

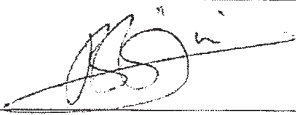

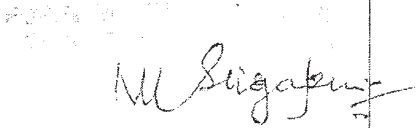



Nakoda
LIMITED

CIN : L17111GJ1984PLC045995

Administrative Office: A-701, International Trade Centre, Majura Gate, Ring Road, Surat 395 002, India.
Tel.: +91 261 3060200 • Fax +91 261 3060222 • Website: www.nakodaltd.com • Email: info@nakodaltd.com

FORM A

1	Name of the company	Nakoda Limited
2	Annual financial statements for the year ended	31 st December 2013
3	Type of Audit observation	Un-qualified
4	Frequency of observation	Nil
5	To be signed by-	
	Shri B. G. Jain Managing Director	
	Shri D. B. Jain Joint Managing Director/CFO	
	Shri N. M. Singapuri Auditors of the Company	
	Shri R. K. Gupta Audit Committee Chairman	

Corporate Off.: 1101, Raheja Centre, Free Press Journal Marg, Nariman Point, Mumbai 400 021. • Tel.: +91 22 22041100 • Fax: +91 22 22843734
Regd. Off.: Block No. 1 & 12-16, Village Karanj, Tal. Mandvi, Dist. Surat 394 110. • Tel.: +91 2621 329332 • Fax: +91 2621 235430



Nakoda
LIMITED

Annual Report
2013

NAKODA LIMITED

ANNUAL REPORT 2013

BOARD OF DIRECTORS

Mr. B. G. Jain	Chairman & Managing Director
Mr. D. B. Jain	Jt. Managing Director
Mr. Ishtiaq Ali	Director
Mr. Arvind Sinha	Director
Dr. J. A. Prem	Director
Mr. R. K. Gupta	Additional Director

AUDITORS

N. M. Singapuri & Co.
Chartered Accountants,
Surat: 395 001

REGISTERED OFFICE & MANUFACTURING FACILITY

Block No. 1 & 12 to 19,
Village - Karanj ; 394 110
Taluka - Mandvi,
Dist. - Surat

ADMINISTRATIVE OFFICE

A-701, International Trade Centre,
Majura Gate, Ring Road,
Surat - 395002

CORPORATE OFFICE

1101, 11th Floor, Raheja Centre,
Nariman Point,
Mumbai - 400021

BANKERS

Canara Bank
Corporation Bank
State Bank of Patiala
Syndicate Bank
UCO Bank
Indian Overseas Bank
Karur Vysya Bank Ltd.
Union Bank of India
Lakshmi Vilas Bank Ltd.
Axis Bank Ltd.
Andhra Bank
Central Bank of India
Bank of India

NOTICE

Notice is hereby given that the 29th Annual General Meeting of the members of **NAKODA LIMITED** will be held on Friday 27th June 2014 at 11.30 A. M. at the Company's Registered Office at Block No. 1 & 12 to 16, Village - Karanj, Taluka - Mandvi, Dist. - Surat – 394110.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Annual Audited Accounts for the year ended on 31st December 2013 together with the reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Sh. Arvind Sinha who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Sh. Ishtiaq Ali who retires by rotation and being eligible, offers himself for re-appointment.
4. To declare dividend.
5. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS:

To consider and if thought fit, to pass with or without modification(s), the following resolutions:

6. As an Ordinary Resolution

“Resolved that Mr. Raj Kumar Gupta who was appointed as an additional director by the Board of Directors and holds office upto the date of Annual General Meeting of the Company, and in respect of whom the company has received a notice in writing from a member under the provisions of Section 160 of the Companies Act, 2013, in writing proposing his candidature for the office of director, be and is hereby appointed as a Director of the Company liable to retirement by rotation.”

For and on behalf of the Board of Directors of
Nakoda Limited

Place: Mumbai

B. G. Jain

Date : 14.05.2014

Chairman & Managing Director

NOTES

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote thereat and the proxy need not be a member of the Company. Proxies in order to be effective must be received at the registered office of the Company not less than 48 hours before the annual general meeting.
2. Members/ Proxies should bring the Attendance Slip duly filled in for attending the meeting.
3. The Board of Directors at its meeting held on 01.03.2014 has recommended a dividend of Rs. 0.30 per equity share of Rs. 5/- each for the financial year ended 31st December 2013. Dividend, if declared, at the Annual General Meeting, will be paid by the Company on or before 22nd July 2014.

4. The Register of Members and Share transfer Books of the Company will remain closed from 20th June 2014 to 27th June 2014 (both days inclusive).
5. As required in the terms of the Clause 49 of the Listing Agreement, the details of the Directors retiring by rotation and eligible for re-appointment is given in Annexure-A.
6. Members are requested:
 - a) to bring their copies of Annual Report and Attendance Slip at the time of the meeting.
 - b) to quote their Folio No.(s) in all correspondence.
 - c) to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting, in case they hold shares in dematerialized form.
 - d) to forward their queries, if any, so as to reach the Administrative Office of the Company on or before 23rd June, 2014 enabling the management to keep the information ready.
7. The members are requested to intimate immediately, any change in their address or bank mandates to their depository participants with whom they are maintaining their demat accounts or to the company's Share Transfer Agent, MCS Ltd., if the shares are held by them in physical form.

EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

Item No. 6

In accordance with Section 161 of the Companies Act, 2013 Mr. R. K. Gupta holds office as a Director of the Company till the forthcoming Annual General Meeting. The Company has received a notice in writing from a member proposing the candidature of Mr. R. K. Gupta to the office of Director under the provisions of Section 160 of the Companies Act, 2013.

Mr. R. K. Gupta is B.E. (Hons) Electrical, MBA, CAIIB, Diploma in IT, Diploma in Financial Management having 36+ years of experience in a leading nationalized bank, expertise in Credit Appraisal, Risk Management, International Banking, Foreign Exchange, General Administration, Business Development and Control functions. Retired from top management position. He is acting as lenders Independent Engineers and consultancy TEV Studies and also teaching MBA students.

Except Mr. R. K. Gupta no other Directors are interested in the proposed resolution.

For and on behalf of the Board of Directors of
Nakoda Limited

Place: Mumbai

B. G. Jain

Date : 14.05.2014

Chairman & Managing Director

Annexure-A

Details of Directors seeking appointments / re-appointments at the 29th Annual General Meeting (Pursuant to Clause 49(IV)(E) of the Listing Agreement)

1	Name of the Director	Sh. Arvind Sinha
	Date of Birth	14.05.1955
	Date of Appointment	06.08.2011
	Qualifications	B.Tech, MMS
	Expertise in specific functional area	Textile & Finance
	Directorships held in other Public companies	-
2	Name of the Director	Sh. Ishtiaq Ali
	Date of Birth	30.05.1953
	Date of Appointment	06.08.2011
	Qualifications	B.Sc., LL.M.
	Expertise in specific functional area	Corporate Legal Matters
	Directorships held in other Public companies	-
3	Name of the Director	Sh. R. K. Gupta
	Date of Birth	24.06.1950
	Date of Appointment	01.03.2014
	Qualifications	B.E. (Hons) Electrical, MBA, CAIIB, Diploma in IT, Diploma in Financial Management
	Expertise in specific functional area	Finance
	Directorships held in other Public companies	Origin Fiscal Services Ltd.

DIRECTORS REPORT

Your Directors have pleasure in presenting their 29th Annual Report together with the Audited Accounts for the year ended 31st December 2013.

FINANCIAL HIGHLIGHTS

The Company's financial performance during the year is summarized below:

(Rs. In Cr - Standalone)

Year Ended 31 st December 2013	2013	2012
Turnover & Other Income	3036.60	2586.68
Gross Profit (before Financial Charges & Depreciation)	166.85	133.73
Interest & Financial Charges	61.66	46.60
Profit before Depreciation (Cash Profit)	105.19	87.13
Depreciation	31.03	27.54
Profit for the year	74.16	59.59

CURRENT OPERATIONS

There was a complete change in performance after the end of the financial year 2013. Excess capacity in the industry and flawed economy has dragged down the demand and profitability. Rampant expansion carried out by the Company during the past couple of years added to the problems and demand slow down, increase in the prices of raw materials, lower prices of finished goods, piling up of inventory and slow down in realization of book debts have made the Company suffer heavy losses. The plant of the company has also remained closed for over one month due to labour unrest. Your directors foresee a very heavy loss during the current financial year 2014.

DIVIDEND

Your Directors had provided for a dividend of Rs. 0.30 per equity share of Rs.5 each for the year ended 31st December, 2013 while approving the audited accounts for the year 2013.

However in view of the changed scenario, your directors recommend to make appropriate decision for declaration of the dividend.

CAPITAL STRUCTURE

During the year under review, the share capital of your Company was changed / altered by further allotments as under:

Company has issued and allotted 5,30,00,000 equity shares of Rs. 5/- each at a premium of Rs. 5/- per equity share on conversion of 1,06,00,000 Warrants of Rs. 50/- each on 28.09.2013 to the Promoters' Group of the Company and Non-promoter investors.

SUBSIDIARY COMPANIES

A statement in respect of each of the subsidiaries, giving the details of capital, reserves, total assets and liabilities, details of investment, turnover, profit before taxation, provision for taxation, profit after taxation and proposed dividend is attached to this report. The plant of Indo Korean Petrochem Ltd. (IKPL) the Company's subsidiary located at South Korea was closed for refurbishing since February 2013. While the refurbishing is in progress, the complete change of scenario in the Korean market has made it difficult to operate the plant.

Annual accounts of subsidiary companies and the related detailed information will be made available to the holding and subsidiary company investors, seeking such information. Copies of the annual accounts of the subsidiary companies are available for inspection by any investor at the registered Office as well as the Administrative office of the company between 11.00 a.m. to 1.00 p.m. on all working days.

DIRECTORS

Mrs. P. B. Jain, Mr. B. L. Maheshwari, Mr. S. K. Bhoan, Mr. P. J. Shah & Mr. P. P. Vora have resigned as directors of the Company. Your directors place on record their sincere appreciation for the excellent services rendered by them during their tenure as directors of your Company.

Mr. R. K. Gupta was appointed as Additional Directors of the Company on 1st March 2014 to hold office till the date of annual general meeting. His appointment as a director is proposed in the ensuing meeting.

CORPORATE GOVERNANCE

In line with guidelines recommended by Securities & Exchange Board of India (SEBI), adequate steps have been taken to ensure that all the mandatory provisions of Clause 49 of the Listing Agreement are complied with. A separate report on Corporate Governance is included as part of the Annual Report. The Auditors' certificate confirming compliance of Corporate Governance is included in the said Corporate Governance report.

SAFETY, ENVIRONMENT & POLLUTION CONTROL MEASURES

During the year, no major accident took place in plant operations at Karanj. A safety committee has been formed consisting of group of persons from different departments which overlooks safe working conditions.

The company has provided Safety Helmets, Safety belts with full attachments, Gloves, Aprons, Shoes etc as personal protective equipments, Fire alarm system is attached to security office and various other measures are taken for the safety of employees. Safety training and awareness programmes are being conducted throughout the year.

Your Company has complied with various emission standards and other environmental requirements as per pollution control norms.

LISTING

Equity Shares of your Company are listed on the Mumbai Stock Exchange and National Stock Exchange of India Ltd. Annual listing fees have been paid to the Stock Exchanges. GDRs are listed on Luxembourg Stock Exchange.

EMPLOYEES

There is no employee getting remuneration as prescribed under section 217(2A) of the Companies (Particulars of Employees) rules, 1975 as amended.

STATUTORY INFORMATION

Statutory information required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 applicable to the Company and forming part of this report are set out in Annexure to this report.

AUDITORS

M/s. N. M. Singapuri & Co. Chartered Accountants, Surat retire at the forthcoming Annual General Meeting, and being eligible, offer themselves for re-appointment. Your Directors recommend their re-appointment.

FORWARD-LOOKING STATEMENTS

This report contains forward looking statements. All statements that address expectations or projections about the future are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performances or achievements could thus differ materially from those projected in any such forward-looking statements.

DIRECTORS RESPONSIBILITY STATEMENT

Directors confirm:

- (i) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (iii) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the directors had prepared the annual accounts on a going concern basis.
- (v) that the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (vi) that the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT

We wish to express our gratitude and appreciation for the valuable support and cooperation received from our customers, business associates, banks, financial institutions, shareholders, various statutory authorities and agencies of Central and State Governments. We place on record our appreciation of the contribution made by employees at all levels.

For and on behalf of the Board of Directors of
Nakoda Limited

Place: Mumbai
Date : 14.05.2014

B. G. Jain
Chairman & Managing Director

**ANNEXURE TO THE DIRECTORS' REPORT
FORM – A
DISCLOSURES OF PARTICULARS WITH RESPECT TO
CONSERVATION OF ENERGY**

	AS AT	AS AT
	31.12.2013	31.12.2012
A. POWER AND FUEL CONSUMPTION		
Electricity (Hathuran Texturising Plant)		
Purchased Units (In 000's)	5811.40	3801.91
Total Amount (Rs. In Lacs)	383.73	224.30
Rate / Unit (Rs.) (Excluding Electricity Duty)	6.60	5.90
Own Generation		
i) Through Diesel		
Generator Units (In 000's)	283.63	346.26
Unit per liter of HSD/LDO/FO	3.70	3.41
Cost/Unit (Rs.)	10.24	9.89
ii) Through Gas		
Engine Units (In 000's)	47279.07	51264.00
Unit per scm	2.95	2.90
Cost/Unit (Rs.)	5.75	5.13
B. CONSUMPTION PER UNIT OF PRODUCTION		
	KWH/KGS	KWH/KGS
Products		
Chips, POY, FDY & Texturised Yarn	0.19	0.37

FORM – B

A. RESEARCH AND DEVELOPMENT	
1. Specific area in which R & D carried out by the Company	: Not Applicable
2. Benefits derived as a result of above R & D	: Not Applicable
3. Future plan of Action	: Not Applicable
4. Expenditure on R & D	: Not Applicable
B. Technology absorption adoption and Innovation:	
Timely completion of the projects as well as meeting the budgetary requirements are the two critical areas where different techniques help to a great extent. Many innovative techniques have been developed and put to effective use in the past and the efforts to develop new techniques continue unabated.	
C. Foreign Exchange Earnings	: Rs. 826.08 Lacs
Foreign Exchange Outgo	: Rs. 14.34 Lacs

For and on behalf of the Board of Directors of
Nakoda Limited

Place: Mumbai
Date : 14.05.2014

B. G. Jain
Chairman & Managing Director

MANAGEMENT DISCUSSION & ANALYSIS

Industry Review

The textile industry is of significant importance to the Indian economy. Manmade Fibres contribute to 67% of global fibre basket with cotton at 31%. The shift is even more prevalent with the intensifying issues of cotton shortage and price volatility.

As in the past both demand and supplies are expected to grow steadily.

Opportunities, Threats & Future Outlook

Polyester has overtaken cotton as the dominant fibre, but the cost and availability still plays a significant role in the inter-fibre substitution. Rising crude oil prices and moderating cotton prices will lead the polyester industry to grow at a slower rate in the near future.

Textiles, which is the country's second largest employment generating sector after agriculture has been hit hard since the global economic slowdown in 2008. It is also facing problems of risk in raw material prices and high cost of credit.

Polyester filament fabric owing to its low-cost, versatility of characteristics, durability and wrinkle –resistance as well the very low per-capita consumption holds outstanding potential in India. Creation of new capacities in polyester yarn and chips may outpace demand growth in the next 1-2 years. It may lead to price instability and pressure on profit margins. While the medium to long term projections for the industry is widely expected to be growth in demand, your company's problems narrated in the report of the Directors would lead to a great setback and heavy losses during the year 2014.

Risks and Concerns

Your Company remains exposed to adverse movements in raw material prices. Large changes in prices tend to cause uncertainty and reduce domestic demand for polyester filament yarn.

Nakoda is subject to risks arising from interest rate fluctuations. Company borrows funds in the domestic market to meet the long-term and short-term funding requirements for its operation and funding its growth initiatives. A majority of the borrowings are floating rate debt and hence are exposed to upward movement in interest rates. As such Nakoda is exposed to risks relating to rate fluctuations. Slow down in realization of book debts and piling of inventory would pose great risk on performance of the Company.

Conservation of Energy

The conservation of energy in all the possible areas is undertaken as an important means of achieving cost reduction. Savings in electricity, fuel and power consumption receive due attention of the management on a continuous basis.

Environmental Policy

Your Company is committed to carrying out all its activities with requisite measures to protect the environment. Accordingly, your Company is committed by policy to not only abide by the prevailing legal requirements but also to have a futuristic approach in carrying out continuous improvement in this regard.

Cautionary Statement

Statements in this MDA may be 'forward looking statements' within the meaning of applicable securities laws and regulations. There are several factors which would be beyond the control of Management and as such, may affect the actual results which could be different from those envisaged.

CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Nakoda is committed to do business in an efficient, responsible, honest and ethical manner. The core values of the Company's Governance process includes independence, integrity, accountability, transparency, responsibility and fairness. The Company is committed to transparency in all its dealings and places high emphasis on business ethics. The basic philosophy of corporate Governance in the Company is to achieve business excellence and dedication to increase long term shareholder's value.

2. BOARD OF DIRECTORS

A. Composition of the Board

The present strength of the Board of Directors is 6 inclusive of Chairman and Managing Director, Joint Managing Director. Five Board Meetings were held during the year 2013 and all the operational and statutorily required information were placed before the Board. The details of the composition of the existing Board of Directors is given below:

Sr. No.	Name of the Director	PD/ NPD*	ED/ NED/ ID*	Attendance In Board Meeting		Other Board	
				Held	Attended	Directorship	Committee Membership** (Including Chairmanship)
1	Sh. B. G. Jain	PD	ED	5	5	2	1
2	Sh. D. B. Jain	PD	ED	5	5	2	3
3	Sh. Arvind Sinha	NPD	NED-ID	5	5	1	—
4	Sh. Ishtiaq Ali	NPD	NED-ID	5	3	—	—
5	Dr. J. A. Prem	NPD	NED-ID	5	4	—	—
6	Sh. R. K. Gupta ++	NPD	NED-ID	0	0	2	1
7	Smt. P. B. Jain ±	PD	NED	5	5	1	1
8	Sh. B. L. Maheshwari ±	NPD	NED-ID	5	4	1	1
9	Sh. P. P. Vora ±	NPD	NED-ID	5	5	9	10
10	Sh. S. K. Bhoan +	NPD	NED-ID	5	4	1	1
11	Sh. P. J. Shah +	NPD	NED-ID	5	2	—	1

* PD – Promoter Director, NPD – Non Promoter Director, ED – Executive Director, NED–Non Executive Director, ID–Independent Director

** In Audit, Management and shareholder's Committees of Indian Public Limited Companies

+ Resigned w.e.f. 20.12.2013 & 27.12.2013 respectively

± Resigned w.e.f.02.03.2014, 28.03.2014 & 28.04.2014 respectively

++ Appointed as Additional Director w.e.f. 01.03.2014

B. Board Meetings held during the year 2013.

The Board meets at regular intervals to discuss and decide on various issues including strategy related matters pertaining to the business / Company.

Agenda papers containing all necessary information / documents are made available to the Board in advance to enable the board to take informed decisions and to discharge its functions effectively. Where it is not practicable to attach the relevant information as a part of agenda papers, the same are tabled at the meeting or / and the presentations are made by the concerned persons to the Board.

C. During the year 2013, the Board met five (5) times. Details of these meetings are as follows: -

Sr. no.	Date of Meeting	Board Strength	No. of Directors Present
1	02.02.13	10	8
2	27.02.13	10	7
3	11.05.13	10	9
4	10.08.13	10	9
5	26.10.13	10	9

D. Information on Directors seeking re-appointment at the ensuing Annual General Meeting:

Brief resume of director being reappointed at the ensuing AGM, nature of his expertise in specific functional areas and names of other companies in which he holds directorship are furnished as under:

(1) Mr. Arvind Sinha

Mr. Arvind Sinha is B. Tech and Master of Management Studies having 34 years working experience with various companies nationally and internationally. He has worked on various assignments in India and abroad. He is actively engaged with World Bank & IMF for their various projects and receiving appreciation certificate for last four years. He is dealing in camouflage fabrics for last many years with various armed forces, presented many papers and articles on defense textiles, business with China, economics and environment studies. He has been a certified food safety management systems auditor for international managements.

(2) Mr. Ishtiaq Ali

Mr. Ishtiaq Ali is B.Sc., LL.M. is a Senior Partner of Classis Law, a leading international Law firm. He is having more than 30 years of rich experience in handling diverse Legal matters including 17 years with IFCI Ltd. He is associated with various international forums and has presented papers at number of seminars in India and abroad. He is an internationally acclaimed Project Finance Lawyer. He is also associate with the promotion of Islamic Banking in India.

(3) Mr. R. K. Gupta

Mr. R. K. Gupta is B.E. (Hons) Electrical, MBA, CAIIB, Diploma in IT, Diploma in Financial Management having 36+ years of experience in a leading nationalized bank, expertise in Credit Appraisal, Risk Management, International Banking, Foreign Exchange, General Administration, Business Development and Control functions. Retired from top management position. He is acting as lenders Independent Engineers and consultancy TEV Studies and also teaching MBA students.

3. COMMITTEES OF THE BOARD

(A) AUDIT COMMITTEE

The composition of the Audit Committee as on 31st December, 2013 was as follows:

- | | | | |
|----|------------------------|---|----------|
| 1. | Sh. B. L. Maheshwari** | – | Chairman |
| 2. | Sh. D. B. Jain | – | Member |
| 3. | Sh. P. J. Shah* | – | Member |

*The Board on 01.03.2014 has appointed Sh. R. K. Gupta in place of Sh. P. J. Shah who had resigned on 27.12.2013.

** Sh. B. L. Maheshwari had resigned on 28.03.2014.

Note:

The powers of the Audit Committee as conferred by the Board of Directors are:

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

The role of the Audit Committee includes the overview of the Company's financial reporting process and related disclosures to ensure that the financials are correct, sufficient and credible. The Committee also reviews with the management annual and quarterly financial statements before submission to the Board for approval. The Committee also reviews the adequacy of internal control systems, internal audit functions and discuss any significant findings.

During the year 2013, the Audit Committee met Five (5) times. Details of these meetings are as follows:

Sr. No.	Date of Meeting
1	02.02.13
2	27.02.13
3	11.05.13
4	10.08.13
5	26.10.13

The Attendance of the Members at the Audit Committee Meeting during 2013 was as follows:

Sr. No.	Name of the Audit Committee Members	Number of Audit Committee Meeting held while holding the office	Number of Audit Committee Meetings attended
1	Sh. B. L. Maheshwari	5	4
2	Sh. D. B. Jain	5	5
3	Sh. P. J. Shah	5	2

(B) MANAGEMENT COMMITTEE

The composition of the Management Committee as on 31st December, 2013 was as follows:

- | | | | |
|----|------------------|---|----------|
| 1. | Sh. B. G. Jain | – | Chairman |
| 2. | Sh. S. K. Bhoan* | – | Member |
| 3. | Sh. D. B. Jain | – | Member |

*Sh. S. K. Bhoan had resigned on 20.12.2013.

The Company has constituted a Management Committee, comprising of three directors viz. Sh. B. G. Jain, Sh. D. B. Jain and Sh. S. K. Bhoan to carry out day to day activities of the Company and approve certain matters which come up in an emergency situation between the two Board Meetings.

Management Committee met on 11.01.13, 18.01.13, 25.01.13, 11.02.13, 18.02.13, 28.03.13, 30.03.13, 02.05.13, 27.05.13, 26.06.13, 22.08.13, 28.09.13, 17.10.13, 30.10.13 & 05.12.13 during the year under review.

(C) INVESTOR GRIEVANCE COMMITTEE

The composition of the Investor Grievance Committee as on 31st December, 2013 was as follows:

- | | | | |
|----|------------------|---|----------|
| 1. | Smt. P. B. Jain* | – | Chairman |
| 2. | Sh. D. B. Jain | – | Member |
| 3. | Sh. P. P. Vora* | – | Member |

*Smt. P. B. Jain and Sh. P. P. Vora have resigned from 02.03.2014 & 28.04.2014 respectively.

*The Board on 14.05.2014 has appointed Sh. R. K. Gupta in place of Sh. P. P. Vora.

The Committee meets half yearly to review the Investors Grievance status as submitted by the Registrar and Transfer Agent M/s MCS Ltd.

The status of Shareholders Complaints as on 31st December 2013 is as follows:

Particulars	Opening as on 1 st January 2013	Received during the Year	Disposed during the Year	Balance as on 31 st December 2013
No. of Complaints	Nil	14	14	Nil

4. REMUNERATION OF DIRECTORS

The Non-Executive Directors are paid sitting fee of Rs. 10,000 for attending each Board meeting and Rs.5000/- for each committee meetings thereof. Each of the Non-Executive Directors is also paid commission amounting to Rs. 6,00,000 on an annual basis and the total commission payable to such directors shall not exceed 1% of the net profits of the company.

Sitting Fee and Commission to the Non-Executive Directors, for 2013 are as detailed below:

Name of the Non- Executive Director	Sitting Fee	Commission	Total
Smt. P. B. Jain	60000	600000	660000
Sh. B. L. Maheshwari	60000	600000	660000
Sh. S. K. Bhoan	40000	0	40000
Sh. P. J. Shah	30000	600000	630000
Sh. P. P. Vora	60000	600000	660000
Sh. Arvind Sinha	50000	600000	650000
Sh. Ishtiaq Ali	30000	600000	630000
Dr. J. A. Prem	40000	600000	640000
Total	370000	4200000	4570000

The details of the remuneration paid to Sh. B. G. Jain, Managing Director & Sh. D. B. Jain Joint Managing Director is given below:

Name	Salary	Perquisites
Sh. B. G. Jain	4,00,000/- P.M.	* Perquisites restricted to an amount equal to
Sh. D. B. Jain	3,50,000/- P.M.	the annual salary

* Perquisites include Housing, Medical Reimbursement, Entertainment reimbursement, Leave, Traveling reimbursement, Club fees, Personal Accident Insurance, Provident fund, superannuation fund, Telephone, Car, Gratuity etc. There was no Stock Option issued to any directors of the Company.

5. GENERAL BODY MEETING

Schedule of the last three Annual General Meetings of the Company is presented below:

General Meetings of the Company held during last three years:

Year	Location	Date	Time	Special Resolution
2010 AGM	Block No. 1&12 to 16, Village - Karanj, Taluka - Mandvi, Dist.- Surat.	27.06.11	11.30 A.M.	1. Mr. P. P. Vora appointed as director of the Company. 2. Alteration of articles 80(2) & 60 of the Articles of Association of the Company. 3. Resolution for payment of commission to the Non Executive Directors of the Company
EGM	Block No. 1&12 to 16, Village - Karanj, Taluka - Mandvi, Dist.- Surat.	06.03.12	12.30 P.M.	1. Resolution for Issue of Warrants on preferential basis.
2011 AGM	Block No. 1&12 to 16, Village - Karanj, Taluka - Mandvi, Dist.- Surat.	23.06.12	4.00 P.M.	1. Alteration of MOA for enhancement in Authorised share capital. 2. Alteration of AOA for enhancement in Authorised share capital.
EGM	Block No. 1&12 to 16, Village - Karanj, Taluka - Mandvi, Dist.- Surat.	03.01.13	12.30 P.M.	1. Resolution for Issue of Equity Shares under ESOP Scheme. 2. Resolution for Issue of Warrants on preferential basis.
2012 AGM	Block No. 1&12 to 16, Village - Karanj, Taluka - Mandvi, Dist.- Surat.	25.06.13	11.30 A.M.	No Special Resolution
Adjourned 28 th AGM 2012	Block No. 1&12 to 16, Village - Karanj, Taluka - Mandvi, Dist.- Surat.	13.09.13	11.30 A.M.	No Special Resolution

6. SUBSIDIARY COMPANIES

Clause 49 defines a 'material non-listed Indian Subsidiary' as an unlisted subsidiary, incorporated in India, whose turnover or net worth (i.e. paid-up capital and free reserves) exceeds 20% of the consolidated turnover or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year.

As on 31st December, 2013, the company has no such material non-listed subsidiary.

7. DISCLOSURE

- A. There were no materially significant transactions with related parties, which were in conflict with the interests of the Company. Suitable disclosures as required by Accounting Standard (AS-18)- Related Party Transactions, has been made in the Annual Report.
- B. There were no penalties, strictures imposed on the Company by Stock Exchanges or Securities & Exchange Board of India (SEBI) or any other Statutory Authority on any matter related to Capital Markets during the last three years.
- C. No personnel have been denied access to the audit committee.
- D. Disclosure with respect to the utilization of monies raised through preferential issue to the audit committee has been made as required as per Clause 49(IV)(D) of Listing agreement.

8. CODE OF CONDUCT

Code of Conduct for Directors and Senior Management

The Board of Directors of the Company has adopted a code of Conduct and made it applicable to the Board Members and Senior Management of the Company. The same has also been posted on the website of the Company.

The Board and Senior Management of the Company have affirmed compliance with the Code. The declaration by JMD to this effect has been made elsewhere in this Annual Report.

Code of Conduct for Prevention of Insider Trading:

Pursuant to the requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended, the Company has adopted a code of Conduct for Prevention of Insider Trading. Company Secretary acts as the Compliance Officer. This Code of Conduct is applicable to all Directors and such other Designated Employees of the Company who can have access to unpublished price sensitive information relating to the Company.

9. MEANS OF COMMUNICATION

The financial Results of the Company are normally published in one National news paper (English) and one Regional news paper. These results can also be viewed from the Company's website www.nakodaltd.com. Further, the Financial Results and other required filings of the Company can also be viewed on the website of the Bombay Stock Exchange Limited (www.bseindia.com) and National Stock Exchange of India Ltd. (www.nseindia.com)

10. GENERAL SHAREHOLDER INFORMATION

1.	Annual General Meeting Day, date, time & venue	: Friday, the 27 th June, 2014 at 11.30 A. M. at Block No. 1 & 12 to 16, Village - Karanj, Taluka -Mandvi, Dist.- Surat – 394110.
2.	Financial calendar December 2014 (Tentative) Annual General Meeting Results For the Quarter ended 31.03.2014 Results For the Quarter ended 30.06.2014 Results For the Quarter ended 30.09.2014 Results For the Quarter ended 31.12.2014	: May – June 2015 : Second Week of May 2014 : Second Week of August 2014 : Second Week of November 2014 : Second Week of February 2015
3.	Date of Book Closure	20 th June 2014 to 27 th June 2014 (both days inclusive)
4.	Dividend Payment Date (if declared)	On or before 22 nd July 2014
5.	Registered office	Block No. 1 & 12 to 16, Village – Karanj, Taluka-Mandvi, Dist.- Surat - 394110.
6.	Listing on Stock Exchanges	<p>Equity Shares</p> <p>1. Bombay Stock Exchange Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 Scrip Code : 521030</p> <p>2. National Stock Exchange of India Ltd. Exchange Plaza, Bandra Kurla Compleax, Bandra (E), Mumbai - 400 051 Symbol: NAKODA</p> <p>ISIN: INE559B01023</p> <p>GDRs Luxembourg Stock Exchange, Luxembourg.</p> <p>Annual Listing fee for the year has been paid to the exchange. As on 31st March 2014, there were 13992 Shareholders of the Company.</p>

7. Stock Market data during 2013

MONTH	SHARE PRICE ON BSE		BSE SENSEX Corresponding to Share Price		SHARE PRICE ON NSE		NSE NIFTY Corresponding to Share Price	
	HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
January	12.98	9.60	20203.66	19508.93	-	-	6111.80	5935.20
February	11.70	8.70	19966.69	18793.97	-	-	6052.95	5671.90
March	12.95	8.85	19754.66	18568.43	13.25	9.95	5971.20	5604.85
April	15.24	10.85	19622.68	18144.22	15.20	11.20	5962.30	5477.20
May	14.75	11.00	20443.62	19451.26	14.80	10.85	6229.45	5910.95
June	11.80	9.10	19860.19	18467.16	11.50	8.50	6011.00	5566.25
July	12.40	9.31	20351.06	19126.82	12.30	9.25	6093.35	5675.75
August	10.98	9.26	19569.20	17448.71	10.80	9.05	5808.50	5118.85
September	11.00	9.00	20739.69	18166.17	11.40	9.25	6142.50	5318.90
October	12.39	9.70	21205.44	19264.72	12.90	9.65	6309.05	5700.95
November	11.88	9.80	21321.53	20137.67	12.15	10.15	6342.95	5972.45
December	13.40	10.00	21483.74	20568.70	13.85	10.10	6415.25	6129.95

8. Distribution of Shareholding as on March 31, 2014

Shareholding Rs.		Shareholders		Share Amount	
		Number	% To Total	In Rs.	% To Total
01	5000	8795	62.86	19719510	1.31
5001	10000	3594	25.69	24342390	1.62
10001	20000	770	5.50	12042200	0.80
20001	30000	273	1.95	6918135	0.46
30001	40000	118	0.84	4284885	0.29
40001	50000	112	0.80	5253570	0.35
50001	100000	166	1.19	12532180	0.84
100001	And Above	164	1.17	1414907130	94.33
	TOTAL	13992	100.00	1500000000	100.00

9. Build up of Equity Share Capital

Date of Allotment	Nature of Allotment / Reasons	No. of Equity Shares issued	Face Value (Rs.)	Cumulative Shares	Cumulative paid-up capital
18.08.1985	Initial Allotment	10,000	100	10,000	10,00,000
09.02.1989	Preferential Issue	5,000	100	15,000	15,00,000
27.06.1990	Preferential Issue	50,000	100	65,000	65,00,000
17.09.1991	Bonus 1:1	65,000	100	1,30,000	1,30,00,000
17.09.1992	Sub Division	0	10	13,00,000	1,30,00,000
17.09.1992	Public Issue	47,55,000	10	60,55,000	6,05,50,000
30.06.1997	Preferential Issue	49,45,000	10	1,10,00,000	11,00,00,000
26.08.2006	Preferential Issue	40,00,000	10	1,50,00,000	15,00,00,000
20.02.2008	FCD Conversion	7,80,000	10	1,57,80,000	15,78,00,000
21.02.2009	Warrant Conversion	8,20,000	10	1,66,00,000	16,60,00,000
04.01.2010	Sub-Division	0	5	3,32,00,000	16,60,00,000
27.01.2010	Bonus 1:1	3,32,00,000	5	6,64,00,000	33,20,00,000
26.11.2010	GDR Underlying Shares	6,00,00,000	5	12,64,00,000	63,20,00,000
19.12.2011	Warrant Conversion	7,20,00,000	5	19,84,00,000	99,20,00,000
30.03.2013	Warrant Conversion	4,86,00,000	5	24,70,00,000	123,50,00,000
28.09.2013	Warrant Conversion	5,30,00,000	5	30,00,00,000	150,00,00,000

10. Corporate Benefits to Investors

a. Bonus Issue of Fully Paid up Equity Shares

Financial Year	Ratio
1991-92	1:1
2009	1:1

b. Dividend declared for the past 5 years.

Financial Year	Dividend Declaration	Dividend per share
2007	21.01.2008	5%
2008	24.06.2009	6%
2009	30.09.2009	7%
2010	27.06.2011	5%
2011	23.06.2012	5%
2012	13.09.2013	5% for Promoters & 6% for others

11. Shareholding Pattern as on March 31, 2014

(I)	Category of Shareholder (II)	No. of Share holders (III)	Total No. of Shares holding (IV)	Percentage of Share (V)	Shares Pledged/encumbered	
					No. of Shares (VI)	% [VII=(VI/IV)*100] (VII)
(A)	Shareholding of Promoter & Promoter Group					
1	Indian					
(a)	Individuals/ Hindu Undivided Family	7	1708400	0.57	1318400	77.17
(b)	Central Government/ State Government(S)	0	0	0	0	0
(c)	Bodies Corporate	7	160241200	53.41	31030400	19.36
(d)	Financial Institutions/ Banks	0	0	0	0	0
(e)	Any Other (Specify)	0	0	0	0	0
	Sub-Total(A)(1)	14	161949600	53.98	32348800	19.97
2	Foreign					
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	0	0	0	0	0
(b)	Bodies Corporate	0	0	0	0	0
(c)	Institutions	0	0	0	0	0
(d)	Qualified Foreign Investor	0	0	0	0	0
(e)	Any Other (Specify)	0	0	0	0	0
	Sub-Total(A)(2)	0	0	0	0	0
	Total Shareholding of Promoter & Promoter Group (A)=(A)(1)+(A)(2)	14	161949600	53.98	32348800	19.97
(B)	Public Shareholding				N.A.	N.A.
1	Institutions				N.A.	N.A.
(a)	Mutual Funds/UTI	0	0	0	0	0
(b)	Financial Institutions/Banks	2	11400	0.00	0	0
(c)	Central Government/State Government(s)	0	0	0	0	0
(d)	Venture Capital Funds	0	0	0	0	0
(e)	Insurance Companies	0	0	0	0	0
(f)	Foreign Institutional Investors	0	0	0	0	0
(g)	Foreign Venture Capital Investors	0	0	0	0	0
(h)	Qualified Foreign Investor	0	0	0	0	0
(i)	Any Other (Specify)	0	0	0	0	0
	Sub-Total(B)(1)	2	11400	0.00	0	0
2	Non-Institutions				N.A.	N.A.
(a)	Bodies Corporate	293	32464265	10.82	0	0
(b)	Individuals-					
	i. Individual shareholders holding nominal share capital up to Rs. 1 lakh	12391	14893902	4.96	0	0
	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	118	29677408	9.89	0	0
(c)	Qualified Foreign Investor	0	0	0	0	0
(d)	Any Other (Specify) NRI	1173	1438425	0.48	0	0
	Sub-Total(B)(2)	13975	78474000	26.16	0	0
	Total Public Shareholding (B)=(B)(1)+(B)(2)	13991	78485400	26.16	N.A.	N.A.
(C)	Shares held by custodians and against which Depository Receipt have been issued					
1	Promoter & Promoter Group	0	0	0.00	0	0
2	Public1	59565000	19.86	0	0	
	TOTAL (C)	1	59565000	19.86	N.A.	N.A.
	Grand Total: (A)+(B)+(C)	13992	300000000	100.00	32348800	10.78

12. Dematerialization and Liquidity of shares

The equity shares of the Company are traded in the B Group at the Mumbai stock Exchange. 26,89,55,020 shares being 89.65% of equity shares of the Company are dematerialized.

13. Share Transfer System

The transfer of shares in physical form is processed and completed by MCS Ltd., within a period of fifteen days from the date of receipt thereof provided all the documents are in order. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants.

14. National Electronic Clearing Services (NECS)

Company is providing facility of "National Electronics Clearing Services" (NECS) for payment of dividend to shareholders. Shareholders holding shares in physical form are requested to provide details of their bank account for availing NECS facility. However, if the shares are held in dematerialized form, the NECS mandate has to be communicated to the respective Depository Participant (DP). Changes, if any, in the details furnished earlier may also be communicated to the company or DP, as the case may be.

15. Secretarial Audit

A Practicing Company Secretary carried out secretarial audit in each of the quarter in the financial year 2013, to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and total issued and listed capital. The audit reports confirm that the total issued / paid up capital is in agreement with the total number of shares in physical form and the total no of dematerialized shares held with depositories.

16. Outstanding GDRs, ADRs, Warrants or any Convertible Instruments etc.:

GDRs: Outstanding 19,85,500 GDRs as on March 31, 2014 represents 5,95,65,000 equity shares constituting 19.86% of the paid up Equity Share Capital of the Company. Each GDR represents thirty underlying equity shares in the Company. GDR is not a specific time-bound instrument and can be surrendered any time and converted into the underlying equity shares in the Company. The shares so released in favour of the investors upon surrender of GDRs can either be held by the investors concerned in their name or sold off in the Indian secondary markets for cash. To the extent of the shares so sold in Indian markets, GDRs can be reissued under the available head room.

Nakoda GDRs are listed at Luxembourg Stock Exchange.

The Bank of New York Mellon is the Depository and DBS Bank Ltd. is the Custodial of all the Equity Shares underlying the GDR issued by the Company.

WARRANTS: Your Company has issued and allotted 2,92,00,000 Warrants of Rs. 100/- each convertible into 29,20,00,000 equity shares of Rs. 5/- each at a premium of Rs. 5/- per equity share (i.e. 10 Equity Shares for each Warrant allotted) within 18 months from the date of allotment i.e. on or before 17th July 2014 to the Promoters' Group of the Company and Non-promoter investors.

17. Address for Correspondence

Registrar & Share Transfer Agent

MCS LIMITED

Neelam Apartment, 88,
Sampatrao Colony, B/h Federation Bldg.,
Alkapuri, Baroda-390007

Nakoda Limited

Secretarial Department
Administrative Office
A - 701, International Trade Centre, Majura Gate,
Ring Road, Surat -395002
Phone : (0261) 3060200
Fax : (0261) 3060222
Email : info@nakodaltd.com

DECLARATION

I hereby declare that all the Board Members and Senior Management Personnel of the Company have affirmed the compliance with the provisions of the Code of Conduct for the year ended 31st December 2013, applicable to them as laid down by the Board of Directors in terms of clause 49(1)(D) of the Listing Agreement entered into with the stock exchanges.

Place: Mumbai
Date : 01.03.2014

D. B. Jain
Joint Managing Director

CEO/CFO CERTIFICATION

(Under Clause 49(V) of the Listing Agreement with the exchange)

To
The Board of Directors
Nakoda Limited

Re: Financial Statements of the year 2013 - Certification by CMD and JMD

We, Babulal Gumanmal Jain, Chairman & Managing Director and Devendra Babulal Jain, Joint Managing Director of Nakoda Limited, on the basis of review of the financial statements and cash flow statement for the financial year ending 31st December, 2013 and to the best of our knowledge and belief, hereby certify that:

1. These statements do not contain any materially untrue statements or omit any material fact or contains statements that might be misleading;
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st December, 2013 which are fraudulent, illegal or violative of the Company's Code of Conduct.
4. We accept responsibility for establishing and maintaining internal controls, we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee those deficiencies, of which we are aware, in the design or operation of the internal control systems and that we have taken the required steps to rectify these deficiencies;
5. We further certify that:
 - (a) there have been no significant changes in internal control during this year;
 - (b) there have been no significant changes in accounting policies during this year;
 - (c) there have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having significant role in the Company's internal control systems.

Place: Surat
Date : 01.03.2014

B. G. Jain
Chairman & Managing Director

D. B. Jain
Joint Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The members
NAKODA LIMITED

We have examined the compliance of conditions of Corporate Governance by Nakoda Limited ("The Company") for the year ended 31st December, 2013, as stipulated in clause 49 of the Listing Agreement of the said company with Stock Exchange.

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

In our opinion and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievances for a period exceeding one month against Company as on 31st December, 2013 is/are pending as per the records maintained by the shareholders / investor's grievances committee.

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

For N.M. SINGAPURI & CO.
CHARTERED ACCOUNTANTS

N.M.SINGAPURI
PARTNER
MEMBERSHIP NO. 11601
REGISTRATION NO. 110264W

Place : SURAT
Date : 01.03.2014

AUDITOR'S REPORT

TO THE MEMBERS OF NAKODA LIMITED

Report on the Financial Statements:-

1. We have audited the accompanying financial statements of NAKODA LIMITED which comprises the Balance Sheet as at 31st DECEMBER, 2013 and the statement of Profit & loss for the year ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements:

2. The company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the company in accordance with the Accounting Standard referred to in sub-section (3C) of section 211 of 'the companies Act 1956' of 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 free from material misstatement, whether due to fraud and error.

Auditors' Responsibility

3. 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.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at December 31,2013;
- (b) in the case of the Profit and Loss Account, PROFIT for the year ended on that date; and

Report on Other legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) order 2003, as amended by 'the Companies (Auditor's Report) (Amendment) order 2004' issued by the Central Government of India in terms of sub section (4A) of section 227 of the Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in that 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:
 - (a) 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;
 - (b) in our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of the books;
 - (c) the Balance Sheet and the Profit and Loss Account dealt with by this report are in agreement with the books of account;
 - (d) in our opinion, the Profit and Loss Account and 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 the written representations received from the directors as on 31st December, 2013 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st December, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

For N. M. SINGAPURI & CO.
Chartered Accountants

(N.M.SINGAPURI)

Partner

Membership No. 11601

Registration No. 110264W

Place : Surat

Date : 01.03.2014

ANNEXURE TO AUDITORS' REPORT
(Referred to in Paragraph 3 of our report of even date)

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- (b) As explained to us, the fixed assets have been physically verified by the management during the year in phased periodical manner, which in our opinion is reasonable, having regard to the size of company and nature of its assets. No material discrepancies were noticed on such physical verification.
- (c) In our opinion, the company has not disposed off a substantial part of its fixed assets during the year and the going concern status of the Company is not affected.
2. (a) As explained to us, inventories have been physically verified during the year by the management at regular intervals.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
- (c) The company has maintained proper records of inventories. As explained to us there were no material discrepancies noticed on physical verification of inventories as compared to the book records.
3. The company has neither granted nor taken any loans secured or unsecured to/from the companies/firms or parties covered in the register maintained Under Section 301 of the companies act 1956 except below.

(a)

Sr No	Name	O/s (31/12/2013)	Remarks
1	Nakoda Financial Services Pvt Limited	12233500	Loan Given
2	Nakoda Green Power Ltd	8419219	Loan Given
3	Nakoda Holdings Mauritius Ltd	1618917	Loan Given
4	Indo Korean Petrochem Ltd.	844482715	Loan Given

- (b) The loan granted to the parties covered in the register maintained U/s 301 of the Companies Act 1956, are interest free loan.
- (c) Loan granted to the parties/Companies (As Covered under Sec 301) stated herein below are not revenue generating companies hence the repayment of loan in this scenario is doubtful.
 - a. Nakoda Financial Services Pvt Ltd.
 - b. Nakoda Green Power Limited.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods. During the course of our audit, we have not observed any major weaknesses in internal controls.
5. (a) According to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 that needed to be entered in the Register maintained under the said Section have been so entered.
- (b) In our opinion and according to the information and explanations made in pursuance of such contracts or arrangements and exceeding the value of Rupees Five Lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. The company has not accepted any deposit from the public.
7. In our opinion, the internal audit system of the company 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. We have not, however, made a detailed examination of the said records with a view to determine whether they are accurate or complete.
9. (a) According to the records of the company undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Income Tax, Sales Tax, Excise and Custom, Wealth Tax, Estate Duty have been generally regularly deposited with the appropriate authorities.
- (b) According to the information and explanation given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st December 2013 for the period of more than six months for the date of becoming payable.

(c) According to records of the company, following disputed statutory dues have not been deposited with appropriate authorities.

(Rs. In Lacs)

Sr. No	Name of Statute	Nature of the dues	Forum where dispute is pending	Amount
1	Central Excise Act 1944	Excise Duty	CEGATE and Commissioner of Excise	24.18

10. The company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
11. Based on our audit procedures it is observed that there has been constant delays in payment of installment and interest of Term Loan , Corporate Loan and Working capital Interest during the year . At the end of the year i.e as on 31/12/2013, such payments of Rs 24.62 Crore had remained outstanding.
12. According to the information and explanations given to us and based on the documents and records produced 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.
13. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
14. In respect of dealing/trading in securities, in our opinion and according to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. The securities have been held by the Company in its own name.
15. According to the information and explanations given to us, the company has given guarantees for loans taken by others from bank or financial institutions and we are of the opinion that the terms and conditions thereof are not prima facie prejudicial to the interest of the Company.
16. According to information and explanations given to us and based on the documents and records produced to us, the company has applied the term loans for the purpose for which the loan were obtained.
17. According to the information and explanations given to us and an overall examination of the Balance Sheet and Cash Flow Statement of the company, we report that no funds raised on short-term basis have been used for long-term investment.
18. The company has not made preferential allotment of shares during the year to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956
19. The company has not issued any debenture.
20. The company has raised Rs.37.30 Crore through promoter's Group of Company's and strategic investors.
21. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no material fraud on or by the Company has been noticed or reported during the course of our audit except the proceeds of GDR issue made by the Company amounting to USD 24,250,000/- deposited in EURAM BANK, Austria are fraudulently adjusted by the Bank against the third party borrowings. We received various documentation raised by the company against the bank and explanation given by the management that the company made efforts to settle the issue.

For N. M. SINGAPURI & CO.
 Chartered Accountants

(N.M.SINGAPURI)

Partner

Membership No. 11601

Registration No. 110264W

Place : Surat

Date : 01.03.2014

BALANCE SHEET AS AT 31ST DECEMBER, 2013

(₹ in Lacs)

	Particulars	Note No.	As At 31.12.2013	As At 31.12.2012
I.	EQUITY AND LIABILITIES			
	(1) Shareholders' Funds			
	(a) Share Capital	1	15,000.00	9,920.00
	(b) Reserves and Surplus	2	45,829.85	34,387.29
	(c) Money Received Against Share Warrants	3	7,300.00	2,640.00
		(A)	68,129.85	46,947.29
	(2) Non-Current Liabilities			
	(a) Long-Term Borrowings	4	42,357.14	51,809.22
	(b) Deferred tax Liability		1,233.10	1,146.67
		(B)	43,590.24	52,955.89
	(3) Current Liabilities			
	(a) Short term borrowings	5	139,132.72	104,904.57
	(b) Trade Payables	6	106.98	103.80
	(c) Other current liabilities	7	2,309.65	1,847.44
		(C)	141,549.35	106,855.81
	Total	(A+B+C)	253,269.44	206,758.99
II.	ASSETS			
	(1) Non-current Assets			
	(a) Fixed Assets			
	(i) Tangible Assets	8	56,863.21	59,813.69
	(ii) Capital work-in-progress		5,321.34	3,643.85
	(b) Non-Current Investments	9	2,862.04	2,818.37
	(c) Long Term Loans and Advances	10	41.94	41.94
		(A)	65,088.53	66,317.85
	(2) Current Assets			
	(a) Inventories	11	52,851.21	43,750.72
	(b) Trade Receivables	12	97,709.45	70,942.21
	(c) Cash and Cash Equivalents	13	24,473.49	22,522.29
	(d) Short-Term Loans and Advances	14	10,956.77	2,124.76
	(e) Other Current Assets	15	2,189.99	1,101.16
		(B)	188,180.91	140,441.14
	Total	(A+B)	253,269.44	206,758.99
	Significant Accounting Policies			
	Notes on Financial Statement	1 to 27		
As per our report of even date				
For N. M. Singapuri & Co.		For and on behalf of the Board of Directors of		
Chartered Accountants		Nakoda Limited		
(N. M. Singapuri)		B. G. Jain	Chairman & Managing Director	
Partner		D. B. Jain	Joint Managing Director	
Membership No. 11601		Place : Surat		
Registration No. 110264W		Date : 01.03.2014		
Place : Surat		Date : 01.03.2014		
Date : 01.03.2014				

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST DECEMBER, 2013
(₹ in Lacs)

	Particulars	Note No.	As At 31.12.2013	As At 31.12.2012
I.	Revenue from Operations	16	302,170.34	257,785.84
	Less : Excise Duty / Vat		25,730.17	19,417.44
			276,440.17	238,368.40
II.	Other Income	17	1,490.10	881.99
	Total Revenue		277,930.27	239,250.39
III.	<u>Expenses :</u>			
	Cost of Materials Consumed	18	175,413.36	151,318.09
	Purchase of Stock-in-Trade		87,012.73	73,370.22
	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade		(8,213.43)	(4,971.20)
	Employee Benefit Expense	19	877.96	786.20
	Financial Costs	20	6,165.65	4,659.86
	Depreciation and Amortization Expense	21	3,103.12	2,753.50
	Other Expenses	22	4,300.60	3,783.37
	Total Expenses		268,659.99	231,700.04
IV.	Profit Before Exceptional and Extraordinary Items and Tax		9,270.28	7,550.35
V.	Profit Before Tax		9,270.28	7,550.35
VI.	Tax Expense :			
	Current Tax		1,768.33	1,510.06
	Deferred Tax		86.43	81.59
VII.	Profit/(Loss) for the Year		7,415.52	5,958.70
	Earnings per Equity Share of face value of ₹ 5/- each			
	Basic and Diluted (in ₹)	26	2.47	3.00
Significant Accounting Policies				
Notes on Financial Statement		1 to 27		

As per our report of even date

For N. M. Singapuri & Co.
Chartered Accountants
(N. M. Singapuri)
Partner
Membership No. 11601
Registration No. 110264W
Place : Surat
Date : 01.03.2014

For and on behalf of the Board of Directors of
Nakoda Limited
B. G. Jain Chairman & Managing Director
D. B. Jain Joint Managing Director
Place : Surat
Date : 01.03.2014

NOTES ON FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST DECEMBER, 2013

(₹ in Lacs)

Note No		AS AT 31.12.2013		AS AT 31.12.2012	
		No of Shares	Rs.	No of Shares	Rs.
1	Share Capital				
	Authorised Share Capital				
	Equity Shares of Rs. 5/- each	300000000	15,000.00	300000000	15,000.00
			15,000.00		15,000.00
	Issued, subscribed & fully paid share capital				
	Equity Shares of Rs. 5/- each, fully paid up	300000000	15,000.00	198400000	9,920.00
	Total		15,000.00		9,920.00

1.1 The reconciliation of the numbers of shares outstandings and at the beginning and at the end of the reporting period

Particulars	No of Shares	Share Capital	No of Shares	Share Capital
Equity Shares of Rs. 5/- each				
(Previous year Rs. 5/- Each)				
Shares outstanding at the beginning of the year	198,400,000	9,920.00	198,400,000	9,920.00
Shares Issued during the year - (By way of Conversion of share warrants)	101,600,000	5,080.00	-	-
Shares outstanding at the end of the year	300,000,000	15,000.00	198,400,000	9,920.00

Terms/Rights attached to Equity Shares

The Company has only one class of Equity Shares having a par value of ₹ 5 per Share. Each holder of Equity Share 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 Shareholders in the ensuing General Meeting. During the year ended 31st December' 2013, the amount of Dividend per Share recognised as distributions to Equity Shareholders was ₹ 0.30 per Share.(31st December' 2012 : ₹ 0.25 per Share)

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company. The distribution will be in the proportion to the number of Equity Shares held by the Shareholders.

1.2 Out of Equity shares of the Company, shares held by its holding company, ultimate holding company and their subsidiaries/associates are as below:

Particulars	No of Shares	Face Value (₹ in Lacs)	No of Shares	Face Value (₹ in Lacs)
Held by Associate Company				
1 G P Shah Investment Private Limited	7502000	375.10	7502000	375.10
2 B G Jain Investment Private Limited	47755600	2,387.78	7755600	387.78
3 P B Jain Investment Private Limited	49282800	2,464.14	34682800	1,734.14
4 Varju Investment Private Limited	7428800	371.44	7428800	371.44
5 Nakoda Syntex Private Limited	48272000	2,413.60	28272000	1,413.60

1.3 List of shares holders who are holding more than 5 % Equity Shares of the Company

Sr. No.	Name of Shareholder	No of Shares	%	No of Shares	%
	Equity Shares of Rs. 5/- each				
	(Previous Year Rs. 5/- each)				
1	P B Jain Investment Private Limited	49282800	16.43%	34682800	17.48%
2	Nakoda Syntex Private Limited	48272000	16.09%	28272000	14.25%
3	The Bank of New York Mellon, DR	59565000	19.86%	59565000	30.02%
4	B G Jain Investment Private Limited	47755600	15.92%	7755600	3.91%
5	Stosec Fintrade Pvt. Ltd.	27000000	9.00%	-	-

(₹ in Lacs)

Note No		AS AT 31.12.2013		AS AT 31.12.2012	
2	Reserves and Surplus				
	<u>Share Premium Account</u>				
	As Per last Balance Sheet	15,205.50		15,205.50	
	Add : On issue of Shares	5,080.00	20,285.50	-	15,205.50
	<u>General Reserve</u>				
	As Per last Balance Sheet	4,275.36		3,275.36	
	Add : Transferred from Profit and Loss Account	1,000.00	5,275.36	1,000.00	4,275.36
	<u>Investment Subsidy</u>				
	As Per last Balance Sheet		45.68		45.68
	<u>Capital Reserve</u>				
	As Per last Balance Sheet		268.00		268.00
	<u>Profit & Loss Account</u>				
	As Per last Balance Sheet	14,592.75		10,210.51	
	Add : Profit for the Year	7,415.52		5,958.70	
		22,008.27		16,169.21	
	Less : Appropriations				
	Transfer to General Reserve	1,000.00		1,000.00	
	Proposed Dividend	900.00		496.00	
	Tax on Dividend	152.96	19,955.31	80.46	14,592.75
	Total		45,829.85		34,387.29

3	Money received against Share Warrants	Nos.	Rs.	Nos.	Rs.
	Share Warrants of Rs. 50/- each Uncalled Money	-	-	20,320,000	10,160.00 (7,620.00)
	Share Warrants of Rs. 100/- each Uncalled Money	29,200,000	29,200.00 (21,900.00)	29,200,000	29,200.00 (29,100.00)
	Total		7,300.00		2,640.00

a During the year, the company has Conversion of 20320000 Warrents on issue of shares 101600000.

4	Long-Term Borrowings	Current	Non Current	Current	Non Current
	Secured				
	Term Loan From Banks (Refer Note 4.1)	6,708.21	11,374.96	4,210.97	6,923.75
	Corporate Loans From Banks (Refer Note 4.2)	948.00	2,096.85	667.60	2,951.19
	Vehicle Loan From Banks (Refer Note 4.3)	10.49	45.26	5.93	29.31
	Buyer's Credit From Banks	-	7,527.63	1,527.20	20,592.53
		7,666.70	21,044.70	6,411.70	30,496.78
	Unsecured				
	Agency Deposits		2,851.00		2,851.00
	Others		18,461.44		18,461.44
		-	21,312.44	-	21,312.44
	Total	7,666.70	42,357.14	6,411.70	51,809.22

4.1 Term Loans

a Term loan of Rs. 250 crores (Phase I) and Term loan of Rs. 153 crores (Phase II) are secured by Pari Passu first charge on all existing immovable and movable assets of the company situated and proposed to be situated at Block No. 17 to 19 at Karanj and Block No. A/1, B/1, M/1 at Textile Park, Hathuran and second charge on all Current Assets of the company.

4.2 Corporate Loans

a Corporate loan from Syndicate Bank is secured by EMT of Land and Hypothecation of 9 wind mills situated at Tirunelveli, Tamilnadu.

b Corporate loan from Indian Overseas Bank is secured by Hypothecation of 7 wind mills situated at Ratlam, Madhya Pradesh.

4.3 Vehicle Loans

The loans for vehicles have been secured by specific charges on the vehicles covered under the said loan.

(₹ in Lacs)

Note No		AS AT 31.12.2013		AS AT 31.12.2012	
5	Short term borrowings				
	Secured				
	Term Loan From Banks (Refer Note 4.1)	6,708.21		4,210.97	
	Corporate Loans From Banks (Refer Note 4.2)	948.00		667.60	
	Vehicle Loan From Banks (Refer Note 4.3)	10.49		5.93	
	Buyer's Credit From Banks (WC)	3,199.82		1,527.20	
	Acceptance under L/c	86,928.32		76,436.96	
	VSL Loan (FD) (Note b)	1,385.59		671.29	
Working Capital loans (Note a)	39,952.29	139,132.72	21,384.62	104,904.57	
	Total		139,132.72		104,904.57

a Working Capital Facilities are secured by Hypothecation of stock of Raw Material, Finished Goods, Stores, Spares, Other Current Assets, Book Debts and Collateral Security of EMT of Block No.4,11,17 to 19 at Karanj, EMT of Land & Building situated at Texturising Unit at Karanj, Hypothecation of 7 POY Lines Situated at Karanj, Second charge by way of Mortgage and/or Hypothecation of Land, Building & Machineries situated at POY division at Karanj on which GIIC Ltd. & GSFC were having First charge.

b Value Security Loan (VSL) is secured against Fixed Deposits

6	Trade Payables				
	<i>Sundry Creditors for Goods and Services</i>				
	Micro and Small Scale Industrial Undertakings	10.01		7.64	
	Others	96.97	106.98	96.16	103.80
	Total		106.98		103.80

Note

a Information on Micro and Small Enterprises, to whom the company owes dues as at 31st December, 2013 as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

7	Other current liabilities				
	Proposed Dividend	900.00		496.00	
	Tax on Proposed Dividend	152.96		80.46	
	Other liabilities	1,256.69	2,309.65	1,270.97	1,847.44
	Total		2,309.65		1,847.44

8 (i) Tangible Assets											
Sr. No.	Description	GROSS BLOCK			DEPRECIATION				NET BLOCK		
		As on 01.01.2013	Addition During the Year	Deduction During the Year	As on 31.12.2013	Up to 01.01.2013	Addition During the Year	Deduction During the Year	As on 31.12.2013	As on 31.12.2013	As on 31.12.2012
1	Land	237.09	-	-	237.09	-	-	-	-	237.09	237.09
2	Building & Godown	5,313.21	-	1.32	5,311.89	496.80	170.23	0.59	666.44	4,645.45	4,816.41
3	Plant & Machinery	62,763.79	-	-	62,763.79	9,049.71	2,733.34	-	11,783.05	50,980.74	53,714.08
4	Electric Installation	563.25	-	-	563.25	205.99	29.74	-	235.73	327.52	357.26
5	Office Equipment	501.82	19.25	-	521.07	75.41	27.51	-	102.92	418.15	426.41
6	Furniture & Fixtures	127.30	-	-	127.30	60.12	8.06	-	68.18	59.12	67.18
7	Vehicles	398.68	56.85	57.21	398.32	203.42	33.74	33.98	203.18	195.14	195.26
	TOTAL...	69,905.14	76.10	58.53	69,922.71	10,091.45	3,002.62	34.57	13,059.50	56,863.21	59,813.69
	Previous Year...	48,432.80	21,472.34	-	69,905.14	7,438.45	2,653.00	-	10,091.45		
	Capital Work in Progress									5,321.34	3,643.85

(₹ in Lacs)

Note No		AS AT 31.12.2013		AS AT 31.12.2012	
		No. of Shares	Rs.	No. of Shares	Rs.
9	Non-Current Investments				
	Non Trade UnQuoted Investment (At Cost unless otherwise stated)				
	Equity shares of Nakoda Green Power Limited of Rs. 10 each (PY Rs. 10 each) fully paid up	2249994	225.00	2249994	225.00
	Equity shares of koncept infotenment Private Limited of Rs. 10 each (PY Rs. 10 each) fully paid up	5000	0.50	5000	0.50
	Equity shares of Nakoda Financial Services Private Limited of Rs. 10 each (PY Rs. 10 each) fully paid up	5000	0.50	5000	0.50
	Equity shares of Nakoda Syntex Private Limited of Rs. 10 each (PY Rs. 10 each) fully paid up	500	0.05	500	0.05
	Equity shares of Surat Super Yarn Park Limited of Rs. 10 each (PY Rs. 10 each) fully paid up	216000	314.00	216000	314.00
	Equity shares of Surat Super Filament Limited of Rs. 10 each (PY Rs. 10 each) fully paid up	27000	2.70	27000	2.70
	Other Investments				
	Equity shares of Indo Korean Petrochem Limited of 5000 KRW each (PY 5000 KRW each) fully paid up	840876	1,815.62	840876	1,815.62
	Equity shares of Nakoda Holdings Mauritius Limited of 100 USD each (PY 100 USD each) fully paid up	10000	450.00	10000	450.00
	Mutual Funds				
	Canera bank Robeco Mutual Fund		33.67		10.00
	UKBC Mutual Fund		20.00		-
	Total		2,862.04		2,818.37
10	Long Term Loans and Advances (unsecured & considered goods)				
	Security Deposit with Government Authorities	41.94		41.94	
	Total		41.94		41.94
11	Inventories (As valued and Certified by the management)				
	Raw Material	30,594.68		29,752.36	
	Work in Progress	6,284.60		4,006.52	
	Finished Goods	14,893.09		8,957.74	
	Others(Packing material, Oil & Chem., Fuel and Stores & Mach. spares)	1,078.84	52,851.21	1,034.10	43,750.72
	Total		52,851.21		43,750.72
12	Trade Receivables (Unsecured Considered Good)				
	Outstanding for a period exceeding six months	60.14		22.11	
	Others	97,649.31	97,709.45	70,920.10	70,942.21
	Total		97,709.45		70,942.21
13	Cash and Cash Equivalent				
	Cash & Cheques on hand	40.57		255.26	
	Balances with Banks in Current Account	235.05		235.19	
	Balances with Banks in Fixed Deposit Account	24,197.87		22,031.84	
	Total		24,473.49		22,522.29

The company has not provided for Diminution in value of Investment as the company believes that the diminution in value is temporary in nature.

(₹ in Lacs)

Note No		AS AT 31.12.2013		AS AT 31.12.2012	
14	Short-Term Loans and Advances Advances recoverable in Cash or kind (Unsecured Considered Good)	10,956.77		2,124.76	
	Total		10,956.77		2,124.76
15	Other Current Assets Share Application Money GDR Issue Expenses	1,988.98 201.01		799.65 301.51	
	Total		2,189.99		1,101.16
16	Revenue from Operation Sale of Products (Refer Note 16.1) Manufacturing Trading	219,651.07 82,519.27	302,170.34	182,768.85 75,016.99	257,785.84
	Total		302,170.34		257,785.84
16.1	Sale of Products Chips POY FDY Texturise Polyester Yarn Chips Trading Fancy Shirting ABS Sale of Power (Wind)		73,534.72 41,843.46 73,612.06 29,056.27 24,838.16 4,218.92 53,401.83 60.36 1,604.56		77,318.13 30,024.63 50,572.83 23,442.21 21,475.89 4,896.24 48,644.86 - 1,411.05
	Total		302,170.34		257,785.84
17	Other Income Insurance Claim received Interest on Fixed Deposit with Bank Other Income		45.19 932.88 512.03		48.52 371.21 462.26
	Total		1,490.10		881.99
18	CONSUMPTION OF RAW MATERIALS		% of consumption		% of consumption
	Imported	28%	49,039.88	28%	43,053.65
	Indigenous	72%	126,373.48	72%	108,264.44
	Total	100%	175,413.36	100%	151,318.09
18.1	Raw Material Opening Stock Imported Indigenous Purchases Indigenous Imported Indigenous Closing Stock Imported Indigenous		- 29,752.36 48,262.48 121,594.46 -		- 16,047.53 42,423.73 116,643.50 -
			29,752.36 169,856.94 30,594.68		16,047.53 159,067.23 29,752.36
	Total		169,014.62		145,362.40

(₹ in Lacs)

Note No		AS AT 31.12.2013		AS AT 31.12.2012	
18.2	Consumption of Fuel				
	Opening Stock				
	Indigenous	158.67	158.67	47.68	47.68
	Purchases Indigenous				
	Indigenous	3,119.21	3,119.21	2,996.37	2,996.37
	Closing Stock				
	Indigenous	147.62	147.62	158.67	158.67
	Total		3,130.26		2,885.39
18.3	Consumption of Oil, Chemicals & Packing Material				
	Opening Stock				
	Indigenous	529.16	529.16	319.09	319.09
	Purchases Indigenous				
	Imported	692.54		532.97	
	Indigenous	1,504.03	2,196.57	1,685.25	2,218.22
	Closing Stock				
Imported	28.46		-		
Indigenous	526.31	554.77	529.16	529.16	
	Total		2,170.96		2,008.14
18.4	Consumption of Stores and Spares				
	Opening Stock				
	Indigenous	346.27	346.27	197.79	197.79
	Purchases Indigenous				
	Imported	138.46		96.95	
	Indigenous	989.24	1,127.70	1,113.69	1,210.64
	Closing Stock				
Imported	25.14		-		
Indigenous	351.31	376.45	346.27	346.27	
	Total		1,097.52		1,062.16
19	Employee Benefit Expense				
	Salaries, Wages and Other Employee Benefits	726.15		684.42	
	Contribution to PF and Other Funds	124.72		85.15	
	Staff Welfare expense	27.09	877.96	16.63	786.20
	Total		877.96		786.20
20	Financial Costs				
	Interest on Fixed Loans	5,483.18		4,230.27	
	Interest on Other Loans	682.47	6,165.65	429.59	4,659.86
	Total		6,165.65		4,659.86
21	Depreciation and Amortization Expense				
	Depreciation and Amortization Expense	3,002.62		2,653.00	
	GDR Issue Expenses written off for the year	100.50	3,103.12	100.50	2,753.50
	Total		3,103.12		2,753.50
22	Other Expenses				
	Repairs & Maintenance to Building	176.22		148.44	
	Insurance Premium	124.73		102.24	
	Transportation & Octroi	803.42		741.33	
	Factory Expenses	78.56		67.61	
	Customs Clearing Expenses	396.41		366.97	
	Lease Rental Charges	1,716.39		1,592.23	
	Printing & Stationery	17.18		13.85	
	Traveling Expenses	109.84		94.44	

(₹ in Lacs)

Note No		AS AT 31.12.2013		AS AT 31.12.2012	
	Other Repairs & Maintenance	30.27		19.65	
	Postage & Telephone Expenses	49.13		43.17	
	Office Expenses	22.39		18.96	
	Rent	336.68		243.91	
	Legal & Professional Expenses	85.72		69.68	
	Directors Sitting Fees	47.18		35.35	
	Subscription & Membership Fees	5.04		4.77	
	Rates & Taxes	5.52		4.69	
	Donations	65.62		53.12	
	Audit Fee	5.62		4.49	
	Electricity Expenses	42.65		30.91	
	Advertisement & Recruitment Expenses	41.96		31.41	
	Listing Fee	3.18		2.68	
	Sales Commission	88.28		62.79	
	Secretarial Expenses	9.09		6.63	
	Vehicle Maintenance	39.52	4,300.60	24.05	3,783.37
	Total		4,300.60		3,783.37
23	Consumption of Imported Raw Material				
	Raw Materials	48,262.48		42,423.73	
	Oil and Chemicals	692.54		532.97	
	Stores and Spares	138.46		96.95	
			49,093.48		43,053.65
	Total		49,093.48		43,053.65
24	Transactions in Foreign Currency				
	<i>Expenditure in Foreign Currency</i>				
	Foreign Travelling	12.09		16.28	
	Annual Maintenance Fee (GDR)	2.25	14.34	3.49	19.78
	Total		14.34		19.78
25	Earnings in Foreign Exchange				
	Interest	128.60		120.80	
	Sales of PTY	697.48	826.08	136.66	257.46
	Total		826.08		257.46
26	Earning Per Share				
	Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders		741,551,931		595,869,936
	Weighted Average number of equity shares used as denominator for calculating EPS		300000000		198400000
	Basic Earning per share		2.47		3.00
27	Contingent Liabilities and Commitments				
	a Estimated amount of contracts remaining to be executed on Capital Account and not provided for		NIL		NIL
	b Counter guarantees given to banks		738.71		708.44

As per our report of even date

For N. M. Singapuri & Co.
Chartered Accountants
(N. M. Singapuri)

Partner

Membership No. 11601

Registration No. 110264W

Place : Surat

Date : 01.03.2014

For and on behalf of the Board of Directors of
Nakoda Limited
B. G. Jain

Chairman & Managing Director

D. B. Jain

Joint Managing Director

Place : Surat

Date : 01.03.2014

ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

1. Significant Accounting Policies:

- (A) Basis of Preparation of Financial Statements:
The financial statements have been prepared under the historical cost convention in accordance with generally accepted accounting principles in India, the applicable accounting standards and as per provisions of the Companies Act, 1956. The company follows the mercantile system of accounting and recognizes Income and Expenditure on accrual basis. Accounting Policies not referred to otherwise are consistent with the generally accepted accounting principles.
- (B) Fixed Assets:
Fixed Assets are stated at cost less Accumulated Depreciation. Cost comprises purchase price and any attributable cost of bringing the assets to its working condition for its intended use.
- (C) Depreciation :
Depreciation on Fixed Assets has been calculated on straight line method at the rate prescribed in schedule XIV to the Companies Act, 1956. Depreciation on addition/deletion during the year has been provided on prorate basis.
- (D) Investments :
Investments are stated at cost of acquisition.
- (E) Inventories:
Inventories are valued at lower of cost or net realisable value using FIFO cost method.
- (F) Retirement Benefits :
Contribution to Provident Fund, Liability for Leave encashment and Gratuity are accounted for on accrual basis.
- (G) Excise Duty :
The liability for Central Excise duty on account of stocks lying in factory has not been provided in the books of accounts as the same is being accounted for on payment basis and not carried into stock as per practice followed by the company. However, the liability if accounted would have no effect on the Profit for the year.
- (H) Revenue Recognition:
a) Sales is net of Salestax/ VAT, Excise duty, Sales return, Rate difference, damage goods Compensation etc.
b) Other income is accounted on due basis as per the terms.
- (I) Foreign Currency Transactions :
Transaction in foreign currency are recorded at the rates of exchange in force at the time transactions are affected
- (J) Borrowing Cost
Borrowing Cost that are directly attributable to the acquisition, construction of qualifying assets, Wherever applicable, are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.
- (K) Impairment Loss
As required by the Accounting Standards (AS 28) "Impairment of Assets" issued by ICAI, as informed to us, the company has carried out the assessment of impairment of assets. There has been no Impairment loss during the year.
- (L) Related Party disclosure as per accounting standard 18
(a) Where control exists - Nakoda Syntex Pvt. Ltd. - Konzept Infotainment Pvt. Ltd.
- B. G. Jain Investment Pvt. Ltd. - Nakoda Realities Pvt. Ltd.
- G. P. Shah Investment Pvt. Ltd. - Nakoda Energy Pvt. Ltd.
- P. B. Jain Investment Pvt. Ltd. - Nakoda Financial Services Pvt. Ltd.
- Varju Investment Pvt. Ltd. - Nakoda Infrastructure & Leasing Pvt. Ltd.
- Nakoda Shipyard Pvt. Ltd. - Nakoda Holdings Mauritius Ltd.-Mauritius
- Indo Korean Petrochem Ltd.-South Korea - Gerback Holdings Pte. Ltd.-Singapore
- Nakoda Green Power Ltd.
- (b) Key Management Personnel :
Shri B. G. Jain (Chairman & Managing Director)
Shri D. B. Jain (Joint Managing Director)
- (c) Other related parties with whom transaction have taken place during the year : NIL

Transaction with related parties

(Rs. in Lacs)

Type of related Party	Description of Nature of Transaction	Volume of Transaction		Outstanding as on	
		2013	2012	31st Dec 2013	31st Dec 2012
Where control Exists	Share warrant issued	29200	10160.00	NIL	NIL
	Share Issued	3730.00	NIL	NIL	NIL
	Investments & Loans	NIL	NIL	NIL	1249.72
Key management Personnel	Remuneration etc.	84.00	84.00	7.00	7.00

2. Contingent Liabilities :

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. Nil (Pre. Year Rs. Nil)
- b) Outstanding guarantee furnished by Company's bankers Rs. 738.71 lacs (Pre. Year Rs. 708.44 lacs).
- c) Claim against the Company not acknowledged as debt : Rs. NIL
- d) Uncalled Liabilities : Rs. NIL
- e) Corporate Guarantee given : USD 650 Lacs.

3. The proceeds of GDR issue made by the Company amounting to USD 24,250,000/- deposited in Euram Bank, Austria are fraudulently adjusted by the Bank against the third party borrowing.
The Company has raised dispute against this illegal act of the Bank and has simultaneously made efforts to settle the issue.
In case of failure in such efforts, the said amount of USD 24,250,000/- would become doubtful.
4. The plant of Indo Korean Petrochem Ltd. (IKPL) the Company's subsidiary located at South Korea was closed for refurbishing since February 2013. Subsequent to refurbishing, the complete change of scenario in the Korean market has made it difficult to operate the plant. In the event of long closure of the plant, investment in IKPL worth Rs.103.79 Cr and Nakoda Holding Mauritius Ltd. Rs.4.67 Cr would become doubtful.
5. Salary and wages 726.15/- Lacs- (Pre. year 684.42/- Lacs) includes remuneration paid to Directors 84 Lacs (Pre. year 84 Lacs)
6. The balances of debtors, creditors, deposits, loans & advances are subject to confirmation.

7. Auditor's Remuneration	Current Year Rs. in Lacs	Previous Year Rs. In Lacs
(a) As Auditor's : (including tax audit)	5.62 Lacs	4.49 Lacs
(b) As Advisor or in any other capacity in respect of;		
a) Company law matter:	—NIL—	—NIL—
b) Taxation matter:	—NIL—	—NIL—
c) Management service	—NIL—	—NIL—
d) in any other matter	3.03	4.18

8. Segment Information as per Accounting Standard 17:

A) Primery Segment Reporting (by Activity Segment) - The two identified Segments are (i) Manufacturing (ii) Trading

(Rs.in Lacs)

2013		Manufacturing	Trading	Total
	Segment Revenue			
1	Income from Sales	219651.07	82519.27	302170.34
	Segment Result			
	Profit Before Interest & Tax	14198.08	1237.85	15435.93
	Less : Interest	4979.13	1186.52	6165.65
	Total Profit/(Loss) before Tax	9218.95	51.33	9270.28
	Exceptional items			
	Profit/(Loss) after Exceptional items	9218.95	51.33	9270.28
	Provision for Taxation	1844.49	10.27	1854.76
	Net Profit	7374.46	41.06	7415.52
3	Capital Employed	-	-	67928.84
Capital Employed has not been identified with any of the reportable segments, as the assets used in the company's business and liabilities contracted are used interchangeable between segments.				

9. Deferred Tax Liability that has been recognised in Balance Sheet is as under :

<u>Deferred Tax Liability</u>	<u>31.12.2013</u>	<u>31.12.2012</u>
Related to Fixed Asset	120140482	111963298
Deferred Tax Assets		
Disallowances Under Income Tax Act 1961	3169346	2703469
Total	123309828	114666767
10. Sundry Debtors and advances include Rs. NIL due from concern in which directors of the company are directors or the members or partners in case of firm
11. Small Scale industries to whom the company owes a sum which is outstanding for more than 30 days are Rs. NIL
12. Previous year's figures have been regrouped and/or recast wherever necessary and made them comparable with the current year's figure.

As per our report of even date

For N. M. Singapuri & Co.
Chartered Accountants

(N. M. Singapuri)

Partner

Membership No. 11601

Registration No. 110264W

Place : Surat

Date : 01.03.2014

For and on behalf of the Board of Directors of
Nakoda Limited

B. G. Jain

Chairman & Managing Director

D. B. Jain

Joint Managing Director

Place : Surat

Date : 01.03.2014

CASH FLOW STATEMENT FOR THE 12 MONTHS ENDED ON 31ST DECEMBER, 2013

	AS AT 31/12/2013	(Rs. In Lacs) AS AT 31/12/2012
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit After Tax and Extraordinary items	7,501.95	6,040.29
Add : Depreciation	3,103.12	2,753.50
	<hr/>	<hr/>
Interest	6,165.65	4,659.86
Operating Profit before Working Capital Charges	16,770.72	13,453.65
Add / (Less) : (Increase) / Decrease in Current Assets		
Debtors	(26,767.24)	(12,852.61)
Inventories	(9,100.49)	(19,145.58)
Loans & Advances	(10,021.34)	(845.34)
	<hr/>	<hr/>
Add / Less : Increase / Decrease in Current Liabilities & Provisions	(29,118.35)	(19,389.88)
	<hr/>	<hr/>
Cash Generated From Operations	(16,967.84)	350.09
Misc. Expenditure (Not written off)	100.50	100.49
Interest Paid	(6,165.65)	(4,659.86)
	<hr/>	<hr/>
Net Cash Flow From Operating Activities	(23,032.99)	(4,209.28)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase Of Fixed Assets	(76.10)	(21,472.34)
Capital Work In Progress	(1,677.49)	4,754.91
Purchase of Investments	(43.67)	(1,635.97)
Sales of Investments	-	-
Profit on Sale of Fixed Assets	-	-
	<hr/>	<hr/>
Net Cash Flow From Investing Activities	(1,797.26)	(18,353.40)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increasing in Share Capital	-	-
Increasing in Share Premium	5,080.00	-
Share Application Money	4,660.00	2,640.00
Proceeds From Borrowings	11,145.96	9,829.71
Increase in Capital Reserve	-	-
Proceeds From Unsecured Loans	6,948.45	8,681.79
Dividend & Dividend Tax Paid	(1,052.96)	(576.46)
	<hr/>	<hr/>
Net Cash Flow From Financing Activities	26,781.45	20,575.03
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	1,951.20	(1,987.65)
CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	22,522.29	24,509.94
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR	24,473.49	22,522.29

As per our report of even date

For N. M. Singapuri & Co.
Chartered Accountants

(N. M. Singapuri)
 Partner
 Membership No. 11601
 Registration No. 110264W

Place : Surat
 Date : 01.03.2014

For and on behalf of the Board of Directors of
Nakoda Limited

B. G. Jain Chairman & Managing Director
D. B. Jain Joint Managing Director

Place : Surat
 Date : 01.03.2014

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

1. We have audited accompanying consolidated financial statements of NAKODA LIMITED (the "Company") and its subsidiaries (collectively referred to as the Group"), which comprise the Consolidated Balance Sheet as at December 31, 2013, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

2. Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the group in accordance with accounting principles generally acceptable in India including Accounting Standards referred to in Section 211(3G) of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free from material misstatements.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors considers internal control relevant to the Group's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

5. In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of the reports of the other auditors on the financial statements/consolidated statements of the subsidiaries and associates as noted below, the consolidated financial statements give a true and fair and fair view in conformity with the accounting principles generally accepted in India:
 - (a) In the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at December 31, 2013:
 - (b) In the case of the Consolidated Statements of Profit and Loss, of the Profit of the Group for the year ended on that date and
 - (c) In the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Other Matters

1. Financial Statements/Consolidated financial statements of one subsidiaries i.e Nakdoa Green Power Limited which reflect total assets (net) of Rs. 314.05 Lacs as at December 31st 2013.
2. We did not audit the financial statements / consolidated financial statements of certain subsidiaries, whose financial statements/consolidated financial statements reflect total asset (net) of Rs. 61,622.61, Lacs at December 31, 2013, total revenues (net) of Rs. 10,427.38 Lacs and net cash flows amounting to Rs. 696 Lacs for the year. The financial statements of subsidiaries have been audited by other auditors whose reports have been furnished to us and our opinion, is based solely on the reports of the other auditors.

FOR N.M.SINGAPURI & CO.
Chartered Accountants,

(N.M. SINGAPURI)
Partner

Place: Surat
Date: 01.03.2014

Membership No. 011601
Registration No. 110264W

CONSOLIDATED BALANCE SHEET AS AT 31ST DECEMBER, 2013

(₹ in Lacs)

	Particulars	Note No.	As At 31.12.2013	As At 31.12.2012
I.	EQUITY AND LIABILITIES			
	(1) Shareholders' Funds			
	(a) Share Capital	1	15,000.00	9,920.00
	(b) Reserves and Surplus	2	48,025.33	33,775.27
	(c) Money Received Against Share Warrants	3	7,300.00	2,640.00
		(A)	70,325.33	46,335.27
	(2) Minority Interest		1,820.18	516.76
	(3) Non-Current Liabilities			
	(a) Long-Term Borrowings	4	68,330.20	84,047.66
	(b) Deferred tax Liability		1,233.10	1,146.67
		(B)	69,563.30	85,194.33
	(4) Current Liabilities			
	(a) Short term borrowings	5	154,244.18	118,091.74
	(b) Trade Payables	6	2,738.35	5,024.45
	(c) Other current liabilities	7	5,503.24	2,570.03
		(C)	162,485.77	125,686.22
	Total	(A+B+C)	304,194.58	257,732.58
II.	ASSETS			
	(1) Non-current Assets			
	(a) Fixed Assets			
	(i) Tangible Assets	8	83,153.60	85,663.49
	(ii) Capital work-in-progress		6,749.48	3,968.57
	(b) Non-Current Investments	9	371.42	327.75
	(c) Long Term Loans and Advances	10	1,229.61	1,485.45
		(A)	91,504.11	91,445.26
	(2) Current Assets			
	(a) Inventories	11	69,916.41	62,351.79
	(b) Trade Receivables	12	100,766.60	71,536.86
	(c) Cash and Cash Equivalents	13	24,955.25	24,258.82
	(d) Short-Term Loans and Advances	14	15,612.22	7,788.69
	(e) Other Current Assets	15	1,439.99	351.16
		(B)	212,690.47	166,287.32
	Total	(A+B)	304,194.58	257,732.58
Significant Accounting Policies				
Notes on Financial Statement		1 to 27		

As per our report of even date

For N. M. Singapuri & Co.
Chartered Accountants

(N. M. Singapuri)

Partner

Membership No. 11601

Registration No. 110264W

Place : Surat

Date : 01.03.2014

For and on behalf of the Board of Directors of
Nakoda Limited

B. G. Jain

Chairman & Managing Director

D. B. Jain

Joint Managing Director

Place : Surat

Date : 01.03.2014

CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER, 2013
(₹ in Lacs)

	Particulars	Note No.	As At 31.12.2013	As At 31.12.2012
I.	Revenue from Operations Less : Excise Duty / Vat	16	312,529.36 25,730.17	289,282.69 19,417.44
			286,799.19	269,865.24
II.	Other Income	17	1,558.46	954.03
	Total Revenue		288,357.65	270,819.27
III.	<u>Expenses :</u>			
	Cost of Materials Consumed	18	179,194.05	179,223.61
	Purchase of Stock-in-Trade		87,012.73	73,370.22
	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade		(3,817.34)	(9,026.72)
	Employee Benefit Expense	19	1,236.97	3,016.61
	Financial Costs	20	7,232.32	6,046.00
	Depreciation and Amortization Expense	21	3,103.12	3,836.28
	Other Expenses	22	5,678.41	7,045.62
	Total Expenses		279,640.26	263,511.62
IV.	Profit Before Exceptional and Extraordinary Items and Tax		8,717.39	7,307.66
V.	Profit Before Tax		8,717.39	7,307.66
VI.	Tax Expense :			
	Current Tax		1,768.33	1,510.06
	Deferred Tax		86.43	81.59
VII.	Profit/(Loss) After Tax for the Period from Continuing Operations		6,862.63	5,716.01
VIII.	Share of (Profit)/Loss transferred to Minority Interest		75.67	24.92
IX.	Profit/(Loss) for the Year		6,938.30	5,740.93
	Earnings per Equity Share of face value of ₹ 5 each			
	Basic and Diluted (in ₹)	26	2.31	2.89
Significant Accounting Policies				
Notes on Financial Statement		1 to 27		
As per our report of even date				
For N. M. Singapuri & Co. Chartered Accountants (N. M. Singapuri) Partner Membership No. 11601 Registration No. 110264W Place : Surat Date : 01.03.2014		For and on behalf of the Board of Directors of Nakoda Limited B. G. Jain Chairman & Managing Director D. B. Jain Joint Managing Director Place : Surat Date : 01.03.2014		

NOTES ON FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST DECEMBER, 2013
(₹ in Lacs)

Note No		AS AT 31.12.2013		AS AT 31.12.2012	
		No of Shares	Rs.	No of Shares	Rs.
1	Share Capital				
	Authorised Share Capital				
	Equity Shares of Rs. 5/- each	300000000	15,000.00	300000000	15,000.00
			15,000.00		15,000.00
	Issued, subscribed & fully paid share capital				
	Equity Shares of Rs. 5/- each, fully paid up	300000000	15,000.00	198400000	9,920.00
	Total		15,000.00		9,920.00

1.1 The reconciliation of the numbers of shares outstandings and at the beginning and at the end of the reporting period

Particulars	No of Shares	Share Capital	No of Shares	Share Capital
Equity Shares of Rs. 5/- each				
(Previous year Rs. 5/- Each)				
Shares outstanding at the beginning of the year	198,400,000	9,920.00	198,400,000	9,920.00
Shares Issued during the year - (By way of Conversion of share warrants)	101,600,000	5,080.00	-	-
Shares outstanding at the end of the year	300,000,000	15,000.00	198,400,000	9,920.00

Terms/Rights attached to Equity Shares

The Company has only one class of Equity Shares having a par value of ₹ 5 per Share. Each holder of Equity Share 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 Shareholders in the ensuing General Meeting. During the year ended 31st December 2013, the amount of Dividend per Share recognised as distributions to Equity Shareholders was ₹ 0.30 per Share. (31st December 2012 : ₹ 0.25 per Share)

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company. The distribution will be in the proportion to the number of Equity Shares held by the Shareholders.

1.2 Out of Equity shares of the Company, shares held by its holding company, ultimate holding company and their subsidiaries/associates are as below:

Particulars	No of Shares	Face Value (₹ in Lacs)	No of Shares	Face Value (₹ in Lacs)
Held by Associate Company				
1 G P Shah Investment Private Limited	7502000	375.10	7502000	375.10
2 B G Jain Investment Private Limited	47755600	2,387.78	7755600	387.78
3 P B Jain Investment Private Limited	49282800	2,464.14	34682800	1,734.14
4 Varju Investment Private Limited	7428800	371.44	7428800	371.44
5 Nakoda Syntex Private Limited	48272000	2,413.60	28272000	1,413.60

1.3 List of shares holders who are holding more than 5 % Equity Shares of the Company

Sr. No.	Name of Shareholder	No of Shares	%	No of Shares	%
	Equity Shares of Rs. 5/- each				
	(Previous Year Rs. 5/- each)				
1	P B Jain Investment Private Limited	34682800	11.56%	34682800	17.48%
2	Nakoda Syntex Private Limited	28272000	9.42%	28272000	14.25%
3	The Bank of New York Mellon, DR	59565000	19.86%	60000000	30.24%
4	B G Jain Investment Private Limited	47755600	15.92%	7755600	3.91%
5	Stosec Fintrade Pvt. Ltd.	27000000	9.00%	0	0.00%

(₹ in Lacs)

Note No		AS AT 31.12.2013		AS AT 31.12.2012	
2	Reserves and Surplus				
	<u>Share Premium Account</u>				
	As Per last Balance Sheet	15,205.50		15,205.50	
	Add : On issue of Shares	5,080.00	20,285.50	-	15,205.50
	<u>General Reserve</u>				
	As Per last Balance Sheet	4,275.36		3,275.36	
	Add : Transferred from Profit and Loss Account	1,000.00	5,275.36	1,000.00	4,275.36
	<u>Investment Subsidy</u>				
	As Per last Balance Sheet		45.68		45.68
	<u>Capital Reserve</u>				
	As Per last Balance Sheet		268.00		268.00
	<u>Profit & Loss Account</u>				
	As Per last Balance Sheet	14,485.22		10,320.75	
	Add : Profit for the Year	6,938.30		5,740.93	
		21,423.52		16,061.68	
Less : Appropriations					
Transfer to General Reserve	1,000.00		1,000.00		
Proposed Dividend	900.00		496.00		
Tax on Dividend	152.96	19,370.56	80.46	14,485.22	
Foreign Currency Translation Reserve		2,780.23		(504.49)	
Total		48,025.33		33,775.27	

3	Money received against Share Warrants	Nos.	Rs.	Nos.	Rs.
	Share Warrants of Rs. 50/- each Uncalled Money	0	-	20,320,000	10,160.00 (7,620.00)
	Share Warrants of Rs. 100/- each Uncalled Money	29,200,000	29,200.00 (21,900.00)	29,200,000	29,200.00 (29,100.00)
	Total		7,300.00		2,640.00

a During the year, the company has Conversion of 20320000 Warrents on issue of shares 101600000.

4	Long-Term Borrowings	Current	Non Current	Current	Non Current
	Secured				
	Term Loan From Banks (Refer Note 4.1)	9,286.34	16,721.56	4,210.97	16,021.20
	Corporate Loans From Banks (Refer Note 4.2)	948.00	2,096.85	667.60	3,951.19
	Vehicle Loan From Banks (Refer Note 4.3)	10.48	45.26	5.93	29.31
	Buyer's Credit From Banks	-	7,527.63	1,527.20	20,592.53
		10,244.82	26,391.30	6,411.70	40,594.23
	Unsecured				
	Agency Deposits		2,851.00		2,851.00
	Others		39,087.90		40,602.43
		-	41,938.90	-	43,453.43
	Total	10,244.82	68,330.20	6,411.70	84,047.66

4.1 Term Loans

a Term loan of Rs. 250 crores (Phase I) and Term loan of Rs. 153 crores (Phase II) are secured by Pari Passu first charge on all existing immovable and movable assets of the company situated and proposed to be situated at Block No. 17 to 19 at Karanj and Block No. A/1, B/1, M/1 at Textile Park, Hathuran and second charge on all Current Assets of the company.

4.2 Corporate Loans

a Corporate loan from Syndicate Bank is secured by EMT of Land and Hypothecation of 9 wind mills situated at Tirunelveli, Talmilnadu.
 b Corporate loan from Indian Overseas Bank is secured by Hypothecation of 7 wind mills situated at Ratlam, Madhya Pradesh.

4.3 Vehicle Loans

The loans for vehicles have been secured by specific charges on the vehicles covered under the said loan.

(₹ in Lacs)

Note No		AS AT 31.12.2013		AS AT 31.12.2012	
5	Short term borrowings				
	Secured				
	Term Loan From Banks (Refer Note 4.1)	9,286.34		4,210.97	
	Corporate Loans From Banks (Refer Note 4.2)	948.00		667.60	
	Vehicle Loan From Banks (Refer Note 4.3)	10.48		5.93	
	Buyer's Credit From Banks (WC)	3,199.82		1,527.20	
	Acceptance under L/c	86,928.33		76,436.97	
	VSL Loan (FD) (Note b)	1,385.59		671.29	
Working Capital loans (Note a)	52,485.62	154,244.18	34,571.78	118,091.74	
	Total		154,244.18		118,091.74

a Working Capital Facilities are secured by Hypothecation of stock of Raw Material, Finished Goods, Stores, Spares, Other Current Assets, Book Debts and Collateral Security of EMT of Block No.4,11,17 to 19 at Karanj, EMT of Land & Building situated at Texturising Unit at Karanj, Hypothecation of 7 POY Lines Situated at Karanj, Second charge by way of Mortgage and/or Hypothecation of Land, Building & Machineries situated at POY division at Karanj on which GIIC Ltd. & GSFC were having First charge.

b Value Security Loan (VSL) is secured against Fixed Deposits

6	Trade Payables				
	<i>Sundry Creditors for Goods and Services</i>				
	Micro and Small Scale Industrial Undertakings	10.01		7.64	
	Others	2,728.34	2,738.35	5,016.81	5,024.45
	Total		2,738.35		5,024.45

Note

a Information on Micro and Small Enterprises, to whom the company owes dues as at 31st December, 2013 as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

7	Other current liabilities				
	Proposed Dividend	900.00		496.00	
	Tax on Proposed Dividend	152.96		80.46	
	Other liabilities	4,450.28	5,503.24	1,993.57	2,570.03
	Total		5,503.24		2,570.03

8 (i) Tangible Assets											
Sr. No.	Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As on 01.01.2013	Addition During the Year	Adjustment/ Deduction During the Year	As on 31.12.2013	Up to 01.01.2013	For the Year	Adjustment/ Deduction During the Year	As on 31.12.2013	As on 31.12.2013	As on 31.12.2012
1	Land	237.09	-	-	237.09	-	-	-	-	237.09	237.09
2	Building & Godown	6,130.54	-	10.84	6,141.38	596.04	170.23	0.89	767.16	5,374.22	5,534.50
3	Plant & Machinery	89,663.17	56.02	400.19	90,119.38	11,105.44	2,733.34	30.58	13,869.36	76,250.02	78,557.73
4	Electric Installation	563.25	-	-	563.25	205.98	29.74	-	235.72	327.53	357.27
5	Office Equipment	832.48	19.25	-	851.73	144.40	27.51	-	171.91	679.82	688.08
6	Furniture & Fixtures	239.57	-	6.59	246.16	147.56	8.06	2.33	157.95	88.20	92.00
7	Vehicles	409.07	56.85	(57.06)	408.86	212.26	33.74	(33.85)	212.15	196.72	196.81
	TOTAL...	98,075.17	132.12	360.56	98,567.85	12,411.68	3,002.62	(0.05)	15,414.25	83,153.60	85,663.49
	Previous Year...	62,623.33	34,365.37	1,086.48	98,075.17	8,587.89	3,735.78	88.01	12,411.68		
	Capital Work in Progress									6,749.48	3,968.57

(₹ in Lacs)

Note No		AS AT 31.12.2013		AS AT 31.12.2012	
		No. of Shares	Rs.	No. of Shares	Rs.
9	Non-Current Investments				
	Non Trade UnQuoted Investement (At Cost unless otherwise stated)				
	Equity shares of koncept infotenment Private Limited of Rs. 10 each (PY Rs. 10 each) fully paid up	5000	0.50	5000	0.50
	Equity shares of Nakoda Financial Services Private Limited of Rs. 10 each (PY Rs. 10 each) fully paid up	5000	0.50	5000	0.50
	Equity shares of Nakoda Syntex Private Limited of Rs. 10 each (PY Rs. 10 each) fully paid up	500	0.05	500	0.05
	Equity shares of Surat Super Yarn Park Limited of Rs. 10 each (PY Rs. 10 each) fully paid up	216000	314.00	216000	314.00
	Equity shares of Surat Super Filament Limited of Rs. 10 each (PY Rs. 10 each) fully paid up	27000	2.70	27000	2.70
	Mutual Funds				
	Canera bank Robeco Mutual Fund		33.67		10.00
UKBC Mutual Fund		20.00		-	
	Total		371.42		327.75

The company has not provided for Diminution in value of Investment as the company believes that the diminution in value is temporary in nature.

10	Long Term Loans and Advances (unsecured & considered goods)				
	Security Deposit with Government Authorities	1,229.61		1,485.45	
	Total		1,229.61		1,485.45

11	Inventories (As valued and Certified by the management)				
	Raw Material	41,091.28		41,379.33	
	Work in Progress	6,284.60		4,006.52	
	Finished Goods	14,986.41		13,447.15	
	Others(Packing material, Oil & Chem., Fuel and Stores & Mach. spares)	7,554.12	69,916.41	3,518.79	62,351.79
	Total		69,916.41		62,351.79

12	Trade Receivables (Unsecured Considered Good)				
	Outstanding for a period exceeding six months	60.14		22.11	
	Others	100,706.46	100,766.60	71,514.75	71,536.86
	Total		100,766.60		71,536.86

13	Cash and Cash Equivalents				
	Cash on hand	40.83		256.27	
	Balances with Banks in Current Account	239.93		587.58	
	Balances with Banks in Fixed Deposit Account	24,674.49		23,414.97	
	Total		24,955.25		24,258.82

(₹ in Lacs)

Note No		AS AT 31.12.2013		AS AT 31.12.2012	
14	Short-Term Loans and Advances Advances recoverable in Cash or kind (Unsecured Considered Good)	15,612.22		7,788.69	
	Total		15,612.22		7,788.69
15	Other Current Assets Share Application Money GDR Issue Expenses	1,238.98 201.01		49.65 301.51	
	Total		1,439.99		351.16
16	Revenue from Operation Sale of Products (Refer Note 16.1) Manufacturing Trading	230,010.09 82,519.27	312,529.36	214,238.70 75,043.99	289,282.69
	Total		312,529.36		289,282.69
16.1	Sale of Products Chips POY FDY Texturise Polyester Yarn Chips Trading Fancy Shirting ABS Sale of Power (Wind)		95,374.96 36,887.18 65,666.72 30,476.67 24,838.16 4,218.92 53,401.83 60.36 1,604.56		89,922.03 48,890.58 50,572.83 23,442.21 21,475.89 4,896.24 48,671.86 - 1,411.05
	Total		312,529.36		289,282.69
17	Other Income Insurance Claim received Interest on Fixed Deposit with Bank Other Income		45.19 988.93 524.34		48.52 414.73 490.78
	Total		1,558.46		954.03
18	CONSUMPTION OF RAW MATERIALS		% of consumption		% of consumption
	Imported	29%	52,807.90	39%	69,950.81
	Indigenous	71%	126,386.15	61%	109,272.80
	Total	100%	179,194.05	100%	179,223.61
18.1	Raw Material Opening Stock Imported Indigenous Purchases Indigenous Imported Indigenous Closing Stock Imported Indigenous	11,572.92 29,752.36 50,954.18 121,594.46 10,496.60 30,594.68	41,325.28 172,548.64 41,091.28	11,272.79 16,047.53 69,248.62 116,643.50 11,572.92 29,752.36	27,320.32 185,892.12 41,325.28
	Total		172,782.64		171,887.16

(₹ in Lacs)

Note No		AS AT 31.12.2013		AS AT 31.12.2012	
18.2	Consumption of Fuel				
	Opening Stock				
	Indigenous	158.67	158.67	47.68	47.68
	Purchases				
	Indigenous	3,131.51	3,131.51	4,004.73	4,004.73
	Closing Stock				
	Indigenous	147.62	147.62	158.67	158.67
	Total		3,142.56		3,893.74
18.3	Consumption of Oil, Chemicals & Packing Material				
	Opening Stock				
	Indigenous	529.16	529.16	319.09	319.09
	Purchases				
	Imported	692.54		905.37	
	Indigenous	1,504.03	2,196.94	1,685.25	2,590.62
	Closing Stock				
Imported	28.46		-		
Indigenous	526.31	554.77	529.16	529.16	
	Total		2,171.33		2,380.55
18.4	Consumption of Stores and Spares				
	Opening Stock				
	Indigenous	346.27	346.27	197.79	197.79
	Purchases Indigenous				
	Imported	138.46		96.95	
	Indigenous	989.24	1,127.70	1,113.69	1,210.64
	Closing Stock				
Imported	25.14		-		
Indigenous	351.31	376.45	346.27	346.27	
	Total		1,097.52		1,062.16
19	Employee Benefit Expense				
	Salaries, Wages and Other Employee Benefits	1,084.61		2,914.83	
	Contribution to PF and Other Funds	124.72		85.15	
	Staff Welfare expense	27.64	1,236.97	16.63	3,016.61
	Total		1,236.97		3,016.61
20	Financial Costs				
	Interest on Fixed Loans	6,548.41		5,616.38	
	Interest on Other Loans	683.91	7,232.32	429.62	6,046.00
	Total		7,232.32		6,046.00
21	Depreciation and Amortization Expense				
	Depreciation and Amortization Expense	3,002.62		3,735.78	
	GDR Issue Expenses written off for the year	100.50	3,103.12	100.50	3,836.28
	Total		3,103.12		3,836.28
22	Other Expenses				
	Repairs & Maintenance to Building	248.88		538.58	
	Insurance Premium	327.40		229.84	
	Transportation & Octroi	820.43		960.79	
	Factory Expenses	78.69		94.11	
	Customs Clearing Expenses	396.41		366.97	
	Lease Rental Charges	2,512.58		2,380.42	
	Printing & Stationery	17.18		13.85	
	Traveling Expenses	112.53		111.82	

(₹ in Lacs)

Note No		AS AT 31.12.2013		AS AT 31.12.2012	
	Other Repairs & Maintenance	30.27		66.54	
	Postage & Telephone Expenses	54.65		51.99	
	Office Expenses	25.91		36.96	
	Rent	336.68		243.91	
	Legal & Professional Expenses	166.53		278.90	
	Directors Sitting Fees	47.18		3.85	
	Subscription & Membership Fees	5.04		5.24	
	Rates & Taxes	13.56		21.79	
	Donations	65.62		53.14	
	Audit Fee	8.08		6.80	
	Electricity Expenses	191.31		1,114.28	
	Advertisement & Recruitment Exp.	42.15		34.21	
	Listing Fee	3.18		2.68	
	Sales Commission	120.15		392.35	
	Secretarial Exp.	12.30		8.44	
	Vehicle Maintenance	40.73		28.16	
	Provision for Doubtful Debts	0.97	5,678.41	-	7,045.62
	Total		5,678.41		7,045.62
23	Consumption of Imported Raw Material				
	Raw Materials	50,954.18		69,248.62	
	Oil and Chemicals	692.54		905.37	
	Stores and Spares	138.46		96.95	
	Total		51,785.18		70,250.94
24	Transactions in Foreign Currency				
	<i>Expenditure in Foreign Currency</i>				
	Foreign Travelling	12.09		16.28	
	Annual Maintenance Fee (GDR)	2.25	14.34	3.49	19.77
	Total		14.34		19.77
25	Earnings in Foreign Exchange				
	Interest	128.60		120.80	
	Sales of PTY	697.48	826.08	136.66	257.46
	Total		826.08		257.46
26	Earning Per Share				
	Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders		693,827,841		574,092,932
	Weighted Average number of equity shares used as denominator for calculating EPS		300000000		198400000
	Basic Earning per share		2.31		2.89
27	Contingent Liabilities and Commitments				
	a Estimated amount of contracts remaining to be executed on Capital Account and not provided for		NIL		NIL
	b Counter guarantees given to banks		738.71		708.44

As per our report of even date

For N. M. Singapuri & Co.
Chartered Accountants

(N. M. Singapuri)

Partner

Membership No. 11601

Registration No. 110264W

Place : Surat

Date : 01.03.2014

For and on behalf of the Board of Directors of
Nakoda Limited

B. G. Jain

Chairman & Managing Director

D. B. Jain

Joint Managing Director

Place : Surat

Date : 01.03.2014

NOTES FORMING PARTS OF THE CONSOLIDATED ACCOUNTS –

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES :

A. Basis of Consolidation :

The Consolidated financial statements related to Nakoda Limited {‘The Company’} and its subsidiary company. The Consolidated Financial Statements have been prepared on the following basis:

- The financial statements of the Company and its subsidiary company have been combined on line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses, after fully eliminating intra-group transactions resulting in unrealized Profits & Losses in accordance with Accounting Standard (AS) 21 – “Consolidated Financial Statements” issued by the institute of Chartered Accountants of India.
- In Case of forgiven subsidiary, being non-integral foreign operations, revenue item as well as. All assets and liabilities are converted at rates prevailing at the end of the year.
- The difference between the cost of investment in the subsidiary, over the net assets at the time of acquisition of shares in the subsidiary is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.
- Exchange rate differences arises on the transaction of consolidated foreign subsidiary is classified as reserve and transferred to Foreign Currency Translation Reserve.

B. Investments other than in subsidiary have been accounted as per Accounting Standard 13 (AS) – 13 on “Accounting For Investments”.

C. Impairment Loss:

As required by the Accounting Standards (AS 28) “Impairment of Assets” issued by ICAI, as informed to us, the company has carried out the assessment of impairment of assets. There has been no Impairment loss during the year.

D. Other significant accounting Policies:

These are set out under “significant accounting policies” as given in the Unconsolidated Financial Statements of the Nakoda Ltd. and its subsidiary.

2. Following subsidiary company has been considered in the preparation of consolidated Financial Statements:

Name of the Company	Nature of Interest	Country of Incorporation	Proportion of Ownership Interest
Nakoda Holdings Mauritius Ltd.	Subsidiary	Mauritius	100%
Indo Korean Petrochem Limited	Subsidiary	South Korea	90.25%
Gerback Holdings Pte. Ltd.	Subsidiary	Singapore	66.67%
Nakoda Green Power Ltd.	Subsidiary	India	100%

3. Related Party disclosure as per accounting standard 18

- Where control exists
 - Nakoda Syntex Pvt. Ltd.
 - B. G. Jain Investment Pvt. Ltd.
 - G. P. Shah Investment Pvt. Ltd.
 - P. B. Jain Investment Pvt. Ltd.
 - Varju Investment Pvt. Ltd.
 - Nakoda Shipyard Pvt. Ltd.
 - Indo Korean Petrochem Ltd.-South Korea
 - Nakoda Green Power Ltd.
 - Konzept Infotainment Pvt. Ltd.
 - Nakoda Realities Pvt. Ltd.
 - Nakoda Energy Pvt. Ltd.
 - Nakoda Financial Services Pvt. Ltd.
 - Nakoda Infrastructure & Leasing Pvt.Ltd.
 - Nakoda Holdings Mauritius Ltd. – Mauritius
 - Gerback Holdings Pte. Ltd. - Singapore

(b) Key Management Personnel :

Shri B. G. Jain (Chairman & Managing Director)

Shri D. B. Jain (Joint Managing Director)

(c) Other related parties with whom transaction have taken place during the year : NIL

Transaction with related parties

(Rs. In Lacs)

Type of related Party	Description of Nature of Transaction	Volume of Transaction		Outstanding as on	
		2013	2012	31st Dec 2013	31st Dec 2012
Where control Exists	Share warrant issued	29200.00	10160.00	NIL	NIL
	Share Issued	3730.00	NIL	NIL	NIL
	Investments & Loans	NIL	NIL	NIL	1249.72
Key management Personnel	Remuneration etc.	84.00	84.00	7.00	7.00

4. **Contingent Liabilities :**

- Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. Nil (Pre. Year Rs. Nil)
- Outstanding guarantee furnished by Company’s bankers Rs. 738.71 lacs (Pre. Year Rs. 708.44 lacs).
- Claim against the Company not acknowledged as debt : Rs. NIL
- Uncalled Liabilities : Rs. NIL
- Corporate Guarantee given : USD 650 Lacs

5. The proceeds of GDR issue made by the Company amounting to USD 24,250,000/- deposited in Euram Bank, Austria are fraudulently adjusted by the Bank against the third party borrowing.

The Company has raised dispute against this illegal act of the Bank and has simultaneously made efforts to settle the issue.

In case of failure in such efforts, the said amount of USD 24,250,000/- would become doubtful.

6. The plant of Indo Korean Petrochem Ltd. (IKPL) the Company's subsidiary located at South Korea was closed for refurbishing since February 2013. Subsequent to refurbishing, the complete change of scenario in the Korean market has made it difficult to operate the plant. In the event of long closure of the plant, investment in IKPL worth Rs.103.79 Cr and Nakoda Holding Mauritius Ltd. Rs.4.67 Cr would become doubtful.
7. Loans given to Associate Companies Nakoda Financial Services Pvt. Ltd. and Nakoda Green Power Ltd. amounting to Rs. 20,652,719/- has become doubtful in view of no revenue generated by the companies.
8. Salary and wages Rs. 1084.61/- Lacs (Pre. year Rs. 2914.83/- Lacs) includes remuneration paid to Directors Rs. 84 Lacs (Pre year Rs. 84 Lacs)
9. The balances of debtors, creditors, deposits, loans & advances are subject to confirmation.

10. Auditor's Remuneration	Current Year Rs. in Lacs	Previous Year Rs. In Lacs
(a) As Auditor's : (including tax audit)	8.08	5.99
(b) As Advisor or in any other capacity in respect of;		
a) Company law matter:	—NIL—	—NIL—
b) Taxation matter:	—NIL—	—NIL—
c) Management service	—NIL—	—NIL—
d) in any other matter	3.03	4.18

11. **Segment Information as per Accounting Standard 17:**

A) Primary Segment Reporting (by Activity Segment) - The two identified Segments are (i) Manufacturing (ii) Trading

(Rs.in Lacs)

2013		Manufacturing	Trading	Total
	Segment Revenue			
1	Income from Sales	230010.09	82519.27	312529.36
	Segment Result			
	Profit Before Interest & Tax	14711.86	1237.85	15949.71
	Less : Interest	6045.80	1186.52	7232.32
	Total Profit/(Loss) before Tax	8666.06	51.33	8717.39
	Exceptional items			
	Profit/(Loss) after Exceptional items	8666.06	51.33	8717.39
	Provision for Taxation	1844.49	10.27	1854.76
	Add: Share of (Profit)/Loss transferred to Minority Interest	75.67		75.67
	Net Profit	6897.24	41.06	6938.30
3	Capital Employed	-	-	70124.32
Capital Employed has not been identified with any of the reportable segments, as the assets used in the company's business and liabilities contracted are used interchangeable between segments.				

12. Deferred Tax Liability that has been recognised in Balance Sheet is as under :
- | | | |
|---|-------------------------|-------------------------|
| <u>Deferred Tax Liability</u> | <u>31.12.2013</u> | <u>31.12.2012</u> |
| Related to Fixed Asset | 120140482 | 111963298 |
| Deferred Tax Assets | | |
| Disallowances Under Income Tax Act 1961 | 3169346 | 2703649 |
| Total | <u>123309828</u> | <u>114666767</u> |
13. Sundry Debtors and advances include Rs. NIL due from concern in which directors of the company are directors or the members or partners in case of firm
14. Small Scale industries to whom the company owes a sum which is outstanding for more than 30 days are Rs. NIL
15. Previous year's figures have been regrouped and/or recast wherever necessary and made them comparable with the current year's figure.

As per our report of even date

For N. M. Singapuri & Co.
Chartered Accountants

(N. M. Singapuri)

Partner

Membership No. 11601

Registration No. 110264W

Place : Surat

Date : 01.03.2014

For and on behalf of the Board of Directors of
Nakoda Limited

B. G. Jain

Chairman & Managing Director

D. B. Jain

Joint Managing Director

Place : Surat

Date : 01.03.2014

CONSOLIDATED CASH FLOW STATEMENT FOR THE 12 MONTHS ENDED ON 31ST DECEMBER, 2013

	(Rs. In Lacs)	
	AS AT 31/12/2013	AS AT 31/12/2012
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit After Tax and Extraordinary items	6,949.06	5,797.60
Add : Depreciation	3,103.12	3,836.28
Interest	7,232.32	6,046.00
	<u>17,284.50</u>	<u>15,679.88</u>
Operating Profit before Working Capital Charges		
Add / (Less) : (Increase) / Decrease in Current Assets		
Debtors	(29,229.74)	(13,447.26)
Inventories	(7,564.62)	(26,478.71)
Loans & Advances	(7,823.53)	(988.05)
	<u>(27,333.39)</u>	<u>(25,234.15)</u>
Add / Less : Increase / Decrease in Current Liabilities & Provisions	18,464.08	7,519.67
Cash Generated From Operations	(8,869.31)	(17,714.48)
Misc. Expenditure (Not written off)	100.50	100.50
Minority Interest	22.20	22.20
Interest Paid	7,232.32	6,046.00
	<u>(1,514.29)</u>	<u>(11,545.78)</u>
Net Cash Flow From Operating Activities		
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase Of Fixed Assets	(132.12)	(34,365.37)
Capital Work In Progress	(2,780.91)	7,011.65
Purchase of Investments	(43.67)	(1.80)
Sales of Investments	-	-
Profit on Sale of Fixed Assets	-	-
	<u>(2,956.70)</u>	<u>(27,355.52)</u>
Net Cash Flow From Investing Activities		
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increasing in Share Capital	5,080.00	-
Increasing in Share Premium	5,080.00	-
Share Application Money	4,660.00	2,640.00
Proceeds From Borrowings	(10,369.81)	9,929.34
Increase in Capital Reserve	-	-
Foreign Currency Translation Reserve	3284.72	(352.16)
Proceeds From Unsecured Loans	(1,514.53)	26,660.72
Dividend & Dividend Tax Paid	(1052.96)	(576.46)
	<u>5,167.42</u>	<u>38,301.44</u>
Net Cash Flow From Financing Activities		
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	696.43	(599.86)
CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	24,258.82	24,858.68
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR	24,955.25	24,258.82

As per our report of even date

For N. M. Singapuri & Co.
Chartered Accountants
(N. M. Singapuri)

Partner

Membership No. 11601

Registration No. 110264W

Place : Surat

Date : 01.03.2014

For and on behalf of the Board of Directors of
Nakoda Limited
B. G. Jain

Chairman & Managing Director

D. B. Jain

Joint Managing Director

Place : Surat

Date : 01.03.2014

**DETAILS OF SUBSIDIARY COMPANIES PURSUANT TO (No:5/12/2007-CL-III) MCA,
 GOVERNMENT OF INDIA GENERAL CERCULAR NO: 2/2011
 UNDER SECTION 212(8) OF THE COMPANIES ACT, 1956**

Name of Subsidiary	% holding of Group as on December 31, 2013	Country of Incorporation	Reporting Currency	Exchange rate as on December 31,2013	Capital	Reserves	Total Asset	Total Liabilities	Investments (Other than investments in subsidiaries)	Turnover/ Total Income	Profit Before Taxation	Provision For Taxation	Profit After Taxation	Proposed Dividend
Indo Korean Petrochem Ltd.	90.25%	South Korea	KRW	0.047	3036.13	3264.83	53893.53	53893.53	-	10379.21	(793.67)	0.00	(793.67)	-
Nakoda Holdings Mauritius Ltd.	100.00%	Mauritius	USD	50.000	500.00	(16.98)	501.72	501.72	-	-	(3.35)	0.00	(3.35)	-
Gerback Holdings Pte. Ltd.	66.67%	Singapore	USD	50.000	4799.95	(3.00)	7227.36	7227.36	-	48.17	5.15	0.00	5.15	-
Nakoda Green Power Ltd.	100.00%	India	INR	-	225.00	0.00	314.05	314.05	-	-	0.00	0.00	0.00	-

For and on behalf of the Board of Directors of Nakoda Limited

Place : Surat

Date : 01.03.2014

B. G. Jain

Chairman & Managing Director

**Statement Pursuant to Section 212 (1) (e) of the
 Companies Act, 1956, relating to subsidiary Companies**

1 The Financial Year of subsidiary Company the ended on	31/12/2013
2 Extent of interest of Holding Company at the end of the Financial year of the subsidiary	
a) Extent of interest of Nakoda Ltd. (Holding Company) at the end of financial year of the subsidiaries:	
Nakoda Holdings Mauritius Ltd.	100.00%
Indo Korean Petrochem Ltd.	70.76%
Nakoda Green Power Ltd.	100.00%
b) Extent of interest of Nakoda Holding Mauritius Ltd. (Subsidiary Company) in Gerback Holding Pte. Ltd., Singapore.	66.67%
c) Extent of interest of Gerback Holding Pte. Ltd., Singapore in Indo-Korean Petrochem Ltd., Korea.	29.24%
3 The net aggregate amont of the subsidiary's Profit/(Loss) so far as it concern, the members of Holding Company.	
a) Not dealt with in the Holding Company's accounts.	
i) For the financial year ended as on 31st December, 2013	NIL
ii) For the previous financial year of the subsidiary Company	NIL
b) Dealt with in the Holding Company's accounts.	
i) For the financial year ended as on 31st December, 2013	Rs. (791.87) Lacs
ii) For the previous financial of the subsidiary since it became the Holding Company's subsidiary.	Rs. (275.91) Lacs

NAKODA LIMITED

Registered Office: Block No. 1 & 12 to 16, Village - Karanj, Taluka -Mandvi, Dist.- Surat – 394110.

PROXY FORM

Folio No. / Client ID _____

I/We _____
 of _____ being a member/members of the above named
 Company, hereby appoint _____
 of _____ or failing him _____ of
 as my/our proxy to vote for me/our behalf at the 29th Annual General Meeting of the Company, to be held
 at _____ and at adjournment thereof.

Signed this _____ day of _____ 2014

1 Rupee
 Revenue
 Stamp

Signature: _____

Note: Proxy Forms must reach the Company's Registered Office not less than 48 hours before the meeting.

----- (TEAR HERE) -----

NAKODA LIMITED

Registered Office: Block No. 1 & 12 to 16, Village - Karanj, Taluka -Mandvi, Dist.- Surat – 394110.

ATTENDANCE SLIP

To be handed over at the entrance of the Meeting Hall

Name of the attending Member (In Block Letters)	Folio No. / Client ID
Name of Proxy (In Block Letters) (To be filled in if the Proxy attends instead of the Member)	

No. of Shares held: _____

I hereby record my presence at the 29th Annual General Meeting of the Company held on Friday 27th June 2014 at 11.30 A. M. at Block No. 1 & 12 to 16, Village - Karanj, Taluka -Mandvi, Dist.- Surat – 394110.

 Member's/Proxy's Signature
 (To be signed at the time of handling over this slip)

BOOK-POST

If undelivered, Please return to :

NAKODA LIMITED

A-701, International Trade Centre,
Majura Gate, Ring Road, Surat 395 002