

HARGAON PROPERTIES LIMITED

NOTICE

Notice is hereby given that the Ninth Annual General Meeting of Hargaon Properties Limited will be held on Friday, 14th September, 2012 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 Statement of Profit & Loss for the year ended 31st March, 2012, 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 Kailash Chand Gupta 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 : 21st June, 2012

By Order of the Board
Chandra Kumar Vyas
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 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, 2012.

2. Financial Results :

The Statement of Profit & Loss for the year under review shows a loss of Rs. 26,281 which has been deducted from the credit balance of Rs. 2,03,292 brought forward from the previous year leaving a credit balance of Rs. 1,77,011 which is to be carried forward.

3. Dividend :

Your Directors have not recommended any dividend.

4. Directors :

Shri Uma Shanker Beria resigned from the Directorship of the Company with effect from 14th February, 2012. Shri Sunil Choraria was appointed as a Director in the casual vacancy due to resignation of Shri Uma Shanker Beria on 14th February, 2012.

Shri Kailash Chand Gupta 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.

HARGAON PROPERTIES LIMITED

Directors' Report (Contd.)

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 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 : 21st June, 2012

K. C. GUPTA
SUNIL CHORARIA | *Directors*

HARGAON PROPERTIES LIMITED

Compliance Certificate

Nominal Capital : Rs. 50.00 Lacs

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, 2012. 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 thereunder 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 25th May, 2011, 28th September, 2011, 28th December, 2011 and 14th February, 2012 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, 2011 was held on 18th July, 2011 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the 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 PROPERTIES 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 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.
13. The Company has :
 - a. duly delivered the certificates on transfer of Shares, but has not made any allotment of Shares.
 - 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 and 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. Appointment of Shri Sunil Choraria in place of Shri Uma Shankar Beria to fill the casual vacancy w.e.f. 14-02-2012.
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 thereunder.
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.

HARGAON PROPERTIES LIMITED

Compliance Certificate (Contd.)

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 made borrowings during the financial year.
25. The Company has 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.
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 the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the 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

Compliance Certificate (Contd.)

ANNEXURE 'A'

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 Registrar of Companies (ROC), Regional Director, Central Government or other authorities during the financial year ended on 31st March, 2012.

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 Fees have been paid
1.	Form 23AC & Form 23ACA (XBRL) relate to Balance Sheet & Profit & Loss Account	220(1)	For the FY ending on 31st March, 2011	30-11-2011	Yes	NA
2.	Form 66 relate to Compliance Certificate	383A	For the FY ending on 31st March, 2011	30-08-2011	No	Yes
3.	Form 20B relate to Annual Returns	159(1)	For AGM held on 18-07-2011	16-09-2011	Yes	NA
4.	Form 32 relate to appointment/resignation of Directors	303	For Appointment & Cessation of Directors	13-03-2012	Yes	NA

Commerce House
7th Floor, Room No.10
2A, Ganesh Chandra Avenue
Kolkata - 700 013
Dated : the 21st day of June, 2012

For D. RAUT & ASSOCIATES
(Company Secretaries)
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, 2012 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.

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. 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 paragraph 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 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, 2012 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2012 from being appointed as a Director in term 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, 2012 ; and
 - b. in the case of the Profit & Loss Account, of the Loss for the year ended on that date.

29A, Madan Mohan Tala Street,
Kolkata - 700 005
Dated : 21st June, 2012

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

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 of 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, 2012 for a period or 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, 2012 there are no disputed dues in respect of Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Cess etc.
10. The Company has incurred accumulated loss at the end of financial year and it has incurred cash loss in the current financial year. It has also incurred cash loss in immediate preceding financial year.
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 or 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 : 21st June, 2012

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, 2012

	Notes	As at 31st March, 2012 Rs.	As at 31st March, 2011 Rs.
I. EQUITY AND LIABILITIES			
Shareholders' Fund			
Share Capital	2	45,00,000	45,00,000
Reserves & Surplus	3	1,77,011	2,03,292
Current Liabilities			
Short term Borrowings	4	55,000	30,000
Other current Liabilities	5	2,000	2,000
Total		47,34,011	47,35,292
II. ASSETS			
Non Current Assets			
Fixed Assets			
Tangible Assets	6	47,23,634	47,23,634
Current Assets			
Cash and Cash Equivalents	7	10,377	11,658
Total		47,34,011	47,35,292

The Accompanying notes No. 1-10 are an integral part of the financial statement

In terms of our attached report of even date.

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

29A, Madan Mohan Tala Street,
Kolkata - 700 005
Dated : 21st June, 2012

(S. N. ROY)
Proprietor

K. C. GUPTA
SUNIL CHORARIA | Directors

Membership No. 51056

HARGAON PROPERTIES LIMITED

Statement of Profit & Loss for the year ended 31st March, 2012

	Notes	31st March, 2012 Rs.	31st March, 2011 Rs.
I. INCOME			
Revenue from Operations		—	—
Other Income		—	—
Total		—	—
II. Expenses			
Rate & Taxes	8	4,400	4,400
Other Expenses	9	21,881	9,761
Total		26,281	14,161
Earnings before Interest, Depreciation & amortisation and Tax (I-II)		(26,281)	(14,161)
Depreciation and amortization Expense		—	—
Profit / (Loss) before Tax		(26,281)	(14,161)
Tax Expenses			
Current Tax		—	—
Short Provision for Taxation		—	—
Total Tax Expense		—	—
Profit/(Loss) for the year		(26,281)	(14,161)
Earnings per Share (Nominal Value of Rs. 10/-)			
Basic		(0.06)	(0.03)
Diluted		(0.06)	(0.03)

The Accompanying notes No. 1-10 are an integral part of the financial statement

In terms of our attached report of even date.

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

29A, Madan Mohan Tala Street,
Kolkata - 700 005
Dated : 21st June, 2012

(S. N. ROY)
Proprietor

K. C. GUPTA
SUNIL CHORARIA | Directors

Membership No. 51056

HARGAON PROPERTIES LIMITED

Cash Flow Statement for the year ended 31st March, 2012

	(All Figures in Rs.)	
	<u>2011-2012</u>	<u>2010-2011</u>
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Profit / (Loss) before tax	(26,281)	(14,161)
Adjustment for :		
Depreciation	—	—
Dividend & Interest Income	—	—
Operating profit/(loss) before working capital changes	(26,281)	(14,161)
Adjustment for :		
Trade & Other receivables	—	—
Loans & Advances	—	—
Trade Payable	—	—
Cash generated from the operation	(26,281)	(14,161)
Direct Taxes Paid (Net of refunds)	—	—
Net Cash from Operating Activities (A)	(26,281)	(14,161)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of fixed assets	—	—
Sale of Investments	—	—
Dividend Received	—	—
Interest Received	—	—
Net Cash from Investing Activities (B)	—	—
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Borrowings (Net)	25,000	20,000
Net Cash From Financing Activities (C)	25,000	20,000
Net changes in Cash and Cash equivalents (A+B+C)	(1,281)	5,839
Cash and Cash Equivalents - Opening Balance*	11,658	4,819
Cash and Cash Equivalents - Closing Balance*	10,377	11,658
*Represents Cash & Bank Balances as indicated in Note No. 9		

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 : 21st June, 2012

K. C. GUPTA
SUNIL CHORARIA | Directors

HARGAON PROPERTIES LIMITED

Notes to Financial Statements for the year ended 31st March, 2012

Corporate Information

Hargaon Properties Ltd. (the company) is a public company domiciled in India and incorporated under the Provisions of The Companies Act, 1956. The main object of the Company is to deal in real estate property.

1. **Significant Accounting Policies**

Basis of Preparation

The financial statements have been prepared to comply in all material aspects with the Accounting Standards notified by the Companies Accounting Standards Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies applied by the Company are consistent with those used in the previous year, except for the change in accounting policy explained below.

Change in Accounting Policy

During the year ended March 31, 2012, the revised Schedule VI notified under the Companies Act 1956, has become applicable to the Company, for preparation and presentation of its financial statements. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However it has significant impact on presentation and disclosures made in the financial statements. The Company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

Method of Accounting

The Company follows mercantile system of accounting and recognizes income and expenditure on accrual basis, as per normally accepted accounting principles.

Fixed Assets

Fixed assets are stated at cost of acquisition inclusive of duties, taxes, incidental expenses and erection/commissioning expenses etc.

Provision for Taxation

Provision for Taxation comprises of current year's tax. No deferred tax asset or liability has arisen during the year.

Contingent Liability

Contingent liabilities, not provided for, are disclosed by way of Notes on the Accounts.

Cash and Cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and on hand and short-term investments with an original maturity of three months or less.

HARGAON PROPERTIES LIMITED

Notes to Financial Statements for the year ended 31st March, 2012 (Contd.)

	As at 31st March, 2012 Rs.	As at 31st March, 2011 Rs.
2. Share Capital		
(a) Authorised Shares :		
5,00,000 Equity Shares of Rs. 10 each	50,00,000	50,00,000
	50,00,000	50,00,000
(b) Issued Shares :		
4,50,000 Equity Shares of Rs. 10 each	45,00,000	45,00,000
	45,00,000	45,00,000
(c) Subscribed and fully paid-up Shares :		
4,50,000 Equity Shares of Rs. 10 each fully paid	45,00,000	45,00,000
	45,00,000	45,00,000

(d) **Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

	2011-2012		2010-2011	
	No.	Rs.	No.	Rs.
Equity Shares				
At the beginning of the Period	4,50,000	45,00,000	4,50,000	45,00,000
Add : Issued during the period	—	—	—	—
Outstanding at the end of the Period	4,50,000	45,00,000	4,50,000	45,00,000

(e) **Terms/rights attached to Equity Shares**

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The Dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution to equity shareholders will be in proportion to the amount paid up or credited as paid up.

(f) **Details of shareholders holding more than 5% shares in the Company**

Equity Shares of Rs. 10 each fully paid

	As at 31-03-2012		As at 31-03-2011	
	No.	% holding	No.	% holding
Hargaon Investment & Trading Co. Ltd.	2,50,000	56	2,50,000	56
Champan Marketing Co. Limited	2,00,000	44	2,00,000	44
	4,50,000	100	4,50,000	100

HARGAON PROPERTIES LIMITED

Notes to Financial Statements for the year ended 31st March, 2012 (Contd.)

	As at 31st March, 2012 Rs.	As at 31st March, 2011 Rs.
(g) Details of shares held by Holding Company		
Equity Shares		
Hargaon Investment & Trading Co. Ltd. (2,50,000 shares of Rs. 10 each, P.Y. 2,50,000 shares of Rs. 10 each)	25,00,000	25,00,000
3. Reserve & Surplus		
Surplus/(Deficit) in the Statement of Profit & Loss		
Balance as per last financial statements	2,03,292	2,17,453
Profit for the year	(26,281)	(14,161)
Net Surplus/(Deficit) in the Statement of Profit and Loss	1,77,011	2,03,292
Total Reserves and Surplus	1,77,011	2,03,292
4. Short Term Borrowings		
Loans & Advances		
Hargaon Investment & Trading Co. Ltd. (Holding Company)	55,000	30,000
	55,000	30,000
Above Interest Free Loan from Holding Co., is repayable on demand		
5. Other Current Liabilities		
Audit Fees	2,000	2,000
	2,000	2,000
6. Tangible Assets		

Cost or Valuation	Freehold Land	Others	Total
At 1st April, 2010	47,23,634	—	47,23,634
Additions	—	—	—
Disposal	—	—	—
At 31st March, 2011	47,23,634	—	47,23,634
Additions	—	—	—
Disposal	—	—	—
At 31st March, 2012	47,23,634	—	47,23,634
Depreciation			
At 1st April, 2010	—	—	—
Charge for the year	—	—	—
Disposal	—	—	—
At 31st March, 2011	—	—	—
Charge for the year	—	—	—
Disposal	—	—	—
At 31st March, 2012	—	—	—
Net Block at 31st March, 2011	47,23,634	—	47,23,634
At 31st March, 2012	47,23,634	—	47,23,634

HARGAON PROPERTIES LIMITED

Notes to Financial Statements for the year ended 31st March, 2012 (Contd.)

	<u>31st March, 2012</u>	<u>31st March, 2011</u>
	Rs.	Rs.
7. Cash and Bank Balances		
Cash and Cash equivalents		
Balances with Banks :		
On Current Accounts	9,601	11,282
Cash on Hand	776	376
	<u>10,377</u>	<u>11,658</u>
Revenue from Operations	<u>Nil</u>	<u>Nil</u>
8. Rate & Taxes		
Corporation Tax	4,400	4,400
	<u>4,400</u>	<u>4,400</u>
9. Other Expenses		
Audit Fee	2,000	2,000
Land Rent	33	33
Professional and Consultancy Fees	9,971	1,200
Bank Charges	2,113	2,675
Filling Charges	2,500	2,000
Miscellaneous Expenses	2,506	1,853
Services Charges	2,758	—
	<u>21,881</u>	<u>9,761</u>

HARGAON PROPERTIES LIMITED

Notes to Financial Statements for the year ended 31st March, 2012 (Contd.)

10. Additional Disclosures

(A) Employee

The Company has no employee, hence there is no liability at the end of the year.

(B) Related Party Disclosers

(In Accordance with Accounting Standard - 18 issued by the Institute of Chartered Accountants of India)

List of Related Parties

<u>Name</u>	<u>Relationship</u>
A. Hargaon Investment & Trading Co. Ltd.	Holding Company
B. The Oudh Sugar Mills Ltd.	Ultimate Holding Company

(Figure in Rs.)

Transaction with related party	Op. Balance	Trasanction During the year	Closing Balance
Hargaon Investment & Trading Co. Ltd. (Interest free advance recd)	30,000	25,000	55,000

	<u>31st March, 2012</u>	<u>31st March, 2011</u>
C. Earning per Share (EPS)		
Profit / (Loss) after tax	(26,281)	(14,161)
Less : Dividends on Convertible Preference Shares and Tax thereon	—	—
Net profit / (loss) for calculation of basic EPS	(26,281)	(14,161)
Weighted average number of equity shares in calculation of EPS	4,50,000	4,50,000
Earning per Share	<u>(0.06)</u>	<u>(0.03)</u>

D. Corresponding figures for the previous year have been regrouped and/or re-arranged, wherever necessary.

29A, Madan Mohan Tala Street,
Kolkata - 700 005
Dated : 21st June, 2012

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

K. C. GUPTA
SUNIL CHORARIA | Directors