

HARGAON PROPERTIES LIMITED

NOTICE

NOTICE is hereby given that the Eleventh Annual General Meeting of **HARGAON PROPERTIES LIMITED** will be held on Monday, 11th August, 2014 at 12.30 P.M. at 9/1, R. N. Mukherjee Road, Birla Building, 5th Floor, Kolkata-700 001 to transact the following businesses :

AS ORDINARY BUSINESS :

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2014, 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 pursuant to the provisions of Section 139 of the Companies Act, 2013 read with Companies (Audit & Auditors) Rules, 2014, all other applicable provisions of the Companies Act, 2013 and the rules made thereunder including any statutory modifications or re-enactments thereof M/s. S. N. Roy & Co., Chartered Accountants, 29A, Madan Mohan Tala Street, Kolkata - 700 005 having Firm Registration No. 313054E be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting at such remuneration and other terms of engagement as would be fixed by the Board of Directors."

Regd. Office :
9/1, R. N. Mukherjee Road,
5th Floor, Kolkata - 700 001
CIN : U70101WB2003PLC097280
Tel. : 2242 9956, 2248 7068
Fax : 2248 6369
E-mail : birlasugar@birla-sugar.com
Dated : 30th June, 2014

By Order of the Board
Sunil Choraria
Director

NOTE: A member entitled to attend and vote at the Annual General Meeting ("AGM") is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than forty-eight hours before commencement of the meeting.

In terms of Rule 19 of the Companies (Management & Administration) Rules, 2014, a person can act as a proxy on behalf of not exceeding fifty members and holding in aggregate not more than 10% of the total paid up share capital of the Company carrying voting rights. A member holding more than ten percent of the paid up share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or shareholder.

HARGAON PROPERTIES LIMITED

Directors' Report

To
The Shareholders,

Your Directors have pleasure in presenting their Eleventh Annual Report on the performance of your company along with the Audited Accounts of the Company for the year ended 31st March, 2014.

2. Financial Results :

The Statement of Profit & Loss for the year under review shows a loss of Rs. 43,898 for the year which when added with the credit balance of Rs. 1,48,968 brought forward from the previous year left a total accumulated credit balance of Rs. 1,05,070 in the Profit and Loss Account which is proposed to be carried forward.

3. Dividend :

Your Directors have not recommended any dividend.

4. Capital :

During the year under review the paid up share capital of the Company was increased by Rs. 4,99,990 by allotment of 49,999 Equity Shares of Rs. 10 each for cash at par by way of Rights Shares in the ratio of 1 Equity Shares on rights basis for every 9 Equity Shares held.

5. Deposits :

Your Company did not accept any deposits within the meaning of Section 58A of the Companies Act, 1956 and the rules made there under.

6. Directors :

In accordance with the provisions of the Companies Act, 2013, Mr. Kailash Chand Gupta retires from the Board by rotation and is eligible for re-appointment.

7. Statutory Disclosures :

None of the Directors of the Company are disqualified as per the provisions of Section 274(1)(g) of the Companies Act, 1956.

8. Auditors :

The Auditors, Messrs S. N. Roy & Co., Chartered Accountants of 29A, Madan Mohan Tala Street, Kolkata - 700 005, having registration No. 313054E allotted by The Institute of Chartered Accountants of India (ICAI) retires as Auditor of your Company at the ensuing Annual General Meeting (AGM) and have confirmed their eligibility and willingness to accept the office of Auditors, if

HARGAON PROPERTIES LIMITED

Directors' Report (Contd.)

re-appointed. Your Company has obtained a written consent form M/s. S. N. Roy & Co., Chartered Accountants to the effect that their appointment, if made, will be within the limits specified under Section 139 and 141 of the Companies Act, 2013 and are eligible for re-appointment.

9. 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.

10. Particulars of Employees :

The provisions of Section 217(2A) of the Companies Act, 1956 are not applicable to the Company.

11. 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 judgment 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.

12. 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 : 24th April, 2014

Kailash Chand Gupta |
Chandra Kumar 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/or Companies Act, 2013 and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2014. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year.

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms as stated in Annexure 'B' to this certificate, with the Registrar of Companies within the time prescribed under the Act and the rules made thereunder.
3. The Company, being a Public Limited Company, Clause 3 is not applicable.
4. The Board of Directors duly met 4 (Four) times respectively on 25th April, 2013, 27th September, 2013, 27th November, 2013 and 25th March, 2014 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, 2013 was held on 6th August, 2013 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 Companies Act, 1956 read with Section 185 of Companies Act, 2013.

HARGAON PROPERTIES LIMITED

Compliance Certificate (Contd.)

9. The Company has not entered into any contracts falling within the purview of Section 297 of Companies Act, 1956.
10. The Company was not required to make any entries in the register maintained under Section 301 Companies Act, 1956.
11. As there was no instance falling within the purview of Section 314 Companies Act, 1956, 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. made allotment of shares but no request transfer of shares has been received 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 issued 49,999 equity shares of Rs. 10/- each at par during the financial year.

HARGAON PROPERTIES LIMITED

Compliance Certificate (Contd.)

20. The Company has not bought back any Shares during the financial year.
21. There was no redemption of preference Shares or debentures during the financial year, as the Company has not issued any preference shares or debentures.
22. There was no transaction necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of Shares.
23. The Company has not invited / accepted any deposits 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 Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of Memorandum with respect to Share Capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. There was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. Since the Company has no employees, the provision of EPF & Miscellaneous Provisions Act, 1952 are not applicable; consequently it was not required to deduct any contribution towards Provident Fund during the Financial Year.

It is stated that the compliance of all the applicable provisions of the Companies Act, 1956 and / or Companies Act, 2013 to the extent applicable 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 and/or Companies Act, 2013 to the extent applicable.

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 Register of Companies (ROC), Regional Director, Central Government or other authorities during the financial year ended on 31st March, 2014.

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) of the Companies Act, 1956	For the FY ending on 31st March, 2013	12-09-2013	Yes	NA
2.	Form 66 relate to Compliance Certificate	383A of the Companies Act, 1956	For the FY ending on 31st March, 2013	04-09-2013	Yes	NA
3.	Form 20B relate to Annual Returns	159(1) of the Companies Act, 1956	For AGM held on 06-08-2013	03-10-2013	Yes	NA
4.	Form 2	75(1) of the Companies Act, 1956	For allotment of shares on 27-11-2013	10-12-2013	Yes	NA

Commerce House
7th Floor, Room No.10
2A, Ganesh Chandra Avenue
Kolkata - 700 013
Dated : the 24th day of April, 2014

For D. RAUT & ASSOCIATES
(Company Secretaries)
Name of the Company Secretary : DEBENDRA RAUT
(Proprietor)
C. P. No. : 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, 2014, 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, 2014;
- 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, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

29A, Madan Mohan Tala Street,
Kolkata - 700 005
Dated : 24th April, 2014

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

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, 2014 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, 2014 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 : 24th April, 2014

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, 2014

	<u>Notes</u>	<u>As at 31st March, 2014 Rs.</u>	<u>As at 31st March, 2013 Rs.</u>
I. EQUITY AND LIABILITIES			
Shareholders' Fund			
Share Capital	2	49,99,990	45,00,000
Reserves & Surplus	3	1,05,070	1,48,968
Current Liabilities			
Other current Liabilities	4	2,000	82,000
Total		51,07,060	47,30,968
II. ASSETS			
Non Current Assets			
Fixed Assets			
Tangible Assets	5	47,23,634	47,23,634
Current Assets			
Cash and Cash Equivalents	6	3,75,110	7,334
Other Current Assets	7	8,316	—
Total		51,07,060	47,30,968

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 : 24th April, 2014

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

KAILASH CHAND GUPTA
CHANDRA KUMAR VYAS | *Directors*

HARGAON PROPERTIES LIMITED

Statement of Profit & Loss for the year ended 31st March, 2014

	<u>Notes</u>	<u>31st March, 2014</u> Rs.	<u>31st March, 2013</u> Rs.
I. INCOME			
Revenue from Operations		—	—
Other Income	8	8,316	—
Total		8,316	—
II. Expenses			
Rate & Taxes	9	4,400	4,400
Other Expenses	10	47,814	23,643
Total		52,214	28,043
Earnings before Interest, Depreciation & amortization and Tax (I-II)		(43,898)	(28,043)
Depreciation and amortization Expense		—	—
Profit / (Loss) before Tax		(43,898)	(28,043)
<u>Tax Expenses</u>			
Current Tax		—	—
Short Provision for Taxation		—	—
Total Tax Expense		—	—
Profit/(Loss) for the year		(43,898)	(28,043)
Earnings per Share (Nominal Value of Rs. 10/-)			
Basic & Diluted		(0.09)	(0.06)

Summary of significant accounting policies 1

The Accompanying notes are an integral part of the Financial Statements

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

KAILASH CHAND GUPTA
CHANDRA KUMAR VYAS | Directors

HARGAON PROPERTIES LIMITED

Cash Flow Statement for the year ended 31st March, 2014

	(All Figures in Rs.)	
	<u>2013-2014</u>	<u>2012-2013</u>
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Profit / (Loss) before tax	(43,898)	(28,043)
Adjustment for :		
Depreciation	—	—
Dividend & Interest Income	—	—
Operating profit/(loss) before working capital changes	(43,898)	(28,043)
Adjustment for :		
Trade & Other receivables	—	—
Loans & Advances	—	—
Trade Payable	(80,000)	25,000
Cash generated from the operation	(1,23,898)	(3,043)
Direct Taxes Paid (Net of refunds)	—	—
Net Cash from Operating Activities (A)	(1,23,898)	(3,043)
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 :		
Receipt of Share Capital	4,99,990	—
Net Cash From Financing Activities (C)	4,99,990	—
Net changes in Cash and Cash equivalents (A+B+C)	3,76,092	(3,043)
Cash and Cash Equivalents - Opening Balance*	7,334	10,377
Cash and Cash Equivalents - Closing Balance*	3,75,110	7,334
*Represents Cash & Bank Balances as indicated in Note 6		

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

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

KAILASH CHAND GUPTA
CHANDRA KUMAR VYAS | Directors

HARGAON PROPERTIES LIMITED

Notes to Financial Statements for the year ended 31st March, 2014

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.

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, 2014 (Contd.)

(All Figures in Rs.)

	As at 31st March, 2014 Rs.	As at 31st March, 2013 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 :		
5,00,000 Equity Shares of Rs. 10 each (P.Y. 4,50,000 Equity Share of Rs. 10 each)	50,00,000	45,00,000
	50,00,000	45,00,000
(c) Subscribed and fully paid-up Shares :		
4,99,999 Equity Shares of Rs. 10 each (P.Y. 4,50,000 Equity Share of Rs. 10 each)	49,99,990	45,00,000
	49,99,990	45,00,000

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

	2013-2014		2012-2013	
	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	49,999	4,99,990	—	—
Outstanding at the end of the Period	4,99,999	49,99,990	4,50,000	45,00,000

Notes to financial statements for the year ended 31st March, 2014

(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 31-03-2014		As at 31-03-2013	
	No.	% holding	No.	% holding
Hargaon Investment & Trading Co. Ltd.	2,77,777	56	2,50,000	56
Champan Marketing Co. Limited	2,22,222	44	2,00,000	44
	4,99,999	100	4,50,000	100

HARGAON PROPERTIES LIMITED

Notes to Financial Statements for the year ended 31st March, 2014 (Contd.)

	As at 31st March, 2014 Rs.	As at 31st March, 2013 Rs.
(g) Details of shares held by Holding Company		
Equity Shares		
Hargaon Investment & Trading Co. Ltd. (2,77,777 shares of Rs. 10 each, P.Y. 2,50,000 shares of Rs. 10 each)	<u>27,77,770</u>	<u>25,00,000</u>
3. Reserve & Surplus		
Surplus/(Deficit) in the Statement of Profit & Loss		
Balance as per last financial statements	1,48,968	1,77,011
Profit / (Loss) for the year	(43,898)	(28,043)
Net Surplus/(Deficit) in the Statement of Profit and Loss	<u>1,05,070</u>	<u>1,48,968</u>
Total Reserves and Surplus	<u>1,05,070</u>	<u>1,48,968</u>
4. Other Current Liabilities		
Trade Payable	—	80,000
Audit Fees	2,000	2,000
	<u>2,000</u>	<u>82,000</u>

5. **Tangible Assets** (All Figures in Rs.)

Cost or Valuation	Freehold Land	Others	Total
At 1st April, 2012	47,23,634	—	47,23,634
Additions	—	—	—
Disposal	—	—	—
At 31st March, 2013	47,23,634	—	47,23,634
Additions	—	—	—
Disposal	—	—	—
At 31st March, 2014	47,23,634	—	47,23,634
	Freehold Land	Building	Total
Depreciation			
At 1st April, 2012	—	—	—
Charge for the year	—	—	—
Disposal	—	—	—
At 31st March, 2013	—	—	—
Charge for the year	—	—	—
Disposal	—	—	—
Net Block At 31st March, 2014	—	—	—
Net Block at 31st March, 2013	47,23,634	—	47,23,634
At 31st March, 2014	47,23,634	—	47,23,634

HARGAON PROPERTIES LIMITED

Notes to Financial Statements for the year ended 31st March, 2014 (Contd.)

	(All Figures in Rs.)	
	31st March, 2014 Rs.	31st March, 2013 Rs.
6. Cash and Bank Balances		
Cash and Cash equivalents		
Balances with Banks :		
On Current Accounts	21,334	7,057
On Fixed Deposit Account	3,50,000	—
Cash on Hand	3,776	277
	<u>3,75,110</u>	<u>7,334</u>
7. Other Current Assets		
Interest Receivable	8,316	—
	<u>8,316</u>	<u>—</u>
8. Other Income		
Interest on Bank Fixed Deposits	8,316	—
	<u>8,316</u>	<u>—</u>
9. Rates & Taxes		
Corporation Tax	4,400	4,400
	<u>4,400</u>	<u>4,400</u>
10. Other Expenses		
Audit Fee	2,000	2,000
Land Rent	—	33
Professional and Consultancy Fees	12,003	8,941
Bank Charges	1,288	4,863
Filing Charges	1,500	2,500
Miscellaneous Expenses	2,933	2,497
Services Charges	28,090	2,809
	<u>47,814</u>	<u>23,643</u>

HARGAON PROPERTIES LIMITED

Notes to Financial Statements for the year ended 31st March, 2014 (Contd.)

11. 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)	80,000	80,000	—

	31st March, 2014	31st March, 2013
C. Earning per Share (EPS)		
Profit / (Loss) after tax	(43,898)	(28,043)
Less : Dividends on Convertible Preference Shares and Tax thereon	—	—
Net profit / (loss) for calculation of basic EPS	(43,898)	(28,043)
Weighted average number of equity shares in calculation of EPS	4,99,999	4,50,000
Earning per Share	(0.09)	(0.06)

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

29A, Madan Mohan Tala Street,
Kolkata - 700005
Dated : 24th April, 2014

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

KAILASH CHAND GUPTA CHANDRA KUMAR VYAS	<i>Directors</i>
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