

27th Annual Report
Of
PAWANSUT HOLDINGS LIMITED



PAWANSUT HOLDINGS LIMITED

www.pawansutholdings.com

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PAWANSUT HOLDINGS LIMITED

REGISTERED OFFICE & CORPORATE OFFICE

Pawansut Holdings Limited
208, Mukand House,
Commercial Complex,
Azadpur, Delhi-110 033

REGISTRARS & TRANSFER AGENTS

Beetal Financial & Computer Services (P) Ltd
Beetal House, 3rd Floor, 99 Madangir
Near Dada Harsukh Das Mandir,
New Delhi - 110 062.

LISTING

Delhi Stock Exchange Limited

WEBSITE

www.pawansutholdings.com

COMPANY OVERVIEW

BOARD OF DIRECTORS

- **Chairman & Executive Director** Mr. Laxman Singh Satyapal
- **Non Executive Directors** Mr. Pradeep Kumar Jindal
Mr. Pawan Kumar Poddar
Mr. Uttam Kumar Srivastava
- **Company Secretary** Ms. Poonam Mehta
- **Solicitors & Advocates** Rajeev Goel & Associates
- **Auditors** Amit R Gupta & Associates
(Chartered Accountants)

BANKERS

- Citi Bank N.A.
- Yes Bank
- Corporation Bank

BOARD COMMITTEES

- **Audit Committees**

Mr. Laxman Singh Satyapal (Chairman)
Mr. Pradeep Kumar Jindal
Mr. Uttam Kumar Srivastava

- **Shareholders' Grievance Committees**

Mr. Uttam Kumar Srivastava (Chairman)
Mr. Pawan Kumar Poddar

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CODE OF BUSINESS CONDUCT AND ETHICS

Philosophy

The Company shall be committed to the adoption of such corporate governance practices which ensure accountability of management on the one hand and maximization of shareholders value on the other hand. We would progressively strive to lay down adequate control systems and governance structures for protecting and furthering the interest of our stakeholders.

National Interest

The Company shall be committed in all its actions to benefit the economic development of the country in which it operates and shall not engage in any activity that would adversely affect such objective. It shall not undertake any project or activity to the detriment of the nation's interest or those that will have any adverse impact on the social and cultural life pattern of its citizens. The Company shall conduct its business affairs in accordance with the economic development, foreign policies, objectives and priorities of the nations government and shall strive to make a positive contribution to the achievement of such goals at the international, national and regional level as appropriate.

Shareholders

The Company shall be committed to enhance shareholder's value and comply with all regulations and laws that govern shareholders' right. The Board of Directors of the Company shall duly and fairly inform its shareholders about all relevant aspects of the Company's business, and disclose such information in accordance with the respective regulations and agreements.

Employee policies and practices shall be administered in a manner that ensures that in all matters equal opportunity is provided to those eligible and the decisions are merit-based.

Transparency and auditability

All Company employees shall ensure that their actions in the conduct of business are totally transparent except where the needs of business security dictate otherwise. Such transparency shall be brought about through appropriate policies, systems and processes, including as appropriate, involvement of more than one manager in recording decision logic and maintaining supporting records. All managers shall voluntarily ensure that their areas of operation are open to audit and the conduct of their activities are totally auditable.

Dealings with people in the organization

In dealing with each other, employees will uphold the values which are at the core of our HR Philosophy - trust, teamwork, mutuality and collaboration, meritocracy, objectivity, self respect and human dignity. Indeed, these values will form the basis of our HR management systems and processes. In areas such as selection and recruitment, meritocracy will be the only criterion and all managers will scrupulously avoid considerations other than merit and suitability. Performance management systems including appraisals, remuneration and rewards will focus on meritocracy, equity and upholding of Company's values and ethics.

Financial reporting and records

The Company shall prepare and maintain its accounts fairly and accurately in accordance with the accounting and financial reporting standards which represent the generally accepted guidelines, principles, standards, laws and regulations of the country in which the Company conducts its business affairs.

Internal accounting and audit procedures shall fairly and accurately reflect all of the Company's business transactions and disposition of assets. All required information shall be accessible to Company's auditors and other authorised parties and government agencies. There shall be no willful omissions of any company transactions from the books and records.

Any willful material misrepresentation of and/or misinformation on the financial accounts and reports shall be regarded as a violation of this code, apart from inviting appropriate civil or criminal action under the relevant laws.

Public representation of the Company

The Company honours the information requirement of the public and its stakeholders. In all its public appearance with respect to disclosing Company and business information to public constituencies such as the media, the financial community, employees and shareholders, The Company shall be represented only by specifically authorised directors and employees. It will be the sole responsibility of these authorised representatives to disclose information to the concerned public.

Political non-alignment

The Company shall not support, directly or indirectly, any specific political party or candidate for political office. The Company shall not offer or give any Company's fund or property as donation, directly or indirectly, to any specific political party, candidate or campaign.

Ethical conduct

Every employee of the Company, which shall include a whole-time director and the managing director shall deal on behalf of the company with professionalism, honesty and integrity, as well as high morale and ethical standards. Such conduct shall be fair and transparent and be perceived to be as such by third parties.

Regulatory compliance

Every employee of the Company shall, in his or her business conduct, comply with all applicable laws and regulations, both in letter and in spirit, in all the territories in which he or she operates. If the ethical and professional standards set out in the applicable laws and regulations are below that of the code, then the standards of the code shall prevail.

Competition

The Company shall compete only in an ethical and legitimate manner. It prohibits all actions that are anti-competitive or otherwise contrary to laws that govern competitive practices in the market place.

Concurrent employment

An employee of the Company shall not, without the prior approval of the managing director of the Company, accept employment or a position of responsibility (such as a consultant or a director) with any other Company, nor provide 'freelance' services to anyone. In the case of a whole-time

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director or the managing director, such prior approval must be obtained from the Board of Directors of the Company.

Protecting Company's assets

The assets of the Company should not be misused but employed for the purpose of conducting the business for which they are duly authorised. These include tangible assets such as equipment and machinery, systems, facilities, materials, resources as well as intangible assets such as proprietary information, relationship with customers and suppliers, etc.

Integrity of data furnished

Every employee of the Company shall ensure, at all times, the integrity of data or information furnished by him or her to the Company.

Policy against Insider Trading

Insider Trading is prohibited by both law as well as by the Company policy. Insider Trading generally involves the act of subscribing or buying or selling of the Company's securities, when in the possession of any unpublished price sensitive information about the Company. It also involves disclosing any Unpublished Price Sensitive Information about the Company to others who could subscribe or buy or sell the Company's securities. Insider Trading invokes severe civil and criminal penalties not only on the insider but also on the Company in certain circumstances under the Securities and Exchange Board of India (SEBI) Act, 1992.

"Price Sensitive Information" is that information which relates directly or indirectly to a Company and which if published is likely to materially affect the price of securities of a Company. It is important to note that both positive and negative information could be price sensitive. Employees are encouraged to follow the Insider Trading Code at all times. Punishment for violation can include wage freeze, termination and even a criminal offence resulting in a fine or penalty.

Confidential information/publicity

No employee shall disclose or use any confidential information gained in the course of employment with the Company for personal profit or for the advantage of any other person. No employee shall provide any information either formally or informally to the press or to any other publicity media unless specifically authorised to do so.

Disciplinary actions

The Company will take appropriate action against any employee, agent, contractor or consultant whose actions are found to violate these policies or any other policy of the Company. Disciplinary actions may include immediate termination of employment or business relationship at the Company's sole discretion. Where the Company has suffered a loss, it may pursue its remedies against the individuals or entities responsible. Where laws have been violated, the Company will cooperate fully with the appropriate authorities.

Every employee shall be responsible for the implementation of and compliance with this code in his professional environment. Failure to adhere to the code could attract the most severe consequences, including termination of employment.

Every employee of the Company shall promptly report to the management any actual or possible violation of this code, or an event he or she

becomes aware of that could affect the business or reputation of his/her or any other group Company.

Accountability

The Board of Directors (BOD) shall oversee the Company's adherence to ethical and legal standards. All employees and the members of the BOD shall undertake to stop or prevent actions that could harm customers, the system or reputation of the Company.

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NOTICE

Notice is hereby given that the 27th Annual General Meeting of the members of **Pawansut Holdings Limited** will be held on Tuesday, 29th November, 2011 at 12:30 P.M. at the registered office at 208, Mukand House, Commercial Complex, Azadpur, Delhi – 110 033 to transact the following business: -

ORDINARY BUSINESS

1. To receive, consider and adopt Audited Balance Sheet as at 31st March, 2011 and Profit & Loss Account for the year ended on that date along with report of the Directors' and Auditors' thereon.

2. To appoint a Director in place of Mr. Laxman Singh Satyapal, who retires by rotation, and being eligible offers himself for re-appointment.

3. To appoint Auditors and to fix their remuneration and in connection therewith to pass, with or without modification(s), the following resolution as Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section-224 of the Companies Act, 1956 M/s Amit R Gupta & Associates, Chartered Accountants, the retiring Auditors, be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of the present Annual General Meeting until the conclusion of the next Annual General Meeting on such remuneration as may be decided by the Board of Directors of the company.”

SPECIAL BUSINESS

4. To appoint a Director in place of Mr. Pawan Kumar Poddar, who is additional Director, and being eligible offers himself for re-appointment.

“RESOLVED THAT Mr. Pawan Kumar Poddar, who was appointed as an additional director of the Company to hold office till the date of the Annual General Meeting, be and is hereby appointed as a director of the Company and whose office shall be liable for determination through retirement by rotation.

RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby authorized to do all those things, deeds and filing as may be necessary to give effect to this resolution.”

5. 4. To appoint a Director in place of Mr. Uttam Kumar Srivastava, who is additional Director, and being eligible offers himself for re- appointment.

“RESOLVED THAT Mr. Uttam Kumar Srivastava, who was appointed as an additional director of the Company to hold office till the date of the Annual General Meeting, be and is hereby appointed as a director of the Company and whose office shall be liable for determination through retirement by rotation.

RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby authorized to do all those things, deeds and filing as may be necessary to give effect to this resolution.”

NOTES

1.(a). **APPOINTMENT OF PROXY:** A MEMBER ENTITLED TO ATTEND AND VOTE, AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN

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HIS/HER PLACE AND THE PROXY NEEDS NOT BE A MEMBER OF THE COMPANY.

(b).PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN 48 HOURS BEFORE THE ANNUAL GENERAL MEETING.

2. The attendance slip and proxy form for the member of the company have been enclosed with the notice.
3. Members are requested to quote their Registered Folio No., client ID and DP ID numbers for facilitating identification for attendance at the meeting.
4. Members who are holding physical shares in more than one folio are requested to intimate to the company, the details of all their numbers for consolidation into a single folio.
5. **BOOK CLOSURE:** The Register of Members and Share Transfer Books of Company will remain on 29th September, 2011 for the purpose of Annual General Meeting.
6. Members desiring any information as regards accounts and operations are required to write to the company at its registered office one week before the date of the meeting so that the information is made available at the meeting.
7. Members are requested to intimate to the Company the changes, if any in their registered address along with pin code number.
8. Members are requested to bring their copy of this Annual Report to the Meeting.
9. **Corporate Members:** Corporate Members intending to send their authorised representatives are requested to send a duly certified copy of the Board Resolution authorizing the representatives to attend and vote at the Extra- Ordinary General Meeting.
10. **Inspection of Documents:** Documents referred to in the Notice etc., are open for inspection at the registered office of the Company at all working days except Saturdays between 11 A.M. and 2 P.M. up to the date of Annual General Meeting.
11. **Ministry of Corporate Affairs vide their circular 17/2011 dated 21/04/2011 clarified that it would be compliance to Section 53 of the Companies Act, 1956, if the services of document has been made through electronic mode providing that Company has obtained e-mail addresses of its members for sending notice/ documents through e-mail by giving an advance opportunity to every shareholder to register their e-mail address and changes therein from time to time with the Company.**

In order to cherish and support the Green Initiative taken by the Government of India to secure paperless compliance for betterment of environment, members who have not provided their e-mail address are requested to contact to RTA or compliance officer of company for same.
12. (1) The equity shares of the company are listed at the Delhi Stock Exchange

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Limited. 3/1, Asaf Ali Road, New Delhi-110 002.

(2) Annual Listing fees for the year 2011-12 has been paid to the Delhi Stock Exchange Limited.

13. The information pursuant to Clause 49 of the Listing Agreement with respect to the details of the directors seeking appointment / re-appointment at the forthcoming Annual General Meeting is annexed to the notice as annexure.

14. **Explanatory Statement:** Explanatory Statement as required under sec 173(2) of the Companies Act, 1956, in respect of special Business under Item No. 4 & 5 is enclosed herewith.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956:

ITEM NO. 4

Mr Pawan Kumar Poddar was co-opted on the Board of Directors of the Company as Additional Directors to hold office until the date of ensuing annual general meeting. The Board is proposing to appoint him as ordinary directors in the ensuing AGM whose office shall be liable for determination through retirement by rotation. Accordingly, the resolution is placed before the members for their consideration and approval. The Board recommends the proposed resolution for adoption in the larger interest of the Company.

ITEM NO.5

Mr Uttam Kumar Srivastava was co-opted on the Board of Directors of the Company as

Additional Directors to hold office until the date of ensuing annual general meeting. The Board is proposing to appoint him as ordinary directors in the ensuing AGM whose office shall be liable for determination through retirement by rotation. Accordingly, the resolution is placed before the members for their consideration and approval. The Board recommends the proposed resolution for adoption in the larger interest of the Company.

**By order of the Board
For Pawansut Holdings Limited**

Sd/-

Place: Delhi

Laxman Singh Satyapal

Director

Dated: 11th September, 2011

Annexure

INFORMATION PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT REGARDING RE-APPOINTMENT OF DIRECTOR AS PER ITEM NO. 2 OF THE NOTICE

Mr. Laxman Sing Satyapal, aged about 39 years, is Independent Director on the Board of our Company. He is post graduate in Commerce has vast work experience in handling work of the Non Bank Finance Company and is recognized for excellent people management and team building abilities besides infusing the spirit of action and a result oriented work culture. He is a firm believer in value based strategies. He is a Chairman of the Audit Committee of the Company.

INFORMATION PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT REGARDING REGULARISATION OF MR. PAWAN KUMAR PODDAR AS DIRECTOR AS PER ITEM NO. 4 OF THE NOTICE

Mr Pawan Kumar Poddar, aged 52 years, is the Independent Director of the Company. He is recognized for excellent people management and team building abilities besides infusing the spirit of action and a result oriented work culture. He is also the member of the Shareholders Grievance Committee.

INFORMATION PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT REGARDING REGULARISATION OF MR. UTTAM KUMAR SRIVASTAVA AS DIRECTOR AS PER ITEM NO. 5 OF THE NOTICE

Mr. Uttam Kumar Srivastava, aged about 32 years, is the Independent Director of the Company. He is having experience of over 10 years in public relations and Liasoning. He is Chairman of Shareholders Grievance Committee and also the member of the Audit Committee.

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Directors' Report

TO THE MEMBERS

Your Directors have pleasure in presenting the 27th Annual Report on the business and operations of your company and the Audited Financial Statement for the financial year ended March 31, 2011.

FINANCIAL HIGHLIGHTS

(In Rupees)

Particulars	Financial Year ended	
	31 st March, 2011	31 st March, 2010
Profit / (loss) before Depreciation & Taxes	15,41,573	12,75,237
Less : Depreciation	1,10,957	9,037
Current Tax	1430616	3,92,717
Income tax earlier years	692623	3,92,717
Add/ Less: Deferred Tax Assets/Liability	(35,373)	22,283
Profit/(Loss) after Tax	7,02,620	8,75,766
Profit/(Loss) brought forward from previous year	14,42,557	5,29,450
Transfer to reserve funds	1,40,524	1,70,596
Balance Carried Forward to the Balance Sheet	20,04,653	12,34,620

REVIEW OF OPERATIONS

During the year under review, the company has earned profit of Rs 7,02,620 as against profit of Rs. 8,75,766 in the last year. Your directors are continuously looking for the avenues for future growth of the company.

MATERIAL CHANGES ETC.

Save as mentioned elsewhere in this Report, there are no material changes and commitments affecting the financial position of the Company that have

occurred between the end of the financial year of the Company-31st March, 2011 till the date of this Report.

DIVIDEND

Your directors do not declare any dividend for the year with a view to conserve the resource for future growth plans of the company.

FIXED DEPOSITS

Your Company did not accept any fixed deposits from public in term of the provisions of section 58A of the companies act, 1956 and to this effect an undertaking is given to the Reserve Bank of India.

DIRECTORS

Mr. Laxman Singh Satyapal, Director retire by rotation and being eligible and offer himself for re-appointment. The Board recommends his re-appointment as Director subject to approval of the shareholders at the ensuing Annual General Meeting of the company.

Mr. Pawan Kumar Poddar, who was appointed as an additional director of the Company to hold office till the date of the Annual General Meeting, be and is hereby appointed as a director of the Company whose office shall be liable for determination through retirement by rotation. The Board recommends his regularization as Director subject to approval of the shareholders at the ensuing Annual General Meeting of the company.

Mr. Uttam Kumar Srivastava, who was also appointed as an additional director of the Company to hold office till the date of the Annual General Meeting, be and is hereby appointed as a director of the Company whose office shall be liable for

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determination through retirement by rotation. The Board recommends his regularization as Director subject to approval of the shareholders at the ensuing Annual General Meeting of the company.

CORPORATE GOVERNANCE

A separate report on Corporate Governance is enclosed as a part of this Annual Report of the Company. A certificate from Auditors of the Company regarding compliance of Corporate Governance as stipulated under clause 49 of the Listing Agreement is annexed to the Report on Corporate Governance.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Indian economy has shown signs of resurgence during the year witnessing growth in certain sectors of economy and the Financial sector has seen consolidation of NBFC segment due to competition from MNC and Private Banks. The Reserve Bank of India has been vigilant in monitoring the functioning of the Financial Sector.

The Company is engaged in financial activities viz. loaning and advancing money to individuals, commercials and other enterprises.

The Financial Sector is endowed with risks e.g. external risk which may arise because of the fluctuation in the interest rate in the financial market, frequent changes in government policies especially in tax matters, general economic recession which affects the cash flow policy of the borrowers to repay. The Company adopts an efficient internal control system and the Internal Audit Department monitors implementation of such systems and

procedures, which is also subject to review by the Audit Committee.

The Company has followed the Accounting Standards as applicable.

The Company is managed by a professional team and frequent meetings are arranged to upgrade the knowledge of employees and to strengthen their managerial capabilities.

There are no material financial and commercial transactions in which the management has personal interest that may represent a potential conflict of interest.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed that: -

- a) in preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same.
- b) the Directors 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 the year ended on that date.
- c) the Directors have taken proper and sufficient care for the maintenance

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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 regularities

- d) the Directors have prepared the annual accounts on a going concern basis.

AUDITORS

M/s Amit R Gupta & Associates, Chartered Accountants, as Statutory Auditors of the company, hold office until the conclusion of the ensuing Annual General Meeting and are recommended for re appointment. Your Company has received a certificate from M/s Amit R Gupta & Associates, Chartered Accountants, to the effect that the appointment, if made, would be within the prescribed limits under section 224(1-B) of the Companies Act, 1956.

PERSONNEL

There is no employee whose remuneration exceed the limits for which disclosure is required in accordance with section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 as amended.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company, being engaged, in the industrial financing does not have any energy utilization or technology absorption. The Company during the year under

consideration has not earned or spent any foreign exchange.

ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation for the co-operation received from shareholders, bankers and other business constituent during the year under review. Your directors also wish to place on record their deep sense of appreciation for the commitment displayed by all the employees of the company.

For Pawansut Holdings Limited

Sd/-
Laxman Singh
Satyapal
(Director)

Sd/-
Pradeep Kumar
Jindal
(Director)

Place: Delhi
Date: 11.09.2011

REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's report on Corporate Governance:

1. The Company's Governance Philosophy

The Management of Pawansut Holdings Limited (PHL) aims to achieve its objective of increasing shareholder value while consistently observing the norms laid down in the Code of Corporate Governance. The Management has institutionalized Corporate Governance at all levels within the Company in order to ensure transparency, good practices and a systems driven style of functioning. It is the Company's objective to apply corporate Governance to its employees, shareholders, customers, etc.

The primary responsibility for ensuring corporate governance within the PHL rests with the Board, which has put in place, appropriate policies relating to its membership, deliberations, etc. These policies are in consonance with the requirements of the Listing Agreement and SEBI Regulations.

The above belief and core principles of Corporate Governance adopted by PHL lead to company's governance philosophy, trusteeship, transparency, accountability and responsibility which in turn is the basis of public confidence in corporate system.

2. Code of Conduct

The Board of Directors has adopted the Code of conduct and ethics for Directors, Senior Management and Designated Employees. The Code of Conduct has been communicated to the Directors and designated employees of the Company who have confirmed compliance with the said Code.

3. Composition of the board

I. The Board of directors of the company consists of persons with professional expertise. PHL's Board as on 31.03.2011 consists of four directors and majority of the Directors are Independent Directors. Accordingly, the composition of the board is in conformity with the requirements of Listing Agreement.

Directors	Executive / Non Executive Director	Independent Status	No. of other Director ships held in public Co	Committee Membership (in other Companies) Member /Chairman
Mr. Laxman Singh Satyapal	Executive	Not Independent	3	Nil
Mr. Pradeep Kumar Jindal	Non-Executive	Independent	3	1
Mr. Pawan Kumar Poddar	Non-Executive	Independent	1	Nil
Mr. Uttam Kumar Srivastava	Non-Executive	Independent	0	Nil

II Director's interest in the company and attendance records.

Director	No. of Board Meetings attended during the year 2010-2011	Last AGM attended	No. of Equity Shares held
Mr. Laxman Singh Satyapal	8	Yes	179050
Mr. Pradeep Kumar Jindal	8	Yes	5388
Mr. Pawan Kumar Poddar	NIL (Appointed on 20.03.2011)	No	NIL
Mr. Uttam Kumar Srivastava	NIL (Appointed on 20.03.2011)	No	NIL

Note: During the year, eight Board meetings were held on April 29, 2010, August 9, 2010, September

01,2010, November 10, 2010,
January 04, 2011, January 24, 2011,
February 4, 2011, March 20, 2011.

4. Audit committee

The PHL's Board of Directors constituted the Audit Committee in July 2002. The terms of reference of the Audit Committee include the objective evaluation of the financial reporting process, reviewing with the Company Management the annual financial statements before submission to the Board, reviewing the adequacy of the internal control systems/ internal audit function, discussing and reviewing the findings of the internal auditors, reviewing the PHL's financial and risk management policies. It comprises of one executive director (Shri Laxman Singh Satyapal) and two non-executive directors (Sh. Pradeep Kumar Jindal and Sh. Uttam Kumar Srivastava). One director namely Shri Laxman Singh Satyapal is having sound finance and accounting knowledge and he is also the Chairman of the committee. The committee met four times April 29, 2010, August 9, 2010, November 10, 2010 and February 4, 2011 during the year and the attendance of the members at the meeting was as follows:

Name of Member	Status	No. of meetings attended
Mr. Laxman Singh Satyapal (Chairman)	Chairman	4
Mr. Pradeep Kumar Jindal	Member	4
Mr. Uttam Kumar Srivastava	Member	4

The Internal and Statutory Auditors are the permanent invitees.

The Committee also meets the operating management personnel and reviews the operations, new initiatives and performance of the business. Minutes of the Audit Committee Meetings are circulated to the Members of the Board, discussed and taken note of.

5. Shareholders Grievance Committee

I. Terms of Reference

The committee was constituted on 29th July, 2002 to look into the investors complaints and to redress the same expeditiously.

II. Composition

The shareholders' grievance committee comprises of two non-executive directors namely Sh. Uttam Kumar Srivastava and Mr. Pawan Kumar Poddar.

During the year, the committee held seven meetings. The committee met four times April 29, 2010, August 9, 2010, November 10, 2010 and February 4, 2011 respectively and the attendance of the members was as follows:

Name of Members	Status	No. of meetings attended
Mr. Uttam Kumar Srivastava (Chairman)	Chairman	4
Mr. Pawan Kumar Poddar	Member	4

Ms. Poonam Mehta, Company Secretary is the compliance officer of the Company.

The Committee reviewed the steps taken by the company for resolving the complaints of the shareholders to the satisfaction of the shareholders.

As on date all requests involving transfer of shares have been processed and no transfer is pending. In order to expedite the process of share transfers, the Board has delegated the powers of approving transfer of shares.

6. General Body Meetings

The last three Annual General Meetings of the Company were held at the registered office of the company.

Details of General Body Meetings

Year	Date	Day	Time
2007-2008	29.09.2008	Monday	10.00 A.M

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2008-2009	30.09.2009	Wednesday	11.00 A.M
2009-2010	30.09.2010	Thursday	11.00 A.M

During last year, none of the resolutions passed at the Annual General Meeting was required to be passed through postal ballot as per the Company's (Passing of Resolutions by Postal Ballot) Rules, 2001.

7. Disclosures

1. During the year, there were no transactions of material nature with the directors or the management or their subsidiaries or relatives etc. that had potential conflict with the interest of the company.
2. There were no instances of non-compliance on any matter related to the capital markets, during the last three years.
3. The Company has not been imposed with any penalty by the Stock Exchanges, SEBI or any other statutory authority on any matter relating to capital markets during the last three years.

8. Management Information System

As a matter of transparency and good governance, key operational & financial data is furnished to the Directors in every meeting of the Board. Management Discussion and Analysis forming part of the Annual Report is enclosed.

9. CEO/CFO Certification

The certificate in compliance with Clause 49V of the Listing Agreement was placed before the Board of Directors.

10. Means of communication

The quarterly / half yearly / annual financial results are announced within the stipulated period and are normally published in the

Pioneer (English) and Haribhoomi (Hindi) newspapers as per Listing Agreement and are also forwarded to the Stock Exchanges. The results are put up on their web-site(s) by the Stock Exchanges. The quarterly/ half yearly financial results are not sent to shareholders individually.

No presentation of financial results has been made to Financial Institutions/analysts during the year.

11. Disclosure regarding appointment or re-appointment or regularization of Directors

- **Mr. Laxman Singh Satyapal retires by rotation at the ensuing Annual General Meeting**

Qualification/ Experience of Mr. Laxman Singh Satyapal

Mr. Laxman Singh Satyapal, aged about 39 years, is Independent Director on the Board of our Company. He is post graduate in Commerce has vast work experience in handling work of the Non Bank Finance Company and is recognized for excellent people management and team building abilities besides infusing the spirit of action and a result oriented work culture. He is a firm believer in value based strategies. He is a Chairman of the Audit Committee of the Company.

- **Mr Pawan Kumar Poddar being eligible for regularization at the ensuing Annual General Meeting**

Qualification/ Experience of Mr. Pawan Kumar Poddar

Mr Pawan Kumar Poddar, aged 52 years, is the Independent Director of the Company. He is recognized for excellent

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people management and team building abilities besides infusing the spirit of action and a result oriented work culture. He is also the member of the Shareholders Grievance Committee.

- **Mr Uttam Kumar Srivastava being eligible for regularization at the ensuing Annual General Meeting**

Qualification/ Experience of Mr. Uttam Kumar Srivastava

Mr Uttam Kumar Srivastava aged about 32 years, is the Independent Director of the Company. He is having experience of over 10 years in public relations and Liasioning. He is also the member of the Audit Committee and Shareholders Grievance Committee.

12. General Shareholders Information

1. Annual General Meeting will be held on Tuesday, the 29th day of September, 2011, at 12:30 P.M at 208, Mukand House, Commercial Complex, Azadpur, Delhi – 110033.
2. Financial calendar :

Mailing of Annual Reports	12.09.2011
First Quarter results	End of July
Annual General Meeting	Second Quarter of the Financial Year
Payment of Dividend	N. A.
Second quarter result	End of October
Third quarter result	End of January
Fourth quarter result	End of April

3. Dates of book closure 29.11.2011
4. Dividend payment date: No dividend is recommended for payment.
5. Listing of equity shares on Delhi (The Delhi Stock Exchange Limited-DSE)

Stock Exchanges at:

6. Stock Market Price date for the year 2010 – 2011

Share price on DSE

13. Share Transfer System

The Company's shares are traded in the Stock Exchanges compulsorily in demat mode. The Company has appointed the following registrar to handle the Demat share work. The address of the Registrar for correspondence is as under:

M/s Beetal Financial & Computer Services (P) Ltd.

BEETAL HOUSE, 3rd Floor, 99 Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi – 110 062

14. (a) Distribution of Shareholding as on 31st March, 2011

Category	Number of Share Holders	Percent age (%)	Number of equity Shares held	Percentage (%)
Upto 5000	13	16.05	8900	0.39
5001 to 10000	25	30.86	203038	8.97
10001 to 20000	24	29.63	378062	16.71
20001 to 30000	3	3.70	69000	3.05
30001 to 40000	4	4.94	149666	6.61
40001 to 50000	1	1.23	45000	1.99
50001 to 100000	9	11.11	686610	30.34
100001 and above	2	2.47	722505	31.93
	81	100.00	22,62,781	100.00

15. (b)

PAWANSUT HOLDINGS LIMITED

Annual Report 2010-2011

Categories of Shareholders as on 31st March, 2011

Category		Number of equity Shares held	Percentage (%)
i	Promoters & Person acting in concert	1042297	46.06
ii	Public Financial Institution & Govt. Companies	Nil	Nil
iii	Banks, Financial Institutions Mutual Funds	Nil	Nil
iv	Non Resident Indians	Nil	Nil
v	Bodies Corporate	Nil	Nil
v	Others (Public)	1220484	53.94

15. Dematerialization of shares and liquidity

Trading in PHL shares is permitted only in dematerialised form as per circular issued by the Securities and Exchange Board of India (SEBI). 100 % of the Equity shares of the company have been dematerialised upto March 31, 2011.

16. The address for correspondence are as mentioned below:

Registered Office

PAWANSUT HOLDINGS LIMITED

208, Mukand House,
Commercial Complex,
Azadpur,
Delhi – 110033

17. Non Mandatory requirements:

- I. At present, the Non Executive Chairman does not have any separate office with the company. The corporate office of the company supports the Chairman for discharging the responsibilities.
- II. At present, individual communication of half yearly results is not sent to the shareholders.

III. No item of business relating to matters

Month	DSE	
	High (Rs.)	Low (Rs.)
April, 2010	Not Traded	--
May, 2010	Not Traded	--
June, 2010	Not Traded	--
July, 2010	Not Traded	--
August, 2010	Not Traded	--
September, 2010	Not Traded	--
October, 2010	Not Traded	--
November, 2010	Not Traded	--
December, 2010	Not Traded	--
January, 2011	Not Traded	--
February, 2011	Not Traded	--
March, 2011	Not Traded	--

specified under Clause 49 of the Listing Agreement with the Stock Exchanges and/or the provisions contained in Section 192A of the Companies Act, 1956 which requires voting by postal ballot is included in the notice convening the 27th Annual General Meeting of the company.

IV. The Company has formed remuneration committee since there is paid Managing director.

For Pawansut Holdings Limited

Sd/-
Laxman Singh
Satyapal
(Director)

Sd/-
Pradeep Kumar
Jindal
(Director)

Place: Delhi
Date: 11.09.2011

Auditors' Certificate

(Under Clause 49 of the Listing Agreement)

To

The Members of Pawansut Holdings Limited

We have examined the compliance of conditions of Corporate Governance by M/s Pawansut Holdings Limited., ("the Company") for the year ended on March 31, 2011 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

The Compliance of Conditions of Corporate Governance is the responsibility of Management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreement.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/ Investors Grievance Committee.

We further state such compliance is neither an assurance as to further viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

FOR Amit R Gupta & Associates.

Chartered Accountants

Sd/-

(Amit Kumar Gupta)

Proprietor

M. No. 099522

Firm Regn. No. 017920N

Place : New Delhi

Dated : 11.09.2011

CERTIFICATE PURSUANT TO CLAUSE 49(V) OF THE LISTING AGREEMENT

I, Laxman Singh Satyapal, Director of Pawansut Holdings Limited hereby certify:

- (a) That the financial statements and the cash flow statement for financial year ending 31st March, 2011 have been reviewed and to the best of our information knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the company's affairs and are in compliance with the existing standards, applicable laws and regulations.
- (b) That to the best of our information knowledge and belief, no transaction was entered into by the company during the year which is fraudulent, illegal and violative of Company's code of conduct.
- (c) We accept the responsibility for establishing and maintaining internal controls and have evaluated the effectiveness of the internal control systems of the company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps taken or proposed to be taken to rectify these deficiencies.
- (d) That the Auditors and the Audit Committee have been indicated:
 - a. Significant changes in the internal control over financial reporting during the year;
 - b. Significant change in accounting policies during the year and that the same have been disclosed in the notes to financial statements; and
 - c. Instances of significant fraud of which we are aware and the involvement therein, if any, of the management or the employee having significant role in company's internal control system over financial reporting.

Sd/-

**Laxman Singh Satyapal
(Director)**

Date: September 11, 2011

Place: Delhi

Dear Shareholder,

Sub: - "GO GREEN" initiative of the Ministry of Corporate Affairs, Government of India

As you are aware, you are entitled to have, free of cost copy of the Balance Sheet of the company and all other documents required under the Companies Act, 1956 (the "Act") to be attached thereto at the time of Annual General Meeting as well as upon receipt of a specific requisition from you, any time, as a member of the Company.

The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in Corporate Governance" (Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011) allowing paperless compliances by Companies through electronic mode and Companies are now permitted to send various notices/documents including Annual Report to its shareholders through electronic mode to their registered e-mail addresses with their Depository Participant / the Company.

This move by the Ministry should be welcomed, since it will benefit the society at large through reduction in paper consumption and contribution toward a Greener Environment. Your Company in compliance proposes to send all documents to be sent to Shareholders like General Meeting Notices (including AGM), Audited Financial Statements, Directors Report, Auditors Report etc. to shareholders in electronic form in lieu of physical form.

We request shareholders to do the following:-

- 1) Shareholders holding shares of the Company in electronic form (Dematerialization mode) but didn't registered their E-mail id with their respective Depository Participant (DP), please register the same forthwith to enable the company to abide by the Green initiative by serving the above stated documents through Electronic Mode to their registered Email addresses as soon as possible.
- 2) Shareholders holding shares in Physical mode, please provide your E-mail address to the Company at their Registered Office address at 208, Mukand House, Commercial Complex, Azadpur, Delhi – 110 033 as soon as possible or at Company's E-mail address info@pawansutholdings.com

In addition to above, if you wish to receive the Annual Report or other future correspondences through Electronic Mode at your registered Email addresses, kindly inform us by sending an e-mail at info@pawansutholdings.com or by sending a consent/ confirmation letter at our registered office.

We at "Pawansut Holdings limited" appreciating the "Green initiative" taken by MCA and trust you would help implementing the e-governance initiatives of the Government.

Yours faithfully,
For Pawansut Holdings Limited

Sd/-
Poonam Mehta
Company Secretary

Pawansut Holdings Limited

Registered Office: 208, Mukand House, Commercial Complex Azadpur Delhi 110033.

Form of Proxy

I/we _____ of _____ being a Member/ members of the above named Company, hereby appoint _____ of _____ as my/our Proxy to vote for me/ us on my/ our behalf at the Twenty Seventh Annual General Meeting of the Company to be held on Tuesday , the 29th day of November, 2011 at 12.30 p.m.-----
----- and at any Adjournment thereof.

Signed this _____ day of _____ 2011
Folio No./ DP ID & Client ID : _____ No. of Shares Held _____
Signature(s) of Member(s) _____

Affix Re. 1
Revenue Stamp
& Signature

- NOTE A The Proxy need not be a member.
B The Proxy form duly signed across the revenue Stamp should reach the at the Registered Office of the company at least 48 hours before the time fixed for the meeting.



Pawansut Holdings Limited

Registered Office: 208, Mukand House, Commercial Complex Azadpur Delhi 110033.

Attendance slip

I hereby record my presence at the Twenty Seventh Annual General Meeting of the Company at _____
Name of the Attending Member (in block letters) _____
Member's Folio No./ DP ID & Client ID _____
Name of Proxy _____
(in block letters to be filled in if the Proxy attends instead of Members)
Numbers of shares held _____

Member's/ Proxy Signature

NOTE: Shareholder/ Proxy holder wishing to attend the meeting must bring this Attendance Slip to the meeting and hand over the same at the entrance duly signed.

AUDITORS' REPORT

TO THE MEMBERS OF PAWANSUT HOLDINGS LIMITED

1. We have audited the attached Balance Sheet of **Pawansut Holdings Limited**, as at 31st March, 2011, the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
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 the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, and as amended by the Company (Auditor's Report) (Amendment) Order, 2004 as issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956 and on the basis of such checks as we considered appropriate and according to the information and explanations given to us we enclose in the Annexure hereto a statement on the matters specified in paragraph 4 & 5 of the said Order.
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 law have been kept by the Company so far as appears from our examination of the books;
 - (c) The Balance Sheet, the Profit and Loss account and the Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
 - (d) In our opinion the Balance Sheet, the Profit and Loss Account and the 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 31st March, 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as at 31st March, 2011 from being appointed as a director in terms of clause (g) of sub Section (1) of Section 274 of the Companies Act, 1956;

5. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the significant Accounting Policies and notes thereon give the information required by the Companies Act, 1956 in the manner so required and present a true and fair view in conformity with the accounting principles generally accepted in India:
- (a) In the case of the Balance Sheet, of the State of Affairs of the Company as at 31st March, 2011; and
 - (b) In the case of the Profit & Loss Account, of the Profit for the year ended on that date.
 - (c) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

**FOR Amit R Gupta & Associates.
Chartered Accountants**

Sd/-

**(Amit Kumar Gupta)
Proprietor
M. No. 099522
Firm Regn. No. 017920N**

**Place : New Delhi
Dated : 11.09.2011**

AUDITOR'S REPORT

PAWANSUT HOLDINGS LTD.

To
The Board of Directors,
Pawansut Holdings Ltd.
Delhi.

We have audited the attached Balance Sheet of Pawansut Holdings Ltd. As at 31.03.2011 and Profit & Loss Account for the year ended 31.03.2011, annexed hereto and report that:-

1. The Company has obtained the Certificate of Registration from the Reserve Bank of India, under section 45-IA of R.B.I Act,1934.
2. The Board of Directors has passed a resolution for the non-acceptance of any public deposits.
3. The company has not accepted any public deposits during the relevant year.
4. The company has complied with the prudential norms relating to income recognition accounting standards, assets classification and provisioning for bad & Doubtful debts as applicable to it.

FOR Amit R Gupta & Associates.
Chartered Accountants

Sd/-
(Amit Kumar Gupta)
Proprietor
M. No. 099522
Firm Regn. No. 017920N

Place : New Delhi
Dated : 11.09.2011

ANNEXURE TO AUDITORS' REPORT

(Referred to in Paragraph 3 of our Report of even date on the accounts of Pawansut Holdings Limited, for the year ended on 31st March, 2011)

1. (a) The Company has maintained proper records to showing full particulars including quantitative details and situation of fixed assets.

(b) The Company has a phased programme of physical verification of its fixed assets which in our opinion is reasonable, having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such physical verification.

(c) No fixed assets have been disposed off during the year, which has affected the going concern.
2. (a) The inventory has been physically verified by the management during the year.

(b) In our opinion the procedure of physical verification of Inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) On the basis of our examination of the Inventory records in our opinion the company is maintaining the proper records of inventory. There were no discrepancies noticed on physical verification of inventory as compared to book records.
3. (a) The company has given loan to four parties listed in the register maintained u/s 301 of the companies Act, 1956. The maximum amount involved is Rs.1,57,84,411/-. The interest has not been charged on these loans. These loans are receivable on demand, hence in our opinion and according to the information and explanations given to us, the terms and conditions, are not prima facie prejudicial to the interest of the Company. The closing balance of these loans is Rs. 82,87,295/-.

- (b) The Company has not taken loan from any person covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly provision of clause 4 (iii) (e) (f) (g) are not applicable to the Company.
4. In our opinion and according to information and explanations given to us there is an adequate internal control system commensurate with the size of the Company and nature of its business with regard to the purchase of fixed assets and also for the sale of the goods and services. Further on the basis of our examination of the books of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across nor have we been informed of any instance of major weaknesses in the aforesaid internal control system.
5. (a) In our opinion and according to the information and explanations given to us the transactions made in pursuance contracts or arrangements that needed to be entered in the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion, and according to information and explanations given to us, the transactions made in pursuance of contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant times. As regards license fees transaction it is not possible to comment on its market price in view of the solitary nature of the transaction.
6. The Company has not accepted any deposits from the public during the year within the meaning of Section 58A and 58AA or any other relevant provisions of the Companies Act 1956 and the Companies (Acceptance of Deposits) Rules, 1975. Therefore, the provisions of clause 4(vi) of CARO are not applicable to the Company.
7. In our opinion, the Company has an internal audit system commensurate with the size & nature of its business.

8. The Central Government has prescribed the maintenance of cost records under section 209(1) (d) of the Companies Act, 1956 for the products of the Company. We have broadly reviewed the accounts and records of the Company in this connection and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have however, not made a detailed examination of the same.
9. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Excise Duty, Custom Duty, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities during the year and there are no undisputed statutory dues outstanding as on the date of balance sheet for a period exceeding six months from the date they become payable.

(b) According to the information and the explanations given to us and as per the books and records examined by us, there are no dues of Income Tax, Sales Tax, Custom Duty, Wealth Tax, Service Tax, Excise Duty and Cess which have not been deposited on account of any dispute.
10. The Company has no accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year and in the immediately preceding financial year.
11. According to the information and explanations given to us we are of the opinion that the Company has not defaulted in repayment of dues to any bank. The Company has not borrowed any amount from any financial institution or debenture holder.
12. According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of clause 4(iii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company as the company is not a chit fund or a Nidhi/mutual benefit fund/ society.

14. The provisions of clause 4(xiv) of the Companies (Auditors' Report) Order, 2003 are not applicable to the Company as the company is not dealing in or trading in shares, securities, debentures and other investments.
15. To the best of our information the Company has not given any guarantee for loans taken by others from bank or financial institutions.
16. To the best of our information and explanations given to us the term loans have been applied for the purpose for which the Company has obtained them.
17. According to the information and explanations given to us and on an overall examination of the books of accounts of the Company, we report that no funds raised on short-term basis have been used for long term investments.
18. The Company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. The Company has not issued any debentures during the year.
20. The Company has not raised any money by public issues during the year.
21. In our opinion and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

**FOR Amit R Gupta & Associates.
Chartered Accountants**

Sd/-

**(Amit Kumar Gupta)
Proprietor
M. No. 099522
Firm Regn. No. 017920N**

**Place : New Delhi
Dated : 11.09.2011**

PAWANSUT HOLDINGS LIMITED
208, MUKUND HOUSE, COMMERCIAL COMPLEX,
AZADPUR, DELHI - 110033
BALANCE SHEET AS AT 31ST MARCH, 2011

	<u>SCHEDULES</u>	<u>AS AT</u> <u>31.03.2011</u> <u>Rupees</u>	<u>AS AT</u> <u>31.03.2010</u> <u>Rupees</u>
I. <u>SOURCES OF FUNDS</u>			
1. Shareholders' Funds			
a) Share Capital	1	22,627,810	2,490,000
b) Share Pending Allotment		-	20,137,810
c) Reserves & Surplus	2	<u>213,539,445</u>	<u>212,836,825</u>
Total Shareholders' Fund		236,167,255	235,464,635
2. Deferred Tax Liability (Net)		<u>37,978</u>	<u>2,605</u>
TOTAL SOURCES OF FUNDS		<u>236,205,233</u>	<u>235,467,240</u>
II. <u>APPLICATION OF FUNDS</u>			
1. Fixed Assets			
Gross Block	3	5,192,550	3,753,449
Less : Depreciation		<u>337,897</u>	<u>226,940</u>
Net Block		4,854,653	3,526,509
2. Investments			
	4	47,000,000	184,120,021
3. Current Assets, Loans and Advances			
I. Current Assets			
a) Inventories	5	5,399,453	271,176
b) Sundry Debtors	6	1,090	1,862
c) Cash & Bank Balances	7	<u>7,922,509</u>	<u>5,803,935</u>
		13,323,052	6,076,973
II. Loans and Advances			
	8	<u>175,406,561</u>	<u>73,353,030</u>
		188,729,613	79,430,003
4. Less: Current Liabilities and Provisions			
a) Liabilities	9	3,578,510	31,078,325
b) Provisions		<u>800,523</u>	<u>530,968</u>
		4,379,033	31,609,293
Net Current Assets		<u>184,350,580</u>	<u>47,820,710</u>
TOTAL APPLICATION OF FUNDS		<u>236,205,233</u>	<u>235,467,240</u>
Significant Accounting Policies & Notes on Accounts	12		

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

As per our report of even date attached
For **AMIT R GUPTA & ASSOCIATES**
Chartered Accountants

For and on behalf of the Board
PAWANSUT HOLDINGS LIMITED

Sd/-
(AMIT KUMAR GUPTA)
PROPRIETOR
M. No. 099522
FIRM REGN. NO. 017920N

Sd/-
(PRADEEP KUMAR JINDAL)
DIRECTOR
DIN NO.: 00049715

Sd/-
(LAXMAN SINGH SATYAPAL)
DIRECTOR
DIN NO.: 00007258

Sd/-
(POONAM MEHTA)
COMPANY SECRETARY
MEMBERSHIP NO.: A27626

Place : Delhi
Dated : 11.09.2011

PAWANSUT HOLDINGS LIMITED
208, MUKAND HOUSE, COMMERCIAL COMPLEX
AZADPUR, DELHI - 110033
PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MARCH, 2011

(Figures in Rupees)

PARTICULARS:	SCHEDULES	31.03.2011	31.03.2010
<u>INCOME</u>			
Interest		4,549,419	3,708,841
Sale of Securities		-	112,809
Miscellaneous Income		380,385	35,853
Dividend		5,860	2,648
Consultance Charges		-	21,805
Closing Stock		5,399,453	271,176
TOTAL INCOME		10,335,117	4,153,132
<u>EXPENDITURE</u>			
Opening Stock		271,176	212,709
Purchase of Clothes		5,128,277	-
Purchase of Securities		-	113,320
Administrative & Other Expenses	10	3,394,091	2,551,866
Depreciation		110,957	9,037
TOTAL EXPENDITURE		8,904,501	2,886,932
PROFIT BEFORE TAX		1,430,616	1,266,200
Provision for Taxation			
- Current year		404,877	392,717
- Taxes for earlier years		287,746	-
- Add: Deferred Tax Asset/Liability		(35,373)	2,283
PROFIT AFTER TAX		702,620	875,766
Add: Balance Brought Forward From Previous Year		1,442,557	529,450
PROFIT AVAILABLE FOR APPROPRIATIONS :		2,145,177	1,405,216
APPROPRIATIONS :			
Transfer to Special Reserve u/s 45-IC of RBI Act, 1934		140,524	170,596
BALANCE CARRIED TO BALANCE SHEET		2,004,653	1,234,620
Earning Per Share (Basic and Diluted) in Rupees			
[Nominal value per share Rs. 10 (Previous Year Rs.10 per share)]			
- Basic		0.31	3.52
- Diluted		0.56	0.54

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS **12**

The schedules referred to above form an integral part of Profit and Loss Account

As per our report of even date attached
For **AMIT R GUPTA & ASSOCIATES**
Chartered Accountants

For and on behalf of the Board
PAWANSUT HOLDINGS LIMITED

Sd/-
(AMIT KUMAR GUPTA)
PROPRIETOR
M. No. 099522
FIRM REGN. NO. 017920N

Sd/-
(PRADEEP KUMAR JINDAL)
DIRECTOR
DIN NO.: 00049715

Sd/-
(LAXMAN SINGH SATYAPAL)
DIRECTOR
DIN NO.: 00007258

Sd/-
(POONAM MEHTA)
COMPANY SECRETARY
MEMBERSHIP NO.: A27626

Place : Delhi
Dated: 11.09.2011

PAWANSUT HOLDINGS LIMITED, DELHI
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2011
(Pursuant to the Listing agreement with Stock Exchange)

	<u>YEAR ENDED</u> <u>31.03.2011</u> <u>Rupees</u>	<u>YEAR ENDED</u> <u>31.03.2010</u> <u>Rupees</u>
<u>A. CASH FLOW STATEMENT FROM OPERATING ACTIVITIES</u>		
Net profit before tax & Extraordinary items	1,430,616	1,266,200
Adjustments for :		
Profit of Transferor Companies Merged	-	207,937
Depreciation	110,957	9,037
Interest paid	-	-
Operating Profit before working Capital changes	1,541,573	1,483,174
Adjustments for :		
Trade & Other Receivables	(104,357,949)	(25,043,086)
Increase in Debtors	772	(788)
Inventories	(5,128,277)	(58,467)
Trade Payables and other Liabilities	(27,499,815)	12,505,446
Cash generated from operations	(135,443,696)	(11,113,721)
Direct Taxes Paid	-	(63,881)
FBT Paid	-	(31,529)
Income Tax Refund	-	78,830
Income Tax Adjustment	1,881,350	-
Cash flow before extraordinary items	(133,562,346)	(11,130,301)
Net cash from operating activities	(133,562,346)	(11,130,301)
<u>B. CASH FLOW FROM INVESTING ACTIVITIES</u>		
Proceeds from sale of Investments	167,620,021	-
Purchase of Investment	(30,500,000)	(184,120,021)
Purchase of Fixed Assets	(1,439,101)	(3,526,509)
Net cash from investing activities	135,680,920	(187,646,530)
<u>C. CASH FLOW FROM FINANCING ACTIVITIES</u>		
Securities Premium Account	-	203,650,290
Net cash used in financing activities	-	203,650,290
Net increase/(decrease) in cash and cash equivalent (A+B+C)	2,118,574	4,873,459
Cash and Cash equivalent as at 01.04.2010	5,803,935	930,476
Cash and Cash equivalent as at 31.03.2011	7,922,509	5,803,935

As per our report of even date attached
For **AMIT R GUPTA & ASSOCIATES**
Chartered Accountants

For and on behalf of the Board
PAWANSUT HOLDINGS LIMITED

Sd/-
(AMIT KUMAR GUPTA)
PROPRIETOR
M. No. 099522
FIRM REGN. NO. 017920N

Sd/-
(PARDEEP KUMAR JINDAL)
DIRECTOR
DIN NO.: 00049715

Sd/-
(LAXMAN SINGH SATYAPAL)
DIRECTOR
DIN NO.: 00007258

Sd/-
(POONAM MEHTA)
COMPANY SECRETARY
MEMBERSHIP NO.: A27626

Place : Delhi
Dated : 11.09.2011

PAWANSUT HOLDINGS LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH , 2011

(Figures in Rupees)

PARTICULARS		FIGURES AS AT 31.03.2011	FIGURES AS AT 31.03.2010
SCHEDULE 1 : SHARE CAPITAL :			
AUTHORISED	5,000,000 Equity shares of Rs. 10/- each	<u>50,000,000</u>	<u>50,000,000</u>
ISSUED	2,262,781 Equity shares of Rs. 10/- each	22,627,810	2,490,000
SUBSCRIBED	(P.Y. 249,000 Equity Shares) of Rs.10/- each		
& PAID UP	fully paid up for cash at par.		
SHARES PENDING ALLOTMENT		-	20,137,810
	TOTAL	<u>22,627,810</u>	<u>22,627,810</u>
SCHEDULE 2 : RESERVES & SURPLUS:			
SECURITIES PREMIUM ACCOUNT	(A)	203,650,290	203,650,290
SPECIAL RESERVE	Opening Balance	302,958	132,362
U/S 45-1C OF RBI	Add: Transfer from Profit & Loss Account	<u>140,524</u>	<u>170,596</u>
ACT, 1934	(B)	<u>443,482</u>	<u>302,958</u>
	Profit & Loss A/c (Opening Balance of Transferor Companies)	-	-
	Transferor Company- 1	-	14,300
	Transferor Company- 2	-	9,706
	Transferor Company- 3	-	121,804
	Transferor Company- 4	-	44,845
	Transferor Company- 5	<u>-</u>	<u>17,282</u>
	(C)	<u>-</u>	<u>207,937</u>
	General Reserve Account	(D) 7,441,020	7,441,020
	Profit and Loss Account Balance	(E) 2,004,653	1,234,620
	TOTAL (A+B+C+D+E)	<u><u>213,539,445.00</u></u>	<u><u>212,836,825.00</u></u>
SCHEDULE 4 : INVESTMENTS		47000000.00	184,120,021.00
(Attached Annexure 1)		<u>47000000.00</u>	<u>184120021.00</u>

PAWANSUT HOLDINGS LIMITED, DELHI

Annexure 1 forming part of Schedule - 4 of Balance Sheet as at 31.03.2011

(Long Term unless otherwise stated)

(FIGURES IN RUPEES)

<u>AS AT</u>	<u>AS AT</u>		<u>AS AT</u>	<u>AS AT</u>
<u>31.03.2011</u>	<u>31.03.2010</u>		<u>31.03.2011</u>	<u>31.03.2010</u>
<u>In Equity</u>		<u>Unquoted at cost</u>		
<u>Shares</u>				
-	30,000	Paras Fincap (P) Ltd of Rs. 10/- each	-	300,000
-	6,000	Vishal Gold & Precious Stones (P) Ltd of Rs. 10/- each	-	900,000
-	60,000	Radhey Trade Link (P) Ltd. of Rs. 10 each	-	3,000,000
-	10,000	Murli Manohar Trade Link (P) Ltd. of Rs. 10 each	-	500,000
-	26,000	Neel Kanth Trade Link (P) Ltd. of Rs. 10 each	-	1,300,000
-	26,250	Junoon Capital Services (P) Ltd. of Rs. 10 each	-	291,021
-	40,000	Lucent Diamonds (P) Ltd.	-	400,000
-	30,000	SD Polyfilms (P) Ltd of Rs. 10 each	-	3,000,000
-	45,000	O.P.Chains Ltd.of Rs. 10/- each	-	2,700,000
-	8,000	Vikas Planner (P) Ltd.of Rs. 10/- each	-	800,000
-	30,000	IME International (P) Ltd.of Rs. 10/- each	-	600,000
-	35,000	Vardhman Properties Ltd.of Rs. 10/- each	-	700,000
-	40,000	Vardhman Maintnace Ltd.of Rs. 10/- each	-	800,000
-	15,000	Garg Petroleum (P) Ltd.of Rs. 10/- each	-	750,000
-	8,000	Raja Forging & Gears (P) Ltd.of Rs. 10/- each	-	800,000
-	200,000	K.G.Fashoner (P) Ltd.of Rs. 10/- each	-	2,000,000
-	21,900	Coatwell India Ltd.of Rs. 10/- each	-	219,000
-	50,000	Lattu Finance & Investments (P) Ltd.of Rs. 10/- each	-	1,500,000
-	300,000	Omaxe Constructions Ltd.of Rs. 10/- each	-	3,000,000
-	20,000	Vishwa Prem Dyeing & Printing (P) Ltd. of Rs. 10/- each.	-	1,000,000
-	60,000	Mohan Udyog (P) Ltd. of Rs. 10/- each.	-	600,000
-	6,000	MMJ Investment (P) Ltd. of Rs. 10/- each.	-	1,600,000
-	10,000	Khanna Finvest Ltd. of Rs. 10/- each.	-	1,000,000
-	40,000	TMS Mercantile (P) Ltd. of Rs. 10/- each.	-	1,000,000
-	15,000	Rathi Ceramics (P) Ltd. of Rs. 10/- each.	-	750,000
-	150,000	White Moon Trading Co. (P) Ltd. of Rs. 10/- each.	-	1,500,000
-	5,000	Goverdhan Greenaries (P) Ltd. of Rs. 10/- each.	-	500,000
-	50,000	Jaina Jewellery & Gems (P) Ltd. of Rs. 10/- each.	-	500,000
-	15,000	SKS Properties (P) Ltd. of Rs. 10/- each.	-	1,500,000
-	20,000	Shree Jee Finvest (P) Ltd. of Rs. 10/- each.	-	1,000,000
-	100,000	Neel Kanth Build Tech (P) Ltd. of Rs. 10/- each.	-	1,000,000
-	50,000	Mahavir Education & Technology (P) Ltd. of Rs. 10/- each.	-	500,000
-	40,000	Maiden Components (P) Ltd. of Rs. 10/- each.	-	600,000
-	190,000	Constellation Capital Ltd. of Rs. 10/- each.	-	14,250,000
-	20,000	A.R.Co-Extruded Films Ltd. of Rs. 10/- each.	-	1,000,000
-	3,000	Aakriti Structures (P) Ltd. of Rs. 10/- each.	-	1,500,000
-	25,000	Silver Line Associate (P) Ltd. of Rs. 10/- each.	-	2,500,000
-	20,000	Combined Securities (P) Ltd. of Rs. 10/- each.	-	1,000,000
-	150,000	Jar Metal Industries (P) Ltd. of Rs. 10/- each.	-	1,500,000
-	20,000	Rahul Cargo (P) Ltd. of Rs. 10/- each.	-	1,000,000
-	20,000	Dhawan Binimay (P) Ltd. of Rs. 10/- each.	-	2,000,000
-	67,000	Kautilya Monetary Services (P) Ltd. of Rs. 10/- each.	-	10,050,000
-	170,000	PVG Developers (P) Ltd. of Rs. 10/- each.	-	1,700,000
-	260,000	MEK Developers (P) Ltd. of Rs. 10/- each.	-	2,600,000
-	50,000	Shree Shailja Iron & Steel (P) Ltd. of Rs. 10/- each.	-	750,000
-	50,000	MRM Textiles Services (P) Ltd. of Rs. 10/- each.	-	500,000
-	140,000	K.R.Capital (P) Ltd. of Rs. 10/- each.	-	3,500,000
-	250,000	Green Tech Tower Builders (P) Ltd. of Rs. 10/- each.	-	2,500,000
-	10,000	Prakash International (P) Ltd. of Rs. 10/- each.	-	1,000,000
-	50,000	H L Papers (P) Ltd. of Rs. 10/- each.	-	1,750,000
-	300,000	Shiv Mercantile (P) Ltd. of Rs. 10/- each.	-	3,000,000
-	100,000	Anjani Mercantile (P) Ltd. of Rs. 10/- each.	-	1,000,000
-	8,000	Lime Computers (P) Ltd. of Rs. 10/- each.	-	800,000
-	15,000	Mitika Agencies (P) Ltd. of Rs. 10/- each.	-	750,000
-	196,000	Arora Credits Ltd., of Rs. 10/- each	-	4,900,000
-	43,750	Aricon Developers (P) Ltd. of Rs. 100/- each	-	17,500,000
-	62,500	Garg Zever Palace (P) Ltd. of Rs. 10/- each	-	2,500,000
-	42,150	New Heights Buildcon (P) Ltd. of Rs. 10/- each	-	16,860,000
-	60,000	B.R. Arora & Associates (P) Ltd. of Rs. 10/- each	-	6,000,000
-	38,000	Shree Ganga Paper Mills Ltd. of Rs. 10/- each	-	3,800,000
-	7,500	Eminent Computers (P) Ltd. of Rs. 10/- each	-	1,500,000
-	50,000	Axis Footweares (P) Ltd. of Rs. 10/- each	-	2,500,000
-	80,000	Super Cars Ltd. of Rs. 10/- each	-	4,000,000
12,000	12,000	Fire Safety Devices (P) Ltd. of Rs. 10/- each	2,000,000	2,000,000
26,600	301,000	Indo Auto Tech Ltd of Rs. 10 each	13,300,000	30,100,000
13,500	6,000	Eminent Computrs (P) Ltd of Rs. 10 each	2,700,000	1,200,000
11,000	-	Saloni Housing Development (P) Ltd. of Rs. 10/- each	11,000,000	-
1,000	-	SDK Power (P) Ltd. of Rs. 10/- each	1,000,000	-
10,000	-	SDS Solar (P) Ltd. of Rs. 10/- each	10,000,000	-
200,000	-	Zenwin Motorparts (P) Ltd. of Rs. 10/- each	2,000,000	-
1,000	-	Heat Flown Electricals (P) Ltd. of Rs. 10/- each	1,000,000	-
5,000	-	A.E. Fashions (P) Ltd. of Rs. 100/- each	4,000,000	-
			47,000,000	184,120,021

PAWANSUT HOLDINGS LIMITED
208, MUKUND HOUSE, COMMERCIAL COMPLEX
AZADPUR, DELHI - 110033.

SCHEDULE 3 : FIXED ASSETS :

(Figures in Rupees)

S. NO.	PARTICULARS	<----- G R O S S B L O C K ----->			<----- D E P R E C I A T I O N ----->			<--- N E T B L O C K --->		
		AS AT 01.04.2010	ADDITIONS DURING THE YEAR	DEDUCTIONS/ ADJUSTMENTS	AS AT 31.03.2011	UPTO 31.03.2010	FOR THE YEAR	UPTO 31.03.2011	AS AT 31.03.2011	AS AT 31.03.2010
1	LAND	2,852,000	-	-	2,852,000	-	-	2,852,000	2,852,000	
2	BUILDING	581,630	-	-	581,630	-	-	581,630	581,630	
3	TECHNICAL KNOW- HOW	92,879	-	-	92,879	-	-	92,879	92,879	
4	COMPUTER	226,940	86,050.00	-	312,990	226,940	1,485	228,425	84,565	
5	AIR CONDITIONER	-	24,574	-	24,574	-	1,167	1,167	23,407	
6	BUNDLE COUNTING MACHINE	-	120,000	-	120,000	-	5,700	5,700	114,300	
7	EPBX MACHINE	-	4,011	-	4,011	-	191	191	3,820	
8	FAX MACHINE	-	16,065	-	16,065	-	763	763	15,302	
9	FURNITURE & FIXTURES	-	80,000	-	80,000	-	5,064	5,064	74,936	
10	GENERATOR	-	3,401	-	3,401	-	162	162	3,239	
11	MOTOR CAR	-	925,000	-	925,000	-	87,875	87,875	837,125	
12	OFFICE EQUIPMENT	-	40,000	-	40,000	-	1,900	1,900	38,100	
13	PHOTOCOPY MACHINE	-	80,000	-	80,000	-	3,800	3,800	76,200	
14	WATER FILTER PLANT	-	60,000	-	60,000	-	2,850	2,850	57,150	
TOTAL		3,753,449	1,439,101	-	5,192,550	226,940	110,957	337,897	4,854,653	3,526,509
Previous Years Figures		3,753,449	-	-	3,753,449	217,903	9,037	226,940	3,526,509	9,037

SCHEDULE 5 : INVENTORIES**Shares & Securities**

(Taken, valued and certified by the Management)

		(FIGURES IN RUPEES)		
<u>AS AT</u>	<u>AS AT</u>	<u>AS AT</u>	<u>AS AT</u>	
<u>31.03.2011</u>	<u>31.03.2010</u>	<u>31.03.2011</u>	<u>31.03.2010</u>	
In Equity Shares				
68	68	HDFC Bank Ltd	65,814	65,814
4,800	4,800	Ispat Pr Sh Ltd	10,512	10,512
2,000	2,000	Penta Media Graphics Ltd	2,760	2,760
388	388	Indian Oil Corporation Ltd	73,800	73,800
1,000	1,000	Burnpur Cement Ltd.	7,920	7,920
39,000	39,000	Bellary Steel Ltd	110,370	110,370
31810 (mtrs)	-	Stock of Cloth	5,128,277	-
			5,399,453	271,176

SCHEDULE 6 : SUNDRY DEBTORS

(Unsecured, unconfirmed but considered good)

- a. Debts outstanding for a period exceeding six months
b. Others debts.

1,090	-
-	1,862
1,090	1,862

SCHEDULE 7 : CASH & BANK BALANCES

- a. Cash Balance on hand
b. Balance with Scheduled Banks in Current Accounts

1,642,990	5,235,781
6,279,519	568,154
7,922,509	5,803,935

SCHEDULE 8 : LOANS & ADVANCES

(Unsecured & unconfirmed but considered good unless otherwise stated)

LOANS & ADVANCES

- a. Advances recoverable in cash or in kind or for value to be received
b. Advance payments against Income Tax
c. Security Deposits
d. Others

173,861,659	69,503,710
1,469,902	3,774,320
50,000	50,000
25,000	25,000
175,406,561	73,353,030

SCHEDULE 9 : CURRENT LIABILITIES & PROVISIONS**CURRENT LIABILITIES**

- i. Sundry Creditors
a) total outstanding dues of micro enterprises and small enterprises; and
b) total outstanding dues of creditors other than micro enterprises and small enterprises
ii. For Expenses
iii. Other Liabilities

-	-
3,526,509	27,500,000
52,000	4,500
1	3,573,825
3,578,510	31,078,325

PROVISIONS

- a. Provision for Income Tax

800,523	530,968
800,523	530,968

PAWANSUT HOLDINGS LIMITED
SCHEDULES ANNEXED TO AND FORMING PART OF THE PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH, 2011

(Figures in Rupees)

PARTICULARS	31.03.2011	31.03.2010
SCHEDULE 10 : ADMINISTRATIVE & OTHER EXPENSES		
Connectivity Charges	44,304	48,104
Salaries	1,978,070	1,916,400
Staff Welfare Expenses	94,513	17,889
Amalgamation Charges	132,967	180,895
Bank Charges	10,584	21,377
Conveyance	74,200	27,900
Printing & Stationary	150,551	57,555
Postage & Telegrams	40,776	31,007
Legal & Professional Charges	33,854	13,000
Listing Fees	5,515	8,532
Membership Fees	-	7,000
Miscellaneous Expenses	180	4,133
Audit Fees	20,000	34,300
Telephone Expenses	73,319	31,257
Filing Fees (R.O.C.)	18,400	33,654
Travelling Expenses	112,050	-
Advertisements	31,656	15,521
Rent	96,000	96,000
Books & Periodicals	-	4,952
Demat Charges	772	275
Electricity Charges	43,210	-
Office Repair & Maintenance	119,656	1,915
Short & Excess	-	200
Bonus	183,000	-
Computer Repair & Maintenance	11,390	-
Entertainment Expenses	100,050	-
Insurance Expenses	19,074	-
	<u>3,394,091</u>	<u>2,551,866</u>

PAWANSUT HOLDINGS LIMITED**SCHEDULE 11 :-**

Disclosure of details required in terms of Paragraph 9BB of Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998.

PARTICULARS	Amount outstanding Rupees	Amount overdue Rupees
Liabilities Side:		
(1) Loans and advances availed by the NBFC inclusive of Interest accrued thereon but not paid:		
(a) Debentures: Secured	NIL	NIL
Unsecured (Other than falling within the meaning of public deposits*)		
(b) Deferred Credits	NIL	NIL
(c) Term Loans	NIL	NIL
(d) Inter-corporate loans and borrowing	NIL	NIL
(e) Commercial paper	NIL	NIL
(f) Public Deposits'	NIL	NIL
(g) Other Loans (Specify nature)	NIL	NIL
(2) Break-up of (1)(f) above (Outstanding public deposits Inclusive of interest accrued thereon but not paid) :	NIL	NIL
Assets Side:		
		Amount in Rs. Outstanding
(3) Break-up of Loans and Advances including bills Receivables [other than those includes in (4) below]:		
(a) Secured		---
(b) Unsecured		17,38,61,659
(4) Break-up of leased Assets and stock on hire and hypothecation Loans counting towards EL/HP activities		NIL
(5) Break-up of Investments:		
Current Investments:		NIL
Long Term investments:		NIL
1. Quoted		
i) Shares		
(a) Equity		NIL
2. Unquoted:		
i) Shares:		
a) Equity		4,70,00,000

Cont. -2

PAWANSUT HOLDINGS LIMITED

SCHEDULE 11 :-

- (6) Borrower group-wise classification of all leased assets, Stock-on-hire and loans and advances:

Category provisions		Amount in Rs.		
		Secured	Unsecured	Total
1.	Related parties	---	82,87,295	82,87,295
2.	Other than related parties	---	16,55,74,361	16,55,74,361

- (7) Investor group-wise classification of all investments (long term) in shares and securities (unquoted)

Category		Market value /Break-up Book value (net Or fair value or NAV Of provisions)
1.	Related Parties**	
	(a) Subsidiaries	NIL
	(b) Companies in the same group.	
	(c) Other related parties	
2.	Other than related parties	4,70,00,000
	Total	4,70,00,000

- (8) Other Information

Particulars		Amount
i)	Gross Non-performing assets	
	(a) Related parties	NIL
	(b) Other than related parties	
ii)	Net Non-performing Assets	
	(a) Related Parties	NIL
	(b) Other than related parties	
iii)	Assets acquired in satisfaction of debt	NIL

PAWANSUT HOLDINGS LIMITED
SCHEDULE 12 :

I. ACCOUNTING POLICIES

1. ACCOUNTING CONVENTION

The Company prepares its accounts on historical cost basis as a going concern.

2. USE OF ESTIMATES

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses, assets and liabilities and the disclosure of contingent liabilities on the date of financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

3. FIXED ASSETS

Fixed Assets are stated at cost, net of excise/ custom duty where modvat credit on capital goods is availed and depreciated on Straight Line basis at rates specified in Schedule XIV of the Companies Act, 1956.

4. IMPAIRMENT OF ASSETS

The carrying amounts of the assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated. For assets that are not yet available for use, the recoverable amount is estimated at each balance sheet date. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the profit and loss account. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortization, if no impairment loss had been recognized.

5. INVENTORIES

i) Stores & raw material are valued at cost. Cost includes the element of custom/excise duty paid (to the extent Modvat is not availed), forwarding & transportation charges incurred in bringing the goods to company's premises.

ii) Goods in process are valued at material cost plus conversion cost upto the stage of process completed.

iii) Finished goods are valued at lower of cost and net realizable value. Cost for this purpose includes direct material, direct labour and appropriate production overheads.

PAWANSUT HOLDINGS LIMITED
SCHEDULE 12 :

- iv) The value of unrectifiable/ scrapped/damaged goods is incorporated in books on basis of actual realization.
- v) Excise Duty on finished product lying in the factory is accounted for, on removal of goods, since such liability arises only when they are sold. This however, had no impact on the profit and loss account of the Company.

6. RETIREMENT BENEFITS

No scheme with regard to retirement benefits in the form of super annuation/ pension/gratuity is in operation.

7. RESEARCH & DEVELOPMENT

Revenue expenditure on research and development is charged to Profit & Loss Account in the year in which it is incurred.

8. REVENUE RECOGNITION

Sale and expenses are recognized on accrual basis except gratuity which is accounted for on payment basis.

9. FOREIGN CURRENCY TRANSACTIONS

Foreign exchange transactions are recorded using the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Profit and Loss Account of the year.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the exchange rates on that date, the resultant exchange differences are recognized in the Profit and Loss Account.

10. INSURANCE CLAIMS

Insurance claims and expenses are accounted for when settled/ admitted by the Insurer.

11. TAXATION

Income tax liability is ascertained on the basis of assessable profits computed in accordance with the provisions of the Income-tax Act, 1961.

Deferred tax charge or credit is recognized using current tax rates on timing differences between taxable income and accounting income, which originate in one period and are capable of reversal in one or more subsequent periods.

Where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Such assets are reviewed at each balance sheet date to reassess realization.

PAWANSUT HOLDINGS LIMITED
SCHEDULE 12 :

12. EARNING PER SHARE

Earning per share is calculated by dividing the net profit or loss for the year after prior period adjustments by the closing number of equity shares at the end of the year.

	Amount (Rs.) Current year 2011	Amount (Rs.) Previous year 2010
Profit after tax (In Rupees)	7,02,620	8,75,766
Weighted average number of shares outstanding during the year	12,55,891	16,24,000
Basic Earning per Share	0.31	3.52
Diluted Earning per share	0.56	0.54
Nominal Value per Share	10.00	10.00

*Opening Nos of Share : 2,49,000

Closing Nos of Share : 22,62,781

Weighted Average number of Shares = (Opening Nos of Share + Closing Nos of Share) / 2
i.e. (2,49,000 + 22,62,781) / 2 = 12,55,891

II. NOTES TO ACCOUNTS

1. The company has adopted the Accounting Standards 22 "Accounting for taxes on Income" issued by the Institute of Chartered Accountants of India. Provision for current tax is made after taking into consideration, benefits admissible under the provisions of Income Tax Act, 1961.
2. Disputed liabilities & claims are treated as contingent liabilities. Claims against the Company other than assessment proceedings not acknowledged as debts Rs. Nil (P.Y. N.A.)
3. Disclosure of details pertaining to related party transactions in terms of accounting standard 18 – Related party disclosures issued by the Institute of Chartered Accountants of India.

(I) List of Related Parties:-

Key Managerial Personnel:-

- (i) Laxman Singh Satyapal, Director
- (ii) Pradeep kumar Jindal, Director
- (iii) Pawan Kumar Poddar, Director
- (iv) Uttam Kumar Srivastava , Director

PAWANSUT HOLDINGS LIMITED
SCHEDULE 12 :

4. The Company's sole business segment is loan and investment and the geographical segment is India. Consequently the need for separate disclosure as required under Accounting Standard 17 segment reporting is not considered relevant.

5. I. The Company has closing stock at Market Value or Cost whichever is less.

II. There is no amount of Capital Work in Progress.

6. The amount paid/payable to auditors:	<u>AS AT</u>	<u>AS AT</u>
	<u>31.03.2011</u>	<u>31.03.2010</u>
Audit fees	20000/-	34300/-
Tax Audit Fees	Nil	Nil
Income Tax Matters	Nil	Nil
Company Law Matters	Nil	Nil

7. Information pursuant to para 3, 4c and 4d of part II of schedule VI to the companies Act, 1956.(to the extent applicable).

i) Quantitative Details

Opening Stock		Purchases		Sales		Closing Stock	
Qty.	Amt.	Qty.	Amt.	Qty.	Amt.	Qty.	Amt.
47,256	2,71,176	31,810	51,28,277	Nil	Nil	79,060	53,99,453

ii) Information pursuant to para 3, 4c and 4d of part II of schedule VI to the companies Act, 1956. (to the extent applicable).

a) Value of imports on CIF basis	Nil	Nil
b) Expenditure in foreign currency	Nil	Nil
c) Value of imported raw materials	Nil	Nil
d) Remittance on account of Dividend to non-resident Shareholders	Nil	Nil
e) Earning in Foreign Currency	Nil	Nil

8. Additional information as required under part-IV of schedule VI of companies Act, 1956 enclosed.

9. Pursuant to provisions of section 205C of the Companies Act, 1956 during the year, the Company is not required to transfer any amount due for transfer to Investors Education Protection fund.

10. The debit & credit balances outstanding in the accounts of various parties are subject to confirmation by the parties concerned.

11. Figures for previous year have been regrouped and rearranged wherever considered necessary.

PAWANSUT HOLDINGS LIMITED
SCHEDULE 12 :

12. In the opinion of the management, the current assets, loans and advances have the value, which on realization in the ordinary course of business would at least be equal to that at which the same have been stated in the Balance Sheet.
13. The company has not received any intimation from "suppliers" regarding their status under Micro Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been furnished.
14. There is no whole time Company Secretary during the year.

As per report of even date attached
For AMIT R GUPTA & ASSOCIATES
CHARTERED ACCOUNTANTS

For PAWANSUT HOLDINGS LIMITED

Sd/-
(AMIT KUMAR GUPTA)
PROPRIETOR
M. No. : 099522
FIRM REGN. NO. 017920N

Sd/-
(PRADEEP KUMAR JINDAL)
DIRECTOR
DIN NO. 00049715

Sd/-
(LAXMAN SINGH SATYAPAL)
DIRECTOR
DIN NO. 00007258

Place : Delhi

Dated : 11/09/2011

Sd/-
(POONAM MEHTA)
COMPANY SECRETARY
MEMBERSHIP NO. A27626

PAWANSUT HOLDINGS LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

(As per Schedule (VI), part (IV) of the Companies Act 1956)

1.	Registration No.	019506	State Code	55
	Balance Sheet date	31.03.2011		
2.	CAPITAL RAISED DURING THE YEAR (Amount in Rs. Thousand)			
	Public Issue	Nil	Right Issue	Nil
	Bonus Issue	Nil	Private Placement	20138
3.	POSITION OF MOBILIZATION AND DEPLOYMENT OF FUNDS (Amount Rs. in Thousand)			
	Total Liabilities	236205	Total Assets	236205
	<u>SOURCES OF FUNDS</u>			
	Paid up Capital	22628	Share Pending Allotment	Nil
	Reserves & Surplus	213539	Secured Loans	Nil
	Unsecured Loans	Nil	Deferred Tax Liability	38
	<u>APPLICATION OF FUNDS</u>			
	Net Fixed Assets	4855	Investment	47000
	Net Current Assets	184350	Misc. Expenditure	Nil
	Accumulated Losses	Nil		
4.	PERFORMANCE OF THE COMPANY (Amount in Rs. Thousands)			
	Turnover	10335	Total Expenditure	8904
	Profit/Loss Before Tax	1431	Profit/Loss After Tax	703
	Earning per share in Rs.	0.31	Dividend Rate %	Nil
5.	GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF COMPANY (As per monetary terms)			
	Item Code No. (ITC Code)	---		
	Product Description:	Loan & Investments		

For PAWANSUT HOLDINGS LIMITED

Sd/-
(PRADEEP KUMAR JINDAL)
(DIRECTOR)
DIN NO. 00049715

Sd/-
(LAXMAN SINGH SATYAPAL)
(DIRECTOR)
DIN NO. 00007258

Place: Delhi
Dated: 11/09/2011

Sd/-
(POONAM MEHTA)
COMPANY SECRETARY
MEMBERSHIP NO. A27626