

RUBY TRADERS

&

EXPORTERS

LIMITED

Annual Report

2013-14

33rd ANNUAL REPORT**2013-2014****BOARD OF DIRECTORS**

Ramrati Choudhury	Chairman & Managing Director
Nikunj Kanodia	Independent Director
Ashish Jalan	Independent Director

COMPANY SECRETARY & COMPLIANCE OFFICER

Jyoti Goel

REGISTERED OFFICE

Martin Burn House
4th Floor, Room No. 52
1, R N Mukherjee Road
Kolkata – 700001

BANKERS

The Federal Bank Limited
State bank of Hyderabad

AUDITORS

Anish Kumar Banka
M/s. Bajoria Mayank & Associates
Chartered Accountants
19, R N Mukherjee Road
Kolkata – 700001

REGISTRAR & SHARE TRANSFER AGENTS

Niche Technologies Private Limited
D-511, Bagree Market
71, B R B Basu Road
Kolkata – 700001

33rd
Annual General Meeting
To be held on
July 15, 2014 (Tuesday)
at 4.00 PM
at its Registered Office

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NOTICE

NOTICE is hereby given that the **33rd Annual General Meeting** of **RUBY TRADERS and EXPORTERS LIMITED** will be held on **Tuesday, 15th July, 2014 at 4.00 p.m.** at the registered office of the company to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statement of the Company for the year ended 31st March, 2014 including Audited Balance Sheet as at 31st March 2014 and the Statement of Profit and Loss for the year ended on that date and the Reports of Board of Directors and Auditors thereon.
2. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution** :

“RESOLVED that pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, M/s. Bajoria Mayank and Associates, Chartered Accountants (Firm Registration No. 327336E), be and is hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Thirty Seventh AGM of the Company to be held in the year 2018 (subject to ratification of their appointment at every AGM), at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

SPECIAL BUSINESS:

3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Clause 49 of the Listing Agreement, Mr. Nikunj Kanodia (DIN: 06427863), in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the company to hold office for five consecutive years, for a term upto 31st March 2019.

4. To consider and if thought fit, to pass with or without modification (s), the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Clause 49 of the Listing Agreement, Mr. Ashish Jalan (DIN 06503424), who was appointed as the Additional Director of pursuant to the provisions of Companies Act, 1956 and who holds office up to this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the company to hold office for five consecutive years, for a term upto 31st March 2019.

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

“RESOLVED that the alteration made by the Board of Directors at the meeting held on 16th May, 2014, in the terms and conditions of appointment and remuneration as contained in the agreement of Appointment of Mr. Ramrati Choudhury (DIN 05178090), who was appointed as the Managing Director of the Company by the members of the Company at the AGM Dated 10th September 2013, be and his hereby approved.

“RESOLVED FURTHER that the Board of Directors be and is hereby authorised to alter and vary such terms of appointment and remuneration so as to not exceed the limits specified in Schedule V to the Companies Act, 2013 (corresponding to Schedule XIII to the Companies Act, 1956), as may be agreed to by the Board of Directors and Mr. Ramrati Choudhury.”

6. To consider and if thought fit, to pass with modifications(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT in supersession of all previous resolutions passed by the Company and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, consent of the members, be and is hereby accorded to the Board of Directors (hereinafter referred to as the “Board” which term shall be deemed to include any Committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this Resolution) for borrowing, on behalf of the Company, any sum or sums of money, from time to time, as they may consider fit, any sum of money, in any manner, and without prejudice to the generality thereof, by way of loans, advances, credits, acceptance of deposits or otherwise in Indian rupees or any other foreign currency, from any bank or banks, or any financial Institutions, other person or persons, and whether the same may be secured or unsecured, and if secured, whether domestic or international, whether by way of mortgage, charge, hypothecation, pledge or otherwise in any way whatsoever, on, over or in any respect of all, or any of the Company’s assets and effects or properties including uncalled capital, stock in trade (including raw materials, stores, spares and components in stock or stock in transit), notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) and remaining undischarged at any given time, will or may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose so however that the total amount upto which money may be borrowed by the Board under this resolution, at any one time shall not exceed, in the aggregate, the sum of Rs.25,00,00,000 (Rupees Twenty Five Crores only) and /or in equivalent foreign currency;

RESOLVED FURTHER THAT the Board be and is hereby authorised, to do all such acts, deeds, matters and things as may be necessary, expedient and usual to implement this resolution.”

By Order of the Board of Directors
For **RUBY TRADERS and EXPORTERS LIMITED**

Ramrati Choudhury
Managing Director

June 12, 2014
Kolkata

IMPORTANT NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the company.

During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.

Members / proxies should bring the duly filled Attendance slip enclosed herewith to attend the meeting.

2. The Register of members and the Share Transfer books of the Company will remain closed from Tuesday, 8th July, 2014 to Monday, 14th July, 2014 (both days inclusive) for the purpose of Annual General Meeting.

3. The Explanatory Statement pursuant to section 102 of the companies Act, 2013, which sets out details relating to special Business at the meeting, is annexed hereto.

4. Members holding shares in electronic form are hereby informed that bank particulars against their respective depository account will be used by the company for payment of dividend. The company or its Registrars cannot act on any request received directly from the members holding share in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to the company.

5. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the company of any change in address or demise of any member as soon as possible. Member are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

6. The Securities and Exchange Board of India (SEBI) has mandated the submission of permanent Account Number (PAN) by every participant securities market. Members holding shares in electronic form are, therefore, request to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in Physical form can submit their PAN details to the company.

7. Details under clause 49 of the Listing Agreement with the Stock Exchange respect of the directors seeking appointment/ re-appointment at the Annual general meeting, forms integral part of the notice. The directors have furnished the requisite declarations for their appointment/ re-appointment.

8. Electronic copy of the Annual Report for 2013-2014 is being sent to all members whose email IDs are registered with the company/ Depository participants(s) for communication purposes unless any members who have not registered their email address, Physical copies of the Annual report for 2013-2014 is being sent in the permitted mode.

9. Electronic copy of the Notice of the 33rd Annual General Meeting of the Company inter alia indicating the process and manner of e- voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the company /Depository Participants(s) for communication purpose unless any member has request for a hard copy of the same. For members who have not registered their email address, Physical copies of the Notices of the 33rd Annual General Meeting of the company inter alia indicating the process and manner of e- voting along with Attendance Slip and Proxy Form is being seen in the permitted mode.

10. Members may also note that the Notice of the 33rd Annual General Meeting and the Annual Report for 2013-2014 will also be available on the company’s website www.rubytraders.co.in for their download. The physical copies of the aforesaid documents will also be available at the company’s Registered Office in Kolkata for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company’s email id: email@rubytraders.co.in

11. All documents referred to in the accompanying Notice and the explanatory Statement shall be open for inspection at the Registered Office of the company during normal business hours (9.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the general meeting of the company.

12. No dividend has been proposed by the Board of Directors for the year ended 31st March, 2014.

13. None of the Directors of the Company are liable to retire to rotation for this year.

14. Voting through electronic means:

In compliance with provision of section 108 of the companies Act, 2013 and Rules 20 of the companies (Management and Administration) Rules, 2014, the company will provide its members facility to exercise their right to vote in the 33rd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting Services provided by Central Depository Services (India) Limited (CDSL).

The instructions for members for voting electronically are as under:-

(A) In case of members receiving e-mail:

- i) If you are holding shares in Demat form and had logged on to www.evotingindia.com and casted your vote earlier for EVSN of any Company, then your existing login id and password are to be used.
- ii) Log on to the e-voting website www.evotingindia.com.
- iii) Click on “Shareholders” tab to cast your votes.
- iv) Now, select the Electronic Voting Sequence Number - “EVSN” along with “COMPANY NAME” from the drop down menu and click on “SUBMIT”
- v) Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form	For Members holding shares in Physical Form
User ID	For NSDL: 8 Character DP ID followed by 8 Digits Client ID For CDSL: 16 digits beneficiary ID	Folio Number registered with the Company and omitting any special characters in Folio No.
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department when prompted by the system while e-voting (applicable for both demat shareholders as well as physical shareholders). Otherwise use default number DUMMY12345 in the PAN field.	

DOB#	Enter the Date of Birth as recorded in your demat account with CDSL in dd/mm/yyyy format .In case of demat accounts with NSDL/Physical cases use 01/01/1990 in the Date of Birth field.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. If not recorded, then use 1234567890 in the Bank Account Details.

* Members who have not updated their PAN with the Company/Depository Participant are requested to use the default number: **DUMMY12345** in the PAN field.

Please enter any one of the details in order to login. In case either of the details are not recorded with the depository please enter the value **01/01/1900** in **DOB** Or **1234567890** in the **Bank Detail** column.

- vi) After entering these details appropriately, click on “SUBMIT” tab.
- vii) Members holding shares in physical form will then reach directly the EVSN selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character(@ # \$ %and *). Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Kindly note that this changed password is to be also used by the Demat holders for voting for resolutions for the Company or any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform.
- viii) Click on the relevant EVSN on which you choose to vote.
- ix) On the voting page, you will see Resolution Description and against the same the option “YES/NO” for voting. Select the option YES or NO as the desired option. YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- x) Click on the “Resolutions File Link” if you wish to view the entire Resolutions.
- xi) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

(B) In case of members receiving the physical copy of Notice of AGM [for members whose e-mail IDs are not registered with the company/ depository participant(s) or requesting physical copy]:

(i) Please follow all steps from sl. no. (ii) to sl. no. (xii) above, to cast vote.

(C) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves, link their account which they wish to vote on and

then cast their vote. They should upload a scanned copy of the Board Resolution in PDF format in the system for the scrutinizer to verify the vote.

(D) The voting period begins on 9th July (9.00 a.m. IST) and ends on 11th July (6.00 p.m. IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 13th June 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

(E) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

(F) Members who do not have access to e-voting facility may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Mr. Mayank Bajoria, a Partner of Bajoria Mayank and Associates, Chartered Accountants, at the Registered Office of the Company not later than 11th July, 2014 (6.00 p.m. IST).

Members have the option to request for physical copy of the Ballot Form by sending an e-mail to email@rubytraders.co.in by mentioning their Folio / DP ID and Client ID No. However, the duly completed Ballot Form should reach the Registered Office of the Company not later than 11th July, 2014 (6.00 p.m. IST).

Ballot Form received after this date will be treated as invalid.

A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid

(G) The Board of directors has appointed Mr. Mayank Bajoria, Partner, Bajoria Mayank and Associates, Chartered Accountants, as a scrutinizer to scrutinize the voting process (both electronic and physical) in a fair and transparent manner.

(H) The Scrutinizer shall within a period not exceeding three working days from the conclusion of e-voting period unblock the votes in the presence of at least two witnesses not in employment of the Company and will make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the chairman of the meeting.

(I) The results on resolutions shall be declared at or after the Annual General Meeting of the Company and the resolutions will be deemed to be passed on the Annual General Meeting date subject to receipt of the requisite number of votes in favour of the Resolutions.

(J) The Results declared along with the Scrutinizer's report(s) will be available on the website of the Company within 2 days of passing of the resolutions and communication of the same to CSE Limited and UPSE Limited.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013**Item No. 3**

Mr. Nikunj Kanodia is a Non-Executive Independent Director of the company. He joined the Board of Directors of the company in the August 2013. Mr. Nikunj Kanodia is the chairman of the Audit committee and a member of the Stakeholders Relationship Committee and Nomination and Remuneration committee, of the board of Directors of the company.

Mr. Nikunj Kanodia is qualified Chartered Accountant. Earlier he was associated with S.V. Ghatalia and Associates, a member firm of the Ernst and Young Division in India. He has experience in the fields of accounts, auditing, taxation, finance and costing for more than four years.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Companies Act 2013 proposing the candidature of Mr. Nikunj Kanodia for the office of Director of the Company.

Section 149 of the Act *inter alia* stipulates the criteria of independence should a company propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a company and he shall not be included in the total number of directors for retirement by rotation.

The Company has received a declaration from Mr. Nikunj Kanodia that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. Mr. Nikunj Kanodia possesses appropriate skills, experience and knowledge, *inter alia*, in the field of finance.

In the opinion of the Board, Mr. Nikunj Kanodia fulfills the conditions for his appointment as an Independent Director as specified in the Act and the Listing Agreement. Mr. Nikunj Kanodia is independent of the management.

Brief resume of Mr. Nikunj Kanodia, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors *inter-se* as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

Copy of the draft letter for appointment of Mr. Nikunj Kanodia as an Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

The Board considers that his continued association would be of immense benefit to the company and it is desirable to avail services of Mr. Nikunj Kanodia as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Nikunj Kanodia as an Independent Director, for the approval by the shareholders of the company.

Except Mr. Nikunj Kanodia, being an appointee, none of the Directors and Key Managerial Personnel of the company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item no. 3. This Explanatory statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Item No. 4

Mr. Ashish Jalan is a Non-Executive Independent Director of the company. He joined the Board of Directors of the company in the December 2013. Mr. Ashish Jalan is the chairman of the Stakeholders Relationship

Committee and Nomination and Remuneration committee and a member of Audit committee, of the board of Directors of the company.

Mr. Ashish Jalan is a MBA Graduate. He has a vast experience in marketing field. Earlier he has worked in Airtel, Vodafone, Reliance, Sony Ericsson and now he is working in Videocon.

The Company has received a notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Companies Act 2013 proposing the candidature of Mr. Ashish Jalan the office of Director of the Company.

Section 149 of the Act *inter alia* stipulates the criteria of independence should a company propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a company and he shall not be included in the total number of directors for retirement by rotation.

The Company has received a declaration from Mr. Ashish Jalan that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. Mr. Ashish Jalan possesses appropriate skills, experience and knowledge, *inter alia*, in the field of finance.

In the opinion of the Board, Mr. Ashish Jalan fulfills the conditions for his appointment as an Independent Director as specified in the Act and the Listing Agreement. Mr. Ashish Jalan is independent of the management.

Brief resume of Mr. Ashish Jalan, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors *inter-se* as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

Copy of the draft letter for appointment of Mr. Ashish Jalan as an Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

The Board considers that his continued association would be of immense benefit to the company and it is desirable to avail services of Mr. Ashish Jalan as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Ashish Jalan as an Independent Director, for the approval by the shareholders of the company.

Except Mr. Ashish Jalan, being an appointee, none of the Directors and Key Managerial Personnel of the company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item no. 4. This Explanatory statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Item No. 5

After taking approval from the Shareholders in the Annual general Meeting, The Board of Directors at their meeting held on 10th September, 2013 appointed Mr. Ramrati Choudhury as the “Managing Director” of the company for a period of five years with effect from the said date on the terms and conditions as per agreement. He is also a member of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, of the board of Directors of the company.

Mr. Ramrati Choudhury is a qualified Graduate. He holds 15 years of experience in marketing field and also has a good knowledge of fabric material.

Mr. Ramrati Choudhury shall not be liable to retire by rotation.

The approval of the members is being sought to the terms of Remuneration has been changed by altering the agreement at the board meeting held on 16th March 2014 with retrospective effect from 10th September, 2013 at Rs. 1,32,000 p.a. (This amount is inclusive of all the allowances and perquisites)

In view of the provisions of Sections 197,198 and other applicable provisions of the Companies Act, 2013, the Board recommends the Ordinary Resolution set out at item no. 7 of the accompanying Notice for the approval of the Members.

Copy of the altered agreement referred to in the Resolution would be available for inspection without any fee by the members at the registered Office of the company during normal business hours on any working day, excluding Saturday, upto and including the date of the Annual General Meeting.

Mr. Ramrati Choudhury does not hold by himself or for any other person on a beneficial basis, any share in the company.

Except Mr. Ramrati Choudhury, being an appointee, none of the Directors and key Managerial personnel of the company their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5.

This Explanatory statement together with the accompanying notice may also be regards as a disclosure under Clause 49 of the listing agreement with stock Exchange.

ITEM NO. 6

Section 180(1)(c) of the Companies Act, 2013 requires that the Board of Directors shall not borrow money in Excess of the Company's paid up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business, except with the consent of the company accorded by way of a special resolution.

It is, therefore, necessary that the members pass a special Resolution under section 180(1)(c) and other applicable provision of the Companies Act, 2013, as set out at Item No.6 of the Notice, to enable to the Board of Directors to borrow money in excess of the aggregate of the paid up share capital and free reserves of the company. Approval of members is being sought to borrow money upto 25 Crores (Rupee Twenty Five Crores) in excess of the aggregate of the paid up share capital and free reserve of the Company.

None of the Directors and/or key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 6.

By Order of the Board of Directors
For **RUBY TRADERS and EXPORTERS LIMITED**

Ramrati Choudhury
Managing Director

June 12, 2014
Kolkata

DIRECTORS' REPORT, MANAGEMENT DISCUSSION & ANALYSIS

Dear Members,

Your Directors are pleased to present the **Thirty Third Annual Report** together with the Audited Statement of Accounts for the **year ended March 31, 2014**. The Management Discussion and Analysis is also incorporated into this Report.

1. CORPORATE OVERVIEW

Ruby Traders & Exporters Limited ("Your Company") is in the business of trading activities in textile products vide Grey and Finished Fabric, Cotton Sarees, advancing money in form of Inter Corporate Deposits to Corporate Entities and HNIs and making investments in Capital and Securities Market.

2. OVERVIEW OF THE ECONOMY

According to the latest estimate, Indian Economy grew by 4.7% in FY 2014. Despite a good monsoon, the manufacturing indices has declined, commodity prices stayed at high levels and food inflation reached an all-time high which resulted in sustained CPI inflation of over 10% in the last financial year. The Rupee depreciated significantly before retracting in the latter half of the year. Consumer sentiments remained subdued for most part of FY 2014.

However, the slow GDP growth appears to have bottomed out and post elections, economic activity is expected to pick up from the second quarter of FY 2015.

3. FINANCIAL PERFORMANCE

Financial Results	Rs. In Lacs	
	Year Ended March 31, 2014	Year Ended March 31, 2013
Revenue from Operations	109.57	14.50
Profit Before Tax & Extraordinary Items	9.01	2.06
Provision for Taxation	2.78	0.64
Profit after Tax	6.23	1.42
Profit brought forward from Previous Year	6.27	4.85
Balance carried forward to next year	12.50	6.27

4. FINANCE & ACCOUNTS

In the FY 2013-2014, your company has issued 41,50,000 Equity shares of Rs. 10 each at par on preferential basis. All the shares rank pari-passu with the existing shares. Further all the equity shares are listed on both The Calcutta Stock Exchange and The Uttar Pradesh Stock Exchange.

Your company prepares its financial statements in compliance with the requirements of the Companies Act, 1956 and the Generally Accepted Accounting Principles (GAAP) in India. The financial statements have been prepared on historical cost basis. The estimates and judgements relating to the financial statements are made on a prudent and reasonable basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and cash flows for the year ended March 31, 2014.

5. OVERVIEW OF THE INDIAN ECONOMY

A survey by global consultancy firm Ernst & Young (E&Y) sees India as the world's most attractive investment destination. With the opening up of foreign direct investment (FDI) in several sectors, India is today an eye-catching destination for overseas investors. The relaxation of norms by the government has created a vast opportunity for foreign players, who are competing for a greater role in the Indian market. Sectors projected to do well in the coming years include automotive, technology, life sciences and consumer products.

India has also become a hotbed for research and development (R&D) and the country is now a preferred destination for automotive R&D, as per a study on the Global Top 500 R&D spenders by globalization advisory and market expansion firm, Zinnov. The study noted that there was strong potential for growth in areas such as engineering analytics and that significant talent could be found in 'Deccan Triangle' region, which encompasses Pune, Bangalore and Hyderabad.

The World Bank has projected an economic growth rate of 5.7 per cent in FY15 for India, due to a more competitive exchange rate and several significant investments going forward.

India is the third biggest economy in the world in terms of purchasing power parity (PPP), according to a World Bank report. The country was ranked 10th in the previous survey conducted in 2005.

India will become the third largest economy in the world by 2043, as per Mr. P Chidambaram, former Union Finance Minister, India. The country has been consistently rated among the world's top three investment destinations by international bodies such as the World Bank and UNCTAD, supported by its liberal foreign investment policies.

While digitization in India continues to grow, the country's demand for paper is expected to increase by 53 per cent over the next six years, on the back of sustained growth in the number of school-going children in the hinterlands. Improved consumerism; modern retailing; rising literacy, backed by government spending on education; and the growing use of documentation is expected to sustain demand for writing and printing paper.

The US Green Building Council (USGBC) has ranked India third in a list of the top 10 countries (excluding the US) for Leadership in Energy & Environmental Design (LEED) certified buildings. The list reflects the global adaptability of the most widely used and recognized system in the world guiding the design, construction, maintenance and operations of green buildings.

Merchandise exports grew at a five-month high of 5.3 per cent in April 2014 to touch US\$ 25.6 billion, against US\$ 24.35 billion in April 2013, according to official data. Outbound shipments grew on the back of high-value engineering goods, drugs and pharmaceuticals, and textile products. Engineering exports rose by 21.3 per cent to touch US\$ 5.7 billion, while pharma rose 10.4 per cent to touch US\$ 1.3 billion.

With European corporations taking a cue from their US counterparts to make outsourcing mainstream, India's software companies, sensing the opportunity, are hiring and looking for acquisitions to grow in Europe. Tata Consultancy Services, India's largest information technology (IT) provider, invested in on-site hiring in Europe and also acquired French IT services player Alti for US\$ 75 million in 2013. Infosys bought Zurich-based consultancy firm Lodestone for US\$ 349 million, in 2012. More acquisitions look likely in future.

The stakes held by foreign institutional investors (FII) in Indian companies touched a record high in the fourth quarter of FY 14. The estimated value of FII holdings in India stands at US\$ 279 billion.

The cumulative amount of FDI equity inflow into India stood at at US\$ 212,031million in the period April 2000–February 2014, while FDI equity inflow during April 2013–February 2014 was recorded as US\$ 20,766 million, as per data published by Department of Industrial Policy and Promotion (DIPP).

Private equity (PE) investments in the Indian real estate sector grew by 13 per cent at Rs 7,000 Crore (US\$ 1.17 billion) in 2013 as against Rs 6,200 Crore (US\$ 1.03 billion) in 2012, as per a report by Cushman & Wakefield.

In an effort to take bilateral trade relations to another level, the Cabinet has given the green signal to the proposal of the free trade agreement (FTA) on services and investment with the Association of Southeast Asian Nations (ASEAN). The two-way partnership is targeting US \$100 billion by 2015, for which an integrated and comprehensive transport network is necessary.

Thus, the emphasis is on a massive road connectivity plan which will tie the region together and subsequently enhance economic objectives. Also, agricultural gross domestic product (GDP) in the country is projected to grow by over five per cent in the current agricultural year (July 2013–June 2014).

6. OPPORTUNITIES

Investment in Shares & Securities as well as Money Market

The Indian money market is "a market for short-term and Long term funds with maturity ranging from overnight to one year and includes financial instruments that are deemed to be close substitutes of money. It is diversified and has evolved through many stages, from the conventional platform of treasury bills and call money to commercial paper, certificates of deposit, repos, FRAs and IRS more recently.

The Indian money market consists of diverse sub-markets, each dealing in a particular type of short-term credit. The money market fulfills the borrowing and investment requirements of providers and users of short-term funds, and balances the demand for and supply of short-term funds by providing an equilibrium mechanism.

Despite the recent headwinds India has faced, its fundamentals remain solid. The economy is slowly regaining momentum, with both domestic and external conditions starting to improve. Favorable demographics and recent government reforms are expected to accelerate expansion over the medium term, making India the world's fifth-fastest growing economy by 2015. Recent reforms in support of growth include the raised FDI ceilings for the retail, airline, telecoms, financial and defense sectors. To support future growth, the Government should focus on infrastructure investment and increased efficiency in delivery mechanisms. The monetary policy might remain tight in the near future, triggered by the US Federal Reserve's remarks in May about potentially scaling back its quantitative easing program. Consequently, to support the rupee, the Central Bank has announced a window in which foreign currency non-resident US dollar fund swaps will be allowed, enabling banks to convert US dollar deposits by Indians abroad. India saw tepid GDP growth in 2012, as it grappled with a challenging investment climate. Recently, the economy has been hampered by high fiscal deficit and low investment growth. The Government aims to bring down the fiscal deficit from 4.9% in 2012–13, to 3% by 2016–17.

Will 2014 be any different for retail investors, who have been battling high inflation and earning negative real returns from both financial and physical assets for the past one year?

In 2013, equity markets remained tame due to slowing economy, bonds lost value as interest rates

rose and physical assets such as real estate and gold also started feeling the effect of economic slowdown.

7. THREATS & CONCERNS

Is weather a political issue? Historically, in India it has always been. When rains are bountiful, political parties in power take the credit for the higher farm output and farmers' income. When the monsoon fails or a drought happens -- a situation notoriously loved by everyone -- all parties rush to to make the most of farmers' misery.

In this context, 2014 could be a year that political parties could love. This is because international weather forecasters have predicted an El Nino this year. El Nino is a weather pattern that occurs every 2-12 years.

Crisil notes that an El Nino occurs when equatorial Pacific waters become unusually warm. It can change ocean and wind currents across the globe, wreaking havoc on the climate. More pertinently, for India, El Nino shifts rainfall patterns and can weaken or delay the Asian monsoon. In the last decade, it was one of the factors responsible for two of India's most severe monsoon failures (2002 and 2009), Crisil said in a recent note, rising concerns about the likely impact on the economic growth.

Many brokerages have joined the chorus. According to American investment bank Jefferies, higher weather risks are providing a definite reason to be cautious on consumer stocks in India. "Global meteorological departments have shown that El Nino risks are rising. Uncertainties around whether the event actually occurs, its strength and impact on India stay high...," the brokerage warned in a note.

Historically, the agricultural sector growth has fallen by an average 4.7 percent in strong El Nino years, with even the least impacted season producing agricultural contraction. This contrasts with the average 4% growth in agriculture GDP since 2003, with the worst growth being 0.1 percent in FY09, it notes.

Bank of America Merrill Lynch estimates that an El Nino-induced drought poses a 50-75 basis point-risk to its GDP growth forecast of 5.4 percent for April 2014- March 2015. "The drought directly impacts the autumn kharif harvest (8 percent of GDP). A 3 percent swing, for example, will pull down growth by about 25 basis points. There is also an indirect impact on consumption, as well as the adverse impact of higher inflation," it said in a research report recently.

It sees CPI inflation rising about 250-400 basis points if weather damages the autumn harvest, pushing up food prices. "A 5 percent swing in food prices will induce a 250 basis point impact on CPI inflation as food has about 50 percent weight. Similarly, a 5 percent move in agflation impacts WPI inflation by 175 basis points," it said. Agflation is the inflation in food prices because of higher demand.

More important is the impact this will have on the policy measures of the RBI and the government. Brokerages see higher inflation rates putting pressure on the RBI to raise policy rates or hold back from cutting them in the near future. Media reports say the recent hailstorm in Maharashtra is already pushing up food prices.

Jefferies warns that El Nino is one of the extremely few extraneous events that could cause the new government to change the focus away from investment-inducing, pro economic growth policies.

However, political parties are busy charging against each other in the run up to the elections. The most significant is the campaign by the BJP, a party likely to lead the next ruling coalition, as per opinion pollsters' predictions.

In one of the ads, a lady complains about the price rise that happened during the UPA rule. She fumes about the high diesel and petrol prices, which pushed up inflation to double-digit levels during the last few years. She also says that people will not pardon the UPA for making their lives miserable. However, it is not clear whether the party's prime ministerial candidate Narendra Modi possesses a magic wand to deal with the situation in case of an El Nino. One thing is for sure, he will not be in a position to roll back the fuel price deregulation steps kicked off by the UPA at the fag end of its tenure. It was this reform that halted a downgrade by rating agencies last year. And prices of all the commodities, essential and non-essential, are dependent on fuel prices.

The India Meteorological Department, on its part, has been responsive. It has said today in The Economic Times that El Nino fears are being spread by the western countries, because they want to cash in on the volatility in the commodities and stock markets in India. One can only hope that this turns out to be true, in which case we may not have to endure more pain next year.

8. RISK MANAGEMENT

We follow Enterprise Risk Management (ERM) tool designed to clarify the risk levels and encourage behavior throughout the Group. The process considers opportunities and threats to short and medium term objectives as defined. ERM ensures the coordination and development of risk management activities throughout all decision making levels and communicates all significant risks to the top level of management. The tool is designed to provide the risk score measures for each of the potential risk as well as its financial, reputational and operational impact by way of quarterly report. The report provides for categorization of risk into threat or opportunity and provides brief statement on its cause, impact, treatment, control measures, level of confidence in the controls, acceptability of identified risks, potential improvements, risk improvement plans critical success factors and target dates to control the risk. The risk assessment is done annually with quarterly updates. The process has been designed to deliver timely results.

The Company has aligned its policy on risk assessment in line with global approach and risk assessment reports are reviewed on regular intervals. The Company has adopted a focused approach towards risk management in the form of a corporate insurance program which has the goal of optimizing the financing of insurable risks by using a combination of risk retention and risk transfer. The program covers all potential risks relating to business operations of the Company at its various locations.

The Company's business critical software is operated on a server with regular maintenance and back-up of data and is connected to centralized computer center with two physically separated server parks operated by the Company. The system's parallel architecture overcomes failures and breakdowns. Reliable and permanently updated tools guard against virus attacks. The global communication network is managed centrally and is equipped to deal with failures and breakdowns. Updated tools are regularly loaded to ensure a virus free environment.

9. INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company has implemented a comprehensive system of internal controls and risk management systems for achieving operational efficiency, optimal utilisation of resources, credible financial reporting and compliance with local laws. These controls are regularly reviewed by both internal and external agencies for its efficiency and effectiveness. Management information and reporting system for key operational activities form part of overall control mechanism.

The Company has retained the services of independent firms of professionals to function as internal auditors and provide reports on various activities covering observations on adequacy of internal controls and their recommendations. Findings of internal audit reports and effectiveness of internal control measures are reviewed by top management and audit committee of the Board. During the

year, internal audit team of Company performed audits of major operational areas of the Company and carried out elaborate checks and verification and shared their findings with top management for remediation of minor gaps wherever required.

10. HUMAN RESOURCES

The Company recognizes that its success is deeply embedded in the success of its human capital. During 2013-14, the Company continued to strengthen its HR processes in line with its objective of creating an inspired workforce. The employee engagement initiatives included placing greater emphasis on learning and development, launching leadership development programme, introducing internal communication, providing opportunities to staff to seek inspirational roles through internal job postings, streamlining the Performance Management System, making the compensation structure more competitive and streamlining the performance-link rewards and incentives.

The Company believes that learning is an ongoing process. Towards this end, the Company has built a training infrastructure which seeks to upgrade skill levels across grades and functions through a combination of in-house and external programme.

11. ANALYSIS & REVIEW

Textile and Apparel Industry Conditions

Indian Textiles Industry is one of the leading sectors of the Indian Economy and contributes significantly to the country's industrial output (14%). It employs 35 million people in direct employment and another 20 million in indirect employment, and earns much needed Foreign Currency with 17% of India's exports coming from Textiles and Garments. Overall, it contributes 4% to India's GDP.

Textile Industry is one of the largest employers in India and has strong linkages with the rural economy. The growing young-middleclass population is a source of great potential and provides immense opportunities to spur growth in the industry going forward.

The major challenge that the textile and apparel industry is facing is rising production costs, arising out of rising wages, power cost and interest costs.

12. INTERNAL CONTROL SYSTEMS AND ADEQUACY

Your Company has developed adequate Internal Control Systems in place to ensure a smooth functioning of its business. The Control System provides a reasonable assurance of recording the transactions of its operations in all material aspects and of providing protection against misuse or loss of company's assets.

13. PUBLIC DEPOSITS

During the year under review, your company has not accepted any deposits from the public within the meaning of section 58A of the Companies Act 1956 and the rules there under.

14. COMPLIANCE

The compliance function of the company is responsible for independently ensuring that the operating and business units comply with regulatory and internal guidelines. New instructions/guidelines issued by the regulatory authorities were disseminated across the company to ensure that the business and

business units operate within the boundaries set by the regulators and that compliance risks are suitably monitored and mitigated in course of their activities & processes.

15. DIRECTORS

During the year under review, Mr. Ashish Jalan is appointed as the Additional Director in the company. He offers himself as eligible to be appointed as the Independent Director of the company.

Also, during the year under review, Mr. Rajnish Parolia, Mr. Nishant Kothari, Mr. Ratan Pandit, Mr. Sovon Chakrovorty and Mr. Murari Lal Kanodia resigned from the Board.

Further, none of the Directors of the company are disqualified under section 274(1)(g) of the Companies Act, 1956.

16. AUDITORS

Auditors M/s Bajoria Mayank & Associates, Chartered Accountants, Kolkata holds the office until the conclusion of the ensuing Annual General Meeting. Your company has received certificate from the Auditors u/s 224(1B) of the Companies Act, 1956 to the effect that their reappointment if made, will be within the limit prescribed.

The shareholders are requested to appoint the Auditors and fix their remuneration.

17. COMMENTS ON AUDITOR'S REPORT

The notes referred to in the Auditor's Report are self - explanatory and as such they do not call for any further explanation as required under section 217(3) of the Companies Act, 1956.

18. PARTICULARS OF THE EMPLOYEES

The information as required by provisions of section 217(2A) of the Companies Act, 1956 read with companies (Particular of employees) amendment rules, 1988 is reported to be NIL.

19. PARTICULARS UNDER SECTION 217(I)(E) OF THE COMPANIES ACT, 1956

The company is engaged in the business of trading in textile products. Also, it is engaged in the business of Capital market & Finance Sector. Hence, the information regarding conservation of energy, Technology Absorption, Adoption and Innovation, the information required under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988, is reported to be NIL

The Company has not earned or used foreign exchange earnings/outgoings during the year under review.

20. CAUTIONARY STATEMENTS

Statement in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be forward looking statements. Actual results may differ materially from those expressed or implied. Important factors that could make a difference to the

Company's performance include economic conditions affecting demand/supply and price conditions in the domestic and overseas market in which the Company operates, changes in the Government Regulations, Tax Laws, Statues and other incidental factors.

21. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Amendment Act, 2000 the Directors confirm that :

- a. In the preparation of the Annual Accounts, for the year ended 31st March 2014, all the applicable accounting standards prescribed by the Institute of Chartered Accountants of India have been followed.
- b. The Directors had adopted such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period.
- c. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. The Directors had prepared the annual accounts on a going concern basis.

22. APPRECIATION

Your Directors wish to place on record their appreciation for the contribution made by the employees at all levels but for whose hard work, and support, your company's achievements would not have been possible. Your Directors also wish to thank its customers, dealers, agents, suppliers, investors and bankers for their continued support and faith reposed in the company.

By Order of the Board of Directors
For **RUBY TRADERS and EXPORTERS LIMITED**

Ramrati Choudhury
Managing Director

May 19, 2014
Kolkata

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange, Compliance with the requirements of Corporate Governance is set out below :-

Company's Philosophy on Code of Governance

Corporate Governance for the Company means achieving high level of accountability, efficiency, responsibility and fairness in all areas of operation. Our employees are committed towards the protection of the interest of the Stakeholders viz. Shareholders, creditors, investors, clients, etc. Our policies consistently undergo improvements keeping in mind our goal i.e. maximization of value of all the stakeholders.

The goal is achieved through –

- Infusion of best expertise in the Board;
- Consistent monitoring and improvement of the human and physical resources;
- Board/ Committee meetings at regular intervals to keep the Board informed of the recent happenings.

BOARD OF DIRECTORS

Composition of Directors & Changes

The Constitution of Board of Directors of the Company is governed by the Companies Act 1956 and the Clause 49 of the Listing Agreement. The company's Board comprises a combination of executive and non-executive directors. The Board presently consists of 3 (Three) Directors and its mix provides a combination of professionalism, knowledge and experience required in line of the business of the Company.

The Independent Directors on the Board are competent and highly respected professionals from their respective fields and have vast experience in general corporate management, finance, banking and other allied fields which enable them to contribute effectively to the Company in their capacity as members of the Board. The day to day management of the Company is conducted by Managing Director subject to supervisions and control of the Board.

None of the non-executive directors has any material pecuniary relationships or transactions with the company, its promoters, directors and associates which in their judgment would affect their independence. None of the directors are inter-se related to each other.

The Board of Directors met 20 times on 29th April 2013, 30th July 2013, 17th August 2013, 1st September 2013, 24th September 2013, 28th October 2013, 29th October 2013, 14th November 2013, 15th November 2013, 29th November 2013, 2nd December 2013, 10th December 2013, 30th December 2013, 31st December 2013, 10th January 2014, 3rd February 2014, 14th February 2014, 4th March 2014, 16th March 2014, 24th March 2014 during the financial year ended on 31st March 2014.

Details of Composition of Board, category of the Directors and their attendance at Board Meetings and last Annual General Meeting, number of other directorship are given below :-

Name	Designation	Board Meetings Attended	Whether Attended AGM	Committee Membership	Committee Chairmanship	No. of Directorship in other Public Ltd. Co.
Mr. Ramrati Choudhury	Managing Director	18	Yes	2	Nil	1
Mr. Nikunj Kanodia	Independent Director	18	Yes	2	1	1
Mr. Ashish Jalan	Independent Director	8	Yes	2	1	1

AUDIT COMMITTEE

The Audit Committee was constituted on 4th March 2014 pursuant to the increase in the paid-up share capital of the company from Rs. 24,00,000 to Rs. 4,39,00,000 by way of preferential allotment.

The Audit Committee consists of two Independent Directors & the Managing Director. All members of the Audit Committee are financially literate and they have accounting or related financial management expertise.

The primary purpose of the Audit Committee is to assist the Board of Directors (the "Board") of M/s. Ruby Traders & Exporters Limited, (the "Company") in fulfilling its oversight responsibilities with respect to –

(a) the accounting and financial reporting processes of the Company, including the integrity of the audited financial results and other financial information provided by the Company to its stockholders, the public, stock exchanges and others,

(b) the company's compliances with legal and regulatory requirements,

(c) the Company's independent auditors' qualification and independence,

(d) the audit of the Company's Financial Statements, and performance of the Company's internal audit function and its Independent Auditors.

Terms of Reference

The Audit Committee inter alia performs the functions of approving Annual Internal Audit Plan, review of financial reporting system, internal control system, discussion on quarterly, half-yearly and annual financial results, interaction with Statutory & Internal Auditors, one-on-one meeting with Statutory and Internal Auditors, recommendation for the appointment of Statutory and fixing their remuneration, appointment and remuneration of Internal Auditors, Review of Business Risk Management Plan, Management Discussions & Analysis, Review of Internal Audit Reports, significant related party transactions. The Company has framed the Audit Committee Charter for the purpose of effective compliance of Clause 49 of the Listing Agreement. In fulfilling the above rule, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

Additionally, the following terms of reference were issued to the Audit Committee by the Board of Directors:

- a) To consider and recommend to the Board the investment guidelines for Capital and Money Market operations;
- b) To review the Annual Budget;
- c) To take note of the significant decisions taken or important developments considered at the Management;
- d) Committee/ Working Board Meetings; and
- e) To carry out any other duties that may be delegated to the Audit Committee by the Board of Directors from time-to-time.

Authority and Responsibilities

The Audit Committee has power to investigate any activity within its terms of reference, call upon the Employees of the Company, to obtain outside legal or other professional advice as and when the same is being required and to secure attendance of outsiders with relevant expertise, if it considers necessary.

Following are the Role of Audit Committee -

- 1) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- 2) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- 3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- 4) Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
- 5) Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- 6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- 7) Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
- 8) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- 9) Discussion with internal auditors any significant findings and follow up there on.
- 10) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.

- 11) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- 12) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- 13) To review the functioning of the Whistle Blower Mechanism.
- 14) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
- 15) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

In addition to the above, Audit Committee reviews the followings :

- i. Management discussion and analysis of financial condition and results of operations;
- ii. Statement of significant related party transactions submitted by management;
- iii. Management letters / letters of internal control weaknesses issued by the statutory auditors and qualification in draft audit report;
- iv. Internal audit reports relating to internal control weaknesses;
- v. To review the annual financial statements and recommend their adoption to the Board, with particular reference to disclosure of any related party transaction;
- vi. To review the Quarterly financial statements and recommend their adoption to the Board; and
- vii. The appointment, removal and terms of remuneration of the Chief internal auditor.

The members of Audit Committee met two times on 4th March, 2014 and 31st March 2014, during the financial year ended on 31st March, 2014.

Name	Number of Meetings Held	Meetings Attended
Mr. Ramrati Choudhury	2	2
Mr. Nikunj Kanodia*	2	2
Mr. Ashish Jalan	2	2

* Chairman of the Committee

REMUNERATION COMMITTEE

Since the Company does not have remuneration committee (constitution of which is a non-mandatory requirement under the Companies Act, 1956), the details pertaining to the same are not provided.

However, the Company is in the process of forming a Nomination & Remuneration Committee as per the requirements of the Companies Act, 2013.

SHAREHOLDERS/INVESTORS GRIEVANCES COMMITTEE

The Shareholders/Investors Grievances Committee was constituted on 4th March 2014 pursuant to the increase in the paid-up share capital of the company from Rs. 24,00,000 to Rs. 4,39,00,000 by way of preferential allotment.

The Shareholders Grievances Committee of the Board has been constituted to look into complaints like transfer of shares, non-receipt of dividend etc. The committee is under chairmanship of Mr. Ashish Jalan, a Non-Executive Director with two other Directors namely Mr. Ramrati Choudhury, Managing Director and Mr. Nikunj Kanodia, Non-executive Director. Ms. Jyoti Goel will act as the Compliance Officer. The Committee generally meets once in three months to deal with any complaints or grievances as may be received from the Shareholders. No Complaint had been received during the Financial Year.

During the financial year, two meetings of the Shareholders Grievance Committee of Directors were held on 4th March 2014 and 31st March 2014.

Name	Number of Meetings Held	Meetings Attended
Mr. Ramrati Choudhury	2	2
Mr. Nikunj Kanodia	2	2
Mr. Ashish Jalan*	2	2

*Chairman of the committee

The Committee meets and inter-alia, deals with various matter relating to:

- Transfer/transmission/transposition of shares;
- Consolidation/splitting of shares/folios;
- Issue of Share Certificates for lost, sub-divided, consolidated, rematerialize, defaced etc;
- Review of Shares dematerialized and all other related matters; and
- Investors' grievances and redressal mechanism and recommend measures to improve the level of Investor Services.

The Share Department of the Company and the Registrar and Share Transfer Agent i.e. M/s. Niche Technologies Pvt. Ltd. attend to all grievances of the shareholders and investors received directly or through SEBI, Stock Exchanges and Registrar of Companies etc.

The Minutes of Shareholders' Grievances Committee are noted by the Board of Directors at the Board Meetings.

Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors. Shareholders are requested to furnish their telephone numbers and email addresses to facilitate prompt action.

Compliance Officer

The Company has appointed Ms. Jyoti Goel, Company Secretary, as the Compliance Officer within the meaning of Listing Agreement.

Details of Shareholders' Complaints

During the year the Company did not receive any complaint from its Members and there were no Complaints at the end of Financial Year ending on 31st March, 2014. Further, as required under Clause 47C of the Listing Agreement, a Certificate on half-yearly basis confirming due compliance of share transfer formalities by the Company from Practicing Company Secretary has been submitted to the Stock Exchanges within stipulated time.

GENERAL BODY MEETINGS

Location & time for the last three Annual General Meetings:

Annual General Meeting	Date & Time	Venue
2012-2013	10 th September 2013, 11.00 A.M.	42/1, B.B.Ganguly Street, Kolkata – 700012
2011-2012	29 th September 2012, 11.00 A.M.	42/1, B.B.Ganguly Street, Kolkata – 700012
2010-2011	23 rd September 2011, 11.30 A.M.	41, Burtolla Street, Kolkata - 700007

Special Resolution passed at last three Annual General Meetings

No Special Resolution has been passed at the last three Annual General Meetings.

Passing of Resolution by Postal Ballot

No Special Resolutions were passed in the last year through Postal Ballot.

At the forthcoming Annual General Meeting, there is no item on the agenda that needs approval by Postal Ballot.

Extra-Ordinary General Meeting

Extra-Ordinary General Meeting was held by the company 9th January 2014 for the purpose as mentioned herein below:

- Increase in Authorised Capital from Rs. 0.25 Crore to Rs. 5.00 Crore

Extra-Ordinary General Meeting was held by the company 25th January 2014 for the purpose as mentioned herein below:

- Proposal for Issue and Allotment up to 43.10 Lac Equity shares to Non-promoter Group at a price of Rs. 10/- per Equity share.

Further, Extra-Ordinary General Meeting was held by the Company on 28th February 2014 for the purpose as mentioned herein below:

- Adoption of New Articles of Association

Further, No Extra-Ordinary General Meeting was held by the company during the year 2012-13 & 2011-12.

BOARD DISCLOSURES**Risk Management**

The Company has a Risk Management Policy which has been adopted by the Board of Directors, currently, the Company's risk management approach comprises of the following :-

- Governance of Risk
- Identification of Risk
- Assessment of Control of Risk

The risks have been prioritized through a companywide exercise. Members of Senior Management have undertaken the ownership and are working on mitigating the same through co-ordination among the various departments, insurance coverage, security policy and personal accident coverage for lives of all employees.

The Company has appointed a Risk Officer and also put in place the risk management framework, which helps to identify various risks cutting across its business lines. The risks are identified and are discussed by the representatives from various functions.

Risk Officer will make a presentation periodically on risk management to the Board of Directors and the Audit Committee. The Board and the Audit Committee provide oversight and review the risk management policy periodically.

DISCLOSURE OF ACCOUNTING TREATMENT

In the preparation of financial statements, the Company has followed the Accounting Standards referred to in Section 211(3)(c) of the Companies Act, 1956. The Significant Accounting Policies which are consistently applied are set out in the Notes to the Financial Statements.

INSIDER TRADING

The Securities and Exchange Board of India (SEBI) has over the years introduced various amendments to the Insider Trading Regulations of 1992 which ordain new action steps by corporate and other market intermediaries for the purposes of prevention of Insider trading.

Pursuant to the above requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended, the Company has adopted a 'Code of Conduct' for prevention of Insider Trading (The Code) with effect from October 1, 2002. The Code is applicable to all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company. The Compliance Officer has been appointed for monitoring adherence to the said Regulations.

DISCLOSURES

(a) There is only one transaction with related parties (KMP) i.e. with Managing Director of the company.

However, there are no transactions with other related parties like Promoters, Subsidiaries or Relatives that may have potential conflict of interest with the Company at large.

Details of Related party Transaction:

Rs. 75,000 has been paid to Managing Director as Managerial Remuneration.

(b) There has been no instance of non-compliance by the Company on any matter related to Capital Markets and hence the question of penalties or strictures being imposed on the Company by the Stock Exchange or SEBI or any Statutory Authority does not arise.

(c) In Compliance with the Securities & Exchange Board of India (Prohibition of Insider Trading Regulations, 1992) as amended till date, on Prohibition of Insider Trading, the Company has a comprehensive Code of Conduct and the same is being strictly adhered to by its management, staff and relevant business associates. The code expressly lays down the guidelines and the procedure to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them on the consequences of non-compliance thereof.

(d) Reconciliation of Share Capital Audit :- The Statutory Auditor carries out Share Capital Audit on quarterly basis to reconcile the total admitted capital with Central Depository Services (India) Ltd. (CDSL) and National Securities Depository Ltd. (NSDL) and the total issued and listed capital. The secretarial audit report confirms that the total issued/ paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

CODE OF CONDUCT

The Code of Conduct in line with the provisions of Clause 49 of the Listing Agreement has been framed /adopted by the Board and is applicable to all the members of the Board and Senior Management Executives. This Code forms an integral part of the Company's Governance Policy. The Company adheres to the highest Standards of business ethics, compliance with the Statutory and Legal requirements and commitment to transparency in business dealings.

CODE OF BUSINESS CONDUCT & ETHICS

The Company has adopted Code of Business Conduct and Ethics (“the Code”) which is applicable to the Board of Directors and Senior Management Team (one level below the Board of Directors) of the Company. The Board of Directors and the members of Senior Management Team are required to affirm semi-annual compliance of this Code. The Code requires Directors and Employees to act honestly, fairly, ethically and with integrity, conduct themselves in professional, courteous and respectful manner. The Code is displayed on the Company website.

CONFLICT OF INTEREST

Each Director informs the Company on an annual basis about the Board and the Committee positions he occupies in other companies including Chairmanships and notifies changes during the year. Members of Board while discharging their duties, avoid conflict of interest in the decision making process. The members of Board restrict themselves from any discussions and voting in transactions that they have concern or interest.

DISCLOSURES ON MANDATORY / NON – MANDATORY REQUIREMENTS

The Company has adopted/ complied with the following mandatory/non-mandatory requirements as prescribed in Annexure 1D to Clause 49 of Listing Agreement with the Stock Exchange:-

- a) None of the Independent Directors on the Board of the Company have served for the tenure of exceeding nine years. The Company has ensured that the person who is being appointed as an Independent Director has the requisite qualifications and experience which would be of use to the Company and which in the opinion of the Company would enable him to contribute effectively to the Company in his capacity as an Independent Director.
- b) The Company has not setup Compensation and Remuneration Committee.
- c) There was no case of Non-Compliance during the financial year 2013-14 in terms of provisions of Listing Agreement entered into with CSE & UPSE by the Company. Further, no penalties have been levied or actions have been taken by CSE, UPSE or SEBI during last three years.
- d) We publish our quarterly results and half yearly results in widely circulated newspapers whereas we did not send half yearly results to any of shareholders. The results are also uploaded on the company’s website i.e. www.rubytraders.co.in.
- e) The financial statements of the Company are unqualified.
- f) The Board of Directors of the Company at its meeting held on 14th February 2014 have adopted the Whistle Blower Policy and appointed an ombudsperson. Employees can report to the Management concerned unethical behaviour, act or suspected fraud or violation of the Company’s Code of Conduct Policy. No Employee has been denied access to the Audit Committee.

MEANS OF COMMUNICATIONS

- In compliance with the requirement of Listing Agreement, the Company regularly intimates financial results to The Calcutta Stock Exchange Limited And U.P. Stock Exchange Limited immediately after they are approved by Board of Directors.
- The Quarterly/ Half Yearly/ Nine Months & Annual Results have been submitted to The Calcutta Stock Exchange Limited And U.P. Stock Exchange Limited and published in the leading English Newspapers and in vernacular language Newspaper.
- Company posts its Quarterly Results/ Half Yearly/ Nine Months & Annual Results on its website www.rubytraders.co.in
- Official News releases have been posted on its web portal www.rubytraders.co.in

- No formal representations were made to Institutional Investors or Analysts during the year under review.
- Management Discussion and Analysis forms part of the Annual Report will be posted to the shareholders of the Company.

GENERAL SHAREHOLDERS' INFORMATION

Detailed information in this regard is provided in section "Shareholders Information" which forms part of this Annual Report.

SHAREHOLDERS' INFORMATION

a. Next Annual General Meeting

The information regarding 33rd Annual General Meeting for the financial year ended on 31st March, 2014 is as follows:-

Date : 15th July, 2014
 Time : 4.00 p.m.
 Venue : 1, R. N. Mukherjee Road, Martin Burn House,
 4th Floor, Room No. 52, Kolkata – 700001

b. **Financial Calendar** : 1st April to 31st March

c. **Future Calendar** :

Subject Matter	Date
Financial Reporting of 4 th quarter ended on 31 st March 2014	On 19 th May 2014
Financial Reporting of 1 st quarter ended on 30 th June 2014	In August 2014
Financial Reporting of 2 nd quarter ended on 30 th September 2014	In November 2014
Financial Reporting of 3 rd quarter ended on 31 st December 2014	In February 2014
Date of Annual General Meeting	On 15 th July 2014 at 4.00 p.m.

- d. **Date of Book Closure** : 8th July 2014 to 14th July 2014 (Both days inclusive)
 e. **Dividend Payment** : NIL
 f. **Listing of Shares** : The Calcutta Stock Exchange Limited & U.P. Stock Exchange Limited
 g. **Custody Charges & Listing Fees** : Annual Custody charges to NSDL & CDSL and Annual Listing fees to CSE & UPSE have been paid for financial year 2014-2015.
 h. **Stock Code & ISIN Code** : 10028189 on CSE
 : INE516E01019 on CDSL & NSDL
 i. **Market Price Data** : Due to nil volume in the past, we are unable to produce the same for the Scrip vs. CSE Sensex.

j. Registrar & Share Transfer Agent :

M/s Niche Technologies Private Limited has been appointed as Registrar & Share Transfer Agent for all work relating to share registry in terms of both physical and electronic mode. All transfer, transmission, request related to correspondence/queries, intimation of change of address etc. should be addressed to our RTA directly at the following Address:

M/s. Niche Technologies Private Limited
 D-511, Bagree Market, 71, BRB Basu Road, Kolkata – 700 001
 Tel: 033-2235-7270/7271, Fax: 033-2215-6823
 Email: nichetechpl@nichetechpl.com, Web: www.nichetechpl.com

k. Share Transfer Systems

The Share transfer is processed by the Registrar & Share Transfer Agent, M/s. Niche Technologies Private Limited, if the documents are complete in all respects, within 21 days from the date of lodgment.

l. Shareholding Pattern as on 31st March, 2014

Categories	No. of Shares	% of Shareholding
Promoters, Directors & Relatives & Persons acting in concert	100	0.002
Indian Bank/Mutual Funds	-	-
NRI/OCBs	-	-
Private Corporate Bodies	1,100	0.025
Indian Public	43,88,800	99.973
Total	43,90,000	100.00

m. Distribution of Shareholding as on 31st March, 2014

No. of Equity Shares	No. of Share Holders	% of Share Holders	Total No. of Shares Held	% of Share Holding
1 – 500	452	85.93	43,000	0.98
501 – 1000	5	0.95	5,000	0.11
1001 – 5000	1	0.19	2,000	0.05
5001 – 10000	19	3.61	1,90,000	4.33
10001 – 50000	15	2.85	6,10,000	13.9
50001 – 100000	26	4.95	23,90,000	54.44
100001 and above	8	1.52	11,50,000	26.19
Total	526	100	43,90,000	100.00

n. Dematerialization of Shares & Liquidity

The Company's Equity Shares are in Demat trading segment and the Company had established connectivity with both NSDL & CDSL by signing the necessary agreements.

Procedures for dematerialization/ rematerialization of Equity Shares:-

Shareholders seeking demat/ remat of their shares need to approach their Depository Participants (DP) with whom they maintain a demat account. The DP will generate an electronic request and will send the physical share certificates to Registrar and Share Transfer Agents of the Company. Upon receipt of the request and share certificates, the Registrar will verify the same. Upon verification, the Registrar will request NSDL/CDSL to confirm the demat request. The demat account of the respective share holder will be credited with equivalent number of shares. In case of rejection of the request, the same shall be communicated to the shareholder.

In case of remat, upon receipt of the request from the shareholder, the DP generates a request and verification of the same is done by the Registrar. The Registrar then requests NSDL or CDSL to confirm the same. Approval of the Company is being sought and equivalent numbers of shares are issued in physical form to the shareholder. The share certificates are dispatched 15 days from the date of issue of shares.

The Shares of Company are traded on The Calcutta Stock Exchange Limited and The Uttar Pradesh Stock Exchange Limited. 95.24% of the Company's Equity Share Capital held under Public Category has been dematerialized up to 16th May, 2014.

o. Requirement of PAN Card in case of Transfer of Shares in Physical Form

Pursuant to SEBI Circular, the shareholders holding shares in physical form are requested to submit self-certified copy of PAN at the time of sending their request for share transfer/ transmission of name/ transposition of name.

p. For the Attention of Shareholders holding shares in electronic form

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participants (DPs).

q. Electronic Clearing Service

The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the Depositories for depositing dividends. Dividend will be credited to the Members' bank account through NECS wherever complete core banking details are available with the Company. In case where the core banking details are not available, dividend warrants will be issued to the Members with bank details printed thereon as available in the Company's records. This ensures that the dividend warrants, even if lost or stolen, cannot be used for any purpose other than for depositing the money in the accounts specified on the dividend warrants and ensures safety for the investors. The Company complies with the SEBI requirement.

r. Service of Documents through Electronic Mode

As a part of Green Initiatives, the members who wish to receive the notice/documents through e-mail, may kindly intimate their e-mail address to the Company's Registrar and Share Transfer Agent, Niche Technologies Private Limited to their dedicated e-mail id i.e., nichetechpl@nichetechpl.com.

s. Nomination

Individual Shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder(s).

Nomination facility in respect of shares held in electronic form is also available with the depository participants as per the bye-laws and business rules applicable to NSDL and CDSL. Nomination forms can be obtained from the Company's Registrar and Share Transfer Agent.

t. Directors' Profile

Mr. Ramrati Choudhury, (DIN : 05178090) : Chairman & Managing Director

Mr. Ramrati Choudhury, Age 45, is commerce graduate, is associated with the company as Managing Director since 10th September 2013. With his extensive business contacts and experience, he has contributed extensively to the growth of the Company. He holds 15 years of experience in the Marketing field and also has a good knowledge of Fabric Materials.

Mr. Nikunj Kanodia (DIN : 06427863) : Independent Director

Mr. Nikunj Kanodia, Age 24, is commerce graduate from St. Xavier's College, Kolkata. He is also an Associate Member of the Institute of Chartered Accountants of India (ICAI). A practising Chartered Accountant by profession, he is associated as the Independent Director of the Company since 17th August, 2013. He has experience in the field of accounting, taxation, audit, finance and cost

accountancy. Earlier he was associated with S.V. Ghatalia & Associates, a member firm of the Ernst & Young Division in India.

Mr. Ashish Jalan (DIN : 06503424) : Independent Director

Mr. Ashish Jalan, Age 30, is commerce graduate and also holds the qualification of MBA. He is associated with the company as Independent Director since 30th December, 2013. Earlier, he has served the companies like Airtel, Reliance, Vodafone, Sony Ericsson, etc. At present, he is working with Next Retail India Limited, a subsidiary of the Videocon Industries Limited.

u. Details on use of Public Funds Obtained in the last three years:

The company has raised Rs. 4,15,00,000 by way of preferential allotment of 41,50,000 equity shares of Rs. 10 each at par on 4th March 2014.

v. Green initiatives in Corporate Governance to receive documents through email by registering your email address:

The Ministry of Corporate Affairs (MCA) has taken a “Green initiative in the Corporate Governance” by providing an opportunity to the shareholders to register their email address with Company and changes therein from time to time.

The Company will send notices/documents such as Annual reports and notices by email to the shareholders registering their email address. To support this laudable move of the Government, the members who have not registered their email address, so far, are requested to do so at the earliest, in respect of demat holding through the respective Depository Participant (DP) and in respect of physical holding through the Registrar and Share Transfer Agent (RTA) M/s. Niche Technologies Private Limited.

While every notice/document will be sent through email address registered with the Company, in case you desire to receive any notice/document in physical form, please intimate by email and the same shall be sent to your address registered with the Company/DP.

We solicit your patronage and support in joining hands with the Company to implement the e-governance initiative.

w. Investors Correspondence

Shareholders can contact the following Officials for secretarial matters of the Company:-

Ms. Jyoti Goel Tel: 033-40075364

x. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion data likely impact on Equity: Not Any

y. Code of Conduct

The Board of Directors of the Company has laid down Code of Conduct for Directors and for Senior Management & Employees. All Board Members and Senior Management have affirmed compliance with the Code of Conduct for the year under review. Declaration to this effect signed by the Managing Director is annexed to this report.

z. Registered Office

Martin Burn House,
4th Floor, Room No. 52,
1, R. N. Mukherjee Road,
Kolkata – 700001

MANAGING DIRECTOR'S DECLARATION ON CODE OF CONDUCT

As required by Clause 49 of Listing Agreement, the Managing Director's Declaration for Code of Conduct is given below:

To

The Members of

RUBY TRADERS & EXPORTERS LIMITED

- a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief -
 - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violate of the company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, in any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee -
 - i) Significant changes in internal control over financial reporting during the year;
 - ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

By Order of the Board

For **Ruby Traders & Exporters Limited**

(**Ramrati Choudhury**)
Managing Director

May 19, 2014
Kolkata

**ANNUAL CERTIFICATE UNDER CLAUSE 49(1)(D) OF THE LISTING
AGREEMENT WITH THE STOC EXCHANGES**

I, Ramrati Choudhury, Managing Director of the Company declare that all Board Members and Senior Management of the Company have affirmed compliance with the Code of Conduct during the year ended 31st March 2014.

By Order of the Board

For **Ruby Traders & Exporters Limited**

(**Ramrati Choudhury**)
Managing Director

May 19, 2014
Kolkata

SECRETARIAL AUDIT REPORT

To,
The Members
Ruby Traders & Exporters Limited
Martin Burn House,
1, R.N.Mukherjee Road
4th Floor, Room No. 52
Kolkata - 700001

We have examined the registers, records, books and papers of M/s. Ruby Traders & Exporters Limited as required to be maintained under the Companies Act, 1956 (hereinafter referred to as "the Act"), and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company as also under the Listing Agreement with the Stock Exchange and the regulations of SEBI as applicable for the financial year ended on **31st March 2014**.

1. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished and representations made to us by the Company, its officers and agents, we report that the Company has complied with the provisions of the Act, the Rules made there under and the Memorandum and Articles of Association of the Company with regard to:

- a) maintenance of various statutory registers and documents and making necessary entries therein;
- b) closure of Register of Members/record date for debenture holders;
- c) forms, returns, documents and resolutions required to be filed with the Registrar of Companies, or other authorities;
- d) service of documents by the Company on its Members, Stock Exchanges, Auditors and the Registrar of Companies;
- e) notice of Board and various Committee meetings of Directors;
- f) meetings of Directors and all the Committees of Directors;
- g) notice and convening of Annual General Meeting held on 10th September, 2013;
- h) minutes of the proceedings of the Board Meetings, Committee Meetings and General Meetings;
- i) approvals of the Board of Directors, Committee of Directors, Members and government authorities, wherever required;
- j) constitution of the Board of Directors, Committees of Directors and appointment, retirement and reappointment of Directors including Managing Directors and Executive Directors;
- k) payment of remuneration to Directors, Managing Directors and Executive Directors;
- l) appointment and remuneration of Statutory Auditors;
- m) Form of balance sheet as prescribed under part I, form of Statement of Profit & loss account as prescribed under Part II and General instructions for preparation of the same as prescribed in Schedule VI of the Act;
- n) allotment of equity shares of the company on preferential basis;
- o) transfer and transmission of the Company's shares, issue and allotment of shares and issue and delivery of certificates of shares;
- p) borrowings;
- q) report of the Board of Directors;
- r) common seal and registered office of the company;
- s) investment of the Company's funds including inter corporate loans and investments;

- t) all other applicable provisions of the Act and the Rules there under.
2. We further report that:
- a) the Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings and directorships in other Companies and interest in other entities;
 - b) the Directors have complied with the disclosure requirements in respect to their eligibility of appointment, their being independent, compliance with the code of conduct for Directors and Senior Management Personnel as per clause 49 of the listing agreement and with the Insider Trading code of conduct and;
 - c) the Company has obtained all necessary approvals under various provisions of the Act where necessary;
 - d) there was no prosecution initiated against or show cause notice received by the Company during the year under review under the Companies Act, SEBI Act, Depositories Act, Listing Agreement and rules, regulations and guidelines under these Acts.
3. We further report that:
- a) the Company has complied with the requirements under the Equity Listing Agreements entered into with The Calcutta Stock Exchange Limited and the U.P. Stock Exchange Limited;
 - b) the Company has complied with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the Regulations;
 - c) the Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 including the provisions with regard to disclosures and maintenance of records required under the Regulations;
 - d) the Company has complied with the provisions of the SEBI (Depositories and Participants) Regulations, 1996 including submitting of Reconciliation of Share Capital Audit Reports;
 - e) there were no issues during the year which required specific compliance of the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - f) there were no issues during the year which required specific compliance of the provisions of the Securities Contracts (Regulation) Act, 1956 (SCRA) and the Rules made under that Act.
4. I further report that based on the information received and records maintained, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For **Vishal Garg & Associates**
Company Secretaries
COP No. 13089

Vishal Kumar Garg
Proprietor
Membership No. 34062
Place : Chennai
Date : May 19, 2014

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Shareholders
Ruby Traders & Exporters Limited

We have examined the compliance of conditions of Corporate Governance by M/s. Ruby Traders & Exporters Limited (the 'Company'), for the year ended 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with all Stock Exchanges in India where the shares of the company is listed.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company.

In our opinion and to the best of our information and 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 are pending against company as per the records maintained by the Shareholders Grievances Committee.

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

For **Bajoria Mayank & Associates**
Chartered Accountants
FRN: 327336E

Anish Kumar Banka
Partner
Membership No. 412888

Place : Kolkata
Date : May 19, 2014

INDEPENDENT AUDITOR'S REPORT

To

The Members of **Ruby Traders & Exporters Limited**

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

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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 the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 the 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 the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 31st March, 2014;
- b) in the case of the Statement of Profit and Loss, of the profit of the Company for the period ended on that date.
- c) in case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 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 it appears from our examination of those books.
 - c) The Balance Sheet and Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet and Statement of Profit and Loss comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act.
 - e) On the basis of the written representations received from the directors as on 31st March, 2013 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.
 - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under Section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For **Bajoria Mayank & Associates**

Chartered Accountants

FRN: 327336E

Anish Kumar Banka

Partner

Membership No. : 412888

Place: Kolkata

Date: May 19, 2014

The Annexure referred to in paragraph 1 of the Our Report of even date to the members of Ruby Traders & Exporters Limited on the accounts of the company for the year ended 31st March, 2014.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
(c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.
2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable 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 the nature of its business.
(c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company.

(e) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Thus sub clauses (f) & (g) are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.

b) As per information & explanations given to us and in our opinion, the transaction entered into by the company with parties covered u/s 301 of the Act does not exceeds five lacs rupees in a financial year therefore requirement of reasonableness of transactions does not arises.
6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.

7. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.
8. As per information & explanation given by the management, maintenance of cost records has been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
9. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2014 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
10. The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
14. According to information and explanations given to us, the Company is trading in Shares, Mutual funds & other Investments. Proper records & timely entries have been maintained in this regard & further investments specified are held in their own name.
15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
16. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2014, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956 during the year.
19. The Company has no outstanding debentures during the period under audit.

20. The Company has not raised any money by public issue during the year.
21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

For Bajoria Mayank & Associates

Chartered Accountants

FRN: 327336E

Anish Kumar Banka

Partner

Membership No: 412888

Place: Kolkata

Date: May 19, 2014

BALANCE SHEET AS AT 31st MARCH, 2014

(Amount in ₹)

PARTICULARS	Note No.	31.03.2014	31.03.2013
		₹	₹
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	2	43,900,000	2,400,000
Reserves and Surplus	3	1,249,545	627,202
		45,149,545	3,027,202
CURRENT LIABILITIES			
Trade Payables	4	86,470	1,200,883
Short Term Provisions	5	278,300	63,640
		364,770	1,264,523
TOTAL		45,514,315	4,291,725
ASSETS			
NON- CURRENT ASSETS			
Fixed Assets			
Tangible Asset	6.1	119,373	131,250
Intangible Asset	6.2	1,000,000	-
Non-Current Investments	7	28,498,945	108,530
Long Term Loans and Advances	8	72,000	-
Other Non - Current Assets	9	247,476	-
		29,937,794	239,780
CURRENT ASSETS			
Trade Receivables	10	284,000	200,000
Cash and Bank Balances	11	4,148,487	206,289
Short-term Loans and Advances	12	10,200,642	3,645,656
Inventories	13	860,900	-
Other Current Assets	14	82,492	-
		15,576,521	4,051,945
TOTAL		45,514,315	4,291,725
Significant Accounting Policies and Notes to accounts	1		

As per our Report of even date
For Bajoria Mayank & Associates

Chartered Accountants

FRN : 327336E

For and On behalf of the Board
Anish Kumar Banka
Partner
Membership No : 412888
Ramrati Chowdhury
Managing Director
Nikunj Kanodia
Independent Director
Jyoti Goel
Company Secretary

Place : Kolkata

Date : May 19, 2014

Place : Kolkata

Date : May 19, 2014

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

(Amount in ₹)

PARTICULARS	Note No.	31.03.2014	31.03.2013
		₹	₹
INCOME			
Revenue from Operations			
Commission on Sales		943,797	1,050,000
Sale of Goods		10,013,085	400,000
Other Income	15	80,262	-
TOTAL INCOME		11,037,144	1,450,000
EXPENSES			
Purchase of Goods		9,856,150	450,000
Employee Benefit Expense	16	424,500	350,000
Depreciation Expenses	6.1	41,678	63,750
Administration & Other Expenses	17	671,765	379,753
Finance Charges	18	3,309	550
Changes in Inventories of Finished Goods	19	(860,900)	-
TOTAL EXPENSES		10,136,501	1,244,053
PROFIT BEFORE TAXATION		900,643	205,947
Tax Expenses:			
Current Tax		278,300	39,246
MAT Credit Entitlement		-	24,394
Deferred Tax		-	(51)
NET PROFIT FOR THE YEAR		622,343	142,358
Earnings per Equity Share:			
Basic and Diluted (Face Value of ₹ 10/- each, Previous Year ₹ 10/- each)	20	1.11	0.59
Significant Accounting Policies and Notes to Accounts	1		

**As per our Report of even date
For Bajoria Mayank & Associates**

Chartered Accountants
FRN : 327336E

Anish Kumar Banka
Partner
Membership No : 412888

Place : Kolkata
Date : May 19, 2014

For and On behalf of the Board

Ramrati Chowdhury
Managing Director

Nikunj Kanodia
Independent Director

Jyoti Goel
Company Secretary

Place : Kolkata
Date : May 19, 2014

Statement of Cash Flow Annexed to the Balance Sheet as at 31st March, 2014

	31.03.2014	31.03.2013
A. Cash Flow from Operating Activities	₹	₹
<i>Net Profit before tax and extraordinary Items</i>	9,00,643	2,05,947
<i>Adjustments for</i>		
Depreciation	41,678	63,750
Interest Income	(80,262)	-
Share Issue Expenses W/off	82,492	-
<i>Operating profit before working capital changes</i>	9,44,550	2,69,697
<i>Adjustments for Working Capital Changes</i>		
Decrease (Increase) in Loan & Advances	(66,26,986)	(9,21,656)
Decrease (Increase) in Trade Receivables	(84,000)	(2,00,000)
Decrease (Increase) in Inventories	(8,60,900)	-
(Decrease) Increase in Short-Term Provisions	2,14,660	63,640
(Decrease) Increase in Trade Payables	(11,14,413)	11,98,883
(Decrease) Increase in Deferred Tax Liability	-	(51)
<i>Cash Generated from operations</i>	(75,27,089)	4,10,513
Tax Expense for the Current Year	(2,78,300)	(63,589)
Extraordinary Items	-	-
Net Cash From Operating Activities	(78,05,389)	3,46,924
B. Cash Flow From Investing Activities		
Decrease / (Increase) in Fixed Assets	(10,29,800)	(1,95,000)
Decrease / (Increase) in Investments	(2,83,90,415)	-
Interest Income	80,262	-
Net Cash from Investing Activities	(2,93,39,953)	(1,95,000)
C. Cash Flow From Financing Activities		
Proceeds from Issue of Equity Shares	4,15,00,000	-
Share Issue Expenses Incurred	(4,12,460)	-
Net Cash used in Financing Activities	4,10,87,540	-
<i>Net Increase (Decrease) in Cash & Cash Equivalents</i>	39,42,198	1,51,924
<i>Opening Balance of Cash & Cash Equivalents</i>	2,06,289	54,365
<i>Closing Balance of Cash & Cash Equivalents</i>	41,48,487	2,06,289

As per our Report of even date

For Bajoria Mayank & Associates

Chartered Accountants

FRN : 327336E

Anish Kumar Banka

Partner

Membership No : 412888

Place : Kolkata

Date : May 19, 2014

For and On behalf of the Board

Ramrati Chowdhury

Managing Director

Place : Kolkata

Date : May 19, 2014

Nikunj Kanodia

Independent Director

**Jyoti Goel
Company Secretary**

Notes to Accounts Forming Part of the Financial Statements as at 31st March 2014**NOTE : 1 Significant Accounting Policies****Basis of Preparation of Financial Statements**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) in compliance with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention. Further, in view of the revised schedule VI of the Companies Act, the company has also reclassified the previous year figures in accordance with the requirements applicable for the current year.

General

The company follows the accrual method of accounting. The financial statements have been prepared in accordance with the historical cost convention and in accordance with. Expenses are accounted on their accrual with necessary provision for all known liabilities and losses.

Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

Fixed Assets

Fixed assets are stated at cost including taxes, duties, freight, insurance etc. related to acquisition and installation.

Depreciation

Depreciation is provided on Written down Value basis as per rates of the Income Tax Act, 1961. For additions/ deletions during the year, depreciation is provided on the pro-rata basis based on the number of days the assets is used during the year.

Inventories

Inventories were valued at lower of Cost or NRV.

Revenue Recognition

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Dividend income is recognized when right to receive is established. Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

Provisions, Contingent Assets and Contingent Liabilities

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are disclosed when the company has possible obligation or a present obligation and it is probable that a cash flow will not be required to settle the obligation. Contingent Assets are neither recognised nor disclosed in the financial statements.

Investments

Investments that are readily realizable and intended to be held for not more than one year, are classified as current investments. All other investments are classified as long-term investments.

Current Investments are stated at lower of cost or market rate on individual investment basis. Long Term Investments are considered "at cost", unless there is other than temporary decline in value thereof, in which case, adequate provision is made against such diminution in the value of investments.

Provision for Current and Deferred Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognised and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future.

Employee Benefits

Short-term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.

i. Gratuity:

The liability for gratuity has not been provided as per the provisions of Payment of Gratuity Act, 1972 since no employee of the company is eligible for such benefits during the year.

ii. Provident Fund:

The provisions of the Employees Provident Fund are not applicable to the company since the number of employees employed during the year were less than the minimum prescribed for the benefits.

iii. Leave Salary:

In respect of Leave Salary, the same is accounted as and when the liability arises in accordance with the provision of law governing the establishment.

Impairment of Assets

As at Balance Sheet Date, the carrying amount of assets is tested for impairment so as to determine:

- a. Provision for Impairment Loss, if any, required or
- b. The reversal, if any, required of impairment loss recognized in previous periods.

Impairment Loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Borrowing Cost

Borrowing cost attributable to the acquisition or construction of qualifying assets are capitalized as a part of such assets. All other borrowing costs are charged off to revenue.

A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale.

Notes forming part of the Financial Statements for the year ended March 31, 2014

2. Share Capital

Particulars	31.03.2014		31.03.2013	
	Number	₹	Number	₹
Authorised				
Equity Shares of ₹ 10/- each (Previous Year ₹ 10/-)	50,00,000	5,00,00,000	2,50,000	25,00,000
Issued, Subscribed & Paid Up:				
Equity Shares of ₹ 10/- each (Previous Year ₹ 10/-)	43,90,000	4,39,00,000	2,40,000	24,00,000
Total	43,90,000	4,39,00,000	2,40,000	24,00,000

Reconciliation of number of shares :

Particulars	31.03.2014		31.03.2013	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	2,40,000	24,00,000	2,40,000	24,00,000
Add : Shares issued during the year	41,50,000	4,15,00,000	-	-
Shares outstanding at the end of the year	43,90,000	4,39,00,000	2,40,000	24,00,000

Rights, preference and restrictions attached to Equity Shares

The Company has one class of Equity shares having a par value of ₹ 10/- each. Each shareholder is eligible to one vote per share held.

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

Details of Share held by shareholders holding more than 5% of the aggregate shares in the company

Name of Shareholder	31.03.2014		31.03.2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
N. A.	-	-	-	-

3. Reserves and Surplus

Particulars	31.03.2014	31.03.2013
	₹	₹
Surplus in Profit & Loss Statement		
Opening Balance	6,27,202	4,84,844
Add: Net Profit for the year	6,22,343	1,42,358
Amount available for Appropriations	12,49,545	6,27,202
Total	12,49,545	6,27,202

4. Trade Payables

Particulars	31.03.2014	31.03.2013
	₹	₹
Total outstanding dues to Creditors	-	10,00,000
Others		
Audit Fees Payable	10,000	10,000
Listing Fees Payable	-	50,597
Custodial Fees Payable	-	91,886
RTA Fees Payable	-	23,400
Filing Fees Payable	76,470	25,000
Total	86,470	12,00,883

5. Short Term Provisions

Particulars	31.03.2014	31.03.2013
	₹	₹
Provision for tax (Previous Year)	-	-
Provision for Tax (Current Year)	2,78,300	94,036
MAT Credit Entitlement	-	(30,396)
Total	2,78,300	63,640

6.1. Tangible Asset

Particulars	Computers & Laptops	Furnitures & Fixtures	Air-Conditioner & Office Equipments	Total
	₹	₹	₹	₹
Gross Block				
As at 1st April 2012	60,600	4,725	-	65,325
Add : Additions during the year	80,000	30,000	85,000	1,95,000
Less : Deletions during the Year	-	-	-	-
As at 31st March 2013	1,40,600	34,725	85,000	2,60,325
Add : Additions during the year	29,800	-	-	29,800
Less : Deletions during the Year	-	-	-	-
As at 31st March 2014	1,70,400	34,725	85,000	2,90,125
Accumulated Depreciation				
As at 1st April 2012	60,600	4,725	-	65,325
Add : Depreciation During the Year	48,000	3,000	12,750	63,750
Less : Depreciation on Deletions	-	-	-	-
As at 31st March 2013	1,08,600	7,725	12,750	1,29,075
Add : Depreciation During the Year	28,140	2,700	10,838	41,678
Less : Depreciation on Deletions	-	-	-	-
As at 31st March 2014	1,36,740	10,425	23,588	1,70,753
Net Block as at 31st March 2013	32,000	27,000	72,250	1,31,250
Net Block as at 31st March 2014	33,660	24,300	61,413	1,19,373

6.2. Intangible Asset

Particulars	Brand (Cavin Cally)	Total
	₹	₹
Gross Block		
At 1st April 2013	-	-
Purchase	10,00,000	10,00,000
Internal development	-	-
At 31st March 2014	10,00,000	10,00,000
Amortization		
At 1st April 2013	-	-
Charge for the year	-	-
At 31st March 2014	-	-
Net Block as at 31st March 2014	-	-
Net Block as at 31st March 2014	10,00,000	10,00,000

7. Non-Current Investments

Particulars	31.03.2014	31.03.2013
	₹	₹
Long Term Investments (Non - Trade)		
(1) In Fully Paid-Up Quoted Equity Shares	2,18,53,445	8,030
(2) In Fully Paid-Up UnQuoted Debentures	20,500	20,500
(3) In Fully Paid-Up UnQuoted Equity Shares	66,25,000	-
Total	2,84,98,945	1,08,530

8. Long Term Loans and Advances

Particulars	31.03.2014	31.03.2013
	₹	₹
Security Deposits (Interest Free)	72,000	-
	72,000	-

9. Other Non - Current Assets

Particulars	31.03.2014	31.03.2013
	₹	₹
Share Issue Expenses	2,47,476	-
Total	2,47,476	-

10. Trade Receivables

Particulars	31.03.2014	31.03.2013
	₹	₹
Unsecured, Considered Good		
Outstanding for more than six months	-	-
Others	2,84,000	2,00,000
Total	2,84,000	2,00,000

11. Cash and Bank Balances

Particulars	31.03.2014	31.03.2013
	₹	₹
Cash and Cash Equivalents		
Balances with Banks		
In current accounts	14,19,546	88,933
Fixed Deposit with Bank	20,00,000	-
Cheques in Hand	5,38,800	-
Cash in hand	1,90,141	1,17,356
Total	41,48,487	2,06,289

12. Short-term Loans and Advances

Particulars	31.03.2014	31.03.2013
	₹	₹
Loans (Unsecured, Considered Good)	1,00,00,000	6,30,656
Advances Recoverable in Cash or Kind (Unsecured, Considered Good)		
Motor Car Advances	15,000	15,000
Advance Salary	85,000	-
Interest on Loan Receivable	72,699	-
TDS Receivable	27,943	-
Total	1,02,00,642	36,45,656

13. Inventories

Particulars	31.03.2014	31.03.2013
	₹	₹
Shirting Fabrics	8,60,900	-
Total	8,60,900	-

14. Other Current Assets

Particulars	31.03.2014	31.03.2013
	₹	₹
Share Issue Expenses	82,492	-
Total	82,492	-

(Amount in ₹)

15. Other Income

Particulars	31.03.2014	31.03.2013
Interest Income	80,262	-
Total	80,262	-

16. Employee Benefit Expense

Particulars	31.03.2014	31.03.2013
Salaries	3,49,500	3,36,000
Director's Remuneration	75,000	-
Staff Welfare Expenses	-	14,000
Total	4,24,500	3,50,000

17. Administration & Other Expenses

Particulars	31.03.2014	31.03.2013
Printing & Stationery	21,040	15,990
Advertisement Expenses	24,010	20,000
Payment to Auditor		
Statutory Audit	7,000	7,000
Limited Review	3,000	3,000
Demat & Registration Charges	425	-
Electricity Charges	6,410	7,630
General Expenses	76,516	8,940
Rent	96,500	84,000
Computer Stationery	21,050	4,670
Listing Fees	6,901	50,597
Postage & Stamp	5,720	3,130
Professional Fees	-	19,750
Interest on Taxes	12,830	-
Telephone Expenses	4,796	9,870
Custodial Fees	15,580	91,886
RTA Fees	4,270	23,400
Filing & Uploading Charges	74,500	25,000
Travelling & Conveyance	27,650	4,890
Brokerage	21,440	-
Brokerage & Commission	1,21,500	-
Securities Transaction Tax	21,575	-
Service Tax	2,650	-
Service Tax on Turnover Tax	83	-
Share Issue Expenses W/Off	82,492	-
Stamp Duty	2,158	-
Turnover Tax	669	-
Website Expenses	11,000	-
Total	6,71,765	3,79,753

18. Finance Charges

(Amount in ₹)

Particulars	31.03.2014	31.03.2013
Bank Charges	3,309	550
Total	3,309	550

19. Changes in Inventories of Finished Goods

Particulars	31.03.2014	31.03.2013
Inventories at the end of the Year	8,60,900	-
Less: Inventories at the beginning of the year	-	-
Total	8,60,900	-

20. Earnings per Equity Share:

Particulars	31.03.2014	31.03.2013
Profit After Tax & Extraordinary Items	6,22,343	1,42,358
Weighted Average No. of Equity Shares	5,58,356	2,40,000
EPS (Basic & Diluted)	1.11	0.59

21. None of the Raw Materials, Stores, Spares and Components consumed or purchased during the year have been imported.
22. None of the Earnings / Expenditures is in Foreign Currency.
23. Balance of Debtors, Creditors, Deposits, Loans and Advances are subject to confirmation.
24. In the opinion of the Board, the Current Assets, Loans & Advances are approximately of the value stated if realized in the ordinary course of business. The provision for depreciation and all known liabilities are adequate and not in excess of the amounts reasonably necessary.
25. Investments of the Company have been considered by the management to be of a long term nature and hence they are long term investments and are valued at cost of acquisitions.
26. In the opinion of the Board, Current Assets, Loans and Advances are approximately of the value state, if realized in the ordinary course of business. Provisions for all known liabilities are adequate and not in excess of the amount considered necessary for the same.
27. **Contingent Liabilities**
Contingent Liabilities not provided for – ₹ Nil
28. **Particulars of Director's Remuneration (In Rupees)**
₹ 75,000 has been paid to Managing Director as Remuneration for the Year apart from Directors sitting fees. (P.Y. ₹ Nil)
29. **Related Party Transactions**
Key Management Personnel – Mr. Ramrati Chowdhury - Managing Director

Subsidiary & Group Companies or Companies under same management – Not Any.

Details of transactions with related parties – Rs. 75,000 (P.Y. ₹ Nil) has been paid to Managing Director as Managerial Remuneration

30. **Remuneration to Auditors :**

Particulars	31.03.2014	31.03.2013
Remuneration to Auditors for Audit Purpose	10,000	10,000

31. Sundry Debtors and creditors are subject to confirmation and reconciliation.
32. There are no Micro and Small Scale Business Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at March 31, 2014. This information as required to be disclosed under 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.
33. Previous years' figures have been regrouped, rearranged wherever necessary to make them comparable with those of current year.

As per our report of even date

For Bajoria Mayank & Associates

Chartered Accountants
FRN : 327336E

For and On Behalf of the Board

Anish Kumar Banka

Partner
Membership No. 412888

Place : Kolkata

Date : May 19, 2014

Ramrati Chowdhury
Managing Director

Nikunj Kanodia
Independent Director

Jyoti Goel
Company Secretary

ATTENDANCE SLIP

(To be presented at the entrance)

33rd ANNUAL GENERAL MEETING ON TUESDAY, JULY 15, 2014 AT 4.00 P.M.

Folio No. _____ DP ID No. _____ Client ID No. _____

Name of the Member _____ Signature _____

Name of the Proxy holder _____ Signature _____

1. Only Member/ proxy holder can attend the Meeting.
2. Member/ proxy holder should bring his / her copy of the Annual report for reference at the Meeting.

PROXY FORM

(Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member(s):
Registered address :
E-mail Id:
Folio No. / Client ID No. :

I/We, being the member(s) of Share of Ruby Traders & Exporters Limited, hereby appoint

1. Name :

E-mail Id :

Address :

Signature :

or failing him

2. Name :

E-mail Id :

Address :

Signature :

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Thirty Third Annual General Meeting of the Company to be held on Tuesday, July 15, 2014 at 4.00 p.m. at the registered office of the company and at any adjournment thereof in respect of such resolution as are indicated below:

Resolution No.	RESOLUTIONS	Optional *	
		For	Against
Ordinary Business			
1.	Ordinary Resolution for Adoption of Financial Statements for the year ended 31 st March 2014.		
2.	Ordinary Resolution for Appointment of Mr. Anish Kumar Banka, a Partner of M/s. Bajoria Mayank and Associates, Chartered Accountants as Auditors and fixing their remuneration.		
Special Business			
3.	Ordinary Resolution for Appointment of Mr. Nikunj Kanodia as an Independent Director.		
4.	Ordinary Resolution for Appointment of Mr. Ashish Jalan as an Independent Director.		
5.	Ordinary Resolution for Change in terms of Remuneration and Appointment of Mr. Ramrati Choudhury.		
6.	Special Resolution under section 180(1)(c) of the Companies Act 2013 for borrowing money upto Rs. 25 crores over and above the aggregate of paid up capital and free reserve of the Company.		

Signed this.....date of.....2014

Signature of shareholder.....

Signature of Proxy holder(s).....

NOTES:

1. This Proxy Form in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the resolutions, Explanatory Statement and Notes, please refer to the Notice of the 33rd Annual General Meeting.
3. It is optional to put "X" in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entered to vote in the manner as he/she think appropriate.
4. Those Members who have Multiple folios with different joint holders may use copies of this Attendance slip/proxy.

BALLOT FORM

BALLOT FORM NO. : _____

Name and Registered Address of the Sole/First named Shareholder :	
Name(s) of Joint Holder(s) (if any) :	
Registered Folio No. / DPID No. and Client ID No. :	
Number of Share(s) held :	
EVSN (E-voting Sequence Number) :	140612013
User ID :	
Password :	As per e-voting instructions in item no. 14 of the Notice

I, We, hereby exercise my/our vote(s) in respect of the resolutions set out in the Notice of the Thirty third Annual General Meeting (AGM) of the Company to be held on Tuesday, July 15 2014, by sending my/our assent or dissent to the said Resolutions by placing the tick (√) mark at the appropriate box below:

Resol- ution No.	RESOLUTIONS	No. of Shares	For	Against
	Ordinary Business		I/We assent to the Resolution	I/We assent to the Resolution
1.	Ordinary Resolution for Adoption of Financial Statements for the year ended 31 st March 2014			
2.	Ordinary Resolution for Appointment of Mr. Anish Kumar Banka, a Partner of M/s. Bajoria Mayank and Associates, Chartered Accountants as Auditors and fixing their remuneration.			
Special Business				
3.	Ordinary Resolution for Appointment of Mr. Nikunj Kanodia as an Independent Director.			
4.	Ordinary Resolution for Appointment of Mr. Ashish Jalan as an Independent Director.			
5.	Ordinary Resolution for Change in terms of Remuneration and Appointment of Mr. Ramrati Choudhury.			
6.	Special Resolution under section 180(1)(c) of the Companies Act 2013 for borrowing money upto Rs. 25 Crores over and above the aggregate of paid up capital and free reserve of the Company.			

Place:

Date:

(Signature of Shareholder)

Note: Please read the instructions carefully before exercising your vote.

INSTRUCTIONS

1. This Ballot Form is provided for the benefit of Members who do not access to e-voting facility.
2. A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
3. For detailed instructions on e-voting, please refer to the notes appended to the Notice of the AGM.
4. The Scrutinizer will collate the votes downloaded from the e-voting system and votes received through post to declare the final result for each of the Resolutions forming part of the Notice of the AGM.

Process and manner for Members opting to vote by using the Ballot Form:

1. Please complete and sign the Ballot Form (No other form or photo copy thereof is permitted) and send it so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Mr. Mayank Bajoria, a Partner, Bajoria Mayank and Associates, Chartered Accountants, at the Registered Office of the company "Martin Burn House", 1 R.N. Mukherjee Road, 4th Floor, Room No. 52, Kolkata - 700001.
2. The Form should be signed by the Member as per the specimen signature registered with the Company/ Depositories. In case of joint holding, the Form should be completed and signed by the first named Member and in his/her absence, by the next named joint holder. A Power of Attorney (POA) holder may vote on behalf of a Member, mentioning the registration number of the POA registered with the Company or enclosing an attested copy of the POA. Exercise of vote by Ballot is not permitted through Proxy.
3. In case the shares are held by companies, trust, societies, etc. the duly completed Ballot Form should be accompanied by a certified true copy of the relevant Board Resolution / Authorization.
4. Votes should be cast in case of each resolution, either in favor or against by putting the tick (√) mark in the column provided in the Ballot.
5. The voting rights of shareholders shall be in proportion of the share held by them in the paid up equity share capital of the company as on 13th June, 2014 and as per Register of Members of the Company.
6. Duly completed Ballot Form should reach the Scrutinizer not later than Friday 11th July, 2014 (6.00 p.m. IST). Ballot Form received after July 11, 2014 will be strictly treated as if the reply from the members has not been received.
7. A member may request for a duplicate Ballot Form, if so required. However, duly filled in and signed duplicate form should reach the Scrutinizer not later than the date and time specified in Serial No. 6 above.
8. Unsigned, incomplete, improperly or incorrectly tick marked Ballot Forms will be rejected. A Form will also be rejected if it is received torn, defaced or mutilated to an extent which makes it difficult for the Scrutinizer to identify either the Member or as to whether the votes are in favor or against or if the signature cannot be verified.
9. The decision of the Scrutinizer on the validity of the Ballot Form and any other related matter shall be final.
10. The results will be declared along with Scrutinizer's Report, shall be placed on the Company's website www.rubytraders.co.in and on the website of Central Depository Services (India) Limited within two days of the passing of the resolutions at the AGM of the Company on July 15, 2014, and communicated to the CSE Limited and UPSE Limited, where the shares of the Company are listed.

**RUBY TRADERS &
EXPORTERS LIMITED**

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