



Annual Report  
2012-2013

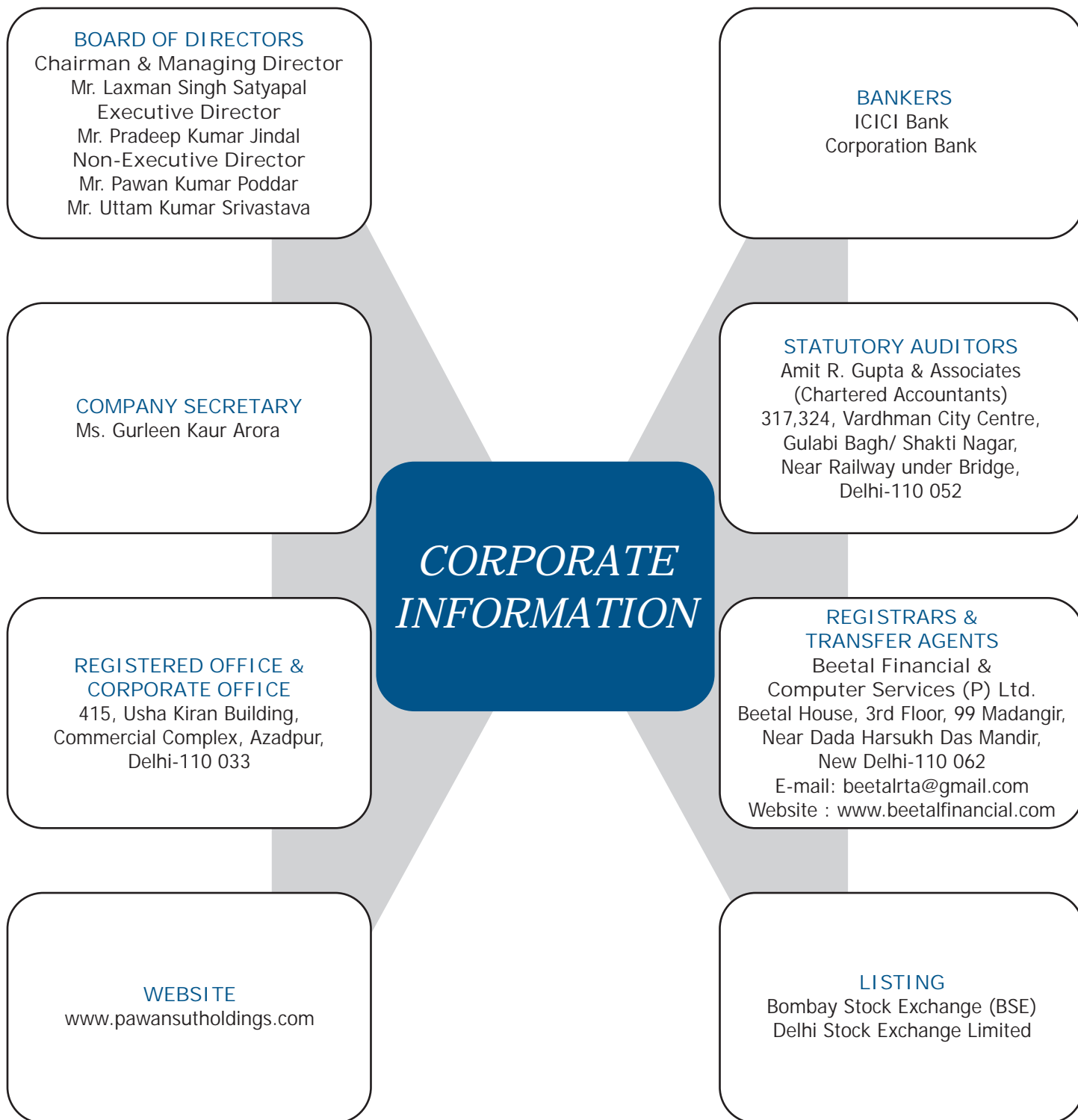
Pawansut Holdings Limited



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## CHAIRMAN'S

## MESSAGE

*"At PHL this year has provided us with a great learning. When you try to surmount challenges that most believe is impossible, you go beyond what you had hitherto believed is possible. And therein lays the ability to move forward and ahead."*

Dear Shareholders,

The Financial year 2012 - 13 has been a turnaround year for PHL. The company emerged from a challenging environment to once again claim its place as a strong player in the NBFC space, with solid and sustainable growth.

The three Asset Management businesses of our Company- Finance, Leasing and Investments have made a significant contribution to the company's bottom line. Capitalizing on the buoyancy in the market, the company increased its volume with aggregate disbursements in all verticals.

PHL continues to compete as a multi-line lender in the Industry. We have, however, made conscious choices in terms of the segments in which we compete.

For the most part, it is also our intent to restrict our lending to the productive end of the segment versus the consumptive end.

This year has also been a year focused on strengthening our core. We do believe that the process of strengthening our core will continue well in to the next financial year, and perhaps the year after as well. The focus of this initiative is to improve stakeholder's value whilst also improving portfolio quality.

We are doing this by improving our internal processes, strengthening our technology platform, and investing significantly in terms of training our people.

PHL has emerged a key player among NBFCs in the Equity business in the short span of years.

The Regulatory Compliances and Stakeholders management is vital.

Our team has tremendously supported the company in its transition and its fund raising activities of equity as well as debt capital, ensuring compliance in a dynamic regulatory environment.

A reputation for transparency and ethical business practices has always been the company's core strength. The company's future plans for growth are clear and unidirectional - to become a key player in Total Financial Services.

It gives us immense pleasure in informing to our esteemed shareholders that the Company has received its In-principle Listing Approval on the Main Board with Bombay Stock Exchange (BSE) for Listing of its Securities on March 18, 2013 and further for the same we applied for Trading Approval of Securities.

I take this opportunity to thank my colleagues on the Board for their valuable inputs and guidance, as we move towards creating a long-term, sustainable business. I am also grateful to each member of Team PHL for rising to every challenge, and am confident they will continue to demonstrate a high level of commitment towards achieving our goals.

Regards,

Sd/-  
(Laxman Singh Satyapal)  
Chairman & Managing Director



## *PROFILE*

## *OF DIRECTORS*

### **MR. LAXMAN SINGH SATYAPAL**

#### **MANAGING DIRECTOR**

Mr. Laxman Singh Satyapal is the promoter and the Managing Director of the Company. His expertise lies in managing operations in a large business environment, formulating business strategies and identifying new markets. He is having Sound Finance and Accounting Knowledge. He has been associated with the company since 1990 and has more than 20 years experience in corporate law, taxation, finance and investment.

### **MR. PRADEEP KUMAR JINDAL**

#### **DIRECTOR**

Sh. Pradeep Kumar Jindal is Masters in Business Administration (MBA) and graduate in commerce. He is an Executive Director on the Board of our Company. His role includes guiding the current businesses and building new ones in the financial services space. He is also actively associated with a number of social and charitable organizations. He has over 22 years of varied rich experience and had also practiced as Income Tax Practitioner for over 7 years. He is Masters in Business Administration (MBA) and a graduate in commerce.

### **MR. UTTAM KUMAR SRIVASTAVA**

#### **DIRECTOR**

Mr. Uttam Kumar Srivastava is the Independent Director of the company. He is having experience of over 10 years in public relations and Liasoning. He is also a member of the Audit Committee and the Chairman of Shareholders' Grievance Committee.

### **MR. PAWAN KUMAR PODDAR**

#### **DIRECTOR**

Mr. Pawan Kumar Poddar 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 a member of the Shareholders Grievance Committee.

### **MS. GURLEEN KAUR ARORA**

#### **COMPANY SECRETARY**

Ms. Gurleen Kaur Arora, heads the legal, compliance and company secretarial function of the Company. She is a member of The Institute of Company Secretary of India. Her expertise lies in secretarial function & holds great managerial skills.

# NOTICE

Notice is hereby given that the Twenty Ninth Annual General Meeting of the members of M/s Pawansut Holdings Limited will be held on Monday, 30th September 2013 at 11.00 AM at the registered office of the Company at 415, Usha Kiran Building, 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 2013 and Statement of Profit & Loss Account for the financial year ended on that date along with Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Uttam Kumar Srivastava, who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint Auditors of the company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the company and to authorize the Board of Directors to fix their remuneration. M/s Amit R. Gupta & Associates, Chartered Accountants the retiring auditors are eligible for re-appointment.

"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."

## NOTES

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and such proxy need not be a Member of the Company. The proxy form duly completed and signed must be deposited at the Registered Office of the Company, not less than forty-eight hours before the commencement of the Annual General Meeting. Blank proxy form is enclosed. Proxy so appointed shall not have any right to speak at the meeting.
2. Brief Resume of the Directors seeking re-appointment and appointed since last Annual General Meeting, as required under Clause 49 of the Listing Agreement executed is annexed hereto and forms part of Notice.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, September 28, 2013 to Monday, September 30, 2013 (both days inclusive).
4. Corporate Members are requested to send a duly certified copy of the Board Resolution / Power of Attorney authorizing their representative to attend and vote on their behalf at the Annual General Meeting.
5. Members are requested to:-
  - i. note that copies of Annual Report will not be distributed at the Annual General Meeting and they will have to bring their copies of Annual Report;
  - ii. deliver duly completed and signed Attendance Slip at the entrance of the meeting venue as entry to the venue will be strictly on the basis of the Entry Slip available at the counters at the venue to be exchanged with the Attendance Slip;
  - iii. quote their Folio / Client ID & DP ID Nos. in all correspondence;
  - iv. note that due to security reasons briefcases, eatables and other belongings are not allowed inside the venue; and
  - v. note that no gifts / coupons will be distributed at the Annual General Meeting.
6. Members who hold shares in multiple folios in identical names are requested to send the share certificates to the company for consolidation into a single folio. Members are requested to notify correction/ change in address, if any, to the Company at its Registered Office, quoting their Folio Number.
7. Members desiring any information as regards accounts and operations are required to write to the Company at its registered office at least 7 days before the date of the meeting so that the information is made available at the meeting.
8. A blank Attendance Slip is annexed to the proxy form. Members are requested to fill up the particulars of the Attendance Slip, affix their signature in the appropriate place and hand it over to the company's officials at the entrance of the Meeting venue.
9. Inspection of documents: Documents referred into the Notice etc. are open for inspection at the registered office of the Company at all working days except Sundays between 11 A.M. and 2 P.M. upto the date of Annual General Meeting.
10. The Ministry of Corporate Affairs, Government of India vide its General Circular dated April 21, 2011 and April 29, 2011 has taken "Green Initiative in Corporate Governance" allowing paperless compliances of law through electronic mode. These Circulars permit the Companies to send various Notices/Documents to its shareholders through electronic mode to the registered e-mail addresses of the shareholders. This move by the Ministry is welcome since it benefits society at large reduction in consumption of paper and it also contributes towards greener planet.
11. Members, who have not registered their e-mail addresses so far, are requested to register their e-mail address with the Registrar and Share Transfer Agent (R & TA) of the Company / Depository Participant (DP) of respective Member and take part in the Green Initiative of the Company.
12. The Register of Directors' Shareholding, maintained under Section 307, the Register of Contracts, maintained under Section 301 of the Companies Act, 1956 all other documents referred to in the Notice and Explanatory Statement will be available for inspection by the Members at the Annual General Meeting/the Registered Office of the Company on all working days (except Saturday and Sunday) between 11.00 A.M. to 2.00 P.M till the date of Annual General Meeting.



ANNEXURE -1

BRIEF RESUME OF THE DIRECTORS SEEKING RE-APPOINTMENT AT THE 29th ANNUAL GENERAL MEETING

Name	Mr. Uttam Kumar Srivastava
Date of Birth	November 19,1979
Date of Appointment	March 20,2011
Qualifications	Bachelor's Degree in Commerce.
Expertise in specific Functional area	His Expertise lies in Banking Operations. He is having experience of over 10 years in public relations and Liasoning.
Directorship held in other Companies	Nil
Membership/Chairmanship of Committees across all Public Companies other than PHL	1
Number of shares held in the Company	Nil

For and on behalf of Board of Directors

Place: Delhi  
Date: 04/09/2013

Sd/-  
(Laxman Singh Satyapal)  
Managing Director

# DIRECTOR'S REPORT

To

The Shareholders,

Your Board of Directors has the pleasure in presenting the Twenty Ninth Annual Report together with the Audited Financial Statements of your Company for the financial year ended 31st March, 2013.

## PERFORMANCE HIGHLIGHTS

The highlights of performance of the Company for the financial year 2012-13 were as under with comparative position of previous year's performance:-

Particulars	2012-13	2011-12
Operating Income	1,54,19,710	11,692,522
Other Income	766	5,510,470
Total Income	1,54,20,476	17,202,992
Less: Total Expenses	1,01,68,656	13,730,972
Profit/(loss) before Depreciation & Taxes	52,51,820	3,472,020
Less: Depreciation	2,85,141	160,207
Less: Current tax	16,14,472	1,189,341
Less: Deferred Tax	72,723	14,125
Profit/(Loss) for the year	32,79,484	2,108,347

## WORKING RESULTS

The year 2012-13 was a year with excellent financial results as far as your Company is concerned. The Company had posted a record profit after tax of Rs. 32,79,484/- for the period under consideration, signifying an increase of Rs. 11,71,137/- over the previous year.

## 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.

## BUSINESS OUTLOOK

Your Company is engaged in the business of Investing, Leasing and Hire Purchase and would like to be positioned as such, much stronger, in future. Encouraged by the Company's success year after year, we have shaped our business plan for the financial year 2012-13 as part of realisation of our long term strategy to 'energise' our goals. We have decided to penetrate into areas hitherto underserved by us. Innovation, improved management, efficient stakeholders' satisfaction, better use of technology and reduced operational costs will become the hallmark of successful NBFCs in future. Your Company's business strategy is in recognition of these facts.

## PUBLIC DEPOSITS

Your Company did not accept any 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.

## RISK AND CONCERNS

As an NBFC, your Company is subjected to both external risk and internal risk. External risk due to interest rate fluctuation, slowdown in economic growth rate, political instability, market volatility, decline in foreign exchange reserves, etc. Internal risk is associated with your Company's business which includes deployment of funds in specific projects, diversification into other business operations, retention of talented personnel, managing effective growth rate, volatility in interest rate, NPAs in portfolio, changes in compliance norms and regulations, contingent liabilities and other legal proceedings. Your Company recognizes the importance of risk management and has invested in people, process and technologies to effectively mitigate the above risks.

## RBI NORMS AND ACCOUNTING STANDARDS

To comply with RBI directions, your company closed its accounts for the full year ending March 2013, and your Company continues to comply with the directives issued as well as the norms prescribed by Reserve Bank of India for NBFCs

## DIRECTORS

The current composition of the Board of Directors of your Company is under:-

Name of Director	Designation	Date of Appointment
Shri Laxman Singh Satyapal	Chairman & Managing Director	18/12/2000
Shri Pradeep Kumar Jindal	Executive Director	30/08/2006
Shri Uttam Kumar Srivastava	Independent Director	20/03/2011
Shri Pawan Kumar Poddar	Independent Director	20/03/2011

The following changes took place in the Board of Directors of Your Company during the year:

- Shri Laxman Singh Satyapal, has been appointed as Managing Director on the Board of the Company, for a period of five years with effect from January 14, 2013.
- Mr. Uttam Kumar Srivastava, 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.

## AUDIT COMMITTEE

The role, terms of reference, authority and powers of the Audit Committee are in conformity with Section 292(A) of the Companies Act, 1956. The Committee met periodically during the year and had discussions with the auditors on internal control systems and internal audit report.





## 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.

## RBI GUIDELINES

Your Company is complying with all the guidelines of the Reserve Bank of India for Non Banking Finance Company. In terms of Para 13 of the NBFC Regulations, the particulars as applicable to the Company are appended to the Balance Sheet.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A separate report on Management Discussion and Analysis is enclosed as a part of this Annual Report of the Company.

## 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:-

- in preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same.
- the Directors have selected such accounting policies and applied them consistently and made judgments 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.
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other regularities.
- 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, 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.

## EMPLOYEES

Your Directors place on record the appreciation of effort and dedication of the employees in achieving good results during the year under review. In line with its policy, your Company continues to place great emphasis on training programmes for all-round development of the staff at all levels.

Your Company has been actively concentrating on development of human resources, which is a prime asset for its substantial growth.

## PARTICULARS OF EMPLOYEES

The company does not have any employees 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.

## CORPORATE SUSTAINABILITY

Your Company's aspirations of sustaining and enhancing its long term growth plans are well balanced by its conscious commitments to society and in its principles of conducting business in a fully compliant manner. Your company partakes in letter and spirit its intention of being a responsible corporate citizen and is committed to contribute positively in all activities pertaining to environmental protection, energy conservation and societal commitments while at the same time continuing to protect and enhance all stakeholder's interests.

## 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.

## INFORMATION AS PER SECTION 217 (1) (e) OF THE COMPANIES ACT, 1956

Pursuant to the Non Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 1998, a report from the Statutory Auditors to the Board of Directors, has been received by the Company.

## NON-BANKING FINANCIAL COMPANIES AUDITORS' REPORT (RESERVE BANK) DIRECTIONS, 1998

Pursuant to the Non-Banking Financial Companies Auditors' Report (Reserve Bank) Directions, 1998, a report from the statutory auditors to the Board of Directors, has been received by the Company.

## ACKNOWLEDGEMENT

Your Directors acknowledge the dedicated service rendered by the Employees of the Company at all levels. The Directors also acknowledge the support and co-operation received especially from Shareholders, Investors, and Well-wishers, Government Departments, Bankers, and other Financial Institutions.

For and on behalf of the Board of Directors

Sd/-

(Laxman Singh Satyapal)

Chairman & Managing Director

Sd/-

(Pradeep Kumar Jindal)

Director

Place: Delhi

Date : 04/09/2013

# MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your company is one of the premier diversified Non-Banking Finance Companies in India, engaged in providing financing, Investing and Hire-purchase Activity.

The company has robust sourcing, underwriting, receivables, collection and operations models commensurate with the size and risks of the respective underlying asset class. The company is also engaged in the business of distribution of financial products.

Emerging from a challenging environment created due to its exposure to the global turnarounds and varying economic conditions, your company undertook a comprehensive review of its business positioning to once again become a leading industry player with solid and sustainable growth by focusing on major industrial growth policies.



## OVERVIEW OF THE ECONOMY

The Financial year 2012-13 has been a year of accelerated recovery. After a significant dip in FY 2011-12, followed by a recovery that gained strength in the last fiscal year, the journey of the Indian economy has been challenging but the outcome has been encouraging.

On the positive side, a likely improvement in private domestic demand conditions, a stronger recovery in the global economy during the second half of the fiscal year (leading to strong growth in exports) and moderation of inflation are all expected to provide a much desired impetus to overall growth in the coming year. During this year the GDP growth estimated at 6.9 per cent in real terms in 2011-12. Slowdown in comparison to preceding two years is primarily due to deceleration in industrial growth.

Headline inflation expected to moderate further in next few months and remain stable thereafter. Steps have been taken on to bridge gaps in distribution, storage and marketing systems have helped in more effective management of inflation. There are Developments in India's external trade in the first half of current year have been encouraging. India's GDP growth in 2012-13 expected to be 7.6 per cent +/- 0.25 per cent. Deterioration in fiscal balance in 2011-12 due to slippages in direct tax revenue and increased subsidies.

## STRENGTH, WEAKNESS, OPPORTUNITY AND THREATS

We believe that our competitive strength include-Leadership in providing innovative solutions that enable us to deliver improved business results in addition to optimizing the efficiency of their business results, commitment to quality and process execution, ability to scale and innovation and leadership.

We seek to further strengthen our position

## RISK MANAGEMENT

Risks to a varying degree, is inevitable in all business transactions in an organization which is in financial services industry. Hence a strong risk management capabilities are critical for a growing company operating in a rapidly changing environment.

In a challenging financing business, effective risk management enhances earnings quality and consistency through an embedded structure where the risk is identified and controlled closest to the point of its origination. In this sense, there is no difference between the way business is conducted and risk is managed.

Risk and reward are clearly recognized as being two sides of the same coin. Equal and sufficient weightage is given to other possible sources like operations, reputation, regulatory issues, funding, liquidity and interest rates.

The risk management framework of the company is driven by the following fundamentals:

- Identification of key risks faced by the company.
- Evaluating the probability of their occurrences and their impact.
- Setting an appropriate balance between risk and reward in order to maximize the shareholders return.
- Setting tolerance limits and establish adequate review mechanisms to monitor and control the risks.
- Incorporating robust reporting mechanism and adoption of appropriate mitigation processes.

The risk management framework of the company includes key components such as strong corporate oversight, an independent risk management and audit function and comprehensive processes to identify, measure, monitor and report treasury and operational risks.

The company is primarily exposed to various types of risks such as entrepreneurial risk, operational risk, market risk, interest rate risk, liquidity risk and leverage risk.

It evaluates and advises changes required in relation to the business environment.

The board reviews the overall risk management system in the company periodically.

## INTERNAL CONTROL SYSTEMS

The company has put in place extensive internal controls to mitigate risks. The company has established procedures including a clear delegation of authority and standard operating procedures for all business parts. The in-house internal audit department as well as the internal auditors of the company reviews on an ongoing basis for the adequacy and effectiveness of controls.



The critical audit observations are shared with the audit committee on a quarterly basis for an effective monitoring of controls and implementation of recommendations. On compliance matters, a system of monthly self assessment exists in all functions. The company possesses a robust mechanism of fraud control, fraud detection and prevention. The investigations are periodically reviewed by the senior management members and chaired by the Managing Director. The company has a strong IT security system and audit to ensure information security.

The company possesses sound documentation and framework as envisaged in Clause 49 of listing agreement. Clear segregation of duties exists between various functions. Key operational process (finance and operations) are centralised at the head office for better control.

#### HUMAN RESOURCES

We at PHL believe that the quality and level of services that our employee deliver are among the best and highest in our industry. Our culture and reputation as a leader in the financial service industry enables us to recruit and retain some of best available talents. Identification of key talent in the core businesses and creating avenues for role expansion and growth for them was focused.

The organization structure was realigned to suit the business needs for growth and expansion. New role designations were formed and communicated in the core businesses. The avenues for employee communication was strengthened through employee blogs, feedback through the employee survey, monthly meetings etc. Our focus on providing continuous education and training is a key element of our strategy. Talent development through structured e-learning programs, various workshops on customer centricity were designed and rolled out for employee satisfaction and growth.

#### TECHNOLOGY

During the year, several technology initiatives were implemented to improve the productivity and turn-around time. Automating cheque printing at bank branches on customer payments have helped to reduce the TAT considerably. New initiatives such as image based workflow and customer relationship management have been taken up. Comprehensive process / system improvements were incorporated for better governance.

#### COMPLIANCE

Timely submission of various returns and data/information to RBI, SEBI and other regulatory bodies and the Government of India has been ensured through the Compliance and Secretarial Departments of your Company at the Head Office

#### DISCLAIMER

Certain Statements in the Management Discussion and Analysis describing the Company's views about the industry, expectations, objectives, etc. may be understood 'forward looking statement' within the meaning of applicable laws and regulations. Factors like changes in government regulations, tax laws and other factors such as industrial relations and economic developments etc. may further influence the company's operations or performance. Actual results may differ substantially or materially from those expressed or implied.

For and on behalf of the Board of Directors

Place: Delhi  
Date : 04/09/2013

Sd/-  
(Laxman Singh Satyapal)  
Chairman & Managing Director



# REPORT ON

# CORPORATE GOVERNANCE

*"Governance-This includes the Board of Directors and Senior management setting a tone at the top and providing Compliance and ethics programs with necessary resources, independence, standing and authority to be effective"*

## COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The PHL corporate governance model is based on a system of trust and operates on the assumption that shareholders entrust directors to provide oversight of the executives who professionally deploy company's assets for its long term sustainability and shareholder value. This system of corporate stewardship works effectively when PHL shareholders have a high level of confidence that their representatives are managing the affairs of the company in its best interest. To achieve this level of investor confidence, the PHL has adopted practices mandated in Clause 49 of Listing Agreement with the stock exchanges.

PHL is fundamentally a financial company. The business focuses on maximizing returns on assets, while effectively managing the inherent risks. In this pursuit, for efficient and responsible decision making, it is imperative to develop good corporate structures and "best in class" processes that have strong reliance on ethics and value systems. Adopting such a framework, PHL emphasizes on appropriate and timely disclosures and transparency in business dealings.



Corporate Governance is an ongoing process at PHL. Systems, policies and frameworks are regularly upgraded to effectively meet the challenges of rapid growth in a dynamic external business environment. Governance practices have to not only deal with the growing size of the business but also the increase in complexities of the organization structure that supports such aggressive growth.

In India, Corporate Governance standards for listed companies are regulated by the Securities & Exchange Board of India (SEBI) through Clause 49 of the Listing Agreement with the Stock Exchanges. As a Company, which believes in implementing Corporate Governance

practices that go beyond just meeting the letter of law, PHL has not only adopted practices mandated in the new Clause 49, but also incorporated the relevant non-mandatory recommendations.

This chapter, along with the chapters on Management Discussion & Analysis and Additional Shareholder Information, reports PHL's compliance with the prevalent Clause 49.

## BOARD OF DIRECTORS

### I. Composition Of The Board

The Corporate Governance principles of the company ensure that the board remains informed, independent and involved in the company and that there are ongoing efforts towards better corporate governance to mitigate "non business" risks.

The board is fully aware of its fiduciary responsibilities and recognizes its responsibilities to shareholders and other stakeholders to uphold the highest standards in all matters concerning the company and has empowered responsible persons to implement its broad policies and guidelines and has set up adequate review processes. As on March 31, 2013 the Company's Board comprises of well qualified esteemed panel of Board of Directors, including an Executive Chairman, and few Independent Directors. The Chairman of the Board is a promoter and an Executive Director on the Board. The Composition of the Board is in conformity with Clause 49 of the Listing Agreement, which stipulates that 50 per cent of the Board should comprise of non Executive Directors, and if the Chairman is Non-Executive and not a promoter, one-third of the Board should be independent and in case he is an Executive Director, at least half of the Board should comprise of independent directors.

The current composition of the Board is as under:

Name	Position
Shri Laxman Singh Satyapal	Chairman and Managing Director
Shri Pradeep Kumar Jindal	Executive Director
Shri Uttam Kumar Srivastava	Independent Director
Shri Pawan Kumar Poddar	Independent Director

### II. Number Of Board Meetings

The Board of Directors met Ten times during the year under review.

Dates of Board Meetings held during the FY 2012-13		
April 6, 2012	September 3, 2012	February 4, 2013
May 10, 2012	November 8, 2012	March 23, 2013
June 8, 2012	December 20, 2012	
August 8, 2012	January 2, 2013,	

\*The gap between any two meetings was less than four months.

### III. Directors' Attendance Record And Directorship Held

As mandated by the Clause 49, none of the Directors are members of more than ten Board level committees nor are they Chairman of more than five committees in which they are members.

Details of Number of Board Meetings attended by Directors, attendance at last Annual General Meeting (AGM), number of other Directorships (in Public Limited Companies) /Committee Memberships (viz Audit Committee and Shareholders/Investors Grievance Committee) (other than PHL), held by Directors during the Financial Year 2012-13 are tabled below:-

Name of Director	Position	No. of Meetings Held in 2012-13	No. of Meetings Attended in 2012-13	Whether Attended Last AGM on September 28, 2012	No. of Outside Directorships of Public Companies*	No. of Committee Memberships # Other Than PHL	No. of Committee Chairmanships # Other Than PHL
Mr. Laxman Singh Satyapal	Executive Chairman	10	10	Yes	1	NIL	NIL
Mr. Pradeep Kumar Jindal	Executive Director	10	10	Yes	2	1	NIL
Mr. Uttam Kumar Srivastava	Independent Director	10	10	Yes	1	NIL	NIL
Mr. Pawan Kumar Poddar	Independent Director	10	10	No	1	0	2

\*Excluding Directorship in foreign companies, Private Limited Companies, companies under Section 25 of the Companies Act, 1956 and companies in which the directors hold office as Alternate Director

# Only Audit Committee and Shareholders' Grievance Committee.

#### INFORMATION SUPPLIED TO THE BOARD

The Board has complete access to all information about the Company. Inter alia, the following information is regularly provided to the Board as per Annexure 1 A of the listing Agreement with Stock Exchanges.

- Annual operating plans and budgets and any update thereof
- Capital budgets and any updates thereof
- Quarterly results for the Company and operating divisions and business segments
- Minutes of the meetings of the Audit Committee and other Committees of the Board
- Information on appointment or removal of Chief Financial Officer and Company Secretary. The Appointment of Chief Financial Officer is also considered at Audit Committee of the Company
- Materially important show cause, demand, prosecution notices and penalty notices
- Any material default in financial obligations to and by the Company, or substantial nonpayment for services rendered by the Company
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property
- Significant developments in human resources/employee relations front
- Sale of material nature of investments, subsidiaries, assets, which is not in the normal course of business

- Quarterly details of foreign exchange exposures and the steps taken by Management to limit the risks of adverse exchange rate movement, if material
- Non compliance of any regulatory, statutory nature or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer, etc.
- Other materially import information

The Board periodically reviews compliance reports of all laws applicable to the Company, prepared by the Company as well as steps taken by the Company to rectify instances of non compliances.

#### COMPLIANCE WITH APPLICABLE LAWS

The Company has a robust system in place for monitoring of various statutory and procedural compliances. The Board periodically reviews the status of Statutory, Policy & Procedural compliances to ensure proper compliance of all laws applicable to the company.

##### a) Code of Conduct

Code of Conduct for the Board Members and the Senior Management Personnel is a comprehensive code applicable to all Directors and Members of Senior Management of the Company. It is in alignment with Company's vision and values to achieve the Mission & Objectives and aims at enhancing ethical and transparent process in managing the affairs of the Company. A copy of the Code has been placed on the website of the Company i.e. [www.pawansutholdings.com](http://www.pawansutholdings.com).

Based on the affirmation received from Board Members and Senior Management Personnel, declaration regarding compliance of Code of Conduct made by the Managing Director is given below:



**Declaration required under Clause 49 of the Listing Agreement**

All the members of the Board and Senior Management have affirmed compliance with the Company's Code of Conduct and Ethics' for the financial year ended March 31, 2013.

Sd/-  
(Laxman Singh Satyapal)  
Managing Director

**b) Code for Prevention of Insider Trading**

In pursuance of Securities and Exchange Board of India (Insider Trading) Regulations, 1992 as amended from time to time, the Company has formulated a comprehensive Code for Prevention of Insider Trading to preserve the confidentiality and to prevent misuse of un-published price sensitive information. Every director, officer and designated employees of the Company has a duty to safeguard the confidentiality of all such information obtained in the course of his or her work at the company and not to misuse his or her position or information regarding the Company to gain personal benefit or to provide benefit to any third party. The code lays down guidelines and procedures to be followed and disclosures to be made while dealing with the shares of the Company and the consequences of non-compliance. The Company Secretary has been appointed as Compliance Officer and is responsible for ensuring adherence of the 'Code for Prevention of Insider Trading'.

**COMMITTEES OF THE BOARD OF DIRECTORS**

The Board Committees focuses on specific areas and make informed decisions within the authority delegated to them. Various recommendations of the committees are submitted to the Board for approval. The minutes of the meetings of all the committees are circulated to the board for its information. Besides the members of the committees, senior management team also attends the meetings of the committees as and when necessary. Each Committee of the Board is guided by its terms of reference, which defines the composition, scope and powers of the Committee.

The Committees also make specific recommendations to the Board on related matters from time to time. The Committees constituted by the Board as on the date of the Report are as follows:

1. Audit Committee and
2. Shareholders/Investors Grievance Committee
3. Remuneration Committee

**Audit Committee**

**Introduction**

(I) The current composition of Audit Committee of the Board of Directors is as under:

Name of The Committee Members	Designation In Committee	Position
Mr. Uttam Kumar Srivastava	Independent	Chairman
Mr. Pradeep Kumar Jindal	Executive	Member
Mr. Pawan Kumar Poddar	Independent	Member

(ii) The terms of reference of the Audit Committee are as under:

- a) to comply with the requirements in accordance with Section 292A of the Companies Act, 1956;

- b) to comply with the requirements relating to Audit Committee as envisaged in Clause 49 of the Listing Agreement;
- c) to comply with any other applicable provisions relating to the Audit Committee.

During the Financial Year 2012-13, Meetings of the Audit Committee were held on May 10, 2012, August 8, 2012, September 3, 2012, November 8, 2012, and February 4, 2013. The maximum gaps between the two Meetings should not be more than 4 months as per statutory requirement. Meetings attended by individual member during the year 2012-13 are detailed below:-

**ATTENDANCE RECORD OF PHL'S AUDIT COMMITTEE**

Name of the Member	Position	Status Held	No. of Meetings Attended	No. of Meetings
Mr. Uttam Kumar Srivastava	Independent Director	Chairman	5	5
Mr. Pradeep Kumar Jindal	Executive Director	Member	5	5
Mr. Pawan Kumar Poddar	Independent Director	Member	5	5

The representative of the statutory auditors are regularly invited by the Audit Committee to its meetings.

The Company Secretary of PHL, is the Secretary to the Committee. All members of the Audit Committee have Accounting and Financial Management expertise. Mr. Uttam Kumar Srivastava, Chairman of the Audit Committee, was present at the Company's previous Annual General Meeting (AGM) held on September 28, 2012 to answer shareholder queries.

**Shareholders/Investors Grievance Committee**

**(i) Composition**

The Shareholders/Investors Grievance Committee was constituted by the Board of Directors in its Meeting held on July 29, 2002. This Committee specifically looks into the Redressal of Shareholders and Investors complaints like transfer of shares, non-receipt of Balance Sheet and declared dividend etc. The Committee is chaired by Mr. Uttam Kumar Srivastava. As on March 31, 2013, the Investors' Grievance Committee consists of two Directors, all of whom are Independent. The current composition of Shareholders/ Investors Grievance Committee of the Board of Directors is as under:

Name of the Committee Members	Designation	Position In Committee
Mr. Uttam Kumar Srivastava	Independent	Chairman
Mr. Pawan Kumar Poddar	Independent	Member

During the Financial Year 2012-13, four Meetings of Shareholders/Investors Grievance Committee were held on May 3, 2012, August 1, 2012, November 5, 2012 and January 29, 2013 to review the Grievance procedures and status of pending Shareholders/ Investors grievances. The maximum gaps between the two Meetings should not be more than 4 months as per statutory requirement. Meetings attended by individual member during the year 2012-13 are detailed below:-





#### ATTENDANCE RECORD OF PHL'S SHAREHOLDERS/ INVESTORS GRIEVANCE COMMITTEE

Name of the Member	Position	Status	No. of Meetings Held	No. of Meetings Attended
Mr. Uttam Kumar Srivastava	Independent Director	Chairman	4	4
Mr. Pawan Kumar Poddar	Independent Director	Member	4	4

The quorum of meeting of the Shareholders/Investors Grievance Committee is two members including the Chairman of the Committee.

The Company Secretary is the Convener of the Meetings of the Shareholders/Investors Grievance Committee and is the Compliance Officer of the Company in terms of Clause 47(a) of the Listing Agreement. Further, Registrar & Share Transfer Agents (R&TAs) appointed by the Company are standing invitees at the Meetings of Shareholders/Investors Grievance Committee.

#### (ii) Status of Shareholders/Investors Grievances

As per SEBI Circular No. CIR/OIAE/2/2011 dated June 3, 2011 all complaints pertaining to listed companies are being forwarded electronically through SCORES. The Company has implemented SCORES (System) SEBI Complaints Redress on December 29, 2012. The Company has not received any Shareholders/ Investors Grievances for the period from 29.12.2012 to 31.03.2013. Further, as per Annexure 1C of the listing Agreement with Stock Exchanges brief information is provided below:

#### BRIEF INFORMATION OF PHL'S SHAREHOLDERS/ INVESTORS GRIEVANCE COMMITTEE

Name of non-executive director heading the committee	Mr. Uttam Kumar Srivastava Mr. Pawan Kumar Poddar
Number of shareholders' complaints received so far	NIL
Number not solved to the satisfaction of shareholders	NIL
Number of pending complaints	NIL

#### REMUNERATION COMMITTEE

##### (i) Terms of reference

The role of the Remuneration Committee includes the following:

- To review the overall compensation policy, service agreements and other employment conditions of Executive Directors and senior executives just below the Board of Directors and make appropriate recommendations to the Board of Directors;
- To review the overall compensation policy for Non- Executive Directors and Independent Directors and make appropriate recommendations to the Board of Directors;
- To make recommendations to the Board of Directors on the increments in the remuneration of the Directors;
- To assist the Board in developing and evaluating potential candidates for senior executive positions and to oversee the development of executive succession plans;
- To provide oversight of management's decisions concerning the performance and compensation of other officers of the Company;
- To review and make appropriate recommendations to the Board of Directors on an annual basis, on the evaluation process and compensation structure for the Company's officers just below the level of the Board of Directors;

- Presently, the company does not have a scheme for grant for stock option or performance-linked incentives for its Directors.

##### (ii) Composition:

The Remuneration Committee of the Board was formed in 2013 and as on March 31, 2013 the Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Uttam Kumar Srivastava	Chairman	Independent
Mr. Pawan Kumar Poddar	Member	Independent

##### (iii) Meetings:

The Committee met only one time during the year as on March 31, 2013. The attendance of members at the meetings was as follows:

Name of the Director	No. of Meeting held during the year	No. of Meeting Attended
Mr. Uttam Kumar Srivastava	1	1
Mr. Pawan Kumar Poddar	1	1

##### (iv) Details of remuneration paid/payable to Directors for the year ended March 31, 2013:

###### (a) Whole-Time Directors:

The appointment of Directors and payment of their remuneration are decided by the Board as per the Articles of Association of the Company. The remuneration paid to the whole time directors including the Managing Director was as per the terms and conditions of their appointment.

The details of remuneration paid / payable to the Whole time Directors including the Managing Director are as follows:

Name	Salary	Bonus	Total
Mr. Laxman Singh Satyapal	3,00,000	-	3,00,000

###### (b) Independent Director

The Independent Directors do not have any pecuniary relationship or transaction with the company. However, Independent Director were paid only the sitting fees at a rate fixed by the Board within the limits as prescribed under the Companies Act, 1956 for attending the meetings of the Board/Committees of the Directors.

#### MANAGEMENT DISCUSSION AND ANALYSIS

A detailed report on the Management Discussion and Analysis is provided as a separate section in the Annual Report.

#### SUBSIDIARY COMPANIES

The Company does not have any "Subsidiary Company" under Section 4 of the Companies Act, 1956. Further, Clause 49 of the Listing Agreement defines a "material non-listed Indian subsidiary" as an unlisted subsidiary, incorporated in India, whose turnover or net worth (i.e. paid up capital and free reserves) exceeds 20% of the consolidated turnover or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year.

Under this definition, the Company does not have a 'material non-listed Indian subsidiary'.

#### GENERAL BODY MEETINGS

The last three Annual General Meetings of the Company were held at Registered Office of the Company as per details given below:

Meeting No.	Financial Year	Date and Day	Time	Whether any Special Resolution Passed
26th	2009-10	September 30, 2010 Thursday	11.00 A.M.	No
27th	2010-11	November 29, 2011, Wednesday	12.30 P.M.	No
28th	2011-12	September 28, 2012 Friday	12.30 P.M.	No

No Resolution was passed through Postal Ballot in the Financial Year 2012-13. Also, none of the business in the ensuing Annual General Meeting requires a Special Resolution to be passed through Postal Ballot.

#### GREEN INITIATIVE IN CORPORATE GOVERNANCE

As a responsible Corporate Citizen, your Company has actively supported the implementation of 'Green Initiative' circulars issued by Ministry of Corporate Affairs (MCA) and effected electronic delivery of Notice of Annual General Meeting (AGM) and Annual Report for the year ended March 31, 2013 to those shareholders whose email ids were already registered with the respective Depository Participants (DPs) and downloaded from the depositories viz. NSDL/CDSL and who have not opted for receiving Annual Report in physical form, as done in previous year.

Shareholders are requested to support the "THINK GREEN, GO GREEN" initiative of your Company by registering/ updating emails addresses for receiving electronic communications.

#### DISCLOSURES

1. The company has not entered into any transaction of material nature with its promoters, the directors or the management, their relatives or its subsidiaries, that may have any potential conflict with the interest of the Company.
2. The company has complied with all the requirements of the listing agreement with the stock exchanges as well as regulations and guidelines issued by SEBI. Hence neither any penalty nor any stricture has been imposed by SEBI, Stock Exchanges or any other statutory authority on any matter related to capital market during the last three year.
3. The Company has not adopted any separate "Whistle Blower policy".
4. The Company has fully complied with all the mandatory requirements prescribed under Clause 49 of the Listing Agreement and has adopted all suggested items to be included in the Report on Corporate Governance.

5. The company has laid down the procedures to inform the Board about the risk assessment and minimization. The Board of Directors of the company periodically reviews these procedures to ensure that integrated risks are managed through a properly defined framework.
6. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement for the Financial Year 2011-12 have been prepared as per the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956.
7. There is no inter-se relationship between Directors of the Company, as per declarations received.

#### RE-APPOINTMENT/APPOINTMENT OF DIRECTORS

Out of the total strength of the number of Directors, Three Directors are liable to retire by rotation. Of the said Three Directors, at least one-third directors retire every year and if eligible, qualify for re-appointment. Mr. Uttam Kumar Srivastava is retiring by rotation and being eligible, offer himself for re-appointment in the ensuing Annual General Meeting. The brief resumes of the Directors getting appointed/re-appointed are given in the Explanatory Statement annexed to the Notice of the Annual General Meeting.

#### MEANS OF COMMUNICATION

The company recognizes communication as a key element of the overall Corporate Governance framework and therefore emphasizes continuous, efficient and relevant communication to all external constituencies.

As per the newly inserted Clause 54 of the Listing Agreement, the Company has maintained functional website [www.pawansutholdings.com](http://www.pawansutholdings.com) containing basic information about the Company e.g. details of its business, financial information, shareholding pattern, compliance with Corporate Governance, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances, etc. and the same are updated at any given point of time.

As per Clause 52 of the Listing Agreement, information about the financial results, shareholding pattern and other specified details are now electronically filed through the Corporate Filing and Dissemination System (CFDS). Investors can view this information by visiting the website [www.corpfiling.co.in](http://www.corpfiling.co.in). Quarterly/ annual financial results are published in one English and Hindi Newspapers in Financial Express and Haribhoomi respectively.

#### CEO/CFO CERTIFICATION

In terms of Clause 49 of the Listing Agreement, The CEO and CFO certification of the financial statements for the year is enclosed at the end of this Report.

#### COMPLIANCE WITH MANDATORY REQUIREMENTS

The Company is fully compliant with the applicable mandatory requirements of the revised Clause 49 of the Listing Agreement. The Compliance Report is given in Table



	Particulars	Clause of Listing Agreement	Compliance Status
I	Board of Directors	49 I	Compliant
	Composition of Board	49(IA)	Compliant
(B)	Non-executive directors' compensation & disclosure	49(IB)	Compliant
(C)	Other provisions as to Board and Committees	49(IC)	Compliant
(D)	Code of Conduct	49(ID)	Compliant
II	Audit Committee	49 II	Compliant
(A)	Qualified & Independent Audit Committee	49(IIA)	Compliant
(B)	Meeting of Audit Committee	49(II B)	Compliant
(C)	Powers of Audit Committee	49(II C)	Compliant
(D)	Role of Audit Committee	49 (II D)	Compliant
(E)	Review of information by Audit Committee	49 (II E)	Compliant
III	Subsidiary companies	49III	Compliant
IV	Disclosures	49IV	Compliant
(A)	Basis of Related Party transactions	49 (IVA)	Compliant
(B)	Disclosure of Accounting treatment	49 (IV B)	Compliant
(C)	Board Disclosures-Risk management	49(IV C)	Compliant
(D)	Proceeds from Public Issues, rights issues, preferential issues etc	49 (IV D)	Compliant
(E)	Remuneration of Directors	49 (IV E)	Compliant
(F)	Management	49(IV F)	Compliant
(G)	Shareholders	49(IV G)	Compliant
V	CEO/CFO Certification	49 V	Compliant
VI	Report on Corporate Governance	49VI	Compliant
VII	Compliance	49VII	Compliant

#### ADOPTION OF NON-MANDATORY REQUIREMENTS

##### I. The Board:

- The Company is headed by an Executive Chairman;
- None of the Independent Director has held office of Director in the Company for a period of nine years or more; and
- All Independent Directors have adequate qualifications, expertise and experience which enable them to contribute effectively to the management of the Company.

##### II. Remuneration Committee:

Remuneration Committee of the Company was constituted on 14th January, 2013 to review the matters relating to Remuneration of Managing Director of the company and other matters relating to remuneration policy of the Company. The Committee comprises of 2 Independent Directors- i) Mr. Uttam Kumar Srivastava and ii) Mr. Pawan Kumar Poddar.

III. Shareholders Rights: The quarterly financial results of the Company are published in leading newspapers as mentioned under the heading 'Means of Communication' of the Report on Corporate Governance and also posted on the website of the Company. These results are not separately circulated to the shareholders.

IV. Audit Qualification: The audit observations/comments and reply of the management for the financial year 2011-12 has been given in para 34.1 of Directors' Report.

V. Training to Board Members: It is need based.

VI. Mechanism for evaluating non-executive Board Members: Not yet adopted by the Company.

VII. Whistle Blower Policy: Not yet adopted by the Company.

#### GENERAL SHAREHOLDER INFORMATION

##### ● ANNUAL GENERAL MEETING

Annual General Meeting for the Financial Year 2012-13  
Date - September 30, 2013  
Time - 11.00 a.m.  
Venue- 415, Usha Kiran Building,  
Commercial Complex, Azadpur, Delhi-110 033

##### ● FINANCIAL CALENDAR

Financial Calendar for the Financial Year 2012-13 vis-a-vis Financial Year 2013-14

Particulars	Financial Year 2012-13		Financial Year 2013-14	
Accounting period	April 1, 2012 to March 31, 2013.		April 1, 2013 to March 31, 2014	
Announcement of Financial Results	1st Quarter	8 <sup>th</sup> August, 2012	First three Quarters	Announcement within 45 days from the end of each quarter
	2nd Quarter	8 <sup>th</sup> November, 2012		
	3rd Quarter	4 <sup>th</sup> February, 2013	4th Quarter & Annual Financial Results	Announcement within 60 days from the end of Financial Year.
	4th Quarter	28 <sup>th</sup> May, 2013		
Annual General Meeting	30 <sup>th</sup> September, 2013			

##### ● BOOK CLOSURE

The Register of Members and Share Transfer Books of the Company will remain closed from September 28, 2013 to September 30, 2013 inclusive of both days.

##### ● DIVIDEND PAYMENT

No dividend is recommended for payment.

##### ● LISTING ON EQUITY SHARES

PHIL shares are listed on the following Stock Exchanges:



Name & Address	Telephone / Fax / E-mail ID / Website	Scrip Code
BSE Limited (BSE) Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400 001.	Telephone: (022) 22721233/4 Fax: (022) 22721919 E-mail ID: info@bseindia.com Website: www.bseindia.com	535658
Delhi Stock Exchange Limited (DSE) DSE House, 3/1, Asaf Ali Road, New Delhi-110 002	Phone No: (011) 46470000 Fax: (011) 46470053 & 46470054 Email: contact@dseindia.org.in Website: www.dseindia.org.in	16063

● International Securities Identification Number (ISIN)

ISIN is a unique identification number of traded scrip. This number has to be quoted in each transaction relating to the dematerialized securities of the Company. ISIN of Equity Shares of the Company is INE260M01017

● Market Price Data for the Financial Year 2012-13

Month	High(Rs)	Low(Rs)	Closing(Rs)
April'12	Not Traded	--	--
May'12	Not Traded	--	--
June'12	Not Traded	--	--
July'12	Not Traded	--	--
August'12	Not Traded	--	--
September'12	Not Traded	--	--
October'12	Not Traded	--	--
November'12	Not Traded	--	--
December'12	Not Traded	--	--
January'13	Not Traded	--	--
February'13	Not Traded	--	--
March'13	Not Traded	--	--

● REGI STRAR AND SHARE TRANSFER AGENT

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

E-mail: beetalrta@gmail.com

Website: www.beetalfinancial.com

● SHARE TRANSFER SYSTEM

The PHL's shares which are in compulsory dematerialised (demat) list are transferable through the depository system. The shares under

physical segment are transferred through Beetal Financial & Computer Services (P) Ltd. Beetal receives the shares to be transferred along with the transfer deed from transferee, verifies it, prepares the Memorandum of transfer etc.

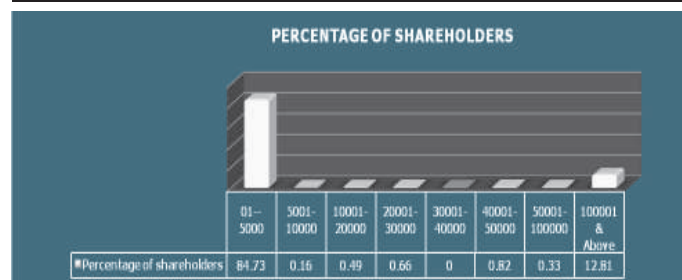
Pursuant to Clause 49 of the Listing Agreement, Investors' Grievance (Share) Committee has also been constituted to consider and approve requests received from shareholders for splitting/consolidation transfer of physical shares.

Further pursuant to Clause 47(c) of the Listing Agreement with the Stock Exchanges, Certificate on half yearly basis confirming due compliance of share transfer formalities by the Company from Practicing Company Secretary have been submitted to Stock Exchanges within stipulated time.

DISTRIBUTION OF SHAREHOLDING

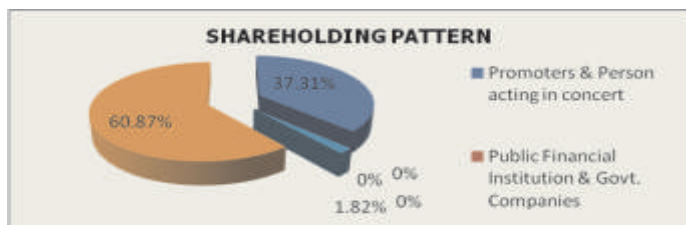
● Distribution of Shareholding as on March 31, 2013

Number of shares	Number of shareholders	Percentage of shareholders	Number of shares	Percentage of shares
1-5000	516	84.73	4,338	0.0383
5001-10000	1	0.16	1,000	0.0088
10001-20000	3	0.49	3,750	0.0331
20001-30000	4	0.66	10,500	0.0928
30001-40000	-	-	-	-
40001-50000	5	0.82	25,000	0.2210
50001-100000	2	0.33	20,000	0.1768
100001 & Above	78	12.81	1,12,49,317	99.4291
Total	609	100.0	1,13,13,905	100.00



● Shareholding Pattern on the Basis of Ownership

Category	Total no. shares	% to Equity
Promoters & Person acting in concert	4221147	37.31
Public Financial Institution & Govt. Companies	Nil	Nil
Banks, Financial Institutions Mutual Funds	Nil	Nil
Non Resident Indians	Nil	Nil
Bodies Corporate	206269	1.82
Others (Public)	6886489	60.87
Total	11313905	100

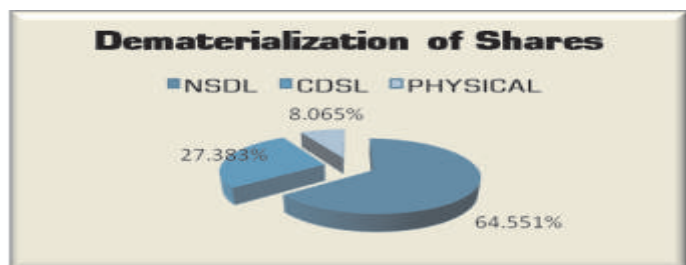


#### DEMATERIALIZATION OF SHARES AND LIQUIDITY

The shares of the Company are in compulsory dematerialized segment and available for trading system of both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The Details of Number of shares held in dematerialized and physical mode as on March 31, 2013 was as under:

Category	No. of shares	% of total capital issued
NSDL	7303293	64.551
CDSL	3098142	27.383
PHYSICAL	912470	8.065
TOTAL	11313905	100.00



#### RECONCILIATION OF SHARE CAPITAL AUDIT REPORT

The Reconciliation of Share Capital Audit Report of every quarter of the Financial Year 2012-13, confirms that the total issued / paid up share capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL. These reports were submitted to the Stock Exchanges within the stipulated time.

#### OUTSTANDING GDRS/ADRS /WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSIONS DATE AND LIKELY IMPACT ON EQUITY.

No GDRs/ADRs/Warrants or any Convertible instruments has been issued by the Company.

#### ANNUAL LISTING FEE TO STOCK EXCHANGES

The Company has paid Annual Listing Fee for the Financial Year 2013-14 to DSE & BSE.

#### ANNUAL CUSTODIAL FEE TO DEPOSITORIES

The Company has paid Annual Custodial Fee for the Financial Year 2013-14 to NSDL and CDSL.

PLANT LOCATIONS: Not applicable.

#### ADDRESS FOR CORRESPONDENCE

Pawansut Holdings Limited,  
415, Usha Kiran Building, Commercial Complex,  
Azadpur, Delhi- 110 033, India.

#### COMPLIANCE OFFICER AND PUBLIC SPOKESPERSON

Ms. Gurleen Kaur Arora, Company Secretary  
Tel: +91 11 43619333 Fax: +91 11 45689333  
E-mail: info@pawansutholdings.com

## CERTIFICATION BY CHIEF EXECUTIVE OFFICE AND CHIEF FINANCIAL OFFICER OF THE COMPANY

We, Laxman Singh Satyapal, Managing Director and Pradeep Kumar Jindal, Director (Finance), of Pawansut Holdings Limited (the Company), hereby certify to the Board that:

- a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our 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 existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by PHL during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We are responsible for establishing and maintaining internal controls for financial reporting in PHL and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
  - i. Significant changes in internal control over financial reporting during the year;
  - ii. Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
  - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.
- e) We affirm that we have not denied any personnel access to the Audit Committee of the Company (in respect of matters involving alleged misconduct, if any).
- f) We further declare that all Board members and senior management have affirmed compliance with the code of conduct for the current year.

Place: Delhi  
Date: 04/09/2013

Sd/-  
Laxman Singh Satyapal  
Managing Director

Sd/-  
Pradeep Kumar Jindal  
Director (Finance)

## AUDITOR'S CERTIFICATE (UNDER CLAUSE 49 OF THE LISTING AGREEMENT)

To,  
The Members  
Pawansut Holdings Limited,

We have examined the compliance of conditions of corporate governance by PAWANSUT HOLDINGS LIMITED ("the Company") for the year ended on March 31, 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of 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 abovementioned 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 Shareholder/Investors Grievance Committee

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

FOR AMIT R. GUPTA & ASSOCIATES  
Chartered Accountants  
(Registration No. 017920N)

Sd/-  
(Amit Kumar Gupta)  
Proprietor  
M.No.099522



## INDEPENDENT AUDITORS' REPORT

The Members of Pawansut Holdings Limited

### Report on the Financial Statements

We have audited the accompanying financial statements of Pawansut Holdings Limited ("the Company"), which comprises the Balance Sheet as at 31st March 2013, and the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

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

### Auditors' Responsibility

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

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

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

### Opinion

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

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013
- b) In the case of the Statement of Profit & Loss, of the profit for the year ended on that date;

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("The Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:

- a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b. In our opinion proper books of accounts as required by law have been kept by the Company so far as appears from our examinations of those books
- c. The Balance Sheet and Statement of Profit & Loss dealt with by this Report are in agreement with the books of account
- d. In our opinion, the Balance Sheet and Statement of Profit & Loss comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;

On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section 274 of the Companies Act, 1956;

FOR Amit R Gupta & Associates.  
Chartered Accountants

Sd/-  
(Amit Kumar Gupta)  
Proprietor

Place : New Delhi  
Dated : 04.09.2013

M. No. 099522  
Firm Regn. No. 017920N



## 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, 2013)

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The Company has a phased program 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. In respect of loans, secured or unsecured, granted or taken by the company to/from companies, firms or other parties covered in the register maintained u/s 301 of the companies Act, 1956:
  - (a) The company has granted unsecured loan to two parties i.e. Delta Leasing & Finance Limited and Focus Industrial Resources Ltd. The maximum amount involved in case of Delta Leasing & Finance Limited is Rs. 9,80,000/- and closing Balance is Rs. 9,80,000/-. The maximum amount involved in case of Focus Industrial Resources Limited is Rs. 31,10,452/- and closing Balance is Rs. 27,60,452/-. No interest has been charged on these loans. These loans are repayable on demand and seem to be non prejudicial to the interest of the company as it was temporary arrangement.
  - (b) The company has accepted unsecured loans from two parties i.e. Argent Finvest Private Limited and Jacaranda Capital Limited. The maximum amount involved in case of Argent Finvest Private Limited is Rs. 1,38,30,000/- and closing Balance is Rs. NIL. The maximum amount involved in case of Jacaranda Capital Limited is Rs. 88,25,000/- and closing Balance is Rs. NIL. No interest is given to these parties and hence no question of prejudicial to the interest of the company arises.
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) With regard to the transactions made in pursuance of contracts or arrangements entered in the register maintained u/s 301 of the Act, we are unable to comment on the reasonability of the transaction as comparative market prices at the relevant time are not available with the company.
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. To the best of our knowledge and according to the information given to us the Central Government has not prescribed the maintenance of cost records under section 209-(I) (d) of the companies Act, 1956 for the company.
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

Place : New Delhi  
Dated : 04.09.2013

M. No. 099522  
Firm Regn. No. 017920N



PAWANSUT HOLDINGS LIMITED  
Balance Sheet as at 31st March, 2013

(Figures in Rupees)

	Note No.	As at 31/03/2013	As at 31/03/2012
<b>I. EQUITY AND LIABILITIES</b>			
<b>A Shareholders' Funds</b>			
(i) Share Capital	3	113,139,050	113,139,050
(ii) Reserves and Surplus	4	128,499,036	125,136,552
		<b>241,638,086</b>	<b>238,275,602</b>
<b>B Non-Current Liabilities</b>			
(i) Long-term Borrowings	5	28,946,215	65,376,000
(ii) Deferred Tax Liabilities (Net)	6	124,826	52,103
(iii) Other Long-term Liabilities		-	-
(iv) Long-term Provisions	7	666,715	749,715
		<b>29,737,756</b>	<b>66,177,818</b>
<b>C Current Liabilities</b>			
(i) Short-term Borrowings		-	-
(ii) Trade Payables		-	-
(iii) Other Current Liabilities	8	5,553,555	4,556,317
(iv) Short-term Provisions		-	-
		<b>5,553,555</b>	<b>4,556,317</b>
		<b>276,929,397</b>	<b>309,009,737</b>
<b>II. ASSETS</b>			
<b>A Non-Current Assets</b>			
(i) Fixed Assets			
(a) Intangible Assets		-	-
(b) Tangible Assets	9	3,028,387	1,167,937
(ii) Non-Current Investments		-	-
(iii) Long-term Loans and Advances	10	205,918,807	172,624,345
(iv) Other Non-Current Assets		-	-
		<b>208,947,194</b>	<b>173,792,282</b>
<b>B Current Assets</b>			
(i) Current Investments	11	60,767,000	127,262,000
(ii) Inventories	12	228,675	228,675
(iii) Trade Receivables	13	-	483,489
(iv) Cash and Bank Balances	14	5,121,571	6,660,722
(v) Short-term Loans and Advances		-	-
(vi) Other Current Assets	15	1,864,957	582,569
		<b>67,982,203</b>	<b>135,217,455</b>
		<b>276,929,397</b>	<b>309,009,737</b>

See accompanying Notes to the Financial Statements 1-23

As per our report of even date attached

For AMIT R GUPTA & ASSOCIATES  
Chartered Accountants  
Firm Reg. No. 017920N

Sd/-  
(CA AMIT KUMAR GUPTA)  
Proprietor  
M.No. 099522

Place: Delhi  
Dated: 04.09.2013

For and on Behalf of the Board  
For PAWANSUT HOLDINGS LIMITED

Sd/-  
(Laxman Singh Satyapal)  
Managing Director  
DIN : 00007258

Sd/-  
(Uttam Kumar Srivastava)  
Director  
DIN : 03372917

Sd/-  
(Gurleen Kaur Arora)  
Company Secretary  
M.No.: 33297

## PAWANSUT HOLDINGS LIMITED

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

S.No. Particulars	Note No.	(Figures in Rupees)	
		Year ended 31/03/2013	Year ended 31/03/2012
<b>I. REVENUES</b>			
(a) Revenue from Operations	16	15,419,710	11,692,522
(b) Other Income	17	766	5,510,470
<b>Total Revenues</b>		<b>15,420,476</b>	<b>17,202,992</b>
<b>II. EXPENSES</b>			
(a) Cost of Materials consumed		-	-
(a) Purchases of Shares	18	-	119,803
(b) Changes in Inventories of finished goods, work in progress and Stock-in-Trade	19	-	5,170,778
(c) Employee Benefits Expenses	20	4,569,208	3,828,554
(d) Financial Costs	21	131,064	16,504
(e) Depreciation and Amortization Expenses	9	285,141	160,207
(f) Other Expenses	22	5,468,384	4,595,333
<b>Total Expenses</b>		<b>10,453,797</b>	<b>13,891,179</b>
<b>III. Profit/ (Loss) before Exceptional and Extraordinary items and Tax (I-II)</b>		<b>4,966,679</b>	<b>3,311,813</b>
<b>IV. Exceptional Items</b>		-	-
<b>V. Profit/ (Loss) before Extraordinary items and Tax (III-IV)</b>		<b>4,966,679</b>	<b>3,311,813</b>
<b>VI. Extraordinary Items</b>		-	-
<b>VII. Profit before Tax (V-VI)</b>		<b>4,966,679</b>	<b>3,311,813</b>
<b>VIII. Tax Expenses:</b>	23		
(a) Current Tax		1,614,472	1,189,341
(b) Deferred Tax	9	72,723	14,125
<b>IX. Profit/ (Loss) for the period from continuing Operations (VII-VIII)</b>		<b>3,279,484</b>	<b>2,108,347</b>
<b>X. Profit / (Loss) from discontinuing operations</b>		-	-
<b>XI. Tax expense of discontinuing operations</b>		-	-
<b>XII. Profit / (Loss) from discontinuing operations (after tax) (X - XI)</b>		-	-
<b>XIII. Profit / (Loss) for the period (IX + XIII)</b>		<b>3,279,484</b>	<b>2,108,347</b>
<b>XIV. Earnings per Equity Share:</b>			
Basic		0.23	0.15
Diluted		0.23	0.24

See accompanying Notes to the Financial Statements 1-23

As per our report of even date attached

For AMIT R GUPTA & ASSOCIATES  
Chartered Accountants  
Firm Reg. No. 017920N

Sd/-  
(CA AMIT KUMAR GUPTA)  
Proprietor  
M.No. 099522

Sd/-  
(Laxman Singh Satyapal)  
Managing Director  
DIN : 00007258

Sd/-  
(Uttam Kumar Srivastava)  
Director  
DIN : 03372917

For and on Behalf of the Board  
PAWANSUT HOLDINGS LIMITED

Sd/-  
(Gurleen Kaur Arora)  
Company Secretary  
M.No.: 33297

Place: Delhi  
Dated: 04.09.2013



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

(Figures in Rupees)

	Year ended 31/03/2013	Year ended 31/03/2012
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before Extra Ordinary items & Tax	4,966,679	3,311,813
Adjustment for :		
Depreciation and Amortization Expenses	285,141	160,207
Impairment Loss/ (Reversal) (Net)	-	-
Employee Stock Option Scheme	-	-
Provisions/ Depreciation on Standard assets and Investments	-	749,715
Provision for Tax	-	-
Unrealised Foreign Exchange (Gain)/ Loss (Net)	-	-
Loss/ (Gain) on Derivative transactions (Net)	-	-
Investing Activities (Net)	-	-
Operating profit before working capital changes	<b>5,251,820</b>	<b>4,221,735</b>
Changes in working Capital:		
Inventories	-	5,170,778
Trade and other Receivables	483,489	7,804,895
Trade and other Payables	(573,739)	971,189
Increase in Debtors / Loans	(33,294,462)	(7,049,981)
Increase / Decrease in Current Assets	(1,290,006)	168,428
Cash generation from Operation	<b>(29,422,898)</b>	<b>11,287,044</b>
Payment of Direct Taxes	(43,494)	(1,189,341)
<b>Net Cash generated/ (used) - Operating Activities</b>	<b>(29,466,392)</b>	<b>10,097,703</b>
<b>B. CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Purchase of Fixed Assets	(2,145,592)	-
Sale of Fixed Assets	-	3,526,509
Return of Capital from Subsidiary	-	-
Purchase of shares of Subsidiaries	-	-
Sale of shares of Subsidiaries	-	-
Purchase of Investments	-	(80,262,000)
Sale of Investments	66,495,000	-
Proceeds/ Repayment of Loans to Body Corporate (Net)	-	-
Interest Received	-	-
Dividend Received	-	-
<b>Net Cash Generated/ (Used) - Investing Activities</b>	<b>64,349,408</b>	<b>(76,735,491)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of Shares (Net of Expenses)	-	-
Proceeds from Long-term Borrowings	-	-
Security Amount Recovered	7,618	-
Proceeds from Term Loan from Bank	946,215	-
Proceeds from Intercorporation Deposits	(37,376,000)	65,376,000
<b>Net Cash Generated/ (Used) - Financing Activities</b>	<b>(36,422,167)</b>	<b>65,376,000</b>
<b>Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(1,539,151)</b>	<b>(1,261,788)</b>
Add : Opening Cash and Cash Equivalents	6,660,722	7,922,509
Closing Cash and Cash Equivalents	<b>5,121,571</b>	<b>6,660,722</b>

As per our report of even date attached

For AMIT R GUPTA & ASSOCIATES  
Chartered Accountants  
Firm Reg. No. 017920N

For and on Behalf of the Board  
For PAWANSUT HOLDINGS LIMITED

Sd/-  
(CA AMIT KUMAR GUPTA)  
Proprietor  
M.No. 099522

Sd/-  
(Laxman Singh Satyapal)  
Managing Director  
DIN : 00007258

Sd/-  
(Uttam Kumar Srivastava)  
Director  
DIN : 03372917

Sd/-  
(Gurleen Kaur Arora)  
Company Secretary  
M.No.: 33297

Place: Delhi  
Dated: 04.09.2013



## PAWANSUT HOLDINGS LIMITED

Notes to the Financial Statements as at 31st March, 2013

		As at 3/31/2013	Figures in Rupees As at 3/31/2012
<b>3 SHARE CAPITAL:</b>			
<b>A. Authorized, Issued, Subscribed and Paid-up Share Capital</b>			
<b>Authorized:</b>			
12000000 Equity Shares of Rs. 10/- each.		120,000,000	120,000,000
		<b>120,000,000</b>	<b>120,000,000</b>
<b>Issued:</b>			
11313905 Equity Shares of Rs. 10/- each.		113,139,050	113,139,050
		<b>113,139,050</b>	<b>113,139,050</b>
<b>Subscribed and Paid-up:</b>			
11313905 Equity Shares of Rs. 10/- each fully paid up		113,139,050	113,139,050
		<b>113,139,050</b>	<b>113,139,050</b>

**B. Reconciliation of Shares outstanding at the beginning and at the end of year are given below:**

	2012-13		2011-12	
	Numbers	Amount	Numbers	Amount
Equity Shares outstanding at the beginning of the year	11,313,905	113,139,050.00	2,262,781	22,627,810.00
Add: Bonus Shares Issued during the year	-	-	9,051,124	90,511,240.00
Add: Allotted due to Amalgamation	-	-	-	-
Equity Shares outstanding at the end of the year	<b>11,313,905</b>	<b>113,139,050.00</b>	<b>11,313,905</b>	<b>113,139,050.00</b>

(a). Detail of Equity Shares of 10/- each fully paid-up issued/ allotted during the year:

	2012-13	2011-12
i. Number of Equity Shares issued and allotted against exercise of Bonus Issue.	-	9,051,124
	-	<b>9,051,124</b>

**C. Detail of shareholder holding more than 5 percent shares of the Company as on reporting date are given below:**

Name of shareholder	As at 31/03/2013		As at 31/03/2012	
	Numbers of Shares held	Percentage of Holding	Numbers of Shares held	Percentage of Holding
Archit Jindal	1,669,795	14.76	1,669,795	14.76
Aanchal Jindal	719,500	6.36	719,500	6.36
Pradeep Kumar Jindal & Sons (HUF)	699,815	6.19	699,815	6.19
Laxman Singh Satyapal	640,000	5.66	695,250	6.15
Total	<b>3,729,110</b>	<b>32.96</b>	<b>3,784,360</b>	<b>33.45</b>

**D. Detail of shares allotted without payment being received in cash during five years immediately preceding the Balance Sheet date are given below:**

	Year ended				
	3/31/2013	3/31/2012	3/31/2011	3/31/2010	3/31/2009
<b>Equity Shares:</b>					
Fully paid up pursuant to contract without payment being received in cash (a)	-	-	-	-	-
Fully paid up by way of bonus shares	-	9,051,124	-	-	-
Fully paid up by way of Amalgamation	-	-	-	-	-

**4 RESERVES AND SURPLUS:**

Reserves and Surplus consist of the following:

Special Reserve u/s 45-IC of RBI Act, 1934

Securities Premium Account

General Reserve

Profit and Loss Balance

	As at 3/31/2013	Figures in Rupees As at 31/03/2012
Special Reserve u/s 45-IC of RBI Act, 1934	1,557,072	901,175
Securities Premium Account	113,139,050	113,139,050
General Reserve	7,441,020	7,441,020
Profit and Loss Balance	6,361,894	3,655,307
	<b>128,499,036</b>	<b>125,136,552</b>

(a) Additions and deductions since the last Balance Sheet under each head of Reserve are as under:

**i) Special Reserve u/s 45-IC of RBI Act 1934**

Opening Balance

Add: Addition during the year (20% of Neft Profit after Tax)

	As At 31/03/2013	Figures in Rupees As At 31/03/2012
Opening Balance	901,175	443,482
Add: Addition during the year (20% of Neft Profit after Tax)	655,897	457,693
	<b>1,557,072</b>	<b>901,175</b>

**ii) Securities Premium Account**

Opening Balance

Add: Addition during the year

Less: Bonus Shares issued during the year

	As At 31/03/2013	As At 31/03/2012
Opening Balance	113,139,050	203,650,290
Add: Addition during the year	-	-
	<b>113,139,050</b>	<b>203,650,290</b>
Less: Bonus Shares issued during the year	-	90,511,240
	<b>113,139,050</b>	<b>113,139,050</b>



<b>iii) General Reserve</b>	
Opening Balance	
Add: During the year	
Less: During the year	
<b>iv) Allocations and appropriations in Surplus i.e. balance in Statement of Profit and Loss are as under:</b>	
Opening Balance	
Add: Profit after Provision of Current Year Income Tax & Deferred Tax Liability	
Add: Decrease in Provision for Depreciation in Investments 0.25%	
Less: Transfer to Special Reserve u/s 45-IC of RBI Act 1934	
Less: Increase in Provision of Bad & Doubtful Debts 0.25%	

**5 LONG TERM BORROWINGS:**

**Secured:**

ICICI Bank Car Loan

**Unsecured:**

Inter Corporate Loan:

Corporate Loans (As per annexure - 1)

**6 DEFERRED TAX LIABILITIES (NET):**

Major components of Deferred Tax arising on account of temporary timing differences are given below:

**Deferred Tax Liabilities :**

Opening Balance

Add: Provision for Current Year Deferred Tax Liability

**Deferred Tax Liability (Net)**

**7 LONG-TERM PROVISIONS:**

Long-term Provisions consist of the following:

Provision for Standard Assets

Provision for Depreciation on Investment

**8 OTHER CURRENT LIABILITIES:**

Other Current Liabilities consist of the following:

Statutory dues Payables

TDS Payable

TDS Payable 2013

Income Tax Payable for A.Y. 2010-11

Provision for I.Tax 2009

Provision for I.Tax A.Y. 2013-14

Other Liabilities

Akik Marketing India Pvt Ltd

Amit Sharma

CDSL (Pawansut)

Dinesh Chawla

GI Human Resources & Services Pvt Ltd

Rejeev Kumar Sharma

Ram Kishore Bansal

S.K. Dash

Veeru

Amit R Gupta & Associates

Appline Bio-Tech Ltd

Beetal Financial & Computer Services Pvt Ltd

Salaries Payable Account

Shree Ganesh Ji Maharaj

Innovative Communication

Prince Computers

Electricity Expenses Payable

Telephone Expenses Payable

Usha Kiran Building Welfare Association

	As At 31/03/2013	As At 31/03/2012
	7,441,020	7,441,020
	-	-
	<b>7,441,020</b>	<b>7,441,020</b>
	-	-
	<b>7,441,020</b>	<b>7,441,020</b>
	As At 31/03/2013	As At 31/03/2012
	3,655,307	2,004,653
	3,279,484	2,108,347
	166,237	-
	<b>7,101,028</b>	<b>4,113,000</b>
	655,897	457,693
	83,237	-
	<b>6,361,894</b>	<b>3,655,307</b>
	As at 3/31/2013	Figures in Rupees As at 3/31/2012
	946,215	-
	28,000,000	65,376,000
	<b>28,946,215</b>	<b>65,376,000</b>
	As at 31/03/2013	Figures in Rupees As at 3/31/2012
	52,103	37,978
	72,723	14,125
	<b>124,826</b>	<b>52,103</b>
	As at 3/31/2013	Figures in Rupees As at 3/31/2012
	514,797	431,560
	151,918	318,155
	<b>666,715</b>	<b>749,715</b>
	As at 3/31/2013	Figures in Rupees As at 3/31/2012
	-	80,000
	6,741	-
	26,609	-
	3,155	-
	1,614,472	-
	-	5,139
	-	25,000
	-	4,963
	-	14,000
	-	720,000
	-	1,535
	-	15,000
	-	28,000
	-	4,000
	53,090	25,000
	3,526,509	3,526,509
	865	5,515
	257,843	77,000
	1	1
	16,947	13,323
	11,332	11,332
	28,440	-
	5,421	-
	2,130	-
	<b>5,553,555</b>	<b>4,556,317</b>

9 FIXED ASSETS - DEPRECIATION CHART AS PER COMPANIES ACT, 1956.

( Figures in Rupees )

S. NO.	PARTICULARS	% OF DEP	GROSS BLOCK			DEPRECIATION			NET BLOCK			
			AS AT 01.04.2012	ADDITIONS DURING THE YEAR	DEDUCTIONS/ ADJUSTMENTS	AS AT 31.03.2013	UPTO 31.03.2012	FOR THE YEAR	DEDUCTIONS/ ADJUSTMENTS	UPTO 31.03.2013	AS AT 31.03.2013	AS AT 31.03.2012
1	COMPUTER	16.21%	312,990	166,100	-	479,090	279,161	24,779	-	303,940	175,150	33,829
2	AIR CONDITIONER	4.75%	24,574	177,320	-	201,894	2,334	6,264	-	8,598	193,296	22,240
3	BUNDLE COUNTING MACHINE	4.75%	120,000	-	-	120,000	11,400	5,700	-	17,100	102,900	108,600
4	EPBX MACHINE	4.75%	4,011	-	-	4,011	382	191	-	573	3,438	3,629
5	FAX MACHINE	4.75%	16,065	-	-	16,065	1,526	763	-	2,289	13,776	14,539
6	FURNITURE & FIXTURE	6.33%	80,000	6,038	-	86,038	10,128	5,446	-	15,574	70,464	69,872
7	GENERATOR	4.75%	3,401	-	-	3,401	324	162	-	486	2,915	3,077
8	MOTOR CAR	9.50%	925,000	-	-	925,000	175,750	87,875	-	263,625	661,375	749,250
9	INOVA CAR	9.50%	-	1,775,702	-	1,775,702	-	144,659	-	144,659	1,631,043	-
10	OFFICE EQUIPMENT	4.75%	40,000	20,432	-	60,432	3,800	2,652	-	6,452	53,980	36,200
11	PHOTOCOPY MACHINE	4.75%	80,000	-	-	80,000	7,600	3,800	-	11,400	68,600	72,400
12	WATER FILTER PLANT	4.75%	60,000	-	-	60,000	5,700	2,850	-	8,550	51,450	54,300
<b>TOTAL</b>			<b>1,666,041</b>	<b>2,145,592</b>	<b>-</b>	<b>3,811,633</b>	<b>498,105</b>	<b>285,141</b>	<b>-</b>	<b>783,246</b>	<b>3,028,387</b>	<b>1,167,936</b>
<b>Previous Year</b>			<b>5,192,550</b>	<b>-</b>	<b>3,526,509</b>	<b>1,666,041</b>	<b>337,897</b>	<b>160,207</b>	<b>-</b>	<b>498,104</b>	<b>1,167,937</b>	<b>4,854,653</b>

DEFERRED TAX ASSETS / LIABILITIES	
DEPRECIATION - AS PER INCOME TAX	520,492
DEPRECIATION - AS PER COMPANIES ACT	285,141
DIFFERENCE	235,351
<b>DEFERRED TAX LIABILITIES @ 30.9% FOR THE YEAR</b>	<b>72,723</b>

10 LONG-TERM LOANS AND ADVANCES:

Long-term Loans and Advances consist of the following:

- Secured, Considered Good
- Unsecured, Considered Good

Figures in Rupees	
As at 3/31/2013	As at 3/31/2012
-	-
205,918,807	172,624,345
<b>205,918,807</b>	<b>172,624,345</b>

11 CURRENT INVESTMENTS AS AT 31.03.2013

(Long Term unless otherwise stated)

As at 31.03.2013		As at 31.03.2012		(Figures in Rupees)	
(Number of Shares)				As at 31.03.2013	As at 31.03.2012
<b>UNQUOTED (Non Trade Investments)</b>					
-	3750	-	3750	-	3,000,000
-		-	7000	-	7,000,000
-		-	75000	-	7,500,000
-		-	60000	-	6,000,000
-		-	162200	-	36,495,000
-		-	5100	-	5,100,000
62500		9800		2,500,000	4,900,000
21167		24167		21,167,000	24,167,000
40000		40000		28,000,000	28,000,000
51000		51000		5,100,000	5,100,000
4000		-		4,000,000	-
<b>178667</b>	<b>438017</b>	<b>TOTAL</b>		<b>60,767,000</b>	<b>127,262,000</b>



**12 INVENTORIES:**

Inventories consist of the following:  
Stock of Shares

As at 3/31/2013	As at 3/31/2012
228,675	228,675
<b>228,675</b>	<b>228,675</b>

**Details of Closing Stock:-**

(a). Details of Closing Stock of Shares:-

Bellary Steel Ltd  
LLOYDELENG

As at 31/03/2013		As at 31/03/2012	
Numbers	Rupees	Numbers	Rupees
39,000	110,370	39,000	110,370
2,370	118,305	2,370	118,305
<b>41,370</b>	<b>228,675</b>	<b>41,370</b>	<b>228,675</b>

**13 TRADE RECEIVABLE:**

Trade Receivables consist of the following:  
Outstanding for a period exceeding six months (from the due date):  
Unsecured, Considered Good  
Outstanding for a period less than six months :  
Unsecured, Considered Good

As at 3/31/2013	Figures in Rupees As at 3/31/2012
-	483,459
-	30
-	<b>483,489</b>

**14 CASH AND BANK BALANCES:**

Cash and Bank Balances consist of the following:  
**Cash and Cash Equivalent:**

Balance with Banks:  
Current Accounts  
Cash on hand

As at 3/31/2013	As at 3/31/2012
3,620,491	4,003,781
1,501,080	2,656,941
<b>5,121,571</b>	<b>6,660,722</b>

**15 OTHER CURRENT ASSETS:**

Other Current Assets consist of the following:  
Security Deposit  
Magadh Stock Exchange  
Security Deposits - 415  
Tax Deducted at Source (Net of Provision)  
Income Tax Refund A.Y. 2011-12  
Other Receivables  
CDSL (Others)

As at 3/31/2013	Figures in Rupees As at 3/31/2012
25,000	50,000
24,000	-
1,773,132	525,951
42,825	-
-	6,618
<b>1,864,957</b>	<b>582,569</b>

**16 REVENUE FROM OPERATIONS:**

Revenue from Operations consist of the following:  
Interest (a)  
Dividend (b)  
Comission  
Net Revenue from Operations

Year ended 3/31/2013	Figures in Rupees Year ended 31/03/2012
15,419,710	11,688,836
-	3,686
-	-
<b>15,419,710</b>	<b>11,692,522</b>

**17 OTHER INCOME:**

Other Income consist of the following:  
Interest Income:  
On Others  
Sale of Cloth  
Miscellaneous Income  
Gain/ (Loss) on sale of Investments (Net):  
On Long-term Investments

Year ended 31/03/2013	Year ended 31/03/2012
-	-
-	5,185,031
766	-
-	325,439
<b>766</b>	<b>5,510,470</b>



18 PURCHASE OF SHARES:	No. of shares		Figures in Rupees	
	3/31/2013	3/31/2012	Year ended 31/03/2013	Year ended 31/03/2012
Name of Scripts				
LLOYDELENG	-	2400	-	119,803
	-	2400	-	119,803

19 CHANGES IN INVENTORIES:	Figures in Rupees	
	Year ended 31/03/2013	Year ended 31/03/2012
Changes in Inventories consist of the following:		
<b>Opening Inventories:</b>		
Stock of shares	228,675	271,176
Stock of cloth	-	5,128,277
<b>Less: Closing Inventories:</b>		
Stock of shares	228,675	228,675
	-	5,170,778

20 EMPLOYEE BENEFIT EXPENSES:	Figures in Rupees	
	Year ended 31/03/2013	Year ended 31/03/2012
Employee Benefits Expenses consist of the following:		
Salaries and Wages	3,419,530	2,967,187
Director Remuneration	240,000	-
Medical	-	80,300
Bonus	205,000	262,500
Employee Welfare	704,678	518,567
	4,569,208	3,828,554

21 FINANCE COSTS:	Figures in Rupees	
	Year ended 31/03/2013	Year ended 31/03/2012
Finance Costs consist of the following:		
Interest Expenses	99,711	-
Bank charges	31,353	16,504
	131,064	16,504

22 OTHER EXPENSES:	Figures in Rupees	
	Year ended 31/03/2013	Year ended 31/03/2012
Other Expenses consist of the following:		
Advertisement Expenses	34,547	30,355
Repair & Maintnances	664,820	508,174
Listing & Connectivity Charges	259,135	115,809
Rent	180,000	120,000
Travelling & Conveyance	1,272,059	548,143
Auditors' Remuneration - (a)	28,090	25,000
A.G.M. Expenses	42,570	37,910
R.O.C. Fee	464,500	37,500
Books & Brokerage	94,801	53,400
Postage & Telephone	534,000	398,232
Printing & Stationary	558,675	448,197
D-Mat Charges	30	293
Petrol	309,216	184,087
Professional Charges	29,604	866,330
Electricity	127,828	139,270
Provision Standard Loans, & Investments	-	749,715
Parking Expenses	-	27,040
Short & Excess	-	772
Entertainment Expenses	-	305,106
Additional ROC Fees	38,500	-
Processing Fees	16,406	-
Business Promotion	813,603	-
	5,468,384	4,595,333

(a). Details of Auditors' Remuneration are as follows:

Statutory Auditors:		
Audit Fees	22,472	20,000
Tax Audit Fees	5,618	5,000
	28,090	25,000

23 TAX EXPENSES:	Figures in Rupees	
	Year ended 31/03/2013	Year ended 31/03/2012
<b>Current Tax:</b>		
Current Income Tax for the year	1,614,472	1,189,341
	1,614,472	1,189,341
<b>Deferred Tax:</b>		
Deferred Tax for the year	72,723	14,125
	72,723	14,125



## PAWANSUT HOLDINGS LIMITED

### Note-1 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

- 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.
- Goods in process are valued at material cost plus conversion cost upto the stage of process completed.
- 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.
- The value of unrectifiable/ scrapped/damaged goods is incorporated in books on basis of actual realization.
- 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.

#### 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.

### NOTES TO ACCOUNTS

#### BACKGROUND AND PRINCIPAL ACTIVITIES:

Pawansut Holdings Limited (The Company) was incorporated on 06th December, 1984 having CIN L65929DL1984PLC019506. The PAN of the Company is AAACP6964H. The Company is maintaining its Bank Account with ICICI Bank Ltd. The company is involved in the Non-Banking Finance Business activities.

#### EARNING PER SHARE

S. No	Particulars	For the Year Ended 31-03-2013	For the Year Ended 31-03-2012
A	Profit after Tax	32,79,484	21,08,347
B	Less: Transfer to Special Reserve u/s 45-IC	6,55,897	4,57,693
C	Net Profit / (Loss) attributable to equity Shareholders (Rs.)	26,23,587	16,50,654
D	Opening Number of Equity Shares	1,13,13,905	22,62,781
E	Closing Number of Equity Shares	1,13,13,905	1,13,13,905
F	Average Number of Equity Shares {(B+C)/2}	1,13,13,905	67,88,343
G	Nominal Value of Equity Shares (Rs.)	10	10
H	Basic Earnings Per Equity Share (A/C)	0.23	0.15
I	Diluted Earnings per Equity Share (A/D)	0.23	0.24

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. 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.
4. I. The Company has closing stock at Market Value or Cost whichever is less.
- II. There is no amount of Capital Work in Progress.
5. The amount paid/payable to auditors:

	AS AT	AS AT
	31.03.2013	31.03.2012
Audit fees	22472/-	20000/-
Tax Audit Fees	5618/-	5000/-
Income Tax Matters	Nil	Nil
Company Law Matters	Nil	NII
6. 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
7. 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.
8. The debit & credit balances outstanding in the accounts of various parties are subject to confirmation by the parties concerned.
9. Figures for previous year have been regrouped and rearranged wherever considered necessary.
10. 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.
11. 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.
12. No interest has not been paid for long term borrowings.
13. An amount of Rs. 35,26,509/- is due to Appline Bio-Tech Ltd. This amount is outstanding for more than One Year.
14. Being an NBFC Company, the company should charge interest from all the parties. It has been noticed that the company is not charging interest from all the parties.
15. The Bank Statement of State Bank of India (Bhagwan Krishan Investment and Trading Co. Pvt. Ltd.) is not available with the company hence Balance given by company has been accepted.

## 16. RELATED PARTY DISCLOSURES

Details of disclosures as required by "Accounting Standard (AS)-18 on related party disclosure" are as under

### a) Names of related parties and description of relationship :

Key Management Personal

Laxman Singh Satyapal	Managing Director
Pradeep Kumar Jindal	Director
Pawan Kumar Poddar	Director
Uttam Kumar Srivastava	Director
Gurleen Kaur Arora	Company Secretary

### b) Related Party Transactions :

As per the information available the following are the related party transactions:-

Name	Nature	Closing Balance
Focus Industrial Resources Ltd.	Loan Given	Rs. 27,60,452/-
Delta Leasing and Finance Ltd.	Loan Given	Rs. 9,80,000/-
Argent Finvest Pvt. Ltd.	Loan Accepted	NIL
Jacaranda Capital Ltd.	Loan Accepted	NIL

### c) As per the information available following amount has been paid to related parties:

Name	Nature of payment	Amount
Laxman Singh Satyapal	Salary	Rs. 2,40,000/-
Mamta Jindal	Office Rent	Rs. 1,80,000/-



## PAWANSUT HOLDINGS LIMITED

### NOTE : 2

Disclosure of details as required by para 13 of Non- Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007)

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	9,46,215	NIL
(d) Inter-corporate loans and borrowing	2,80,00,000	NIL
(e) Commercial paper	NIL	NIL
(f) Public Deposits'	NIL	NIL
(g) Other Loans	NIL	NIL

Assets Side: Amount Outstanding

(2) Break-up of Loans and Advances [other than those includes in (4) below] :	
(a) Secured	---
(b) Unsecured	20,59,18,807
(3) Break-up of leased Assets and stock on hire and hypothecation Loans counting towards EL/HP activities	NIL
(4) Break-up of Investments:	
Current Investments:	6,07,67,000
Long Term investments:	
1. Quoted	NIL
2. Unquoted:	
i) Shares:	NIL
(a) Equity	

(5) Borrower group-wise classification of Loans and advances:

Category	Amount provisions		
	Secured	Unsecured	Total
1. Related parties	---	---	---
2. Other than related parties	---	20,59,18,807	20,59,18,807



(1) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and 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	6,07,67,000
Total	6,07,67,000

(2) 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

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

For and on Behalf of Board  
PAWANSUT HOLDINGS LIMITED

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

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

Sd/-  
(UTTAM KUMAR  
SRIVASTAVA)  
DIRECTOR  
DIN NO. 03372917

Sd/-  
(GURLEEN KAUR  
ARORA)  
COMPANY SECRETARY  
M.NO.: 33297

Place : Delhi  
Dated : 04/09/2013



## PAWANSUT HOLDINGS LIMITED

Registered Office: 415, Usha Kiran Building, Commercial Complex, Azadpur, Delhi-110 033

### Form of Proxy

DP ID: \_\_\_\_\_ Folio No./Client ID: \_\_\_\_\_ No. of Shares held: \_\_\_\_\_

I/We \_\_\_\_\_ of \_\_\_\_\_

\_\_\_\_\_ in the district

of \_\_\_\_\_ being, a Member/Members of PAWANSUT HOLDINGS LIMITED

hereby appoint \_\_\_\_\_ in the district of

\_\_\_\_\_ as my/our Proxy to attend and vote for

me/us on my/our behalf at the 29th Annual General Meeting of the Company to be held on 30th September, 2013 at 11.00 a.m. and at any adjournment(s) thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2012

Signature(s) of Member(s) \_\_\_\_\_

- Note:
1. The Proxy need not be a member of the Company.
  2. The Proxy in order to be effective must be duly signed and deposited at the Registered Office of the Company at 415, Usha Kiran Building, Commercial Complex, Azadpur, Delhi-110 033 not less than 48 hours before the time of holding the meeting.
  3. Company reserves the right to ask for identification of the proxy.
  4. Proxy cannot speak at the meeting or vote on a show of hands.

Affix Re 1/- Revenue Stamp & Signature
--

## PAWANSUT HOLDINGS LIMITED

Registered Office: 415, Usha Kiran Building, Commercial Complex, Azadpur, Delhi-110 033

ATTENDANCE SLIP  
(To be presented at the entrance)

DP ID \_\_\_\_\_

Folio No. /Client ID \_\_\_\_\_

I hereby record my presence at the 29th annual general meeting of the Company at 415, Usha Kiran Building, Commercial Complex, Azadpur, Delhi-110 033 on Monday, the 30th September, 2013 at 11:00 a.m.

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE PREMISES. JOINTSHAREHOLDER(S) MAY OBTAIN ADDITIONAL SLIP AT THE VENUE OF THE MEETING.

\_\_\_\_\_  
Name of the Member/Proxy holder

\_\_\_\_\_  
Signature of the Member/Proxy



# Pawansut Holdings Limited

Regd. Off. : 415, Usha Kiran Building, Commercial Complex,  
Azadpur, Delhi-110 033 Ph. : 011- 43619333, Telefax : 011- 45689333  
Website: [www.pawansutholdings.com](http://www.pawansutholdings.com)