

# **HARGAON PROPERTIES LIMITED**

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

**Directors**

SHRI U. S. BERIA  
SHRI K. C. GUPTA  
SHRI C. K. VYAS

**Auditors**

Messrs S. N. ROY & CO.  
*Chartered Accountants*  
29-A, Madan Mohan Tala Street,  
Kolkata-700 005

**Registered Office**

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

## **HARGAON PROPERTIES LIMITED**

### **NOTICE**

Notice is hereby given that the Eighth Annual General Meeting of Hargaon Properties Limited will be held on Monday, 18th July, 2011 at 2.30 P.M. at 9/1, R. N. Mukherjee Road, Kolkata-700 001 for the following purposes :

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 U.S. Beria who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

9/1, R. N. Mukherjee Road,  
Kolkata - 700 001  
Dated : 25th May, 2011

By Order of the Board  
K. C. Gupta  
Director

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**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 PROPERTIES 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 :**

The Profit & Loss Account for the year under review shows a loss of Rs. 14,161 which has been deducted from the credit balance of Rs. 2,17,453 brought forward from the previous year leaving a credit balance of Rs. 2,03,292 which is to be carried forward.

3. **Dividend :**

Your Directors have not recommended any dividend.

4. **Directors :**

Shri U.S. Beria retires from the Board by rotation and being eligible offers himself for re-appointment.

5. **Auditors :**

The Auditors, Messrs S. N. Roy & 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.

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 ;

## **HARGAON PROPERTIES LIMITED**

- ii) they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss 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. Compliance Certificate :**

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

9/1, R. N. Mukherjee Road,  
Kolkata - 700 001.  
Dated : 25th May, 2011

U. S. BERIA  
K. C. GUPTA ] *Directors*

## **HARGAON PROPERTIES LIMITED**

### **Compliance Certificate**

Nominal Capital Rs. 50.00 lakh  
Registration No. 21-097280

To,  
The Members

We have examined the registers, records, books and papers of Hargaon Properties Limited (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder 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 aforesaid financial year:

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 there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms 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 4 (Four) times respectively on 21st April, 2010, 28th September, 2010, 27th December, 2010 and 24th March, 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 5th July, 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.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The Company was not required to make any entries in the register maintained under Section 301 of the Act.
11. As there was no instance 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 Central Government.
12. The Company has not issued any duplicate Share certificates during the financial year.

## **HARGAON PROPERTIES LIMITED**

### **Compliance Certificate (Contd.)**

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.  
Shri Chandra Kumar Vyas appointed & regularized in AGM dated 05.07.2010 as a Director from additional Director, during the period under review.
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 securities during the financial year.
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 under Section 58A of the Act during the financial year.
24. The Company has not borrowed any amount during the financial year.
25. The Company has not made 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 during the year under scrutiny.

## **HARGAON PROPERTIES LIMITED**

### **Compliance Certificate (Contd.)**

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 notices 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. The Company has not received any money as security from its employees during the financial year.
33. Since the Company has no employees, the provision 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.

*It is stated that the compliance of all the applicable provisions of the Companies Act, 1956 is the responsibility of the management. Our examination, on a test-check basis, was limited to procedures followed by the Company for ensuring the compliance with the said provisions. We 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 its affairs. We further state that this is neither an audit nor an expression of opinion on the financial activities/statements of the Company. Moreover, we have not covered any matter related to any other law which may be applicable to the Company except the Companies Act, 1956.*

## HARGAON PROPERTIES LIMITED

### ANNEXURE - A

#### Sl. No. Registers/ Records as maintained by the Company

1. Register of investment u/s 49(7).
2. Register of Transfer u/s 108/111.
3. Register of Members u/s 150.
4. Minutes Book of Board Meetings u/s 193.
5. Minutes Book of General Meetings u/s 193.
6. Books of Accounts u/s 209.
7. Register of Notice of Interest given by the Directors u/s 299.
8. Register of Contracts, Companies and firms in which Directors are interested u/s 301.
9. Registers of Directors, Managing Director, Manager and Secretary u/s 303.
10. Register of Directors Shareholding u/s 307.
11. Register of Loans & Investments u/s 372A.
12. Register of Charges u/s 143.
13. Application for and allotment of shares.
14. Copies of Annual Return u/s 163.

### ANNEXURE - B

Forms as filed by the Company with Register 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 Document	Date of filing	Whether Filed within the Prescribed time Yes/No	If delay in filing whether additional fess have been paid
1.	Form 32	303(2)	Date of Appointment 05th July, 2010	19.07.2010	Yes	No
2.	Balance Sheet/ Form 23AC/23ACA	220	For the FY ending on 31st March 2010	19.07.2010	Yes	No
3.	Compliance Certificate /Form 66	383(A)	For the FY ending on 31st March 2010	19.07.2010	Yes	No
4.	Annual Returns/ Form 20B	159	For AGM held on 05.07.2010	27.08.2010	Yes	No

For **D. RAUT & ASSOCIATES**  
(Company Secretaries)

2A, Ganesh Chandra Avenue  
Commerce House, 8th Floor,  
Room No. 8C, Kolkata-700 013  
Dated : 25th May, 2011

Name of the Company Secretary : DEBENDRA RAUT  
(Proprietor)  
C. P. No. : 5232

## HARGAON PROPERTIES LIMITED

### Auditors' Report to the Members

We have audited the attached Balance Sheet of Hargaon Properties Limited, Kolkata as at 31st March, 2011 and also the Profit and 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.

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 misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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.

Further we report that :-

- i) We have obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit ;
- ii) In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books ;
- iii) The Balance Sheet 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 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 Loss for the year ended on that date.

For S. N. ROY & CO.  
Firm Registration No. 313054E  
Chartered Accountants  
S. N. ROY  
Proprietor  
Membership No. 51056

29A, Madan Mohan Tala Street,  
Kolkata - 700 005  
Dated : 25th May, 2011

## **HARGAON PROPERTIES LIMITED**

### **Annexure referred to in Paragraph 3 of our report of even date**

1. (a) The Company has maintained proper records to show full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets of the Company have been physically verified during the year by the management, which has revealed no discrepancies between the book records and the physical inventory.
- (c) During the year, none of the fixed assets have been disposed off by the Company.
2. The Company has no manufacturing and/or trading activities and as such the question of having any stock and maintenance of record in respect thereof and physical verification of inventory does not arise. Hence clauses ii(a), ii(b) & ii(c) of paragraph 4 of the aforesaid order are not applicable.
3. The Company has neither granted nor taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under Section 301 of the Act and hence clauses iii(a), iii(b), iii(c), iii(d), iii(e), iii(f) & iii(g) of paragraph 4 of the aforesaid order are not applicable.
4. There is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets made during the year. There is no continuing failure to correct major weaknesses in internal control system.
5. There was no transaction needed to be entered in the register in pursuance of Section 301 of the Companies Act, 1956 and hence clauses v(a) & v(b) of paragraph 4 of the aforesaid order are not applicable.
6. The Company has not accepted deposits from the public during the year.
7. The Company is not a listed Company and paid up capital and reserves are less than Rs. 50 lacs at the commencement of the financial year and also the average annual turnover is less than Rs. 5 Crores for a period of three financial years immediately preceding the financial year concern, hence clause vii of paragraph 4 is not applicable.
8. The Company is not required to maintain any cost records.
9. a) 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 question of payment of Provident Fund, Employees' State Insurance, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, 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 a period of more than six months from the date they became payable.

## **HARGAON PROPERTIES LIMITED**

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

- b) As at 31st March, 2011 there are no disputed dues in respect of Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Cess, etc.
10. The Company has no accumulated losses at the end of Financial year and it has incurred cash losses in the current & immediate preceding financial year amounting to Rs.14161 & Rs. 18664 respectively.
11. The Company has not taken any term loan from any financial institution or bank. The Company does not have any borrowing by way of debentures.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. a) The Company is not a chit fund, nidhi or mutual benefit fund/society.  
b) In view of our comment in paragraph xiii(a) above clauses xiii(b), xiii(c) & xiii(d) of paragraph 4 of the aforesaid order are not applicable.
14. The Company is not dealing or trading in shares, securities, debentures etc.
15. The Company has not given any guarantee for the loans taken by other parties from any bank or financial institution.
16. The Company has not raised any funds on short term basis or on long term basis. Hence clauses xvi & xvii of the aforesaid order are not applicable.
17. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act. The Company has not raised any money through a public issue during the year.
18. The Company has not issued any debentures. Hence clauses xix & xx of the aforesaid order are not applicable.
19. During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the Company nor we have been informed of such case by the management.

29A, Madan Mohan Tala Street,  
Kolkata - 700 005.  
Dated : 25th May, 2011

For S. N. ROY & CO.  
Firm Registration No. 313054E  
Chartered Accountants  
S. N. ROY  
Proprietor  
Membership No. 51056



## HARGAON PROPERTIES LIMITED

### Balance Sheet as at 31st March, 2011

	Schedule	31st March, 2011 Rs.	31st March, 2010 Rs.
<b>SOURCES OF FUNDS :</b>			
<b>Shareholders' Funds</b>			
Share Capital	1	45,00,000	45,00,000
Reserves & Surplus	2	2,03,292	2,17,453
		<u>47,03,292</u>	<u>47,17,453</u>
<b>Loans</b>			
<b>Unsecured Loan</b>			
Loan from Hargaon Investment & Trading Co. Ltd., the Holding Company (not bearing interest)		30,000	10,000
		<u>47,33,292</u>	<u>47,27,453</u>
<b>APPLICATION OF FUNDS :</b>			
<b>Fixed Assets :</b>			
Land		47,23,634	47,23,634
<b>Current Assets, Loans &amp; Advances :</b>			
<b>Current Assets</b>	3	11,658	4,819
<i>Less : Current Liabilities &amp; Provisions :</i>	4		
Current Liabilities		2,000	1,000
		<u>2,000</u>	<u>1,000</u>
<b>Net Current Assets</b>		<u>9,658</u>	<u>3,819</u>
		<u>47,33,292</u>	<u>47,27,453</u>

Accounting Policies & Notes on Accounts 5

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

In terms of our attached report of even date.

For S. N. ROY & CO.  
Firm Registration No. 313054E  
Chartered Accountants  
(S. N. ROY)  
Proprietor  
Membership No. 51056

U. S. BERIA  
K. C. GUPTA } Directors

## HARGAON PROPERTIES LIMITED

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

	2010-2011 Rs.	2009-2010 Rs.
<b>INCOME :</b>		
	—	—
	<u>—</u>	<u>—</u>
<b>EXPENDITURE :</b>		
Rates & Taxes	4,400	4,400
Land Rent	33	33
Auditors' Remuneration :		
Audit Fees	2,000	1,000
Miscellaneous Expenses	7,728	13,231
	<u>14,161</u>	<u>18,664</u>
<b>Profit/(Loss) before Taxation</b>	<b>(14,161)</b>	<b>(18,664)</b>
Less : Provision for Taxation	—	—
<b>Profit/(Loss) after Taxation</b>	<b>(14,161)</b>	<b>(18,664)</b>
Add : Profit brought forward from last year	2,17,453	2,36,117
	<u>2,03,292</u>	<u>2,17,453</u>
<b>Credit balance carried to Balance Sheet</b>	<b>2,03,292</b>	<b>2,17,453</b>

In terms of our attached report of even date.

For S. N. ROY & CO.  
Firm Registration No. 313054E  
Chartered Accountants  
(S. N. ROY)  
Proprietor  
Membership No. 51056

U. S. BERIA  
K. C. GUPTA } Directors

## HARGAON PROPERTIES LIMITED

### Schedules to the Balance Sheet

	31st March, 2011 Rs.	31st March, 2010 Rs.
<b>SCHEDULE - 1 : SHARE CAPITAL</b>		
<b>Authorised :</b>		
5,00,000 Equity Shares of Rs. 10 each	<b>50,00,000</b>	50,00,000
<b>Issued, Subscribed &amp; Paid-up :</b>		
4,50,000 Equity Shares of Rs. 10 each fully paid up in cash	<b>45,00,000</b>	45,00,000
(Out of the above 2,50,000 Equity Shares are held by Hargaon Investment & Trading Co. Ltd., the holding Company)		
<b>SCHEDULE - 2 : RESERVES &amp; SURPLUS</b>		
Surplus as per Profit & Loss Account	<b>2,03,292</b>	2,17,453
<b>SCHEDULE - 3 : CURRENT ASSETS</b>		
<b>Cash &amp; Bank Balances</b>		
Cash-in-hand	<b>376</b>	876
Balance with a Scheduled Bank on Current Account	<b>11,282</b>	3,943
	<b>11,658</b>	4,819
<b>SCHEDULE - 4 : CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>Current Liabilities :</b>		
Sundry Creditors for Expenses	<b>2,000</b>	1,000
<b>SCHEDULE - 5 : ACCOUNTING POLICIES &amp; NOTES ON ACCOUNTS :</b>		
<b>Accounting Policies :</b>		
<b>Basis of Accounting</b>		
The Company prepares its accounts on accrual basis in accordance with normally accepted accounting principles.		
<b>Fixed Assets</b>		
Fixed Assets are stated at cost.		

#### Signatories to Schedules 1 to 5

29A, Madan Mohan Tala Street,  
Kolkata - 700 005.  
Dated : 25th May, 2011

For S. N. ROY & CO.  
Firm Registration No. 313054E  
Chartered Accountants  
(S. N. ROY)  
Proprietor  
Membership No. 51056

U. S. BERIA  
K. C. GUPTA ] *Directors*

## HARGAON PROPERTIES LIMITED

### Balance Sheet Abstract and Company's General Business Profile

#### I. Registration Details

Registration No.	U70101WB2003PLC097280	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)

<b>Total Liabilities</b>	4,733	<b>Total Assets</b>	4,733
<b>Sources of Funds</b>		<b>Application of Funds</b>	
Paid-up Capital	4,500	Net Fixed Assets	4,723
Reserves & Surplus	203	Investments	Nil
Secured Loans	Nil	Net Current Assets	10
Unsecured Loans	30	Miscellaneous Expenditure	Nil
		Accumulated Losses	Nil

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

Turnover	Nil	Total Expenditure	14
Profit/(Loss) before Tax	(14)	Profit/(Loss) after Tax	(14)
Earning per Share(Rs.)	(0.03)	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		

U. S. BERIA  
K. C. GUPTA ] *Directors*