

**HARGAON INVESTMENT & TRADING
COMPANY LIMITED**

NOTICE

**REPORT AND ACCOUNTS
for the
year ended 31st March, 2011**

Directors

SHRI C. S. NOPANY, Chairman
SHRI K. C. GUPTA
SHRI B. N. BANSAL

Auditors

Messrs R. L. AGARWALLA & CO.
Chartered Accountants
7, Rabindra Sarani (4th Floor)
Kolkata-700 001

Registered Office

9/1, R. N. Mukherjee Road,
Kolkata - 700 001

Notice is hereby given that the Twenty fourth Annual General Meeting of Hargaon Investment & Trading Company Limited will be held on Monday, 22nd August, 2011 at 3.00P.M. at 9/1, R. N. Mukherjee Road, Kolkata-700 001 to transact the following business :

1. To consider and adopt the audited Profit & Loss Account for the year ended 31st March, 2011, the Balance Sheet of the Company as at that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri K. C. Gupta who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

AS SPECIAL BUSINESS :

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

4. "RESOLVED that Shri Baij Nath Bansal be and he is hereby appointed a Director of the Company whose period of office shall be liable to determination by retirement of directors by rotation."

9/1, R. N. Mukherjee Road,
Kolkata - 700 001.
Dated : 13th June, 2011

By Order of the Board
K. C. Gupta
Director

NOTE : A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member.

Hargaon Investment & Trading Company Limited

EXPLANATORY STATEMENT

Item No. 4

Shri Bajj Nath Bansal was appointed by the Board of Directors as an additional Director of the Company on 27th January, 2011. Pursuant to the provisions of Section 260 of the Companies Act, 1956 and Article 80 of the Articles of Association of the Company Shri Bansal will hold office as Director only upto the date of this Annual General Meeting. As required under Section 257 of the Companies Act, 1956, a notice has been received from a shareholder signifying his intention to propose the appointment of Shri Bajj Nath Bansal as a Director of the Company. His appointment as Director is considered desirable in the interest of the Company so that the Company may be able to avail his valuable advice. The Directors, accordingly recommend the resolution mentioned in Item No. 4 of the Notice for your approval.

Except Shri Bajj Nath Bansal, no other Director is interested in the proposed resolution.

Hargaon Investment & Trading Company Limited

Directors' Report

To

The Shareholders,

Your Directors have pleasure in presenting their Report and the audited Accounts of the Company for the year ended 31st March, 2011.

2.	Financial Results :		Rs.
	The Profit & Loss Account shows a profit of		52,64,469
	To which is added balance brought forward from the previous year		<u>5,19,23,080</u>
	Making a total of		5,71,87,549
	Out of this provision have been made for		
	Taxation	51,000	
	Standard Assets	1,000	
	Reserve Fund	<u>10,43,000</u>	<u>10,95,000</u>
	Balance to be carried forward		<u>5,60,92,549</u>

3. **Dividend :**

Your Directors have not recommended any dividend.

4. **Directors :**

Shri S.K. Jhunjunwala resigned from the Directorship of the Company with effect from 27th January, 2011.

Shri K.C. Gupta retires from the Board by rotation and being eligible offers himself for re-appointment.

Shri Bajj Nath Bansal, who was appointed as additional Directors on 27th January, 2011 will hold office upto the date of the ensuing Annual General Meeting.

The Company received notice under Section 257 of the Companies Act, 1956 proposing the appointment of Shri Bajj Nath Bansal as Director of the Company. His appointment as Director of the Company shall be placed at the ensuing Annual General Meeting for the approval of the members.

5. **Auditors :**

The Auditors, Messrs R. L. Agarwalla & Co., Chartered Accountants, retire and are eligible for re-appointment.

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

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

Hargaon Investment & Trading Company Limited

Directors' Report (Contd.)

7. **Particulars of Employees :**

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

8. **Directors' Responsibility Statement :**

Your Directors confirm that –

- i) in preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures ;
- ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that year ;
- iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) they have prepared the annual accounts on a going concern basis.

9. **Auditors Report :**

As regards Auditors observations in their Report the notes to the Accounts should be referred to.

10. **Compliance Certificate :**

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

11. **Subsidiary Company :**

The audited accounts of Hargaon Properties Ltd., a subsidiary of the Company, for the year ended 31st March, 2011 are attached as required under Section 212 of the Companies Act, 1956.

9/1, R. N. Mukherjee Road,
Kolkata - 700 001.
Dated : 13th June, 2011

K. C. GUPTA
B. N. BANSAL] *Directors*

Hargaon Investment & Trading Company Limited

Auditors' Report to the Members

1. We have audited the attached Balance Sheet of Hargaon Investment & Trading Company Limited, as at 31st March, 2011 and also the Profit & Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended), issued by the Central Government of India in terms of Sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the annexure, a statement on the matters specified in paragraphs 4 & 5 of the said order.
4. Further we reported that :-
 - i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit ;
 - ii) In our opinion, proper books of account as required by the Laws have been kept by the Company, so far as appears from our examination of those books ;
 - iii) The Balance Sheet and the Profit & Loss Account dealt with by this report, are in agreement with the books of account as submitted to us ;
 - iv) In our opinion, the Balance Sheet and Profit & Loss Account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
 - v) On the basis of written representations received from the directors as on 31st March, 2011 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
 - vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts *subject to Note No. 3 on Schedule 6, regarding non-provision for diminution in the market value of quoted investments amounting to Rs. 209.61 lacs, as in the opinion of the management, the break-up value of quoted investments held by investee companies are higher than the corresponding book value, whose impact on the Company's profit/reserves is not presently ascertainable and read together with other notes thereon and attached thereto give the information required by the Companies Act, 1956 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, 2011; and
 - b) in the case of the Profit & Loss Account, of the Profit for the year ended on that date.

7, Rabindra Sarani
Kolkata - 700 001
Dated : 13th June, 2011

For R. L. AGARWALLA & CO.
Chartered Accountants
Firm Registration No. 312053E
R. L. AGARWALLA
Proprietor
Membership No. 50516

Hargaon Investment & Trading Company Limited

Annexure Referred to in Paragraph 3 of our report of even date

- (i) The Company has maintained proper records of fixed assets showing full particulars, including quantitative details and situation thereof. Fixed Assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. There was no substantial disposal of fixed assets during the year.
- (ii) The Company has no manufacturing and or trading activities and as such the question of having any stock and maintenance of records in respect thereof and physical verification of inventory does not arise.
- (iii) (a) As informed, the Company has not granted any loans, secured or unsecured, to Companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956 and hence the requirement of sub clauses (b) to (d) of clause (iii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable.
(b) As informed, the Company has not taken any loans, secured or unsecured, from Companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956 and hence the requirement of sub clauses (f) & (g) of Clause (iii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable.
- (iv) The Company has not purchased any goods and fixed assets and also there is no sale of goods and services during the year and as such the question of having any internal control system with regard to purchase of inventory, fixed assets and sale of goods does not arise.
- (v) There was no transaction which was required to be entered in the register maintained under Section 301 of the Companies Act, 1956.
- (vi) The Company has not accepted any deposits from the public.
- (vii) The internal audit was conducted by a service company and in our opinion the internal audit system was commensurate with the size of the Company and the nature of its business.
- (viii) The Company is not required to maintain any cost records under Section 209(1)(d) of the Companies Act, 1956.
- (ix) The Company is regular in depositing undisputed statutory dues with the appropriate authorities, as applicable. As the Company has no employee and no manufacturing and or trading activities are carried on by the Company, the questions of payment of Provident Fund, Employees' State Insurance, Sales Tax, Custom Duty, Excise Duty, Service Tax, Cess etc., does not arise. According to the information and explanations given to us no undisputed amounts payable in respect of statutory dues were outstanding as on 31st March, 2011 for the period of more than six months from the date they become payable. There are no dues outstanding in respect of statutory dues on account of any dispute.

Hargaon Investment & Trading Company Limited

Annexure referred to in Paragraph 3 of our report of even date (Contd.)

- (x) The Company has no accumulated loss at the end of financial year and it has not incurred any cash loss in the current and immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not taken any loan from financial institutions, bank or debenture holders, as such, the question of any default does not arise.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities, hence maintenance of records in respect thereof does not arise.
- (xiii) In our opinion, and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi / mutual benefit fund / societies.
- (xiv) In respect of dealing of shares, securities, debentures and other investments, in our opinion and according to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. The shares, securities, debentures and other investments have been held by the Company in its own name.
- (xv) As informed, the Company has not given any guarantee for loans taken by others from bank and financial institutions.
- (xvi) The Company has not taken any term loan from any financial institutions or bank. The Company does not have any borrowing by way of debentures.
- (xvii) We have been informed by the management that funds raised on short term basis were not utilized for long term purpose.
- (xviii) The Company has not made any preferential allotment of shares to parties and Companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- (xix) The Company has not issued any debentures during the year.
- (xx) The Company has not raised any money through a public issue during the year.
- (xxi) Based upon the audit procedures performed and information and explanations given to us by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

7, Rabindra Sarani
Kolkata - 700 001
Dated : 13th June, 2011

For R. L. AGARWALLA & CO.
Chartered Accountants
Firm Registration No. 312053E
R. L. AGARWALLA
Proprietor
Membership No. 50516

Hargaon Investment & Trading Company Limited

Compliance Certificate

Authorised Capital	Rs. 5,00,00,000
Paid-up Capital	Rs. 3,04,57,270
Registration No.	041679

To,
The Members

We have examined the registers, records, books and papers of Hargaon Investment & Trading Company Limited (the Company), as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2011. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the period under scrutiny :

- 1) The Company has kept and maintained all registers, as stated in Annexure 'A' to this Certificate, as per the provisions of the Act and the rules made thereunder, and all entries therein have been duly recorded.
- 2) The Company has duly filed the forms and returns, as stated in Annexure 'B' to this certificate, with the Registrar of Companies within the time prescribed under the Act and the rules made thereunder.
- 3) The Company being a Public Limited Company, clause 3 is not applicable.
- 4) The Board of Directors duly met Four (4) times respectively on 22nd April, 2010, 28th September, 2010, 19th November, 2010 and 27th January, 2011 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
- 5) The Company was not required to close its Register of Members during the financial year, since it is not listed with any stock exchange.
- 6) The Annual General Meeting for the financial year ended on 31st March, 2010 was held on 21st June, 2010 after giving due notices to the Members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
- 7) No Extra-ordinary General Meeting was held during the financial year.
- 8) The Company has not advanced any loans to its Directors or persons or firms or companies referred to under Section 295 of the Act.

Hargaon Investment & Trading Company Limited

Compliance Certificate (Contd.)

- 9) The Company has not entered into any contracts falling within the purview of Section 297 of the Act.
- 10) The Company has made necessary entries in the register maintained under Section 301 of the Act.
- 11) As there was no instances falling within the purview of Section 314 of the Act, the company was not required to obtain any approvals from the Board of Directors, members or the Central Government.
- 12) The Company has not issued any duplicate share certificates during the financial year.
- 13) The Company has :
 - a) not made any allotment/transfer/transmission of shares during the financial year.
 - b) not deposited any amount in a separate Bank Account as no dividend was declared during the financial year;
 - c) was not required to post warrants to member of the Company as no dividend was declared during the financial year.
 - d) no amount in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon and as such it was not required to transfer any amount to Investor Education Protection Fund.
 - e) has duly complied with the requirements of Section 217 of the Act.
- 14) The Board of Directors of the Company is duly constituted. The following changes have been made in the Board during the Financial Year.
Mr. Baijnath Bansal was appointed additional Director and Mr. Shiv Kumar Jhunjunwala resigned for the Directorship on 27th January, 2011 respectively.
- 15) The Company has not appointed any Managing Director / Whole time Director / Manager during the financial year, as there was no need to do so.
- 16) The Company has not appointed any sole-selling agents during the financial year.
- 17) The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies or such other authorities as may be prescribed under the various provisions of the Act during the financial year.
- 18) The Directors have disclosed their interest in other firms/Companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
- 19) The Company has not issued any shares, debentures or other securities during the financial year.

Hargaon Investment & Trading Company Limited

Compliance Certificate (Contd.)

- 20) The Company has not bought back any shares during the financial year.
- 21) There was no redemption of preference shares or debentures during the financial year, as the Company has not issued any preference Shares or debentures.
- 22) There was no transaction necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
- 23) The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
- 24) The Company has not borrowed any amount during the financial year.
- 25) The Company has not made any loans and investments or advances to other bodies corporate in compliance with the provisions of the Act and has made necessary entries in the register kept for the purpose.
- 26) The Company has not altered the provisions of the Memorandum with respect to the situation of the Company's registered office from one State to another during the year under scrutiny.
- 27) The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
- 28) The Company has not altered the provisions of Memorandum with respect to name of the company during the year under scrutiny.
- 29) The Company has not altered the provisions of Memorandum with respect to Share Capital of the company during the year under scrutiny.
- 30) The Company has not altered its Articles of Association during the financial year.
- 31) There was no prosecution initiated against or show cause notice received by the company and no fines or penalties or any other punishment was imposed on the company during the financial year, for offences under the Act.
- 32) Since the Company has no employees, it has not received any money as security from its employee during the financial year.
- 33) Since the Company has no employees, the provisions of EPF & Miscellaneous Provisions Act, 1952 are not applicable, consequently it was not required to deduct any contribution towards Provident Fund during the financial year.

Hargaon Investment & Trading Company Limited

ANNEXURE 'A'

Registers / Records as maintained by the Company

- | | |
|---|-------------|
| 1. Register of Transfers | U/S 108/111 |
| 2. Register of Members | U/S 150 |
| 3. Minutes book of Board Meetings | U/S 193 |
| 4. Minutes books of General Meetings | U/S 193 |
| 5. Books of Accounts | U/S 209 |
| 6. Register of Notice of Interest given by the Directors | U/S 299 |
| 7. Register of Contracts, Companies and firms in which Directors are interested | U/S 301 |
| 8. Registers of Directors, Managing Director, Manager and Secretary | U/S 303 |
| 9. Register of Directors Shareholding | U/S 307 |
| 10. Register of Loans & Investments | U/S 372A |
| 11. Application for and allotment of Shares | |
| 12. Copies of Annual Return | U/S 163 |

ANNEXURE 'B'

Forms as filed by the Company with Registrar of Companies (ROC), Regional Director, Central Government or other authorities during the financial year ended on 31st March, 2011.

Sl. no.	Form No./Return	Filed u/s	For the period	Date of filing	Whether Filed within the Prescribed time Yes/No	If delay in filing whether additional fess have been paid
1.	Form 23AC & Form 23ACA relate to Balance Sheet & Profit & Loss Account	220(1)	FY ended 31/03/2010	12/07/2010	Yes	NA
2.	Form 66 relate to Compliance Certificate	383A	FY ended 31/03/2010	02/07/2010	Yes	NA
3.	Form 20B relate to Annual Returns	159(1)	For AGM held on 21/06/2010	20/08/2010	Yes	NA
4.	Form 32	303(2)	Date of Appointment & Resignation - 27th January 2011	02/02/2011	Yes	NA

For D. Raut & Associates
(Company Secretaries)

2A, Ganesh Chandra Avenue
Commerce House, Room No. 8C
8th Floor, Kolkata - 700 013
Dated : 13th day of June, 2011

Name of the Company Secretary
C. P. No.

DEBENDRA RAUT
(Proprietor)
5232

Hargaon Investment & Trading Company Limited

Balance Sheet as at 31st March, 2011

	Schedule	31st March, 2011 Rs.	31st March, 2010 Rs.
SOURCES OF FUNDS :			
Shareholders' Funds :			
Share Capital	1	3,04,57,270	3,04,57,270
Reserves & Surplus	2	11,75,15,759	11,23,03,290
		<u>14,79,73,029</u>	<u>14,27,60,560</u>
Loans :			
Loan from The Oudh Sugar Mills Ltd., the Holding Company (not bearing interest)		3,77,50,000	5,82,75,000
		<u>18,57,23,029</u>	<u>20,10,35,560</u>
APPLICATION OF FUNDS :			
Fixed Assets :			
Land			
As per last Account		29,35,653	29,35,653
Investments	3	<u>18,26,91,208</u>	<u>18,76,91,208</u>
Current Assets, Loans & Advances :			
Current Assets			
Cash & Bank Balances	4	21,654	28,151
Loans & Advances :			
Loans			
To Hargaon Properties Ltd., the subsidiary Company (not bearing interest)		30,000	10,000
To a Body Corporate		—	1,00,00,000
Interest Receivable & due		—	3,28,993
Advances recoverable in cash or in kind or for value to be received or pending adjustments		50,000	50,000
Advance payment of Income tax, Income-tax Refundable and tax deducted at Source		1,67,514	1,12,555
		<u>2,69,168</u>	<u>1,05,29,699</u>
Less : Current Liabilities & Provisions :	5		
Current Liabilities		8,000	8,000
Provision for Taxation		1,64,000	1,13,000
Contingent Provision against Standard Assets		1,000	—
		<u>1,73,000</u>	<u>1,21,000</u>
Net Current Assets		<u>96,168</u>	<u>1,04,08,699</u>
		<u>18,57,23,029</u>	<u>20,10,35,560</u>
Accounting Policies & Notes on Accounts	6		

Schedules referred to above form an integral part of the Balance Sheet.

In terms of our attached report of even date.

7, Rabindra Sarani
Kolkata - 700 001
Dated : 13th June, 2011

For R. L. AGARWALLA & CO.
Chartered Accountants
R. L. AGARWALLA
Proprietor
Membership No. 50516

K. C. GUPTA
B. N. BANSAL] Directors

Hargaon Investment & Trading Company Limited

Profit & Loss Account for the year ended 31st March, 2011

	Schedule	2010-2011 Rs.	2009-2010 Rs.
INCOME :			
Dividend from Long Term Investments		52,24,318	31,38,645
Interest on loan to body corporate (Tax deducted at source Rs. 16,459; Previous year Rs. 36,555)		1,64,589	3,65,548
Liabilities for Expenses written Back		200	—
		<u>53,89,107</u>	<u>35,04,193</u>
EXPENDITURE :			
Rates & Taxes		7,300	7,450
Auditors' Remuneration :			
Audit Fees		8,000	8,000
For Certificates		3,750	3,750
Directors' Fees		1,800	4,600
Miscellaneous Expenses (including service charges Rs. 60,665/- previous year Rs. 55,150/-)		1,03,788	1,11,919
Provision for Standard Assets		1,000	—
		<u>1,25,638</u>	<u>1,35,719</u>
Profit before Taxation		<u>52,63,469</u>	<u>33,68,474</u>
Less : Provision for Taxation		<u>51,000</u>	<u>1,13,000</u>
Profit after Taxation		<u>52,12,469</u>	<u>32,55,474</u>
Add : Balance brought forward from last year		<u>5,19,23,080</u>	<u>4,93,27,606</u>
Profit available for Appropriation		<u>5,71,35,549</u>	<u>5,25,83,080</u>
APPROPRIATIONS :			
Transfer to Reserve Fund		10,43,000	6,60,000
Balance carried to Balance Sheet		5,60,92,549	5,19,23,080
		<u>5,71,35,549</u>	<u>5,25,83,080</u>
Accounting Policies & Notes on Accounts	6		

Schedules referred to above form an integral part of the Profit and Loss Account

In terms of our attached report of even date.

7, Rabindra Sarani
Kolkata - 700 001
Dated : 13th June, 2011

For R. L. AGARWALLA & CO.
Chartered Accountants
R. L. AGARWALLA
Proprietor
Membership No. 50516

K. C. GUPTA
B. N. BANSAL] Directors

Hargaon Investment & Trading Company Limited

Schedules to the Balance Sheet

	<u>31st March, 2011</u>	<u>31st March, 2010</u>
	Rs.	Rs.
SCHEDULE - 1 : SHARE CAPITAL		
Authorised :		
49,90,000 Equity Shares of Rs. 10 each	4,99,00,000	4,99,00,000
10,000 Preference Shares of Rs. 10 each	1,00,000	1,00,000
	<u>5,00,00,000</u>	<u>5,00,00,000</u>
Issued :		
30,45,733 Equity Shares of Rs. 10 each	3,04,57,330	3,04,57,330
Subscribed & Paid-up :		
30,45,727 Equity Shares of Rs. 10 each fully paid up in cash	3,04,57,270	3,04,57,270
(The entire Subscribed Capital is held by The Oudh Sugar Mills Ltd., the holding company)		
SCHEDULE - 2 : RESERVES AND SURPLUS		
Share Premium Account :		
As per last Account	3,04,57,210	3,04,57,210
Reserve Fund :		
As per last Account	1,74,73,000	1,68,13,000
Transfer from Profit & Loss Account	10,43,000	6,60,000
	<u>1,85,16,000</u>	<u>1,74,73,000</u>
General Reserve :		
As per last Account	1,24,50,000	1,24,50,000
Surplus as per Profit & Loss Account	<u>5,60,92,549</u>	<u>5,19,23,080</u>
	<u>11,75,15,759</u>	<u>11,23,03,290</u>
SCHEDULE - 3 : INVESTMENTS (At Cost)		
	No. of Shares	Face Value Rs.
Long Term Investments (Non-Trade) :		
QUOTED : (Fully Paid)		
Equity Shares :		
Upper Ganges Sugar & Industries Ltd.	6,57,966	10
New India Retailing & Investment Ltd.	1,34,448	10
SIL Investments Ltd.	11,40,931	10
Sutlej Textiles & Industries Ltd.	11,40,931	10
	<u>4,88,31,540</u>	4,88,31,540
	<u>1,06,72,988</u>	1,06,72,988
	<u>2,60,25,111</u>	2,60,25,111
	<u>3,10,22,481</u>	3,10,22,481
	<u>11,65,52,120</u>	<u>11,65,52,120</u>

Hargaon Investment & Trading Company Limited

SCHEDULE - 3 : INVESTMENTS (Contd.)

	No. of Shares	Face Value Rs.	<u>31st March, 2011</u>	<u>31st March, 2010</u>
			Rs.	Rs.
UNQUOTED : (Fully Paid)				
Equity Shares :				
India Educational and Research Institutions Pvt. Ltd.	4,900	10	49,000	49,000
SCM Investment & Trading Co. Ltd.	18,75,000	10	3,75,00,000	3,75,00,000
			<u>3,75,49,000</u>	<u>3,75,49,000</u>
Preference Shares :				
8% Non-Convertible Cumulative Redeemable Preference Shares of New India Retailing & Investment Ltd.	2,50,000 (3,00,000)	100	2,50,00,000	3,00,00,000
UNQUOTED : (Partly Paid)				
Equity Shares :				
Modern DiaGen Services Ltd. (Rs. 2/- paid up)	5,45,044	10	10,90,088	10,90,088
Shares in Subsidiary Company :				
Unquoted : (Fully Paid)				
Equity Shares :				
Hargaon Properties Ltd.	2,50,000	10	25,00,000	25,00,000
			<u>18,26,91,208</u>	<u>18,76,91,208</u>
Aggregate Book Value of Investments :				
Quoted			11,65,52,120	11,65,52,120
Unquoted			6,61,39,088	7,11,39,088
			<u>18,26,91,208</u>	<u>18,76,91,208</u>
Market Value of Quoted Investments			<u>42,16,68,387</u>	<u>27,90,19,504</u>
SCHEDULE - 4 : CASH & BANK BALANCES				
Cash in hand			3,204	404
With a Scheduled Bank on Current Account			18,450	27,747
			<u>21,654</u>	<u>28,151</u>
SCHEDULE - 5 : CURRENT LIABILITIES & PROVISIONS				
Current Liabilities :				
Sundry Creditors				
For Expenses			8,000	8,000
Provisions				
For Taxation			1,64,000	1,13,000
Contingent Provision against Standard Assets			1,000	—
			<u>1,65,000</u>	<u>1,13,000</u>

Hargaon Investment & Trading Company Limited

SCHEDULE - 6 : ACCOUNTING POLICIES & NOTES ON ACCOUNTS

1. **Accounting Policies :**
 - i) Fixed Assets are stated at cost.
 - ii) Long Term Investments are considered at cost on individual basis, unless there is permanent decline in value thereof, in which case adequate provision is made against the diminution in the value of investments.
 - iii) Items of Income and Expenditure are recognised on accrual basis.
2. Contingent Liability not provided for in respect of uncalled capital on partly paid shares held as investments of Rs. 43,60,352/- (Previous Year - Rs. 43,60,352/-)
3. Diminution of Rs. 209.61 Lacs in the value of certain quoted investments based on the last quoted price, has not been provided, as the break-up value of the said shares supplemented by the market value as on 31st March, 2010 / 30th June, 2010 of the quoted investments held by the investee Company, is much higher than the corresponding Book Value.
4. The Company has given an undertaking to Punjab National Bank not to transfer, assign, dispose of, pledge, charge or create any lien or in any way encumber its shareholding, present or future in Sutej Textiles & Industries Ltd. without their approval in writing till the financial assistance provided by them to the said company remains unpaid.
5. The Company has pledged 997,580 Equity Shares of Sutej Textiles & Industries Ltd. and 6,57,966 Equity Shares of Upper Ganges Sugar & Industries Ltd. against outstanding loan of Rs. 1800 Lacs granted by M/s. M.J. Pharmaceuticals Ltd. to The Oudh Sugar Mills Ltd., the holding Company.

Signatories to Schedules 1 to 6

7, Rabindra Sarani Kolkata - 700 001 Dated : 13th June, 2011	For R. L. AGARWALLA & CO. <i>Chartered Accountants</i> R. L. AGARWALLA <i>Proprietor</i> Membership No. 50516	K. C. GUPTA B. N. BANSAL } <i>Directors</i>
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Statement pursuant to Section 212 of the Companies Act, 1956

As on 31st March, 2011 - 55.56% of the subscribed share capital of Hargaon Properties Ltd., was held by the Company.

The net amount of the Profit/(Loss) of the subsidiary company for the last as well as the previous year, which concerns the members of the Company but have not been dealt with in or for the purposes of the accounts of the Company amounts to (Rs. 7,868) and Rs. 1,20,817.

9/1, R.N. Mukherjee Road
 Kolkata - 700 001
 Dated : 13th June, 2011

K. C. GUPTA
 B. N. BANSAL
 } *Directors*

Hargaon Investment & Trading Company Limited

Balance Sheet Abstract and Company's General Business Profile

I. Registration Details

Registration No.	U67120WB1986PLC041679	State Code	21
Balance Sheet Date	: 31.03.2011		

II. Capital raised during the year (Amount in Rs. Thousands)

Public Issue	Nil	Rights Issue	Nil
Bonus Issue	Nil	Private Placement	Nil

III. Position of Mobilisation and Deployment of Funds : (Amount in Rs. Thousands)

Total Liabilities	1,85,723	Total Assets	1,85,723
Sources of Funds		Application of Funds	
Paid-up Capital	30,457	Net Fixed Assets	2,936
Reserves & Surplus	1,17,516	Investments	1,82,691
Secured Loans	Nil	Net Current Assets	96
Unsecured Loans	37,750	Miscellaneous Expenditure	Nil
		Accumulated Losses	Nil

IV. Performance of Company (Amount in Rs. Thousands)

Turnover	5,389	Total Expenditure	126
Profit before Tax	5,263	Profit after Tax	5,212
Earning per Share (Rs.)	1.71	Dividend Rate	Nil

V. Generic Names of Principal Products/Services of the Company :

(as per monetary terms)

Item Code No. (ITC Code)	}	Not Applicable
Product Description		

K. C. GUPTA
 B. N. BANSAL
 } *Directors*

Hargaon Investment & Trading Company Limited

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

(As required in terms of paragraph 9BB of Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998)

<u>PARTICULARS</u>	<u>Amount outstanding</u> (As on 31.03.2011)	<u>(Rs. in lacs)</u> <u>Amount overdue</u> (As on 31.03.2011)
Liabilities Side :		
1. Loans and Advances availed by the NBFC'S inclusive of interest accrued thereon but not paid :		
(a) Debentures :		
Secured	Nil	Nil
Unsecured	Nil	Nil
(Other than falling within the meaning of Public Deposits)		
(b) Deferred Credits	Nil	Nil
(c) Term Loans	Nil	Nil
(d) Inter-Corporate Loans and Borrowings	Nil	Nil
(e) Commercial Paper	Nil	Nil
(f) Other Loans (unsecured)	377.50	Nil
Assets Side :		
2. Break-up of Loans and advances including Bills receivables (other than those included in (3) below)		<u>Amount outstanding</u>
(a) Secured		Nil
(b) Unsecured		0.80
3. Break-up of Leased Assets and Stock on Hire and other assets counting towards AFC activities		
i) Lease Assets including lease rentals under sundry debtors :		
(a) Financial Lease		Nil
(b) Operating Lease		Nil
ii) Stock on hire including hire charges under sundry debtors :		
(a) Assets on Hire		Nil
(b) Repossessed Assets		Nil
iii) Other Loans counting towards AFC activities :		
(a) Loans where assets have been repossessed		Nil
(b) Loans other than (a) above		Nil

Hargaon Investment & Trading Company Limited

Schedule to the Balance Sheet of a Non-Banking Financial Company (Contd.)

Assets Side (Contd.)

(Rs. in lacs)
Amount outstanding

4. Break-up of Investments :		
Current Investments :		
1. Quoted :		
(i) Shares :		
(a) Equity		Nil
(b) Preference		Nil
(ii) Debentures and Bonds		Nil
(iii) Units of Mutual Funds		Nil
(iv) Government Securities		Nil
(v) Others (please specify)		Nil
2. Unquoted :		
(i) Shares :		
(a) Equity		Nil
(b) Preference		Nil
(ii) Debentures and Bonds		Nil
(iii) Units of Mutual Funds		Nil
(iv) Government Securities		Nil
(v) Others (please specify)		Nil
Long Term Investments :		
1. Quoted :		
(i) Shares :		
(a) Equity		1165.52
(b) Preference		Nil
(ii) Debentures and Bonds		Nil
(iii) Units of Mutual Funds		Nil
(iv) Government Securities		Nil
(v) Others (please specify)		Nil
2. Unquoted		
(i) Shares :		
(a) Equity		411.39
(b) Preference		250.00
(ii) Debentures and Bonds		Nil
(iii) Units of Mutual Funds		Nil
(iv) Government Securities		Nil
(v) Others (please specify)		Nil

Hargaon Investment & Trading Company Limited

Schedule to the Balance Sheet of a Non-Banking Financial Company (Contd.)

5. Borrower group-wise classification of Assets financed as in (2) and (3) above :

<u>Category</u>	(Rs. in lacs)		
	<u>Amount net of provisions</u>		
	<u>Secured</u>	<u>Unsecured</u>	<u>Total</u>
1. Related Parties			
(a) Subsidiaries	Nil	0.30	0.30
(b) Companies in the same group	Nil	Nil	Nil
(c) Other related parties	Nil	Nil	Nil
2. Other than related parties	Nil	0.50	0.50
Total	<u>Nil</u>	<u>0.80</u>	<u>0.80</u>

6. Investor group-wise classification of all Investments (current and long term) in shares and securities (both quoted and unquoted) :

<u>Category</u>	<u>Market Value/ Break-up or Fair value or NAV</u>	<u>Book Value (Net of Provisions)</u>
1. Related Parties		
(a) Subsidiaries	26.20	25.00
(b) Companies in the same group	Nil	Nil
(c) Other related parties	Nil	Nil
2. Other than related parties	4841.93	1801.91
Total	<u>4868.13</u>	<u>1826.91</u>

7. Other Information

Particulars	<u>Amount</u>
i) Gross Non-Performing Assets	
(a) Related parties	Nil
(b) Other than related parties	Nil
ii) Net Non-Performing Assets	
(a) Related parties	Nil
(b) Other than related parties	Nil
iii) Assets acquired in satisfaction of debt	Nil

K. C. GUPTA
B. N. BANSAL] *Directors*