

HARGAON INVESTMENT & TRADING COMPANY LIMITED

**REPORT AND ACCOUNTS
for the
year ended 31st March, 2013**

Directors

SHRI CHANDRA SHEKHAR NOPANY, Chairman
SHRI KAILASH CHAND GUPTA
SHRI BAIJNATH BANSAL
SHRI VIKASH SARASWAT

Auditors

Messers 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

Hargaon Investment & Trading Company Limited

NOTICE

Notice is hereby given that the Twenty Sixth Annual General Meeting of Hargaon Investment & Trading Company Limited will be held on Tuesday, the 6th August, 2013 at 3.00 P.M. at 9/1, R. N. Mukherjee Road, Birla Building, 5th Floor, Kolkata-700 001 to transact the following business :

AS ORDINARY BUSINESS :

1. To consider and adopt the audited Balance Sheet as at 31st March, 2013, the Statement of Profit and Loss for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Kailash Chand Gupta who retires by rotation and is eligible for re-appointment.
3. To appoint Auditors and to fix their remuneration. In this connection, to consider and, if thought fit, to pass the following Resolution which will be proposed as an Ordinary Resolution :

"RESOLVED THAT M/s. R. L. Agarwalla & Co., Chartered Accountants, 7, Rabindra Sarani, Kolkata - 700 001 having Firm Registration No. 312053E be and are hereby re-appointed as Statutory Auditors of the Company to hold such office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting to conduct the audit of the Company on such remuneration and other terms of engagement as would be fixed by the Board of Directors".

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 Mr. Vikash Saraswat be and he is hereby appointed a Director of the Company who shall be liable to retire by rotation".

9/1, R. N. Mukherjee Road,
Kolkata – 700 001.
Dated : 25th April, 2013

By Order of the Board
Baij Nath Bansal
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 :

[Pursuant to Section 173(2) of the Companies Act, 1956]

Item No. 4

Mr. Vikash Saraswat was appointed by the Board of Directors as an Additional Director of the Company on 25th April, 2013. Pursuant to the provisions of Section 260 of the Companies Act, 1956 and Article No. 80 of the Articles of Association of the Company he will hold office as a Director only upto the date of this Annual General Meeting. As required under Section 257 of the Companies Act, 1956, notice have been received from a shareholder signifying his intention to propose the appointment of Mr. Vikash Saraswat as a Director of the Company. His appointment as a Director is considered desirable in the interest of the Company so that the Company may be able to avail his valuable advices. The Directors, accordingly, recommend the resolution mentioned in Item No. 4 of the Notice for your approval.

Except Mr. Vikash Saraswat, 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, 2013.

	Rs.	Rs.
2. Financial Results :		
The Statement of Profit & Loss shows a profit of		96,60,278
To which is added balance brought forward from the previous year		<u>6,52,95,731</u>
Making a total of		<u>7,49,56,009</u>
Out of this provisions has been made for		
Current Tax	1,83,463	
Standard Assets	5,000	
Reserve Fund	<u>18,95,000</u>	<u>20,83,463</u>
Balance to be carried forward		<u>7,28,72,546</u>

3. Dividend :

Your Directors have not recommended any dividend.

4. Directors :

Mr. Kailash Chand Gupta retires from the Board by rotation and being eligible offers himself for re-appointment.

Pursuant to the provision of Section 260 of the Companies Act, 1956, Mr. Vikash Saraswat was appointed as an Additional Director on 25th April, 2013 and accordingly he would hold office upto the date of the ensuing Annual General Meeting. The Company has received a notice in writing under Section 257 of the Companies Act, 1956 from a Member proposing the candidature of Mr. Vikash Saraswat for the office of Director liable to retire by rotation.

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 judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that 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 :

The notes to the Accounts referred to in the Auditors Report are self-explanatory.

10. 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.

11. Subsidiary Company :

The audited accounts of Hargaon Properties Ltd., a subsidiary of the Company, for the year ended 31st March, 2013 are attached as required under Section 212 of the Companies Act, 1956.

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

Dated : 25th April, 2013

CHANDRA SHEKHAR NOPANY *Chairman*
K. C. GUPTA *Director*

Statement Pursuant to Section 212 of the Companies Act, 1956

As on 31st March, 2013 - 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. 15,581) and (Rs. 14,602).

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

Dated : 25th April, 2013

CHANDRA SHEKHAR NOPANY *Chairman*
K. C. GUPTA *Director*

Hargaon Investment & Trading Company Limited

Compliance Certificate

Nominal Capital : Rs. 5,00,00,000/-
Registration No. : 21-041679

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 thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2013. 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 5 (Five) times respectively on 16th April, 2012, 21st June, 2012, 27th September, 2012, 6th December, 2012 and 27th February, 2013 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, 2012 was held on 17th September, 2012 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 Extraordinary General Meeting 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 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. not allotted / transmitted / transferred any 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 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.
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.
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.

Hargaon Investment & Trading Company Limited

Compliance Certificate (Contd.)

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 made any borrowing during the financial year.
25. The Company has made loans and investments, or given guarantees or provided Securities to other Body Corporate in compliance with the Provision of the Act 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 Investment & Trading Company 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, 2013.

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 relate to Balance Sheet & Profit & Loss Account	220(1)	For the FY ending on 31st March, 2012	26-10-2012	Yes	NA
2.	Form 66 relate to Compliance Certificate	383A	For the FY ending on 31st March, 2012	18-10-2012	Yes	NA
3.	Form 20B relate to Annual Returns	159(1)	For AGM held on 17-09-2012	07-11-2012	Yes	NA
4.	Form 23	293(1)(d)	For Loan taken in excess of Paid up Capital & Reserve	04-04-2012	Yes	NA

Commerce House
7th Floor, Room No.10
2A, Ganesh Chandra Avenue
Kolkata - 700 013
Dated : the 25th day of April, 2013

For D. RAUT & ASSOCIATES
(Company Secretaries)

Name of the Company Secretary : DEBENDRA RAUT
(Proprietor)
: 5232

C. P. No. :

Hargaon Investment & Trading Company Limited

Independent Auditor's Report

To the Members

Report on the Financial Statements

We have audited the accompanying financial statements of Hargaon Investment & Trading Company Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

Opinion

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

Hargaon Investment & Trading Company Limited

Independent Auditor's Report (Contd.)

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 18 to the financial statements, which describes non-provision in respect of diminution in the value of certain investments aggregating to Rs. 304.68 lacs as the same, in the opinion of the management is not permanent in nature. However, we are unable to express any opinion on the above and their consequent impact, if any, on the Company's profit/reserves, is not presently ascertainable. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that :
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub section (3C) of Section 211 of the Companies Act, 1956;
 - (e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

7, Rabindra Sarani,
Kolkata - 700 001
Dated, the 25th April, 2013

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 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 except to the Holding Company 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 except from the Holding Company 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, 2013 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 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 institution, 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 institution 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, the 25th April, 2013

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

Hargaon Investment & Trading Company Limited

BALANCE SHEET AS AT 31ST MARCH, 2013

	Notes	As at 31st March, 2013 Rs.	As at 31st March, 2012 Rs.
I. EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	3,04,57,270	3,04,57,270
Reserves & Surplus	4	13,84,92,456	12,90,20,641
Non Current Liabilities			
Long term borrowings	5	87,60,000	1,68,10,000
Current Liabilities			
Short term borrowings	6	19,00,00,000	19,00,00,000
Other current liabilities	7	1,06,05,191	98,57,315
Short term provisions	8	4,82,000	4,77,000
Total		37,87,96,917	37,66,22,226
II. ASSETS			
Non Current Assets			
Fixed Assets			
(i) Tangible Assets	9	29,35,653	29,35,653
Non Current Investments	10	18,28,87,208	18,26,91,208
Current Assets			
Cash and Bank balances	11	87,356	22,119
Short term loans and advances	12	19,05,12,551	19,01,84,204
Other current assets	13	23,74,149	7,89,042
Total		37,87,96,917	37,66,22,226

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements

In terms of our attached report of even date.

For R. L. AGARWALLA & CO.
Chartered Accountants

Firm Registration No. 312053E

7, Rabindra Sarani,
Kolkata - 700 001

(R. L. AGARWALLA)
Proprietor

Dated, 25th April, 2013

Membership No. 50516

CHANDRA SHEKHAR NOPANY *Chairman*
K. C. GUPTA *Director*

Hargaon Investment & Trading Company Limited

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

	Notes	For the year ended	
		2012-13 Rs.	2011-12 Rs.
I. INCOME			
Revenue from Operations (Net)	14	3,81,98,993	1,29,81,431
Other Income	15	307	—
Total Revenue		3,81,99,300	1,29,81,431
II. Expenses			
Other Expense	16	1,63,750	6,14,397
Total		1,63,750	6,14,397
Earnings before Interest, Depreciation & amortisation and Tax (I-II)			
		3,80,35,550	1,23,67,034
Finance Cost	17	2,83,80,272	8,50,171
Profit / (Loss) before Tax		96,55,278	1,15,16,863
Tax Expenses			
Current Tax		1,83,463	8,467
Total Tax Expense		1,83,463	8,467
Profit/(Loss) for the year		94,71,815	1,15,08,396
Earnings per Equity Shares of Face Value of Rs. 10/- each			
Basic & Diluted (Rs.)		3.11	3.78

Summary of significant accounting policies 2

The accompanying notes are an integral part of the financial statements

In terms of our attached report of even date.

For R. L. AGARWALLA & CO.
Chartered Accountants

Firm Registration No. 312053E

7, Rabindra Sarani,
Kolkata - 700 001

(R. L. AGARWALLA)
Proprietor

Dated, 25th April, 2013

Membership No. 50516

CHANDRA SHEKHAR NOPANY *Chairman*
K. C. GUPTA *Director*

Hargaon Investment & Trading Company Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

(All Figures in Rs.)		
	<u>2012-13</u>	<u>2011-12</u>
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Profit / Loss before tax	96,55,278	1,15,16,863
Adjustment for :		
Dividend & Interest Income	3,81,99,300	1,29,81,431
Operating profit/(loss) before working capital changes	(2,85,44,022)	(14,64,568)
Adjustment for :		
Decrease/(Increase) in Trade & Other receivables	(3,28,347)	(7,89,042)
Increase/(Decrease) in Provisions	5,000	4,76,000
Increase/(Decrease) in Current Liabilities	7,47,876	(1,10,90,685)
Cash generated from the Operation	(2,81,19,493)	(1,28,68,295)
Direct Taxes Paid (Net of refunds)	(1,83,463)	(8,467)
Net Cash from Operating Activities (A)	(2,83,02,956)	(1,28,76,762)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase/Sale of Investments	(1,96,000)	—
Dividend Received	92,25,295	—
Interest Received	2,73,88,898	1,29,81,431
Net Cash from Investing Activities (B)	3,64,18,193	1,29,81,431
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Loan (Net)	(80,50,000)	(1,04,204)
Net Cash From Financing Activities (C)	(80,50,000)	(1,04,204)
Net changes in Cash and Cash equivalents (A+B+C)	65,237	465
Cash and Cash Equivalents - Opening Balance*	22,119	21,654
Cash and Cash Equivalents - Closing Balance*	87,356	22,119
*Represents Cash & Bank Balances as indicated in Note 11		

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

7, Rabindra Sarani,
Kolkata - 700 001
Dated, 25th April, 2013

(R. L. AGARWALLA)
Proprietor
Membership No. 50516

CHANDRA SHEKHAR NOPANY *Chairman*
K. C. GUPTA *Director*

Hargaon Investment & Trading Company Limited

Notes to Financial Statements for the year ended 31st March, 2013

1. Corporate Information

Hargaon Investment & Trading Company Limited is primarily a NBFC Company under registered with RBI. It is engaged in Investments of its funds in shares, debentures, bonds etc of joint stock companies, Bonds etc of different mutual fund schemes and intercorporate/other deposit with Indian Companies and Nationalised banks etc.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. 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.

b. Revenue Recognition Policy

- (i) Interest Income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest Income is included under the head 'Operating Income' in the Profit & Loss Account.
- (ii) Dividend Income is recognized when the shareholders' right to receive payment is established by the balance sheet date. The Income is included under the head 'Operating Income' in the Profit & Loss Account.
- (iii) Profit & Loss from trading or sale of Investment is reflected as and when any transaction takes place.

c. Investment

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.

d. Items of Income and Expenditure are recognised on accrual basis.

e. Income taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred Tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Hargaon Investment & Trading Company Limited

Notes to Financial Statements for the year ended 31st March, 2013 (Contd.)

The deferred tax for timing differences between the book and tax profits for the year is accounted for using the tax rates and laws that have been substantially enacted as of the Balance Sheet date. Deferred tax asset is recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

f. Earning per Share

Basic earning per Share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted number of equity shares outstanding during the period.

For the purpose of calculating diluted earning per share, net profit or loss for the period attributable to equity share holders and the weighted average no. of shares outstanding during the period, are adjusted for the effect of all dilutive potential equity shares.

g. Cash and Cash equivalents

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

Hargaon Investment & Trading Company Limited

Notes to Financial Statements for the year ended 31st March, 2013 (Contd.)

	<u>For the year ended</u>	
	<u>31st March, 2013</u>	<u>31st March, 2012</u>
	<u>Rs.</u>	<u>Rs.</u>
3. Share Capital		
(a) Authorised Shares		
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>
(b) Issued, subscribed and fully paid-up Shares :		
30,45,733 Equity Shares of Rs. 10/- each	3,04,57,330	3,04,57,330
30,45,727 Equity Shares of Rs. 10/- each fully paid up in cash	3,04,57,270	3,04,57,270
	<u>3,04,57,270</u>	<u>3,04,57,270</u>

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

	<u>31-03-2013</u>		<u>31-03-2012</u>	
	<u>No.</u>	<u>Rs.</u>	<u>No.</u>	<u>Rs.</u>
Equity Shares				
At the beginning of the Period	30,45,727	3,04,57,270	30,45,727	3,04,57,270
Add : Issued during the period	—	—	—	—
Outstanding at the end of the Period	<u>30,45,727</u>	<u>3,04,57,270</u>	<u>30,45,727</u>	<u>3,04,57,270</u>

(d) 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 shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees.

For the year ended 31st March, 2013, the Board of Directors has not proposed any dividend.

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.

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

Equity Shares of Rs. 10 each fully paid

	<u>31-03-2013</u>		<u>31-03-2012</u>	
	<u>No.</u>	<u>% holding</u>	<u>No.</u>	<u>% holding</u>
The Oudh Sugar Mills Limited	30,45,727	100%	30,45,727	100%

Hargaon Investment & Trading Company Limited

Notes to Financial Statements for the year ended 31st March, 2013 (Contd.)

	For the year ended	
	31st March, 2013 Rs.	31st March, 2012 Rs.
4. Reserve & Surplus		
Securities Premium Account		
As per last Account	<u>3,04,57,210</u>	<u>3,04,57,210</u>
General Reserve		
As per last Account	<u>1,24,50,000</u>	<u>1,24,50,000</u>
Reserve Fund		
As per last Account	<u>2,08,17,700</u>	<u>1,85,16,000</u>
Add : Transfer from Statement of Profit & Loss	<u>18,95,000</u>	<u>23,01,700</u>
	<u>2,27,12,700</u>	<u>2,08,17,700</u>
Surplus/(Deficit) in the Statement of Profit & Loss		
Balance as per last financial statements	<u>6,52,95,731</u>	<u>5,60,89,035</u>
Profit / (Loss) for the year	<u>94,71,815</u>	<u>1,15,08,396</u>
	<u>7,47,67,546</u>	<u>6,75,97,431</u>
Less : Appropriations		
Transfer to Reserve Fund	<u>18,95,000</u>	<u>23,01,700</u>
Net Surplus/(Deficit) in the Statement of Profit and Loss	<u>7,28,72,546</u>	<u>6,52,95,731</u>
Total Reserves and Surplus	<u>13,84,92,456</u>	<u>12,90,20,641</u>

	<u>Current</u>	<u>Non-Current</u>	<u>Current</u>	<u>Non-Current</u>
5. Non-Current Liabilities				
Long-term borrowings (Unsecured)				
The Oudh Sugar Mills Limited (the Holding Company) (Interest free)	<u>80,00,000</u>	<u>87,60,000</u>	<u>90,00,000</u>	<u>1,68,10,000</u>
	<u>80,00,000</u>	<u>87,60,000</u>	<u>90,00,000</u>	<u>1,68,10,000</u>

The Loan from the Holding Company is Interest free and is payable after one year. Out of the total balance amount, Rs. 80 lacs is payable in the next one year.

Hargaon Investment & Trading Company Limited

Notes to Financial Statements for the year ended 31st March, 2013 (Contd.)

	31st March, 2013 Rs.	31st March, 2012 Rs.
6. Current Liabilities		
Short-term borrowings (Unsecured)		
SIL Investment Limited	<u>19,00,00,000</u>	<u>19,00,00,000</u>
	<u>19,00,00,000</u>	<u>19,00,00,000</u>

The Loan from the SIL Investment Limited carries interest @ 14.75% p.a. The loan is repayable on demand.

7. Other Current Liabilities		
Current Maturities of Long Term Debt	<u>80,00,000</u>	<u>90,00,000</u>
TDS Payable	<u>4,53,007</u>	<u>84,931</u>
Accrued Interest	<u>21,42,184</u>	<u>7,64,384</u>
Audit Fees	<u>10,000</u>	<u>8,000</u>
	<u>1,06,05,191</u>	<u>88,57,315</u>
8. Short Term Provisions		
Contingent Provision for Standard Assets	<u>4,82,000</u>	<u>4,77,000</u>
	<u>4,82,000</u>	<u>4,77,000</u>

9. Tangible Assets	Cost or Valuation	Freehold Land	Others	Total
At 1st April, 2011		29,35,653	—	29,35,653
Additions	—	—	—	—
Disposal	—	—	—	—
At 31st March, 2012		29,35,653	—	29,35,653
Additions	—	—	—	—
Disposal	—	—	—	—
At 31st March, 2013		29,35,653	—	29,35,653
Depreciation				
At 1st April, 2011		—	—	—
Charge for the year	—	—	—	—
Disposal	—	—	—	—
At 31st March, 2012		—	—	—
Additions	—	—	—	—
Charge for the year	—	—	—	—
At 31st March, 2013		—	—	—
Net Block at 31st March, 2012		29,35,653	—	29,35,653
At 31st March, 2013		29,35,653	—	29,35,653

Hargaon Investment & Trading Company Limited

Notes to Financial Statements for the year ended 31st March, 2013 (Contd.)

	No. of Shares / Debentures	Face Value (Rs.)	As at 31st March, 2013 (Rs.)	As at 31st March, 2012 (Rs.)
10. Non Current Investments (At Cost)				
Non Trade				
QUOTED (Fully Paid)				
Equity Shares				
Upper Ganges Sugar & Industries Ltd.	6,57,966	10	4,88,31,540	4,88,31,540
New India Retailing & Investment Ltd.	1,34,448	10	1,06,72,988	1,06,72,988
SIL Investment Limited	11,40,931	10	2,60,25,111	2,60,25,111
Sutlej Textiles & Industries Ltd.	11,40,931	10	3,10,22,481	3,10,22,481
			11,65,52,120	11,65,52,120
UNQUOTED				
Equity Shares : (Fully Paid)				
India Educational & Research Institution Pvt. Ltd.	24,500 (4,900)	10	2,45,000	49,000
SCM Investment & Trading Co. Ltd.	18,75,000	10	3,75,00,000	3,75,00,000
Preference Shares :				
8% Non Convertible Cumulative Redeemable Preference Shares of New India Retailing & Investment Ltd.				
	2,50,000	100	2,50,00,000	2,50,00,000
Equity Shares : (Partly Paid)				
Modern Diagen Services Ltd. (Rs. 2/- paid up)	5,45,044	10	10,90,088	10,90,088
Investment in Subsidiary Company :				
UNQUOTED				
Equity Shares : (Fully Paid)				
Hargaon Properties Limited	2,50,000	10	25,00,000	25,00,000
			6,63,35,088	6,61,39,088
			18,28,87,208	18,26,91,208
AGGREGATE VALUE OF INVESTMENTS				
Quoted			11,65,52,120	11,65,52,120
Unquoted			6,63,35,088	6,61,39,088
			18,28,87,208	18,26,91,208
Market Value of Quoted Investments			32,48,79,556	30,05,07,773

Hargaon Investment & Trading Company Limited

Notes to Financial Statements for the year ended 31st March, 2013 (Contd.)

	31st March, 2013 Rs.	31st March, 2012 Rs.
11. Cash and Bank Balances		
Cash and Cash equivalents		
Balances with Bank	84,341	17,871
Cash in Hand	3,015	4,248
	87,356	22,119
12. Loans and Advances		
(Unsecured Loan)		
The Oudh Sugar Mills Limited	9,00,00,000	19,00,00,000
Upper Ganges Sugar & Industries Limited	10,00,00,000	—
Advance to Subsidiary Company - Interest Free	80,000	55,000
Other Advances	—	50,000
Advance Income Tax (Net of Provision)	4,32,551	79,204
	19,05,12,551	19,01,84,204
13. Other Current Assets		
Interest Accrued on Loan Given	23,74,149	7,89,042
	23,74,149	7,89,042
For the year ended		
	31st March, 2013 Rs.	31st March, 2012 Rs.
14. Revenue from Operations		
Interest on loan to Body Corporate	2,89,73,698	8,76,713
Dividend on Long Term Investments - Other than trade	92,25,295	1,21,04,718
	3,81,98,993	1,29,81,431
15. Other Income		
Interest from Bank	307	—

Hargaon Investment & Trading Company Limited

Notes to Financial Statements for the year ended 31st March, 2013 (Contd.)

	For the year ended	
	31st March, 2013	31st March, 2012
	Rs.	Rs.
16. Other Expenses		
Rates & Taxes	7,300	7,300
Payment to Auditors		
Audit Fee	10,000	8,000
In other capacity for certificates & other services	7,500	13,000
Bank Charges	2,093	675
Professional and Consultancy Fees	8,574	3,050
Service Charges	78,652	77,210
Directors Sitting Fees	1,200	3,000
Depository Charges	20,414	18,551
Printing & Stationery	4,300	2,900
Miscellaneous Expenses	16,217	1,711
Filing Fees	2,500	3,000
Provision for Standard Assets	5,000	4,76,000
	1,63,750	6,14,397
17. Finance Cost		
Interest to Income tax Department	—	856
Interest on loans	2,83,80,272	8,49,315
	2,83,80,272	8,50,171
18.	No Provision has been made in respect of diminution in the value of certain quoted investments aggregating to Rs. 304.68 lacs as the same, in the opinion of the management is not permanent in nature. However, there is no diminution in the overall market value of investments.	
19. Earning per Share (EPS)		
The following reflects the profit / (loss) and share data used in basic and diluted EPS computations :		
	31st March, 2013	31st March, 2012
	Rs.	Rs.
Total operations for the year		
Profit / (Loss) after tax	94,71,815	1,15,08,396
Less : Dividends on Preference Shares and Tax thereon	—	—
Net profit / (loss) for calculation of basic / diluted EPS	94,71,815	1,15,08,396
	Nos.	Nos.
Weighted average number of equity shares in calculating basic EPS	30,45,727	30,45,727
Effect of dilution	—	—
Weighted average number of equity shares in calculating diluted EPS	30,45,727	30,45,727
Earning per Share	3.11	3.78

Hargaon Investment & Trading Company Limited

Notes to Financial Statements for the year ended 31st March, 2013 (Contd.)

20. Related Party Disclosures :				
A. Holding Company	The Oudh Sugar Mills Limited			
B. Subsidiary Company	Hargaon Properties Limited			
C. Key Management Personnel	Mr. Chandra Shekhar Nopany			
D. Relatives of Key Management Personnel	Mrs. Nandini Nopany - Mother of Mr. Chandra Shekhar Nopany Mrs. Shalini Nopany - Wife of Mr. Chandra Shekhar Nopany			
E. Enterprises owned or significantly influenced by Key Management Personnel and their relatives	The Oudh Sugar Mills Ltd. Upper Ganges Sugar & Industries Ltd. SIL Investment Limited			
F. Transactions with Related Parties during the year :				
Particulars	Key Management Personnel	The Oudh Sugar Mills Limited	Upper Ganges Sugar & Industries Ltd.	SIL Investment Limited
Opening Inter-Corporate Loan receivable	—	19,00,00,000	—	—
Opening Inter-Corporate Loan payable	—	—	—	19,00,00,000
Inter-Corporate Loan placed	—	—	10,00,00,000	—
Inter-Corporate Loan repaid	—	(10,00,00,000)	—	—
Interest Income on Inter-Corporate Loan	—	2,87,27,123	2,46,575	—
Interest Payment on Inter-Corporate Loan	—	—	—	2,83,80,272
Balance Outstanding on 31.03.2013				
Inter-Corporate Loan receivable	—	9,00,00,000	10,00,00,000	—
Inter-Corporate Loan payable	—	—	—	19,00,00,000
Interest Receivable	—	21,52,232	2,21,917	—
Interest Payable	—	—	—	21,42,184
Director Fees to Mr. Chandra Shekhar Nopany	400	—	—	—
21.	Revenue from Operation include Rs. 2,89,73,698/- representing Interest on Loan extended, against which company has paid Rs. 2,83,80,272/-, which has been shown in finance cost.			
22.	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/-)			
23.	Previous years' figures have been regrouped and/or rearranged, wherever necessary.			
In terms of our attached report of even date.				
For R. L. AGARWALLA & CO.				
Chartered Accountants				
Firm Registration No. 312053E				
(R.L.AGARWALLA)				
7, Rabindra Sarani, Kolkata - 700 001	Proprietor	CHANDRA SHEKHAR NOPANY <i>Chairman</i>		
Dated, 25th April, 2013	Membership No. 50516	K. C. GUPTA	<i>Director</i>	

Hargaon Investment & Trading Company Limited

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

(As required in terms of paragraph 13 of Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 2007)

<u>PARTICULARS</u>	<u>Amount Outstanding</u>	<u>(Rs. in lacs)</u> <u>Amount Overdue</u>
	(As on 31-03-2013)	(As on 31-03-2013)
<u>Liabilities Side :</u>		
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)	2067.60	Nil
<u>Assets Side :</u>		
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		1900.80
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		413.35
(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)		
	Amount net of provisions		
	<u>Secured</u>	<u>Unsecured</u>	<u>Total</u>
1. Related Parties			
(a) Subsidiaries	Nil	0.80	0.80
(b) Companies in the same group	Nil	Nil	Nil
(c) Other related parties	Nil	1900	1900
2. Other than related parties	<u>Nil</u>	<u>Nil</u>	<u>Nil</u>
Total :	<u>Nil</u>	<u>1900.80</u>	<u>1900.80</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	25.98	25.00
(b) Companies in the same group	Nil	Nil
(c) Other related parties	Nil	Nil
2. Other than related parties	<u>3879.23</u>	<u>1803.87</u>
Total :	<u>3905.21</u>	<u>1828.87</u>

7. Other Information

<u>Particulars</u>	<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

CHANDRA SHEKHAR NOPANY *Chairman*
K. C. GUPTA *Director*

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, 2013.

2. **Financial Results :**

The Statement of Profit & Loss for the year under review shows a loss of Rs. 28,043 which has been deducted from the credit balance of Rs. 1,77,011 brought forward from the previous year leaving a credit balance of Rs. 1,48,968 which is to be carried forward.

3. **Dividend :**

Your Directors have not recommended any dividend.

4. **Directors :**

Mr. Chandra Kumar Vyas 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 : 25th April, 2013

K. C. GUPTA
C. K. VYAS | *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, 2013. 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 21st June, 2012, 27th September, 2012, 10th December, 2012 and 25th March, 2013 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, 2012 was held on 14th September, 2012 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. not made any allotment / transmission / transfer 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 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. There was no appointment of directors, additional directors and alternate directors to fill casual vacancies during the year.
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 not made borrowings 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.
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, 2013.

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, 2012	19-12-2012	Yes	NA
2.	Form 66 relate to Compliance Certificate	383A	For the FY ending on 31st March, 2012	17-10-2012	No	Yes
3.	Form 20B relate to Annual Returns	159(1)	For AGM held on 14-09-2012	06-11-2012	Yes	NA

Commerce House
7th Floor, Room No.10
2A, Ganesh Chandra Avenue
Kolkata - 700 013
Dated : the 25th day of April, 2013

For D. RAUT & ASSOCIATES
(Company Secretaries)
Name of the Company Secretary : DEBENDRA RAUT
(Proprietor)
: 5232

HARGAON PROPERTIES LIMITED

Independent Auditor's Report

To the Members

Report on the Financial Statements

We have audited the accompanying financial statements of HARGAON PROPERTIES LIMITED which comprise the Balance Sheet as at 31st March, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

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

HARGAON PROPERTIES LIMITED

Independent Auditor's Report (Contd.)

- i. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- ii. in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- iii. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that :
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956; and
 - e. on the basis of written representations received from the directors as on 31st March, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
 - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under Section 441A of the Companies Act, 1956 nor has it issued any Rules under the said Section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For S. N. Roy & CO.
Firm Registration No. 313054E
Chartered Accountants
S. N. ROY
Proprietor
Membership No. 051056

29A, Madan Mohan Tala Street,
Kolkata - 700 005
Dated : 25th April, 2013

HARGAON PROPERTIES LIMITED

The Annexure referred to in our report to the Members

We reported that :

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, 2013 for a period or more than six months from the date they became payable.

HARGAON PROPERTIES LIMITED

The Annexure referred to in our report to the Members (Contd.)

- b) As at 31st March, 2013 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 losses at the end of financial year and it has incurred cash losses in the current & 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 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 April, 2013

For S. N. Roy & CO.
Firm Registration No. 313054E
Chartered Accountants
S. N. ROY
Proprietor
Membership No. 051056

HARGAON PROPERTIES LIMITED

Balance Sheet as at 31st March, 2013

	<u>Notes</u>	<u>As at 31st March, 2013 Rs.</u>	<u>As at 31st March, 2012 Rs.</u>
I. EQUITY AND LIABILITIES			
Shareholders' Fund			
Share Capital	2	45,00,000	45,00,000
Reserves & Surplus	3	1,48,968	1,77,011
Current Liabilities			
Other current Liabilities	4	82,000	57,000
Total		<u>47,30,968</u>	<u>47,34,011</u>
II. ASSETS			
Non Current Assets			
Fixed Assets			
Tangible Assets	5	47,23,634	47,23,634
Current Assets			
Cash and Cash Equivalents	6	7,334	10,377
Total		<u>47,30,968</u>	<u>47,34,011</u>

Summary of significant accounting policies 1

The Accompanying notes are an integral part of the Financial Statements

29A, Madan Mohan Tala Street,
Kolkata - 700 005
Dated : 25th April, 2013

For S. N. ROY & CO.
Firm Registration No. 313054E
Chartered Accountants
(S. N. ROY)
Proprietor
Membership No. 051056

K. C. GUPTA
C. K. VYAS | *Directors*

HARGAON PROPERTIES LIMITED

Statement of Profit & Loss for the year ended 31st March, 2013

	<u>Notes</u>	<u>31st March, 2013</u> Rs.	<u>31st March, 2012</u> Rs.
I. INCOME			
Revenue from Operations		—	—
Other Income		—	—
Total		<u>—</u>	<u>—</u>
II. Expenses			
Rate & Taxes	7	4,400	4,400
Other Expenses	8	23,643	21,881
Total		<u>28,043</u>	<u>26,281</u>
Earnings before Interest, Depreciation & amortization and Tax (I-II)		(28,043)	(26,281)
Depreciation and amortization Expense		—	—
Profit / (Loss) before Tax		(28,043)	(26,281)
<u>Tax Expenses</u>			
Current Tax		—	—
Short Provision for Taxation		—	—
Total Tax Expense		<u>—</u>	<u>—</u>
Profit/(Loss) for the year		(28,043)	(26,281)
Earnings per Share (Nominal Value of Rs. 10/-)			
Basic & Diluted		(0.06)	(0.06)

Summary of significant accounting policies 1

The Accompanying notes are an integral part of the Financial Statements

29A, Madan Mohan Tala Street, Kolkata - 700 005 Dated : 25th April, 2013	For S. N. ROY & CO. Firm Registration No. 313054E Chartered Accountants (S. N. ROY) Proprietor Membership No. 051056	K. C. GUPTA C. K. VYAS Directors
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HARGAON PROPERTIES LIMITED

Cash Flow Statement for the year ended 31st March, 2013

	(All Figures in Rs.)	
	<u>2012-2013</u>	<u>2011-2012</u>
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Profit / Loss before tax	(28,043)	(26,281)
Adjustment for :		
Depreciation	—	—
Dividend & Interest Income	—	—
Operating profit/(loss) before working capital changes	(28,043)	(26,281)
Adjustment for :		
Trade & Other receivables	—	—
Loans & Advances	—	—
Trade Payable	25,000	25,000
Cash generated from the operation	(3,043)	(1,281)
Direct Taxes Paid (Net of refunds)	—	—
Net Cash from Operating Activities (A)	(3,043)	(1,281)
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)	—	—
Net Cash From Financing Activities (C)	—	—
Net changes in Cash and Cash equivalents (A+B+C)	(3,043)	(1,281)
Cash and Cash Equivalents - Opening Balance*	10,377	11,658
Cash and Cash Equivalents - Closing Balance*	7,334	10,377
*Represents Cash & Bank Balances as indicated in Note 6		

29A, Madan Mohan Tala Street, Kolkata - 700 005 Dated : 25th April, 2013	For S. N. ROY & CO. Firm Registration No. 313054E Chartered Accountants (S. N. ROY) Proprietor Membership No. 051056	K. C. GUPTA C. K. VYAS Directors
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HARGAON PROPERTIES LIMITED

Notes to Financial Statements for the year ended 31st March, 2013

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

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.

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.

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, 2013 (Contd.)

	As at 31st March, 2013	As at 31st March, 2012
	Rs.	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	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**

	2012-2013		2011-2012	
	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 31-03-2013		As at 31-03-2012	
	No.	% holding	No.	% holding
Hargaon Investment & Trading Co. Ltd.	2,50,000	56	2,50,000	56
Champaran 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, 2013 (Contd.)

	As at 31st March, 2013	As at 31st March, 2012
	Rs.	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	1,77,011	2,03,292
Profit / Loss for the year	(28,043)	(26,281)
Net Surplus/(Deficit) in the Statement of Profit and Loss	1,48,968	1,77,011
Total Reserves and Surplus	1,48,968	1,77,011
4. Other Current Liabilities		
Trade Payable	80,000	55,000
	80,000	55,000
5. Tangible Assets		

Cost or Valuation	Freehold Land	Others	Total
At 1st April, 2011	47,23,634	—	47,23,634
Additions	—	—	—
Disposal	—	—	—
At 31st March, 2012	47,23,634	—	47,23,634
Additions	—	—	—
Disposal	—	—	—
At 31st March, 2013	47,23,634	—	47,23,634
	Freehold	Building	Total
Depreciation			
At 1st April, 2011	—	—	—
Charge for the year	—	—	—
Disposal	—	—	—
At 31st March, 2012	—	—	—
Charge for the year	—	—	—
Disposal	—	—	—
At 31st March, 2013	—	—	—
Net Block at 31st March, 2012	47,23,634	—	47,23,634
At 31st March, 2013	47,23,634	—	47,23,634

HARGAON PROPERTIES LIMITED

Notes to Financial Statements for the year ended 31st March, 2013 (Contd.)

	31st March, 2013	31st March, 2012
	Rs.	Rs.
6. Cash and Bank Balances		
Cash and Cash equivalents		
Balances with Banks :		
On Current Accounts	7,057	9,601
Cash on Hand	277	776
	7,334	10,377
7. Rates & Taxes		
Corporation Tax	4,400	4,400
	4,400	4,400
8. Other Expenses		
Audit Fee	2,000	2,000
Land Rent	33	33
Professional and Consultancy Fees	8,941	9,971
Bank Charges	4,863	2,113
Filling Charges	2,500	2,500
Miscellaneous Expenses	2,497	2,506
Services Charges	2,809	2,758
	23,643	21,881

HARGAON PROPERTIES LIMITED

Notes to Financial Statements for the year ended 31st March, 2013 (Contd.)

9. Additional Disclosures

(A) Employee

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

(B) Related Party Discloser

(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. (Trade Payable)	55,000	25,000	80,000

	31st March, 2013	31st March, 2012
C. Earning per Share (EPS)		
Profit / (Loss) after tax	(28,043)	(26,281)
Less : Dividends on Convertible Preference Shares and Tax thereon	—	—
Net profit / (loss) for calculation of basic EPS	(28,043)	(26,281)
Weighted average number of equity shares in calculation of EPS	4,50,000	4,50,000
Earning per Share	(0.06)	(0.06)

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 : 25th April, 2013	For S. N. ROY & CO. Firm Registration No. 313054E <i>Chartered Accountants</i> (S. N. ROY) <i>Proprietor</i> Membership No. 051056	K. C. GUPTA C. K. VYAS <i>Directors</i>
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