concert	202,53,347	52.47
<b>B. Non Promoters holdings:</b>		
Mutual Funds and UTI	7,000	0.00
Financial Instns. and Banks	434	0.00
Foreign Institutional Investor	1,600	0.00
Private Corporate Bodies	9,08,121	2.36
Indian Public	122,37,538	31.71
NRIs/OCBs	51,95,210	13.46
<b>Total</b>	<b>386,03,250</b>	<b>100.00</b>



## DISTRIBUTION OF SHAREHOLDING AS ON March 31, 2014

No. of Shares	No. of share Holders	% of Holders	No. of shares	%to Total Shares
1-5000	19,359	98.64	53,32,435	13.81
5001-10000	127	0.65	9,52,965	2.47
10001-20000	59	0.30	8,59,579	2.23
20001-30000	21	0.11	5,37,268	1.39
30001-40000	11	0.05	3,81,588	0.99
40001-50000	6	0.03	2,91,283	0.76
50001-100000	17	0.09	10,94,391	2.83
100001& above	25	0.13	2,91,53,741	75.52
<b>TOTAL</b>	<b>19,625</b>	<b>100.00</b>	<b>3,86,03,250</b>	<b>100.00</b>

## MARKET PRICE DATA: (in ₹)

Month	High	Low	Month	High	Low
April 13	8.00	5.51	October 13	10.99	9.03
May 13	9.19	6.27	November 13	10.00	8.60
June 13	8.30	6.85	December 13	10.80	9.03
July 13	10.32	7.37	January 14	16.19	9.36
August 13	10.42	8.43	February 14	22.21	11.01
September 13	12.52	10.00	March 14	21.50	16.30

## PLANT LOCATION

The Company's Factory is located at Ananthapuram Village, T.P. Gudur Mandal, Nellore – 524 344, Andhra Pradesh.

## ADDRESS FOR CORRESPONDENCE

Registrars and Share Transfer Agents	The Compliance Officer
Cameo Corporate Services Limited Subramanian Building No.1, Club House Road Chennai - 600 002, Tamil Nadu. Ph : 044-28460390 Email id : investor@cameoindia.com	The Company Secretary The Waterbase Ltd 22, Sadasivam Street, Gopalapuram Chennai - 600 086, Tamil Nadu. Ph : 044-28113682 / 28112762 Email id : suguna.k@waterbaseindia.com



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## **AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

### **To the Members of The Waterbase Limited**

We have examined the compliance of conditions of Corporate Governance by The Waterbase Limited (the Company), for the year ended 31 March 2014 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of 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 explanations 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 above mentioned Listing Agreement.

We further 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 the affairs of the Company.

For and on behalf of  
**MITRA KUNDU & BASU**  
*Chartered Accountants*  
*Firm Regn. No. 302061E*

**SIBAJI DAS**  
*Partner*  
*Membership No. 051391*

New Delhi, July 31, 2014



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## MANAGEMENT DISCUSSION AND ANALYSIS

### Industry, Structure and Trends

The state of world economy has been a major factor affecting the growth of the developing countries.

The world economy has been witnessing a sliding trend in growth. From 3.9 percent in 2011 it is now at around 3.0 percent.

United States which is a partner in the growth of our economy and in particular our industry is recovering after a long period of economic stress.

However, Japan and the Euro zone continue to be under economic stress.

In spite of the above, the seafood industry continued to show impressive growth.

The reduction in the Anti-dumping duty by United States and decreasing exports from other South East Asian countries especially Thailand helped to increase the exports of Shrimps from India. The Shrimp Export grew by about 33.50% over the previous year.

The increase in terms of quantity was also due to increased cultivation of the Vannamei species in our country.

The industry is expected to continue to see growth in the coming year also.

### Threats/ Risks and concerns

The rainfall prediction for this year is not favourable.

An unfavourable monsoon would lead to increased input costs like feed and in turn may affect the growth of shrimp farmers.

Delayed monsoon has affected power generation in Andhra Pradesh, which is one of the major producers of Vannamei shrimps.

Andhra Pradesh Government has recently declared a day in a week as “Electricity holiday” for all industry.

This would increase the production cost of shrimp feed as well as increase the cost of shrimp production.

Any increase in the cost of Feed production would directly impact the net margins of the company.

The price of Raw Materials like Soya, Fish meal, Wheat etc have risen to record highs which continue to be of concern to the industry.

Disease has devastated the shrimp industry in Thailand, Vietnam, China and Malaysia over the last few years. India has been free of disease but like all living technologies, this continues to be a threat.

### Performance

The company has performed well over the last year. The Turnover has increased by 45% and the profit before tax increased by 169%.

### Outlook

The outlook for the industry is forward looking with increased areas coming under Vannamei farming. Gujarat, Orissa and West Bengal is expanding its Vannamei farming. This augurs well for the industries further. India has emerged as the largest exporter of shrimps to USA.

### Internal Control System

The Company has adequate internal control systems and procedures, with regard to all activities of the company including purchase of raw materials, stores and spares and to ensure that the assets are safeguarded and accounted for. The internal control is supplemented by an extensive programme of internal audits, review by management, policies and production.

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The Audit Committee reviews the report of the internal auditor and their suggestions are considered and implemented as required.

### **Financial Performance**

For the year the company recorded:

- Net revenues at ₹ 22820.86 lacs
- Profit before Tax at ₹ 2043.56 lacs
- Profit after Tax expense at ₹ 1356.93 lacs

### **Rights Issue**

As approved by the Shareholders and SEBI, the company had a rights issue which opened on 25<sup>th</sup> September, 2013 with the record dates as 12<sup>th</sup> September, 2013. The issue was for 1,28,67,750 Equity shares of ₹ 10 each for cash at a price of ₹ 10/- per share. The issue was on the basis of One Equity share for every Two shares held on the Record date. The issue was fully subscribed.

### **Human Resources / Industrial Relations**

The Employees relationship is cordial and the Directors wish to place on record their appreciation for their continued contribution to the Company.

The company provides necessary training facility to enhance their skills and personal development.

The statement in this Management discussion and analysis report detailing the Company's objectives, projections, estimates and expectations may be "Forward-looking statements" within the meaning of applicable security laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include economic conditions affecting global and Indian demand / supply and the price conditions, in the domestic and overseas markets, material availability, climatic conditions, changes in the government regulations, tax laws and other statutes and other incidental factors.



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## INDEPENDENT AUDITORS' REPORT

To  
The Members of The Waterbase Limited.

### Report on the Financial Statement

We have audited the accompanying financial statements of The Waterbase Limited ("the Company") which comprise the Balance Sheet as at 31<sup>st</sup>. March, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

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

### 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 misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessment, 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

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

- (i) in the case of the Balance Sheet, of the state of affairs of the Company ended as at March 31, 2014.
- (ii) in the case of Statement of Profit and Loss, of the profit for the year ended on that date, and
- (iii) in the case of Cash Flow Statement, of the cash flows for the year on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-sec(4A) of Sec 227 of the Act, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the order.
2. As required by section 227(3) of the Act, we report that:
  - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (ii) In our opinion, proper books of account, as required by law, have been kept by the Company so far as appears from our examination of those books;
  - (iii) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - (iv) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013
  - (v) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For **MITRA KUNDU & BASU**  
*Chartered Accountants*  
Firm Regn.No.302061E

**(S. DAS)**

*Partner.*

*Membership No. 051391*

Chennai, May 27, 2014



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## ANNEXURE TO AUDITOR'S REPORT (referred to in paragraph 5 of our report of even date)

Referred to our report to the members of The Waterbase Limited for the year ended 31<sup>st</sup> March, 2014.

- 1 (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. Accordingly, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and nature of its assets.
  - (c) During the year, the company has not disposed off any substantial part of its fixed assets and the going concern status of the Company is not affected.
  - 2 (a) The inventory of the Company has been physically verified by the management at reasonable intervals during the year.
  - (b) The procedure of physical verification appears to be reasonable and adequate in relation to the size of the company and nature of its business, on the basis of information and explanations received by us.
  - (c) On the basis of our examination of the records of inventory, we are of the opinion that the company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
  - 3 (a) According to information and explanations given to us, the company has not granted any loan, secured or unsecured to Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Consequently, clause (iii) (b), (c) & (d) of paragraph 4 of the order are not applicable.
  - (b) According to the information and explanations as given to us in respect of loans secured or unsecured, taken by the Company from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956:
    - i) The Company has taken loan of ₹ 680 lakhs as covered in the register maintained under section 301 of the Companies Act, 1956. At the year end, the outstanding balance of such loan is ₹ 91 lakhs and the maximum amount outstanding during the year is 680 lakhs.
    - ii) The rate of interest and other terms and conditions of such loan are prima-facie not prejudicial to the interest of the company,
    - iii) The principal amount of ₹ 589 lacs is repaid during the year and the Company has defaulted in payment of interest to the tune of ₹ 50.92 lakhs.
  - 4 In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for sale of goods and services. Further, on the basis of our examinations, and according to the information and explanations given to us, we have neither come across nor have we been informed of any instance of major weakness in the aforesaid internal control system.
  5. In our opinion there are no contracts or arrangements that need to be entered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(v)(b) of the Order is not applicable to the Company and hence not commented upon.
  - 6 The Company has not accepted any deposits from the public to which the provisions of section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposit) rules, 1975 apply.
  - 7 The internal audit of the company is being carried out by the departmental staff which in our opinion is commensurate with the size and nature of its business.
  - 8 We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the central government for the maintenance of cost records under section 209 ( 1 ) ( d ) of the Companies Act, 1956, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
-



- 9 (a) According to the records of the company, the company is regular in depositing with appropriate authorities the undisputed statutory dues including Provident Fund, Income Tax, Sales Tax and other material statutory dues.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, wealth tax, sales tax, customs duty, excise duty and other material statutory dues were outstanding, as at 31<sup>st</sup> March, 2014 for a period of more than six months from the date they became payable.
10. According to information and explanations given to us, there are no disputed dues of sales tax, income-tax, customs tax/wealth-tax, excise duty/cess which have not been deposited except, Import Duty of ₹ 535.36 lakhs levied by Custom Authority against import of raw materials, which is under appeal by the department in the High Court of Chennai and ₹ 63.86 lakhs levied by Central Excise which is also under CESCAT, Bangalore.
11. The company has not incurred any cash loss during the year and in the immediately preceding financial year.
12. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to financial institutions, banks or debenture holders except, working capital loan of ₹ 459.85 lakhs from Canara Bank which is under dispute / litigation.
13. The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
14. Since the Company is not a chit fund / Nidhi / Mutual Benefit Fund / Society, the relative reporting requirements of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable.
15. Since the Company is not dealing or trading in shares, securities, debentures or other investments, the relative reporting requirements of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable.
16. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
17. According to the information and explanations given to us and as per available records, the Company has availed a fresh loan from banks and the said fund was utilized for the purposes for which the loan has been taken.
18. According to the information and explanations given to us and an overall examination of the Balance Sheet of the Company, we report that no funds raised on short term basis have been utilized for long term investment.
19. The company during the period covered by our audit report has not made a preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
20. During the period covered by our audit report, the company has not issued debentures.
21. During the year the Company has raised ₹ 1286.77 lakhs by way of Rights Issue to the Share holders and the end use objective as set out in the prospectus has been fulfilled except settlement of a disputed amount.
22. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For **MITRA KUNDU & BASU**  
*Chartered Accountants*  
Firm Regn.No.302061E

**(SIBAJI DAS)**

*Partner.*

*Membership No. 051391*

Chennai, May 27, 2014



## BALANCE SHEET AS AT 31st MARCH 2014

PARTICULARS	Note	31st March 2014 ₹	31st March 2013 ₹
<b>I EQUITY &amp; LIABILITIES</b>			
<b>SHAREHOLDERS' FUND</b>			
Share Capital	2	386,032,500	257,355,000
Reserve & Surplus	3	480,842,189	345,149,052
<b>NON-CURRENT LIABILITIES</b>			
Long-term Borrowings	4	22,130,598	101,840,861
Long-term Provisions	5	12,240,050	10,938,889
<b>CURRENT LIABILITIES</b>			
Short-term Borrowings	6	103,997,371	181,136,360
Trade Payables	7	477,971,562	350,599,620
Other Current Liabilities	8	31,238,092	79,834,943
Short-term Provisions	9	66,855,523	3,077,650
<b>TOTAL</b>		<b>1,581,307,885</b>	<b>1,329,932,375</b>
<b>II. ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed Assets			
Tangible Assets	10	145,096,630	152,161,860
Capital work-in-progress		1,308,831	4,263,623
Non-Current Investments	11	1,270,400	3,770,400
Deferred Tax Asset	12	3,258,365	9,975,840
Long-term Loans and Advances	13	22,221,977	24,888,258
<b>CURRENT ASSETS</b>			
Investments	14	700,000	700,000
Inventories	15	488,618,994	352,581,722
Trade Receivable	16	483,800,838	457,901,613
Cash and Bank Balance	17	248,989,747	166,789,409
Short-term Loans & Advances	18	103,143,602	123,517,801
Other Current Assets	19	82,898,501	33,381,849
<b>TOTAL</b>		<b>1,581,307,885</b>	<b>1,329,932,375</b>

Significant Accounting Policies and Notes on Financial Statements **1 to 38**

As per our separate report of even date.

For and on behalf of the Board

For **MITRA KUNDU & BASU**  
Chartered Accountants  
Firm Regn. No. 302061E

**Vikram M Thapar**  
Chairman

**Lt. Gen. Deepak Summanwar**  
Director

**Sibaji Das**  
Partner  
Membership No. 051391

**Ashok Nanjapa**  
Chief Executive

**Suguna Krishnamurthy**  
Company Secretary

Chennai, May 27, 2014



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2014

PARTICULARS	Note	31st March 2014 ₹	31st March 2013 ₹
<b>I. REVENUE FROM OPERATIONS</b>	20	<b>2,282,086,248</b>	1,570,208,533
<b>II. OTHER INCOME</b>	21	<b>13,830,382</b>	5,766,357
<b>TOTAL REVENUE</b>		<b><u>2,295,916,630</u></b>	<u>1,575,974,890</u>
<b>III. EXPENSES</b>			
Cost of Materials Consumed	22	<b>1,553,252,688</b>	1,042,696,468
Changes in Inventories of Finished Goods & Work - in - Process	23	<b>34,747,794</b>	62,576,659
Employee benefits Expense	24	<b>85,675,650</b>	67,231,656
Finance Costs	25	<b>28,687,858</b>	23,194,497
Depreciation and Amortization Expense		<b>18,034,745</b>	28,097,037
Other Expenses	26	<b>371,050,164</b>	276,035,083
<b>TOTAL EXPENSES</b>		<b><u>2,091,448,899</u></b>	<u>1,499,831,401</u>
<b>IV. Profit before Exceptional Items and Tax</b>		<b>204,467,731</b>	76,143,489
Exceptional Items - Profit/(Loss)	27	<b>(111,862)</b>	(293,996)
<b>V. Profit Before Tax</b>		<b>204,355,869</b>	75,849,493
Tax Expense - Current Tax		<b>60,690,300</b>	-
- Earlier Years Tax		<b>1,206,798</b>	-
Deferred Tax		<b>6,765,636</b>	15,765,447
<b>VI. Profit for the period</b>		<b><u>135,693,135</u></b>	<u>60,084,046</u>
<b>VII. Earnings per Equity Share</b>			
Basic		<b>3.52</b>	2.33
Diluted		<b>3.52</b>	2.33
Significant Accounting Policies and Notes on Financial Statements	<b>1 to 38</b>		

As per our separate report of even date.

For **MITRA KUNDU & BASU**  
Chartered Accountants  
Firm Regn. No. 302061E

**Sibaji Das**  
Partner  
Membership No. 051391

Chennai, May 27, 2014

For and on behalf of the Board

**Vikram M Thapar**  
Chairman

**Ashok Nanjapa**  
Chief Executive

**Lt. Gen. Deepak Summanwar**  
Director

**Suguna Krishnamurthy**  
Company Secretary

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2014

	PARTICULARS	2013-2014		2012-2013	
		₹	₹	₹	₹
<b>A</b>	<b>Cash Flows from Operating Activities</b>				
	Net profit before taxation and extraordinary items		204,467,731		76,143,489
	<b>Adjustment for</b>				
	Depreciation and Amortization Expenses	18,034,745		28,097,037	
	Depreciation reserve on deleted Assets	-		1,064,745	
	Profit/ (Loss) on sale of Fixed Assets	(111,862)		(293,996)	
	Interest Expense	8,570,508		12,179,778	
	Interest Income	(13,804,243)	12,689,148	(5,766,357)	35,281,207
	<b>Operating profit before working capital changes</b>		<b>217,156,879</b>		<b>111,424,696</b>
	<b>Adjustments for</b>				
	Inventories (Increase)/Decrease	(136,037,272)		(38,486,322)	
	Trade Receivables (Increase)/Decrease	(25,899,225)		(113,857,465)	
	Other Current Assets (Increase)/Decrease	(29,142,453)		(36,869,317)	
	Current Liabilities Increase/(Decrease)	1,636,103		204,018,316	
	Long Term Investment (Increase)/Decrease	2,500,000		-	
	Provisions Increase/(Decrease)	63,777,875	(123,164,972)	2,067,273	16,872,485
	<b>Cash generated from operating activities</b>		<b>93,991,907</b>		<b>128,297,181</b>
	Taxes paid/provided		68,662,734		15,765,447
	<b>Net Cash from operating activities</b>		<b>25,329,173</b>		<b>112,531,734</b>
<b>B</b>	<b>Cash flow from investing activities</b>				
	Purchase of fixed assets	(8,014,723)		(24,552,850)	
	Purchase of investment	-		(500,000)	
	Interest received	13,804,243		5,766,357	
	Long terms loans & Advances	9,383,756		11,025,052	
	<b>Net Cash from/(used in) investing activities</b>		<b>15,173,275</b>		<b>(8,261,441)</b>
<b>C</b>	<b>Cash flows from financing activities</b>				
	Proceeds from issuance of share capital	128,677,500		-	
	Repayment of long term borrowings	(78,409,102)		(943,026)	
	Interest paid	(8,570,508)		(12,179,778)	
	<b>Net Cash from/(used in) in financing activities</b>		<b>41,697,890</b>		<b>(13,122,804)</b>
	<b>Net Cash flows during the year ( A+B+C)</b>		<b>82,200,339</b>		<b>91,147,489</b>
	Cash & Cash equivalents at the beginning of the year		166,789,409		75,641,920
	Cash & Cash equivalents at the end of the year		248,989,747		166,789,409
	Net increase/(decrease) in cash & cash equivalents		<b>82,200,339</b>		<b>91,147,489</b>

As per our separate report of even date.

For and on behalf of the Board

For **MITRA KUNDU & BASU**

Chartered Accountants  
Firm Regn. No. 302061E

**Sibaji Das**

Partner  
Membership No. 051391

Chennai, May 27, 2014

**Vikram M Thapar**  
Chairman

**Ashok Nanjapa**  
Chief Executive

**Lt. Gen. Deepak Summanwar**  
Director

**Suguna Krishnamurthy**  
Company Secretary



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## NOTES ON FINANCIAL STATEMENTS :

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### 1.1 Accounting Convention

The financial statements have been prepared to comply in all material respects with the standards notified under the Companies (Accounting Standards) Rules, 2006 and the relevant provision of the Companies Act, 1956. The financial statements are prepared under the historical cost convention, in accordance with the generally accepted accounting principles, on an accrual basis, except otherwise stated.

#### 1.2 Use of Estimates

The preparation of financial statements are based on management estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures relating to contingent liabilities and assets as at the Balance Sheet date and the reported amounts of revenues and expenses during the year. Differences between the actual results and estimation are recognised in the year in which the results are known / materialised.

#### 1.3 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The Company follows the mercantile system of accounting and recognises income and expenditure on accrual basis except in case of significant uncertainties. Export sales include benefits extended by the Government and domestic sales are net of taxes.

#### 1.4 Fixed Assets

Fixed Assets are stated at cost of acquisition / revaluation less accumulated depreciation and impairment losses. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Financing cost relating to construction of assets are also included to the extent they relate to the period till such assets are ready to be put to use. Financing cost not relating to construction of assets are charged to the income statements.

#### 1.5 Depreciation

Depreciation on fixed assets has been provided on straight line method as per the rates prescribed in Schedule XIV of the Companies Act, 1956, as amended.

#### 1.6 Inventories

Inventories are valued as follows:

(a) Raw Materials, components, stores and spares -

Lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis and includes relevant cost of bringing those materials at their present location and condition.

(b) Work-in-Progress and Finished Goods -

Lower of cost and net realisable value. Cost includes direct materials, labour and a portion of manufacturing overheads based on normal operating capacity or actual production whichever is less.

#### 1.7 Foreign Currency

(a) Initial Recognition:

Foreign currency transactions are recorded in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency, at the date of transaction.

(b) Conversion:

Foreign currency monetary items are reported using the closing rate.

(c) Exchange Differences:

Exchange differences arising on the settlement of monetary items of the Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or expense in the year in which they arise.

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## **1.8 Investments**

Long-term investments are carried at cost less provision, if any for permanent diminution in value of such investments.

## **1.9 Employee Benefits**

(I) In the case of defined contribution plans such as Provident Fund etc., the Company's contribution to these plans are charged to statement of Profit and Loss.

(ii) Liability for defined benefit plans is provided on the basis of valuations as at the Balance Sheet date, carried out by an actuary using the Projected Unit Credit Method. Actuarial gains and losses arising on such valuation are recognised immediately in the Statement of Profit and Loss.

## **1.10 Taxes on Income**

Taxes on income for the current period are determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961. Deferred tax is recognised for all timing differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

## **1.11 Impairment of Fixed Assets**

The carrying amounts of Assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An asset / cash generating unit is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to Statement of Profit & Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

## **1.12 Borrowing Cost**

Borrowing cost incurred on construction or acquiring a qualifying asset, which takes a substantial period of time for construction, is capitalised as cost of that asset. All other borrowing cost is recognised as an expense in the period in which they are incurred.

## **1.13 Segment Reporting**

The Company is engaged in the nature of an integrated system of functioning and thus considered to constitute one single primary segment. However, information about secondary segment that is geographical revenue by geographical markets is being recorded.

## **1.14 Provision**

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

## **1.15 Events Occuring after Balance Sheet Date**

Material events occurring after the date of balance sheet are recognised and are dealt with appropriately in accordance with generally accepted accounting principles and as provided in Accounting Standard - 4 issued by The Institute of Chartered Accountants of India.



PARTICULARS	31st MARCH 2014 ₹	31st MARCH 2013 ₹		
<b>2. SHARE CAPITAL</b>				
<b>2.1 Authorised</b>				
5,00,000 (Previous Year : 5,00,000)				
Preference Shares, of ₹ 100/- each	50,000,000	50,000,000		
4,50,00,000 (Previous Year : 4,50,00,000)				
Equity Shares of ₹ 10/- each	450,000,000	450,000,000		
<b>TOTAL</b>	<b>500,000,000</b>	<b>500,000,000</b>		
<b>2.2 Issued, Subscribed and Fully Paid-up</b>				
3,86,03,250 (Previous Year : 2,57,35,500)				
Equity Shares of ₹ 10/- each	386,032,500	257,355,000		
<b>2.3 Reconciliation of number of Equity shares</b>				
<b>PARTICULARS</b>	<b>No. of Shares</b>	<b>Amount (₹)</b>	<b>No. of Shares</b>	<b>Amount (₹)</b>
Number of shares and amount at the beginning	25,735,500	257,355,000	25,735,500	257,355,000
Add: Shares issued (Rights Issue) *	<u>12,867,750</u>	<u>128,677,500</u>	-	-
Number of shares vis-à-vis amount at the end	<u>38,603,250</u>	<u>386,032,500</u>	<u>25,735,500</u>	<u>257,355,000</u>
*(During the year under review the company, as approved by the Share Holders, came out with a Rights Issue of 12,867,750 shares @ ₹10/- per share aggregating to ₹ 128,677,500/- in the ratio of 1 equity share for every 2 shares held by the member. The Rights Issue was for repayment of Debts and Working Capital)				
<b>2.4 Rights, Preferences and Restrictions attached to shares.</b>				
The Company has issued only one class of shares viz., Equity shares having a value of ₹10/- each. Each holder of equity shares is entitled to one vote per share. In the event of Liquidation, the equity Shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding .				
<b>2.5 The details of shareholders holding more than 5 % shares in the Company:</b>				
<b>Name of the Share holders</b>	<b>No. of Shares</b>	<b>% of Holding</b>	<b>No. of Shares</b>	<b>% of Holding</b>
K. C. T Brothers(Coal & Sales) Ltd.	17,953,141	46.51	5,937,906	23.07
Indo Oceanic Investments Ltd.	2,475,000	6.41	2,475,000	9.62
J. C. T. Ltd.	-	-	1,450,000	5.63
<b>3 RESERVE &amp; SURPLUS</b>				
3.1 Securities Premium Account - at the beginning & end of the year		117,349,276		117,349,276
3.2 Revaluation Reserve at the beginning & end of the year		10,844,896		10,844,896
3.3 General Reserve - at the beginning & end of the year		129,725,859		129,725,859
3.4 Surplus				
Balance as per last Balance Sheet		87,229,021		27,144,975
Add : Surplus during the year		<u>135,693,135</u>		<u>60,084,046</u>
<b>Closing Balance in Surplus Account</b>		<b>222,922,156</b>		<b>87,229,021</b>
<b>TOTAL</b>		<b>480,842,189</b>		<b>345,149,052</b>





PARTICULARS	31st MARCH 2014 ₹	31st MARCH 2013 ₹
<b>4 LONG-TERM BORROWINGS</b>		
<b>4.1 Term Loans - Secured</b>		
(i) <b>From Banks</b>	-	13,051,704
(Secured by a first charge on the assets created / to be created on pari-passu basis with consortium banks except Canara Bank).		
(ii) <b>From Associates</b>	9,100,000	20,500,000
(Secured by a first mortgage and charge on all immovable assets of the Company both present and future, ranking pari-passu with charge created in favour of Banks) (Repayment schedule not yet finalised)		
(iii) <b>Vehicle Loan</b>	5,426,913	731,790
(Secured by hypothecation of vehicle repayment in 48 equal instalments)		
<b>4.2 Unsecured Loan from Associates</b>	-	47,500,000
(Interest of ₹ 5,092,259/-due but not paid, Previous Year ₹ 19,492,259/-)		
<b>4.3 Deferred Payment Liabilities - Unsecured</b>		
Deferred Payment of Sales Tax	7,603,685	20,057,367
(Repayable by monthly installments of ₹ 1,000,000/- starting from April, 2012)		
<b>TOTAL</b>	<b>22,130,598</b>	<b>101,840,861</b>
<b>5 LONG-TERM PROVISIONS</b>		
Provision for Employee benefits	12,240,050	10,938,889
<b>6 SHORT TERM BORROWING - SECURED</b>		
Loans repayable on demand - Cash Credit from Banks (Against hypothecation of stocks such as, raw materials, work-in-progress, stores & spares and consumables both present, future and first charge on the fixed assets ranking pari-passu with term loan lenders) Includes borrowing of ₹ 37,555,190/- under settlement (Previous year ₹ 37,555,190/-)	103,997,371	181,136,360
<b>7 TRADE PAYABLES</b>		
7.1 For Goods	163,551,393	92,760,149
7.2 For Services & Others	116,249,958	105,700,358
7.3 Acceptance	198,170,211	152,139,113
<b>TOTAL</b>	<b>477,971,562</b>	<b>350,599,620</b>



PARTICULARS	31st MARCH 2014 ₹	31st MARCH 2013 ₹
<b>8 OTHER CURRENT LIABILITIES</b>		
8.1 Current Maturity of long-term debt		
a) Term Loan - Secured	-	7,260,000
b) Vehicle Loan - Secured	2,630,184	883,896
c) Deferred Payment of Sales Tax - Unsecured	12,000,000	12,000,000
8.2 Statutory Dues	3,867,684	1,976,433
8.3 Interest Accrued & Due	5,092,259	20,062,259
8.4 Advance from Customers	7,647,966	37,652,355
<b>TOTAL</b>	<b>31,238,092</b>	<b>79,834,943</b>
<b>9 SHORT TERM PROVISION</b>		
9.1 Provision for Income Tax	60,690,300	-
9.2 Provision for Employee Benefits	6,165,223	3,077,650
<b>TOTAL</b>	<b>66,855,523</b>	<b>3,077,650</b>

**10 FIXED ASSETS**

FIXED ASSETS - TANGIBLE	Land	Factory Building	Ponds & Reservoirs	Plant & Machinery	Furniture & Fixtures	Office Equipments	Vehicles	Total Fixed Assets 31.03.14	Total Assets 2012-13
<b>Gross Block - Opening Balance</b>	11,817,500	105,918,529	2,123,983	419,484,087	11,735,668	5,983,446	7,859,027	<b>564,922,241</b>	542,110,333
Additions during the year	-	140,530	-	1,636,822	390,540	308,384	8,723,101	<b>11,199,377</b>	24,280,899
	<b>11,817,500</b>	<b>106,059,059</b>	<b>2,123,983</b>	<b>421,120,909</b>	<b>12,126,208</b>	<b>6,291,830</b>	<b>16,582,128</b>	<b>576,121,618</b>	566,391,232
Sales/disposed off during the year	-	-	-	-	-	-	1,186,887	<b>1,186,887</b>	1,468,991
Deletion On Revaluation	-	-	-	-	-	-	-	-	-
<b>Gross Block - Closing Balance</b>	<b>11,817,500</b>	<b>106,059,059</b>	<b>2,123,983</b>	<b>421,120,909</b>	<b>12,126,208</b>	<b>6,291,830</b>	<b>15,395,241</b>	<b>574,934,731</b>	564,922,241
Depreciation - Opening Balance	-	54,622,329	346,903	340,542,524	8,383,290	5,295,306	3,570,028	<b>412,760,380</b>	385,728,089
for the Year	-	3,180,511	34,621	13,130,984	555,691	303,049	829,889	<b>18,034,745</b>	28,097,037
	-	57,802,840	381,524	353,673,508	8,938,981	5,598,356	4,399,917	<b>430,795,125</b>	413,825,126
Less: Adjustment for Disposal	-	-	-	-	-	-	957,024	<b>957,024</b>	1,064,745
<b>Depreciation - Closing Balance</b>	-	<b>57,802,840</b>	<b>381,524</b>	<b>353,673,508</b>	<b>8,938,981</b>	<b>5,598,356</b>	<b>3,442,893</b>	<b>429,838,101</b>	412,760,381
<b>Net Carrying Amount - Current Year</b>	<b>11,817,500</b>	<b>48,256,219</b>	<b>1,742,459</b>	<b>67,447,401</b>	<b>3,187,227</b>	<b>693,474</b>	<b>11,952,348</b>	<b>145,096,630</b>	152,161,860
Net Carrying Amount - Previous Year	11,817,500	51,296,199	1,777,080	78,941,564	3,352,378	688,140	4,288,999	152,161,860	

Note : During the year 2008 - 2009 the land was revalued by ₹ 10,60,32,522/- out of which ₹ 9,46,90,276/-\* was adjusted on sale in that year and after adjustment of subsequent land sale the revaluation reserve balance stands at ₹ 1,08,44,896/-



PARTICULARS	31st MARCH 2014 ₹	31st MARCH 2013 ₹
<b>11 Non-Current Investments in Associates ( At Cost )</b>		
Trade - Unquoted		
(i) Moana Technologies India Pvt. Ltd. (12,704 Equity Shares of ₹ 100/- each fully paid)	1,270,400	1,270,400
(ii) Gourmet Delhicatessens Ltd. (250,000 Equity Shares of ₹ 10/- each fully paid)	2,500,000	2,500,000
	<u>3,770,400</u>	<u>3,770,400</u>
Less : Provision for diminution - on Gourmet Delhicatessens Ltd investment	2,500,000	-
<b>TOTAL</b>	<u>1,270,400</u>	<u>3,770,400</u>
<b>12 Deferred Tax Assets (net)</b>		
Provision for Employee Benefits	5,972,511	4,406,315
Unabsorbed Depreciation and Business Loss	-	5,569,525
	<u>5,972,511</u>	<u>9,975,840</u>
Less : Deferred Tax Liability on Depreciation	2,714,146	-
<b>TOTAL</b>	<u>3,258,365</u>	<u>9,975,840</u>
<b>13 LONG TERM LOANS AND ADVANCES - UNSECURED, CONSIDERED GOOD</b>		
Other Loans / Advances	22,221,977	24,888,258
<b>14 CURRENT INVESTMENT IN MUTUAL FUND - AT COST</b>		
Union KBC tax Saver Fund - 200 Units @ ₹ 1,000/- each Market value ₹ 2,57,071/- (previous year ₹ 2,35,000/-)	200,000	200,000
Union KBC Capital Protection Oriented Fund - 500 Units @ ₹ 1,000/- each Market value ₹ 5,69,926/- (Previous year ₹ 5,99,320/-)	500,000	500,000
<b>TOTAL</b>	<u>700,000</u>	<u>700,000</u>
<b>15 INVENTORIES</b> (At cost or net realisable value, whichever is lower)		
15.1 Consumable Stores	38,971,773	34,018,630
15.2 Raw Materials	351,381,041	185,549,118
15.3 Process Stock	35,737,808	36,977,934
15.4 Finished Goods	62,528,372	96,036,040
<b>TOTAL</b>	<u>488,618,994</u>	<u>352,581,722</u>
<b>16 TRADE RECEIVABLES - UNSECURED, CONSIDERED GOOD</b>		
16.1 Outstanding for a period exceeding six months	110,758,300	129,846,484
16.2 Others	373,042,538	328,055,129
<b>TOTAL</b>	<u>483,800,838</u>	<u>457,901,613</u>



PARTICULARS	31st MARCH 2014 ₹	31st MARCH 2013 ₹
<b>17 CASH AND BANK BALANCES</b>		
<b>Cash and Cash Equivalents</b>		
17.1 Cash on hand	431,759	1,088,960
<b>Bank Balances</b>		
17.2 Current Accounts	67,586,247	58,166,825
17.3 Deposits - Less than 3 months	33,200,000	67,000,000
17.4 Other Bank Balances - Margin money	60,581,575	39,322,450
17.5 Deposits - Less than 12 months but more than 3 months	85,975,000	-
- More than 12 months	1,215,166	1,211,174
<b>TOTAL</b>	<u>248,989,747</u>	<u>166,789,409</u>
Deposits by the Company with Banks can be withdrawn at any point of time without prior notice or penalty on the principle		
<b>18 SHORT-TERM LOANS &amp; ADVANCES</b>		
(Unsecured, Considered Good)		
18.1 Advances to Parties	101,939,579	121,989,256
18.2 Advances to Staff	1,204,024	1,528,545
<b>TOTAL</b>	<u>103,143,602</u>	<u>123,517,801</u>
<b>19 OTHER CURRENT ASSETS</b>		
19.1 Claims Receivable	272,197	1,785,720
19.2 Interest Receivable	5,336,640	-
19.3 Others	2,273,641	173,255
19.4 Tax Deducted At Source	4,122,134	3,528,985
19.5 Advance Income Tax	70,893,890	27,893,890
<b>TOTAL</b>	<u>82,898,501</u>	<u>33,381,849</u>
<b>20 REVENUE FROM OPERATIONS</b>		
20.1 Revenue from Sale of Products		
a) Export	14,089,857	24,851,285
b) Domestic	2,244,206,048	1,524,684,711
<b>Sub Total</b>	<u>2,258,295,905</u>	<u>1,549,535,996</u>
Export includes benefits to the extent of ₹ 1,057,497/- (Previous Year ₹ 548,646/-)		
20.2 Revenue from Services		
a) Processing Charges	18,066,123	16,286,604
20.3 Other Operating Revenues		
a) Consultancy	903,652	909,733
b) Scrap Sales	4,289,233	2,881,484
c) Sea Freight Assistance	67,889	103,361
d) Stores Sales	463,446	491,355
<b>Sub Total</b>	<u>5,724,220</u>	<u>4,385,933</u>
<b>TOTAL</b>	<u>2,282,086,248</u>	<u>1,570,208,533</u>
<b>21 OTHER INCOME</b>		
21.1 Interest on Deposits	13,830,382	5,766,357
<b>TOTAL</b>	<u>13,830,382</u>	<u>5,766,357</u>



PARTICULARS	31st MARCH 2014 ₹	31st MARCH 2013 ₹
<b>22 COST OF MATERIALS CONSUMED</b>		
22.1 Fish Meal	361,383,556	274,820,759
Soya DOC	564,934,710	348,924,878
Sundry Items*	557,783,394	409,235,817
22.2 Raw / Processed Shrimps - Head on / Headless	62,527,085	2,887,600
22.3 S S Crab / Crab	-	100,737
<b>SUB - TOTAL</b>	<u>1,546,628,745</u>	<u>1,035,969,791</u>
22.4 Carriage Inward	6,623,943	6,726,677
<b>GRAND TOTAL</b>	<u>1,553,252,688</u>	<u>1,042,696,468</u>
* Includes individual items of less than 10% of the total and therefore, not considered for the above classification.		
<b>23 CHANGE IN INVENTORIES OF FINISHED GOODS</b>		
23.1 <b>Closing Stock of</b>		
Finished Good	62,528,372	96,036,040
Work in Process	35,737,808	36,977,934
<b>TOTAL</b>	<u>98,266,180</u>	<u>133,013,974</u>
23.2 <b>Opening Stock of</b>		
Finished Good	96,036,040	148,775,576
Work in Process	36,977,934	46,815,057
<b>TOTAL</b>	<u>133,013,974</u>	<u>195,590,633</u>
<b>(Increase) / Decrease</b>	<u>34,747,794</u>	<u>62,576,659</u>
<b>24 EMPLOYEE'S BENEFIT EXPENSES</b>		
24.1 Salary & Wages*	68,100,160	53,890,381
24.2 Contribution To Provident Fund, Pension Fund and Other Funds	5,031,159	3,690,621
24.3 Welfare Expenses	12,544,331	9,650,654
<b>TOTAL</b>	<u>85,675,650</u>	<u>67,231,656</u>
*Includes remuneration of key management personnel ₹ 18,00,000/- (Previous Year ₹ 17,79,551/-)		
<b>25 FINANCE COSTS</b>		
25.1 Interest Expenses	10,370,508	12,179,778
25.2 Other Borrowing Cost	18,317,350	11,014,719
<b>TOTAL</b>	<u>28,687,858</u>	<u>23,194,497</u>



PARTICULARS	31st MARCH 2014 ₹	31st MARCH 2013 ₹
<b>26 OTHER EXPENSES</b>		
Processing Charges	18,143,950	12,078,687
Consumables and Stores Consumed	84,450,157	76,237,211
Power & Utilities	53,728,254	31,821,544
Other Manufacturing Expenses	13,883,366	6,537,559
Discount On Sales	120,419,166	92,973,576
Rent	5,766,880	3,175,514
Rates & Taxes	184,025	384,193
Diminution Provision for Investments	2,500,000	-
Repairs to Building	7,995,875	5,913,422
Repairs to Machinery	106,532	555,038
Repairs Others	2,250,650	2,536,127
Insurance	2,643,272	2,496,643
Freight Outward	495,099	1,643,954
Selling Expenses	20,002,531	15,083,805
Legal & Professional Charges	2,315,253	2,106,285
Vehicle Maintenance	6,624,156	4,339,602
Travelling Expenses	10,395,273	8,543,416
Secretarial Expenses	4,570,820	943,787
Consultancy Charges	2,445,986	2,944,250
Business Communication Cost	1,245,661	1,232,731
Research & Development	4,011,727	-
Miscellaneous Expenses*	6,450,254	4,195,860
<b>Auditor's Remuneration:</b>		
Statutory Audit Fees	168,540	168,540
Tax Audit Fees	28,090	28,090
In other Capacity	112,360	-
Reimbursement of Expenses	112,289	95,250
<b>TOTAL</b>	<b>371,050,164</b>	<b>276,035,083</b>
* Includes Sitting Fees of ₹ 4,50,000/- (Previous Year ₹ 2,35,000/-)		
<b>27 EXCEPTIONAL ITEMS</b>		
Loss on Sale of Fixed Assets	(111,862)	(293,996)
<b>28 CONTINGENT LIABILITIES AND COMMITMENTS</b> (to the extent not provided for)		
<b>28.1 Contingent liabilities</b>		
(i) Claims against Company not acknowledged as debt	67,509,073	61,123,555
(ii) Bank Guarantees	29,914,587	26,111,942
(iii) Interest Claimed by Canara Bank has not been provided as the settlement is under negotiation and hence not quantifiable at this stage	67,093,551	10,663,008



PARTICULARS	31st MARCH 2014 ₹	31st MARCH 2013 ₹		
<b>29 DISCLOSURE REQUIRED IN TERMS OF SEBI GUIDELINES</b>				
Part of Loan received during the earlier years from M/s Towerbase Services Pvt Ltd. has been converted into Equity Shares	Nil	Nil		
<b>30 FOREIGN CURRENCY INCOME &amp; EXPENDITURE</b>				
<b>30.1 Value of Imports On CIF basis</b>				
a) Raw Materials	46,607,588	38,501,220		
b) Spares	29,450,578	23,649,677		
c) Capital Goods	-	19,503,073		
<b>TOTAL</b>	<b>76,058,166</b>	<b>81,653,970</b>		
<b>30.2 Expenditure in Foreign Exchange</b>				
a) Travelling Expenses	1,191,724	1,326,406		
b) Subscription	40,378	77,033		
c) Insurance	37,247	34,853		
d) Consultancy Services	250,129	775,028		
e) Trade Mark, Inspection and Others	1,073,463	-		
<b>TOTAL</b>	<b>2,592,941</b>	<b>2,213,320</b>		
<b>30.3 Earnings in Foreign Exchange</b>				
a) F O B Value of Exports	12,962,456	7,935,881		
	<b>2013 - 2014</b>	<b>2012 - 2013</b>		
	<b>Value</b>	<b>%</b>	<b>Value</b>	<b>%</b>
<b>31 Consumption of Materials</b>				
a) Imported	47,552,494	3.07%	35,830,095	3.46%
b) Indigenous	1,499,076,251	96.93%	1,000,139,696	96.54%
<b>TOTAL</b>	<b>1,546,628,745</b>	<b>100.00%</b>	<b>1,035,969,791</b>	<b>100.00%</b>

**32 EMPLOYEE BENEFITS**

In case of defined contribution plans, the Company's contribution are charged since the Company has no further obligation beyond making the contribution. In case of defined benefits plans, the actuarial gain and losses arising on actuarial valuation based on projected unit credit method are charged to statement of Profit & Loss. Consequent upon adopting accounting standard on Employee benefits the following disclosures are made for the defined benefit obligation :



PARTICULARS	31st MARCH 2014		31st MARCH 2013	
	₹		₹	
	Gratuity (Unfunded)	Leave Encashment (Unfunded)	Gratuity (Unfunded)	Leave Encashment (Unfunded)
<b>32.1 Obligation</b>				
Obligation at period beginning	9,467,866	4,110,000	7,935,000	2,286,000
Current service cost	1,154,623	289,335	674,685	270,000
Interest Cost	730,277	315,578	137,370	149,000
Actuarial gain (+) / loss (-)	2,257,556	1,316,181	1,367,951	1,710,000
Benefits Paid	837,169	398,974	647,140	305,000
Obligation at the year end	<u>12,773,153</u>	<u>5,632,120</u>	<u>9,467,866</u>	<u>4,110,000</u>
<b>32.2 Cost for the Year</b>				
Current service cost	1,154,623	289,335	674,685	270,000
Interest Cost	730,277	315,578	137,370	149,000
Actuarial (gain)/Loss	2,257,556	1,316,181	1,367,951	1,710,000
Net Cost recognised in the Statement of Profit & Loss	<u>4,142,456</u>	<u>1,921,094</u>	<u>2,180,006</u>	<u>2,129,000</u>
<b>32.3 Assumption used to determine the benefit obligation</b>				
Interest Rate	8.50%	8.50%	8.07%	8.07%
Expected Rate of increase in Salary	5.50%	5.50%	4.00%	4.00%
<b>33 SEGMENT REPORTING</b>				
Accounting standard in respect of segment reporting is not applicable to the Company as the operations of the Company is in the nature of an integrated system of function				
<b>Information about secondary segments</b>				
Geographical Revenue by Geographical Market :				
(i) In India		2,244,206,048		1,524,684,711
(ii) Outside India		14,089,857		24,851,285
<b>34 RELATED PARTY DISCLOSURE</b>				
<b>a Key Management Personnel</b>				
(i) Mr. Ashok Nanjapa, Chief Executive Remuneration including perquisites		1,800,000		1,779,551
(ii) Transactions with relatives of key management personnel		Nil		Nil
<b>b Associates</b>				
(i) Gourmet Delhicatessens Ltd. Investments in the equity shares		2,500,000		2,500,000
Receivables		-		545,186





PARTICULARS	31st MARCH 2014 ₹	31st MARCH 2013 ₹
(ii) Indian City Properties Limited		
Secured Term-loan	<b>9,100,000</b>	20,500,000
Maximum Amount outstanding during the year	<b>20,500,000</b>	20,500,000
- Receivables	<b>14,500,000</b>	14,500,000
- Payables	<b>2,900,617</b>	2,900,617
(iii) Towerbase Service Private Ltd.		
- Unsecured Loan	-	47,500,000
Maximum Amount outstanding during the year	<b>47,500,000</b>	47,500,000
- Interest on Unsecured Loan	<b>19,294,758</b>	30,616,758
Maximum Amount outstanding during the year	<b>33,694,758</b>	30,616,758
Interest paid/debited during the year	<b>3,420,000</b>	5,700,000
- Payables	<b>15,140,109</b>	13,836,203
(iv) K C T & Bros (CS) Ltd		
- Receivables	<b>Nil</b>	2,308,399
- Payables	<b>376,645</b>	Nil
<b>35 EARNING PER SHARE</b>		
a. Net Profit available for Equity Shareholders	<b>135,693,135</b>	60,084,046
b. Weighted average number of Equity Shares	<b>38,603,250</b>	25,735,500
c. Basic and diluted earning per share of ₹ 10/-	<b>3.52</b>	2.33
<b>36.</b> Amount outstanding for more than 30 days payable to small and ancillary undertakings.	<b>Nil</b>	Nil
<b>37.</b> On the basis of available information the suppliers are not registered under Micro, small and Medium Enterprise Development Act,2006.		
<b>38.</b> Figures for the previous year have been re-classified to make them comparable with that of the current year, to the extent possible. Figure in brackets relate to that of the previous year, in general.		

As per our separate report of even date.

For **MITRA KUNDU & BASU**  
Chartered Accountants  
Firm Regn. No. 302061E

**Sibaji Das**  
Partner  
Membership No. 051391

Chennai, May 27, 2014

For and on behalf of the Board

**Vikram M Thapar**  
Chairman

**Ashok Nanjapa**  
Chief Executive

**Lt. Gen. Deepak Summanwar**  
Director

**Suguna Krishnamurthy**  
Company Secretary

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# FOR YOUR KIND ATTENTION PLEASE

## GREEN INITIATIVE

Dear Shareholder,

Sub: Green Initiative in Corporate Governance

The Ministry of Corporate Affairs has taken a “Green Initiative in Corporate Governance”. Companies can now send various notices and documents, including Annual Report, to its shareholders through electronic mode to the registered e-mail addresses of shareholders.

It is a welcome move as this will reduce paper consumption to a great extent and allow shareholders to contribute towards a greener environment. For this purpose, you are requested to furnish the following

details:

Shareholder's Name	
Folio No. *	
DP ID	
Client ID	
E-mail address	
Phone No. (with STD Code) / Mobile No.	
Please convey your preference to receive the above in Electronic Form	YES /NO
Signature of the Shareholder	

\*Applicable for investors holding shares in physical form.

This form duly filled-in and signed may please be sent to the Secretarial Department, The Waterbase Ltd, Post Box No.4902, # 22, Sadasivam Street, Gopalapuram, Chennai - 600 086. The details may also be sent through e-mail to the Company's e-mail address [suguna.k@waterbaseindia.com](mailto:suguna.k@waterbaseindia.com)

Thanking You

Yours faithfully

for **THE WATERBASE LTD.**

- Sd -

Company Secretary

SAVE TREES

SAVE THE PLANET

SAVE PAPER

## Book Post

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Post Box No. 4902

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Gopalapuram, Chennai - 600 086, Tamil Nadu.