

**ANNUAL REPORT  
&  
ACCOUNTS  
2011-12**

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**SAHU JAIN LIMITED**

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# SAHU JAIN LIMITED

## COMPANY INFORMATION

### **DIRECTORS**

Mr. Karam Chand Jain  
Mr. Thakur Das Dujari  
Mr. Pramod Kumar Jain  
Mr. Akhilesh Jain

### **BANKERS**

HDFC Bank Limited

### **AUDITORS**

M/s A.K. Gutgutia & Co.  
Chartered Accountants  
F/29, South Extension Part I,  
New Delhi - 110 049

### **REGISTERED OFFICE**

10, Daryaganj  
New Delhi - 110 002.

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# SAHU JAIN LIMITED

Regd. Office: 10, Daryaganj, New Delhi-110 002

## NOTICE

NOTICE IS HEREBY GIVEN THAT THE SIXTY FIRST ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF SAHU JAIN LIMITED will be held on Tuesday, 25<sup>th</sup> September, 2012 at 1.00 PM at its Registered Office at 10, Daryaganj, New Delhi-110 002 to transact the following business as Ordinary business: -

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31<sup>st</sup> March, 2012 and the Statement of Profit and Loss for the year ended on that date together with the Report of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Karam Chand Jain who retires by rotation and, being eligible, offers himself for reappointment.
3. To appoint Statutory Auditors to hold office from the conclusion of this Meeting until the conclusion of the next (62<sup>nd</sup>) Annual General Meeting and to fix their remuneration. M/s. A.K Gutgutia & Co., Chartered Accountants, New Delhi the retiring Statutory Auditors of the Company are eligible and willing for reappointment.

By Order of the Board  
For SAHU JAIN LIMITED

  
(Karam Chand Jain)  
Director

Place: New Delhi  
Date : 13.08.2012

## NOTES:

1. The Register of Members of the Company shall remain closed from Monday, 24<sup>th</sup> September, 2012 to Tuesday, 25<sup>th</sup> September, 2012 (both days inclusive).
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. In order to be effective, the proxies must be received by the Company at its Registered Office not less than 48 hours before the commencement of the Meeting.
3. Members are requested to bring their copy of the Annual Report along with them at the Annual General Meeting. No copies of the Report will be distributed at the Meeting.

# SAHU JAIN LIMITED

Regd. Office: 10, Daryaganj, New Delhi-110 002

## TO THE MEMBERS,

Your Directors are pleased to present their 61<sup>st</sup> Report together with Audited Accounts of the Company for the year ended 31<sup>st</sup> March, 2012.

### 1. FINANCIALS

The Financial Results of the Company are as under: -

|  | (Amount in Rs.)              |                              |
|--|------------------------------|------------------------------|
|  | 31 <sup>st</sup> March, 2012 | 31 <sup>st</sup> March, 2011 |
| Profit before tax  | 3,16,995                     | 21,15,979                    |
| Less: Tax Expense  |                              |                              |
| Current tax  | 62,092                       | 3,98,068                     |
| MAT Credit Entitlement   | -62,092                      | -3,40,884                    |
| Income tax of earlier years  | -                            | -6,242                       |
| Profit for the year  | 3,16,995                     | 20,65,037                    |
| Add: Surplus brought forward from previous year                      | 71,96,522                    | 55,43,485                    |
| Surplus available for appropriation                                  | 75,13,517                    | 76,08,522                    |
| Less: Transferred to Special Reserve<br>(u/s 45-IC of RBI Act, 1934) | 64,000                       | 4,12,000                     |
| Balance Surplus carried to Balance Sheet                             | 74,49,517                    | 71,96,522                    |

### 2. DIVIDEND

The Board of Directors do not recommend any Dividend for the year ended 31<sup>st</sup> March, 2012.

### 3. PUBLIC DEPOSITS

During the year under review, your Company has not accepted any Public Deposits under Section 58A of The Companies Act, 1956 (the Act) and the Board of Directors of the Company has also passed the necessary Resolution for non-acceptance of any public deposits for the Financial Year 2012-13.

The Company has also complied with the "Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007" as applicable to it.

#### **4. DIRECTORS**

Pursuant to Section 256 of The Companies Act, 1956, Mr. Karam Chand Jain, Director shall retire by rotation at the ensuing 61<sup>st</sup> Annual General Meeting and, being eligible, offers himself for reappointment.

The Board of Directors recommends the reappointment of Mr. Karam Chand Jain as Director of the Company, liable to retire by rotation.

#### **5. AUDITORS**

M/s A.K. Gutgutia & Co., Chartered Accountants, New Delhi, the Statutory Auditors of the Company hold office until the conclusion of the ensuing 61<sup>st</sup> Annual General Meeting (AGM) and, being eligible, are recommended for re-appointment as the Statutory Auditors of the Company from the conclusion of 61<sup>st</sup> AGM until the conclusion of the next 62<sup>nd</sup> AGM to be held in the year 2013.

The Company has received a Certificate from them to the effect that their appointment, if made, would be within the limits specified under Section 224(1B) of The Companies Act, 1956.

#### **6. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO**

Since the Company does not have any manufacturing activities, it has no information to be furnished as regards Conservation of Energy or Technology Absorption. The Company has not carried on, during the year under report, any activity relating to exports and has not used or earned any foreign exchange.

#### **7. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 217(2AA) of The Companies Act, 1956 with respect to Directors' Responsibility Statement, the Directors confirm that:

- (i) in the preparation of financial accounts for the year ended 31<sup>st</sup> March, 2012, the applicable Accounting Standards have been followed and that no material departures have been made from the same;
- (ii) such accounting policies have been selected and applied consistently and the judgments and estimates made 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 or loss of the Company for that period;
- (iii) proper and sufficient care has been taken 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; and
- (iv) the Accounts have been prepared on a 'going concern' basis.

## **8. PARTICULARS OF EMPLOYEES**

The Company has no employee in respect of whom the statement under section 217(2A) of The Companies Act, 1956, is required to be furnished.

## **9. LISTING**

The Company's Equity Shares are listed on the Delhi Stock Exchange and the Company has paid the Listing Fee for the financial year 2012-13.

## **10. SUITS AGAINST THE COMPANY AS GUARANTOR**

The matter of a suit filed by United Bank of India/State Bank of India against the Company as guarantor, is dealt with in detail in Note no. 18 of "Notes to Financial Statements".

## **11. ACKNOWLEDGEMENT**

Your Board of Directors takes this opportunity to convey their gratitude and sincere thanks for the co-operation & assistance received from the stakeholders, various Government Departments and Banks.

The Board acknowledges your confidence and continued support and looks forward for the same in future as well.

For and On Behalf of the Board

  
(Karam Chand Jain)  
Director

(Akhilesh Jain)  
Director

Place : New Delhi  
Date : 13.08.2012

**AUDITORS' REPORT TO THE MEMBERS  
OF  
SAHU JAIN LIMITED**

1. We have audited the attached Balance Sheet of **SAHU JAIN LIMITED** as at 31<sup>st</sup> March, 2012 and also the annexed Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 (the Order) as amended by the Companies (Auditors' Report) (Amended Order, 2004) issued by the Central Government of India in terms of sub section (4A) of section 227 of the Companies Act, 1956, (the Act), we enclose in the Annexure, a statement on the matters specified in paragraphs 4 & 5 of the said Order, to the extent applicable to the Company.
4. Further to our comments in the Annexure referred to in paragraph 3 above, 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 accounts as required by the law have been kept by the Company, so far as appears from our examination of those books of the Company.
  - 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 accounts of the Company.
  - d. in our opinion, the Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report 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 31<sup>st</sup> March, 2012, and taken on record by the Board of Directors, we report that none of the Directors of the Company are disqualified as on 31<sup>st</sup> March, 2012 from being appointed as the Director of the Company as per clause (g) of sub section (1) of Section 274 of the Companies Act, 1956.



f. in our opinion and to the best of our information and according to the explanations given to us, the said accounts together with Notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India: -

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2012;
- (ii) in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date, and
- (iii) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.



For **A. K. GUTGUTIA & CO.**  
Chartered Accountants  
Firm Registration No. 000012N

*Sumit Jain*

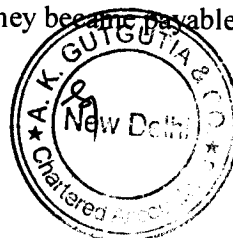
**Sumit Jain**  
Partner  
Membership No. 99119

Place: - New Delhi  
Date: - August 13, 2012



**ANNEXURE TO THE AUDITOR'S REPORT  
OF  
SAHU JAIN LIMITED**  
(Referred to in paragraph 3 of our Report of even date)

- I. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the Fixed assets have been physically verified by the management once in a year. No discrepancies were noticed on such verification.
- (c) The Company has not disposed off any of the fixed assets during the year.
- II. There was no inventory in the Company during the year under audit.
- III. The Company has neither granted nor taken any Loans, secured or unsecured to/from companies, firms and other parties covered in the Register maintained under Section 301 of the Companies Act, 1956, in view of this, sub clause (b), (c), (d), (e), (f) and (g) of clause (iii) of the said Order is not applicable.
- IV. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase & sale of securities. There was no purchase of inventory or fixed assets. During the course of our audit, no weakness has been noticed in the aforesaid internal control system.
- V. Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that no contracts or arrangements, the particulars of which need to be entered into the Register required to be maintained under section 301. Hence clause no. 4(v)(b) of the said order is not applicable.
- VI. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit within the provisions of Sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and rules framed there under with regard to the deposits accepted from the public. As informed no order has been passed by Company Law Board, National Company Law Tribunal, Reserve Bank of India, any court and any other Tribunal in this regard. The Company has complied with the prudential norms as per the directions of Reserve Bank of India.
- VII. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- VIII. Requirement of maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956 are not applicable in case of the Company.
- IX. According to the records of the Company, the Company is regular in depositing with appropriate authorities statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Service Tax, Sales-tax, Wealth-tax, Custom duty, Excise Duty, Cess and other statutory dues wherever applicable to it. No amounts payable in respect of the statutory dues as mentioned above were outstanding as at March 31,2012 for a period of more than six months from the date they became payable.



- X. The Company has no accumulated losses at the end of the Financial Year ended March 31, 2012. The Company has not incurred cash losses during the financial year covered by our audit. There was no cash loss in the immediately preceding financial year.
- XI. The Company has not taken any loans/deposits from Banks or Financial Institution or Debenture Holders and hence clause no. 4(xi) of the Order is not applicable.
- XII. Based on our examination of documents and records, we are of the opinion that the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- XIII. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of this clause are not applicable to the Company.
- XIV. The Company is not dealing in shares and securities. Regarding investments held as long term investment, 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 and the same have been held by the Company in its own name.
- XV. The Company had given guarantees to companies under the managing agency of this Company in the preceding years. These companies are now under winding up/BIFR. The Bank has instituted suits against the Company in DRT as a guarantor. Please refer Note No.18 in Notes to Financial Statements.
- XVI. The Company has not taken any term loan during the year.
- XVII. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds have been raised by the Company during the year under audit.
- XVIII. The Company has not allotted any shares during the year and hence clause no. (xviii) of the Order is not applicable.
- XIX. During the period covered by our audit report, the Company has not issued any debentures.
- XX. The Company has not raised any money by way of public issues during the year under audit.
- XXI. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.



For **A. K. GUTGUTIA & CO.**  
Chartered Accountants  
Firm Registration No. 000012N

*Sumit Jain*

**Sumit Jain**  
Partner  
Membership No. 99119

Place: - New Delhi  
Date: - August 13, 2012

**SAHU JAIN LIMITED**  
**BALANCE SHEET AS AT 31st MARCH, 2012**

(Amount in Rs.)

| Particulars                            | Note No. | As at<br>31st March, 2012 | As at<br>31st<br>March, 2011 |
|--|----------|---------------------------|------------------------------|
| <b>EQUITY AND LIABILITIES</b>          |          |                           |                              |
| <b>Shareholders' Funds</b>             |          |                           |                              |
| Share Capital                          | 2        | 5,00,000                  | 5,00,000                     |
| Reserves and Surplus                   | 3        | 1,81,52,934               | 1,78,35,939                  |
| <b>Non-Current Liabilities</b>         |          |                           |                              |
| Long Term Provisions                   | 4        | 8,861                     | -                            |
| <b>Current Liabilities</b>             |          |                           |                              |
| Other Current Liabilities              | 5        | 45,554                    | 37,833                       |
| <b>Total</b>                           |          | <b>1,87,07,349</b>        | <b>1,83,73,772</b>           |
| <b>ASSETS</b>                          |          |                           |                              |
| <b>Non- Current Assets</b>             |          |                           |                              |
| Fixed Assets                           |          |                           |                              |
| Tangible Assets                        |          |                           |                              |
|  | 6        | 1,24,127                  | 1,27,775                     |
| Non-current Investments                | 7        | 1,70,31,087               | 1,65,81,919                  |
| Long Term Loans and Advances           | 8        | 10,28,142                 | 6,64,550                     |
| <b>Current Assets</b>                  |          |                           |                              |
| Cash and Cash Equivalents              | 9        | 4,25,120                  | 9,59,422                     |
| Short Term Loans and Advances          | 10       | 85,537                    | 28,104                       |
| Other Current Assets                   | 11       | 13,336                    | 12,002                       |
| <b>Total</b>                           |          | <b>1,87,07,349</b>        | <b>1,83,73,772</b>           |
| <b>Significant Accounting Policies</b> | 1        |                           |                              |

The accompanying Notes are an integral part of the Financial Statements.

As per our Report of even date attached

For and On Behalf of the Board of Directors

For **A.K.Gutgutia & Co.**

Chartered Accountants

Firm Registration No.000012N

*Sumit Jain*  
**Sumit Jain**

Partner

Membership No.99119



*Karam Chand Jain*  
**Karam Chand Jain**  
Director

*Pramod Kumar Jain*  
**Pramod Kumar Jain**  
Director

*Akhilesh Jain*  
**Akhilesh Jain**  
Director

Place : New Delhi

Date: August 13, 2012

# SAHU JAIN LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2012

(Amount in Rs.)

| Particulars   | Note No. | 31st March, 2012 | 31st March, 2011 |
|---|----------|------------------|------------------|
| <b>Revenue:</b>   |          |                  |                  |
| <b>Other Income:</b>                                    |          |                  |                  |
| Interest on Debentures (Long Term)                      |          | 80,000           | 80,000           |
| Gain on Redemption of Units of Mutual Funds (Long Term) |          | 8,99,168         | 18,52,088        |
| Rental Income   |          | 3,60,000         | 3,60,000         |
| Miscellaneous Income                                    |          | 30,238           | 19,178           |
| <b>Total Revenue</b>                                    |          | <b>13,69,406</b> | <b>23,11,266</b> |
| <b>Expenses :</b>                                       |          |                  |                  |
| Employee Benefits Expense                               | 12       | 1,98,072         | -                |
| Depreciation and Amortization Expense                   | 6        | 3,648            | 3,840            |
| Other Expenses  | 13       | 8,50,691         | 1,91,447         |
| <b>Total Expenses</b>                                   |          | <b>10,52,411</b> | <b>1,95,287</b>  |
| <b>Profit before Tax</b>                                |          | <b>3,16,995</b>  | <b>21,15,979</b> |
| Tax Expense :   |          |                  |                  |
| Current Tax   |          | 62,092           | 3,98,068         |
| MAT Credit Entitlement                                  |          | -62,092          | -3,40,884        |
| Net Current Tax   |          | -                | 57,184           |
| Income Tax of earlier years                             |          | -                | -6,242           |
| <b>Profit for the Year</b>                              |          | <b>3,16,995</b>  | <b>20,65,037</b> |
| <b>Earnings per Equity Share:</b>                       | 14       |                  |                  |
| (Equity Shares of par value of Rs. 10/- each)           |          |                  |                  |
| Basic   |          | 6.34             | 41.30            |
| Diluted   |          | 6.34             | 41.30            |
| <b>Significant Accounting Policies</b>                  | 1        |                  |                  |

The accompanying Notes are an integral part of the Financial Statements.

As per our Report of even date attached

For **A.K.Gutgutia & Co.**

Chartered Accountants

Firm Registration No.0000127

*Sumit Jain*  
**Sumit Jain**

Partner

Membership No.99119



Place :New Delhi

Date: August 13, 2012

For and On Behalf of the Board of Directors

*Karam Chand Jain*  
**Karam Chand Jain**  
Director

*Pramod Kumar Jain*  
**Pramod Kumar Jain**  
Director

*Akhilesh Jain*  
**Akhilesh Jain**  
Director

# SAHU JAIN LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2012

(Amount in Rs.)

| Particulars   | 31st March, 2012 | 31st March, 2011 |
|---|------------------|------------------|
| <b>A Cash Flow from Operating Activities</b>                                    |                  |                  |
| Profit before Tax   | 3,16,995         | 21,15,979        |
| <b>Adjustment for:</b>  |                  |                  |
| Gain on Sale of Long Term Investments (Net)                                     | -8,99,168        | -18,52,088       |
| Depreciation  | 3,648            | 3,840            |
| <b>Operating Profit/Loss (-) before Working Capital Changes</b>                 | <b>-5,78,525</b> | <b>2,67,731</b>  |
| Adjustments for change in working capital :                                     |                  |                  |
| Increase (-) / Decrease Long Term Loans and Advances                            | -3,01,500        | -                |
| Increase (-) / Decrease Short Term Loans and Advances                           | 2,272            | 30,040           |
| Increase (-) / Decrease Other Current Assets                                    | -1,334           | -                |
| Increase/ Decrease(-) Long Term Provisions                                      | 8,861            | -                |
| Increase/ Decrease(-) Other Current Liabilities                                 | 7,721            | 9,217            |
| Cash Generated from / ( - ) used in Operations                                  | -8,62,505        | 3,06,988         |
| Income Taxes Paid (Net of Refund)   | -1,21,797        | -4,11,385        |
| <b>Net Cash used in (-) Operating Activities..... A</b>                         | <b>-9,84,302</b> | <b>-1,04,397</b> |
| <b>B Cash Flow from Investing Activities</b>                                    |                  |                  |
| Purchase of Investments   | -48,69,180       | -34,00,000       |
| Sale of Investments including Profit on sale                                    | 53,19,180        | 43,00,000        |
| <b>Net Cash from Investing Activities ..... B</b>                               | <b>4,50,000</b>  | <b>9,00,000</b>  |
| <b>C Cash Flow from Financing Activities</b>                                    |                  |                  |
| <b>Net Cash from/(used) in Financing Activities ..... C</b>                     | <b>-</b>         | <b>-</b>         |
| <b>Net increase/decrease(-) in cash and cash equivalents ..... (A+B+C)</b>      | <b>-5,34,302</b> | <b>7,95,603</b>  |
| <b>Cash and Cash Equivalents at the beginning of the year (opening balance)</b> | <b>9,59,422</b>  | <b>1,63,819</b>  |
| <b>Total Cash and Cash Equivalents at the end of the year (closing balance)</b> | <b>4,25,120</b>  | <b>9,59,422</b>  |
| <b>Components of cash and cash equivalents:</b>                                 |                  |                  |
| Cash on hand  | 214              | 519              |
| Balances with scheduled banks   | 4,24,906         | 9,58,903         |
| <b>Total</b>  | <b>4,25,120</b>  | <b>9,59,422</b>  |

As per our Report of even date attached

For and On Behalf of the Board of Directors

For A.K.Gutgutia & Co.

Chartered Accountants

Firm Registration No. 090012N

New Delhi

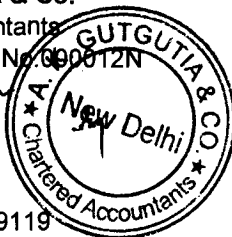
Sumit Jain

Partner

Membership No- 99119

Place : New Delhi

Date: August 13, 2012



*[Signature]*  
Karam Chand Jain  
Director

*[Signature]*  
Pramod Kumar Jain  
Director

*[Signature]*  
Akhilesh Jain  
Director

# SAHU JAIN LIMITED

## Notes to the financial statements for the year ended 31<sup>st</sup> March,2012

### Note -1 SIGNIFICANT ACCOUNTING POLICIES

#### 1.1 Basis for preparation of accounts

The financial statements have been prepared under the historical cost convention on accrual basis. The generally accepted accounting principles and the Indian Accounting Standards as specified in the Companies (Accounting Standards) Rules, 2006 and as referred u/s 211(3C) of The Companies Act, 1956 have been adopted by the Company and disclosures made are in accordance with the requirement of Schedule VI of The Companies Act, 1956. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

#### 1.2 Revenue Recognition

Revenues are recognized on accrual basis in accordance with AS-9. Wherever there are uncertainties in the ascertainment/ realisation of income the same is not accounted for.

#### 1.3 Investments

The investments are for long term and are valued at cost of acquisition. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

#### 1.4 Fixed Assets & Depreciation

- (i) Fixed Assets are stated at actual cost. Actual cost is inclusive of freight, duties, taxes & other incidental expenses.
- (ii) Depreciation on fixed assets has been provided for on written down value at the applicable rates prescribed under schedule XIV of The Companies Act, 1956

#### 1.5 Retirement and other employee benefits

- i. Retirement benefits in the form of Provident Fund are charged to the Statement of Profit and Loss for the year when the contributions are due.
- ii. Liability for Gratuity is provided in accordance with the provision of The Gratuity Act,1972 on accrual basis as at the Balance Sheet date.
- iii. Liability for Leave Encashment is provided on the balance leave entitlement of eligible employees as at the Balance Sheet date.

#### 1.6 Provisions

A provision is recognized when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.



## 1.7 Taxes on Income

Provision for income tax is made on the basis of taxable income for the year at current rates in accordance with the provisions of Income Tax Act, 1961. Tax expense comprises of current tax and deferred tax.

The Current charge for income taxes is calculated in accordance with the relevant tax regulations. Minimum Alternative Tax (MAT) paid in accordance with the tax laws which give rise to future economic benefits in the form of adjustments of future income tax liability; is considered as an asset if there is convincing evidence that the Company will pay normal tax in future.

Deferred Tax is recognized, subject to considerations of prudence, on timing difference, being the difference between taxable income and accounting income that originates in one period and is capable of reversal in one or more subsequent years.

### Note- 2 : Share Capital

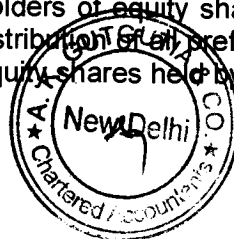
| (Amount in Rs.)   |                          |                          |
|---|--------------------------|--------------------------|
| Particulars   | As at<br>31st March,2012 | As at<br>31st March,2011 |
| <b>Authorised :</b>   |                          |                          |
| 5,00,000 (Previous Year 5,00,000) Equity Shares of Rs.10/- each           | 50,00,000                | 50,00,000                |
| 50,000 (Previous Year 50,000) Preference Shares of Rs.100/- each          | 50,00,000                | 50,00,000                |
|   | <b>1,00,00,000</b>       | 1,00,00,000              |
| <b>Issued, Subscribed &amp; Paid Up :</b>                                 |                          |                          |
| 50,000 (Previous Year 50,000) Equity Shares of Rs.10/- each fully paid up | 5,00,000                 | 5,00,000                 |
|   | <b>5,00,000</b>          | 5,00,000                 |

There is no change in the Share Capital during the period of five years immediately preceding the date as at which the Balance Sheet is prepared.

The Company has only one class of outstanding equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share.

No dividend has been proposed/declared during the year ended 31st March, 2012 (31st March, 2011: Nil). As and when the Company proposes the payment of dividend, the same will be paid in Indian rupees.

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 any preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.



**Disclosure of shares held by shareholders holding more than 5% Shares**

| Name of the Shareholder               | As at<br>31st March, 2012 | As at<br>31st March, 2011 |
|---------------------------------------|---------------------------|---------------------------|
|                                       | No. of Shares             | No. of Shares             |
| Camac Commercial Company Limited      | 9,800                     | 9,800                     |
| Combine Holding Limited               | 8,900                     | 8,900                     |
| Ashoka Viniyoga Limited               | 8,900                     | 8,900                     |
| Mrs. Meera Jain                       | 7,000                     | 7,000                     |
| Mukul Jain Medical Institute          | 5,000                     | 5,000                     |
| Punjab Mercantile and Traders Limited | 4,900                     | 4,900                     |
| Mr. Samir Jain                        | 4,300                     | 4,300                     |

**Note- 3 : Reserves and Surplus**

(Amount in Rs.)

| Particulars  | As at<br>31st March, 2012 | As at<br>31st March, 2011 |
|--|---------------------------|---------------------------|
| Capital Reserve  | 39,56,417                 | 39,56,417                 |
| Special Reserve<br>(Reserve u/s 45-1C of the RBI Act, 1934)    |                           |                           |
| Balance as per the last Financial Statements                   | 19,36,000                 | 15,24,000                 |
| Transferred from Surplus                                       | 64,000                    | 4,12,000                  |
|  | 20,00,000                 | 19,36,000                 |
| General Reserve  | 47,47,000                 | 47,47,000                 |
| <b>Surplus/ Deficit(-) in the Statement of Profit and Loss</b> |                           |                           |
| Balance as per the last Financial Statements                   | 71,96,522                 | 55,43,485                 |
| Profit for the year  | 3,16,995                  | 20,65,037                 |
|  | 75,13,517                 | 76,08,522                 |
| Less: Appropriations:  |                           |                           |
| Transfer to Special Reserve u/s 45IC of RBI Act, 1934          | 64,000                    | 4,12,000                  |
|  | 74,49,517                 | 71,96,522                 |
| <b>Total</b>   | <b>1,81,52,934</b>        | <b>1,78,35,939</b>        |

**Note- 4 : Long Term Provisions**

| Particulars                    | As at<br>31st March, 2012 | As at<br>31st March, 2011 |
|--------------------------------|---------------------------|---------------------------|
| Provision for Leave Encashment | 4,750                     | -                         |
| Provision for Gratuity         | 4,111                     | -                         |
| <b>Total</b>                   | <b>8,861</b>              | <b>-</b>                  |





**Note- 5 : Other Current Liabilities****(Amount in Rs.)**

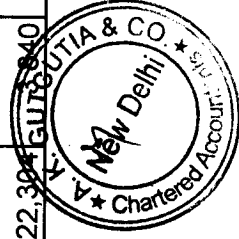
| <b>Particulars</b>           | <b>As at<br/>31st March,2012</b> | <b>As at<br/>31st March,2011</b> |
|------------------------------|----------------------------------|----------------------------------|
| <i>Expense payable:</i>      |                                  |                                  |
| Audit Fee                    | <b>8,272</b>                     | 8,272                            |
| Advertisement                | <b>9,260</b>                     | 8,773                            |
| Legal & Professional Charges | <b>27,022</b>                    | 15,588                           |
| TDS                          | <b>1,000</b>                     | 5,200                            |
| <b>Total</b>                 | <b>45,554</b>                    | 37,833                           |



**Note : 6 TANGIBLE ASSETS**

(Amount in Rs.)

| S.No. | Assets        | Gross Block         |           |                | Depreciation        |                     |                 | Net Block           |                     |
|-------|---------------|---------------------|-----------|----------------|---------------------|---------------------|-----------------|---------------------|---------------------|
|       |               | As at<br>01.04.2011 | Additions | Sales<br>/Ded. | As at<br>31.03.2012 | As at<br>01.04.2011 | For the<br>Year | As at<br>31.03.2012 | As at<br>31.03.2011 |
| 1     | Land *        | 54,817              | -         | -              | 54,817              | -                   | -               | 54,817              | 54,817              |
| 2     | Building      | 4,99,102            | -         | -              | 4,99,102            | 4,26,144            | 3,648           | 69,310              | 72,958              |
|       | <b>Total</b>  | <b>5,53,919</b>     | -         | -              | <b>5,53,919</b>     | <b>4,26,144</b>     | <b>3,648</b>    | <b>1,24,127</b>     | <b>1,27,775</b>     |
|       | Previous Year | 5,53,919            | -         | -              | 5,53,919            | 4,22,304            | 3,640           | 1,27,775            | 1,27,775            |

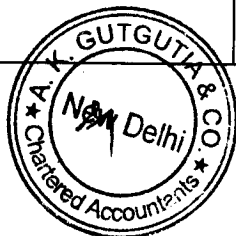


\* Perpetual lease in respect thereof not yet obtained in the Company's name.

**NOTE : 7 - NON CURRENT INVESTMENTS**

(Amount in Rs.)

| Particulars   | Face Value | As at 31st March, 2012 |                    | As at 31st March, 2011 |                    |
|---|------------|------------------------|--------------------|------------------------|--------------------|
|   |            | No. of Units           | Cost               | No. of Units           | Cost               |
| <b>Long Term - Other than trade (at Cost)</b>               |            |                        |                    |                        |                    |
| <b>UNQUOTED</b>   |            |                        |                    |                        |                    |
| <u>Debentures Fully Paid</u>                                |            |                        |                    |                        |                    |
| Bodhi Arts Limited<br>(Fully paid 8% Perpetual Naked Regd.) | 100        | 10,000                 | 8,12,300           | 10,000                 | 8,12,300           |
| <b>Sub Total</b>  |            |                        | <b>8,12,300</b>    |                        | <b>8,12,300</b>    |
| <u>Mutual Fund Units</u>                                    |            |                        |                    |                        |                    |
| HDFC Floating Rate Fund- STP- (Growth)                      | 10         | 1,77,362               | 22,74,779          | 2,42,539               | 29,94,791          |
| HDFC Liquid Fund  | 10         | 6,594                  | 1,00,000           | 6,594                  | 1,00,000           |
| HDFC Cash Management- Treasury Adv Retail                   | 10         | 2,23,212               | 43,74,828          | 2,23,212               | 43,74,828          |
| Prudential ICICI Flexible Income Fund                       | 100        | 24,577                 | 43,00,000          | 24,577                 | 43,00,000          |
| Reliance Money Manager Fund- Retail                         | 1,000      | 526                    | 7,00,000           | -                      | -                  |
| Templeton Floating Rate Fund- LTP                           | 10         | -                      | -                  | 2,14,240               | 35,00,000          |
| Templeton India Income Opportunities Fund                   | 10         | 3,79,088               | 42,20,746          | 30,000                 | 3,00,000           |
| UTI Dynamic Bond Fund                                       | 10         | 23,331                 | 2,48,434           | -                      | -                  |
| UTI Floating Rate Fund -STP                                 | 1,000      | -                      | -                  | 154                    | 2,00,000           |
| <b>Sub Total</b>  |            |                        | <b>1,62,18,787</b> |                        | <b>1,57,69,619</b> |
| <b>Aggregate Book Value of unquoted investments</b>         |            |                        | <b>1,70,31,087</b> |                        | <b>1,65,81,919</b> |



**Note - 8 : Long Term Loans and Advances**

(Amount in Rs.)

| Particulars                  | As at<br>31st March,2012 | As at<br>31st March,2011 |
|------------------------------|--------------------------|--------------------------|
| (Unsecured, considered good) |                          |                          |
| MAT Credit Entitlement       | 7,26,642                 | 6,64,550                 |
| Capital Advances (for lift)  | 3,01,500                 | -                        |
| <b>Total</b>                 | <b>10,28,142</b>         | <b>6,64,550</b>          |

**Note - 9 : Cash and Cash Equivalent**

| Particulars                                    | As at<br>31st March,2012 | As at<br>31st March,2011 |
|--|--------------------------|--------------------------|
| Balance with Scheduled Bank in current account | 4,24,906                 | 9,58,903                 |
| Cash on Hand                                   | 214                      | 519                      |
| <b>Total</b>                                   | <b>4,25,120</b>          | <b>9,59,422</b>          |

**Note - 10 : Short Term Loans and Advances**

| Particulars                                  | As at<br>31st March,2012 | As at<br>31st March,2011 |
|--|--------------------------|--------------------------|
| (Unsecured, considered good)                 |                          |                          |
| Advance Tax & TDS (Net of Provision for Tax) | 78,637                   | 18,932                   |
| Prepaid expenses                             | 5,355                    | 7,627                    |
| Other advances                               | 1,545                    | 1,545                    |
| <b>Total</b>                                 | <b>85,537</b>            | <b>28,104</b>            |

**Note - 11 : Other Current Assets**

| Particulars         | As at<br>31st March,2012 | As at<br>31st March,2011 |
|---------------------|--------------------------|--------------------------|
| Interest Receivable | 13,336                   | 12,002                   |
| <b>Total</b>        | <b>13,336</b>            | <b>12,002</b>            |

**Note - 12 : Employee Benefit Expenses**

| Particulars                      | 31st March,<br>2012 | 31st March,<br>2011 |
|----------------------------------|---------------------|---------------------|
| Salaries                         | 1,58,954            | -                   |
| Contribution to PF & Other Funds | 10,701              | -                   |
| Other Benefits                   | 28,417              | -                   |
| <b>Total</b>                     | <b>1,98,072</b>     | <b>-</b>            |



**Note - 13 : Other Expenses**

| Particulars                         | 31st March,<br>2012 | 31st March,<br>2011 |
|-------------------------------------|---------------------|---------------------|
| Listing Fee                         | 5,515               | 5,515               |
| Advertisement & Publicity Expenses* | 33,395              | 35,822              |
| Conveyance Reimbursement            | 38,468              | 21,000              |
| Directors Fee                       | 15,000              | 22,000              |
| Filing Fee                          | 1,060               | 1,017               |
| Rates & Taxes                       | 7,04,005            | -                   |
| Insurance (Building)                | 17,575              | 22,536              |
| Legal & Professional Charges**      | 16,841              | 70,981              |
| Payment to Auditor:                 |                     |                     |
| Audit Fee                           | 8,272               | 8,272               |
| Other Services                      | 6,066               | 3,419               |
| Other Expenses                      | 4,494               | 885                 |
| <b>Total</b>                        | <b>8,50,691</b>     | <b>1,91,447</b>     |

\* Includes prior period expenses of Rs. 3,046 during the financial year 2010-11

\*\* Includes prior period expenses of Rs. 3,751 during the financial year 2010-11

**Note - 14 : Earnings Per Share**

| Particulars  | 31st March,<br>2012 | 31st March,<br>2011 |
|--|---------------------|---------------------|
| Net Profit/(Loss) after Tax as per Statement of Profit and Loss                        | 3,16,995            | 20,65,037           |
| Weighted Average Number of Equity Shares<br>(Face Value per Equity Share Rs.10/- each) | 50,000              | 50,000              |
| Earnings per Share   |                     |                     |
| Basic  | 6.34                | 41.30               |
| Diluted  | 6.34                | 41.30               |

**Note-15 :** There are no separate reportable segments as per Accounting Standard- 17 'Segment Reporting' issued by The Institute of Chartered Accountants of India, as the entire operations of the company relate to one segment, viz. investment.

**Note-16:** The Company has not recognized any Deferred Tax Asset on the brought forward losses available under the provisions of Income Tax Act, 1961 in view of there being no certainty of sufficient future taxable income against which such Deferred Tax Asset can be realized.

**Note- 17 :** As identified, there were no outstanding dues during the accounting year towards the enterprises as defined in the Micro, Small & Medium Enterprises Development Act, 2006

**Note- 18 :** a) Contingent liabilities not provided for:

Suits have been filed by the State Bank of India and the United Bank of India against the Company as Guarantor in Debt Recovery Tribunal at Kolkata for realisation of the loans, and interest thereon, that had been granted in the past by these banks to Rohtas Industries Limited and Ashoka Cement Limited, (both of which are under winding up in the Hon'ble High Court of Judicature at Patna) and to New Central Jute Mills Co. Ltd which is under BIFR. The suits are for the following amounts (excluding interest from the date of filing the suits).



|  | (Rs. in Lacs)       |                     |
|--|---------------------|---------------------|
|  | As at<br>31.03.2012 | As at<br>31.03.2011 |
| i) For Rohtas Industries Ltd by the State Bank Of India                          | 1,200.50            | 1,200.50            |
| ii) For Rohtas Industries Ltd and Ashoka Cement Ltd. by the United Bank Of India | 247.20              | 247.20              |
| iii) For New Central Jute Mills Co. Ltd by the State Bank Of India               | 684.70              | 684.70              |

The State Bank of India and the United Bank of India have also claimed their dues from the Official Liquidator attached to the Patna High Court in the winding up proceedings of Rohtas Industries Ltd. It is understood that some interim payments have also been made to them by the Official Liquidator, Patna High Court, pending final adjudication of their claims.

All these suits are currently pending.

b) Capital Commitments as on 31st March, 2012 : Rs. 7.04 Lacs (Previous Year- Nil)

**Note- 19** : Foreign Exchange Earnings and Outgo during the year are as follows:-

| Particulars | Amount (Rs.)              |
|-------------|---------------------------|
| Earnings    | Nil (Previous Year - Nil) |
| Outgo       | Nil (Previous Year - Nil) |

**Note-20**: Previous period figures have been recast to correspond to current year figures, based on disclosure requirements of revised Schedule VI of The Companies Act, 1956

**Note-21**: Figures have been rounded off to the nearest rupee.

As per our Report of even date attached For and on behalf of the Board of Directors  
For A.K. Gutgutia & Co.

Chartered Accountants  
Firm Regn. No. 0000127

*Sumit Jain*



**Sumit Jain**  
Partner  
Membership.No. 99119

*Karam Chand Jain*  
**Karam Chand Jain**  
Director

*Pramod Kumar Jain*  
**Pramod Kumar Jain**  
Director

*Akhilesh Jain*  
**Akhilesh Jain**  
Director

Place : New Delhi  
Date: August 13, 2012

# SAHU JAIN LIMITED

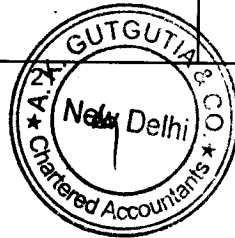
Disclosure to the Balance Sheet of a non -deposit taking non -banking financial company

(as required in terms of Paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding)

Companies Prudential Norms (Reserve Bank) Directions, 2007)

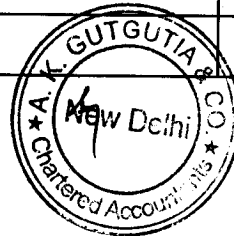
As on March 31, 2012

| Particulars               |   | (Amount in Rs.)           |        |
|---------------------------|---|---------------------------|--------|
| <b>Liabilities side :</b> |   | Amount out-standing ,     | Amount |
| (1)                       | <b>Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:</b><br>(a) Debentures : Secured<br>: Unsecured<br>(other than falling within the meaning of public deposits*)<br>(b) Deferred Credits<br>(c) Term Loans<br>(d) Inter-corporate loans and borrowing<br>(e) Commercial Paper<br>(f) Other Loans (specify nature)   | NIL                       | NIL    |
| <b>Assets side :</b>      |   | <b>Amount outstanding</b> |        |
| (2)                       | Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :<br>(a) Secured<br>(b) Unsecured   | Nil                       |        |
| (3)                       | Break up of Leased Assets and stock on hire and other assets counting towards AFC activities<br><br>(i) Lease assets including lease rentals under sundry debtors :<br>(a) Financial lease<br>(b) Operating lease<br><br>(ii) Stock on hire including hire charges under sundry debtors:<br>(a) Assets on hire<br>(b) Repossessed Assets<br><br>(iii) Other loans counting towards AFC activities<br>(a) Loans where assets have been repossessed<br>(b) Loans other than (a) above | Nil                       |        |



|   |  |
|---|--|
| <p><b>(4) Break-up of Investments :</b></p> <p><b>Current Investments :</b></p> <p>1. <u>Quoted :</u></p> <p>(i) Shares : (a) Equity<br/>(b) Preference</p> <p>(ii) Debentures and Bonds</p> <p>(iii) Units of mutual funds</p> <p>(iv) Government Securities</p> <p>(v) Others (Please specify)</p> <p>2. <u>Unquoted :</u></p> <p>(i) Shares : (a) Equity<br/>(b) Preference</p> <p>(ii) Debentures and Bonds</p> <p>(iii) Units of mutual funds</p> <p>(iv) Government Securities</p> <p>(v) Others (Please specify)</p> <p><b>Long Term investments :</b></p> <p>1. <u>Quoted :</u></p> <p>(i) Shares : (a) Equity<br/>(b) Preference</p> <p>(ii) Debentures and Bonds</p> <p>(iii) Units of mutual funds</p> <p>(iv) Government Securities</p> <p>(v) Others (Please specify)</p> <p>2. <u>Unquoted :</u></p> <p>(i) Shares : (a) Equity<br/>(b) Preference</p> <p>(ii) Debentures and Bonds</p> <p>(iii) Units of mutual funds</p> <p>(iv) Government Securities</p> <p>(v) Others (Please specify)</p> | <p>Nil</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>8,12,300</p> <p>1,62,18,787</p> <p>-</p> <p>-</p> |
|---|--|

| <b>(5) Borrower group-wise classification of assets financed as in (2) and (3) above :</b> |                          |           |       |
|--|--------------------------|-----------|-------|
| Category   | Amount net of provisions |           |       |
|  | Secured                  | Unsecured | Total |
| <b>1. Related Parties</b>  | Nil                      | Nil       | Nil   |
| (a) Subsidiaries   | Nil                      | Nil       | Nil   |
| (b) Companies<br>in the same group   | Nil                      | Nil       | Nil   |
| (c) Other related<br>parties.  | Nil                      | Nil       | Nil   |
| <b>2. Other than<br/>related parties</b>   | Nil                      | Nil       | Nil   |
| <b>Total</b>   | Nil                      | Nil       | Nil   |





|   |   |                                       |
|---|---|---------------------------------------|
| <b>(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):</b> |   |                                       |
| <b>Category</b>   | <b>Market Value / Break up or fair value or NAV</b> | <b>Book Value (Net of Provisions)</b> |
| <b>1. Related Parties</b>   |   |                                       |
| (a) Subsidiaries  | Nil   | Nil                                   |
| (b) Companies in the same group   | Nil   | Nil                                   |
| (c) Other related parties   | Nil   | Nil                                   |
| <b>2. Other than related parties</b>  | 1,98,91,790   | 1,70,31,087                           |
| <b>Total</b>  | <b>1,98,91,790</b>                                  | <b>1,70,31,087</b>                    |
| <b>(7) Other Information</b>  |   |                                       |
|   | <b>Particulars</b>                                  | <b>Amount</b>                         |
| (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                                   |

As per our Report of even date attached

For and On Behalf of the Board of Directors

For **A.K. GUTGUTIA & CO.**  
Chartered Accountants  
Firm Registration No. 99119

*Sumit Jain*  
**Sumit Jain**  
Partner  
Membership No. 99119



*Karam Chand Jain*  
**Karam Chand Jain**  
Director

*Akhlesh Jain*  
**Akhlesh Jain**  
Director

*Pramod Kumar Jain*  
**Pramod Kumar Jain**  
Director

Place : New Delhi  
Date: August 13, 2012