

**ANNUAL REPORT**  
**(FY 2012-2013)**

# SAHYOG CREDITS LIMITED

## NOTICE

Notice is hereby given that the 22<sup>nd</sup> (TWENTY SECOND) Annual General Meeting of SAHYOG CREDITS LIMITED will be held on Wednesday, the 25<sup>th</sup> day of September, 2013 at 11:30 A.M. at Haryana Maitri Bhawan, Pitampura, New Delhi-110034 to transact the following business:

### Ordinary Business

1. To receive, and adopt the Director's Report and the Audited Profit and Loss Account for the year ended March 31<sup>st</sup>, 2013 and the Balance Sheet as at that date and the report of the Auditors thereon.
2. To appoint a Director in place of Mr. Ramesh Kumar Dudani who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Manoj Bansal who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint M/s Akhil Mittal & Co., Chartered Accountants, in place of retiring auditors M/s R.K. Rathi & Co., Chartered Accountants, as Statutory Auditors of the Company to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

**"RESOLVED THAT** M/s. Akhil Mittal & Co., Chartered Accountants, be and are hereby appointed as the Auditors of the Company, in place of retiring auditors M/s R.K. Rathi & Co, Chartered Accountants, to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting at such terms and conditions, including remuneration, as may be determined by the Directors."

Dated: 31<sup>st</sup> July, 2013  
Place: New Delhi

By Order of the Board  
For Sahyog Credits Limited

  
Sachin Dewan  
Director



# SAHYOG CREDITS LIMITED

## NOTES:

- a. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY AND SUCH PROXY NEED NOT TO BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF MEETING.
- b. Members Companies / Organization are requested to send a copy of the resolution authorizing their representatives to attend and vote at the Annual General Meeting.
- c. In accordance with the provision of Article of Association of the Company, Mr. Ramesh Kumar Dudani and Mr. Manoj Bansal retire by rotation at this Annual General Meeting, being eligible, offer themselves for re-appointment.
- d. Members are requested to bring their admission slips along with a copy of the Annual Report to the Annual General Meeting.
- e. The Register of Members and Share Transfer Books of the Company will be closed from Thursday, the 19<sup>th</sup> day of September, 2013 to Wednesday, the 25<sup>th</sup> day of September, 2013 (both days inclusive).
- f. Members are requested to intimate to the Company about queries, if any, regarding these Accounts / Notice at least 7 days before the meeting to enable the management to keep the information ready at the meeting.
- g. All documents referred to in the accompanying notice and explanatory statement are open for inspection at the registered office on all working days except Sundays and Holidays between 11:00 A.M. to 1:00 P.M. upto the date of Annual General Meeting.
- h. Members are requested to promptly notify to the Company any change in their addresses.
- i. The shares of the Company are currently listed at Delhi Stock Exchange and the Annual Listing Fee including service tax has been duly paid for the financial year 2013-14.

Dated: 31<sup>st</sup> July, 2013  
Place: New Delhi

By Order of the Board  
For Sahyog Credits Limited

  
  
Sachin Dewan  
Director

# SAHYOG CREDITS LIMITED

## Explanatory Statement (Pursuant to Section 173(2) of the Companies Act, 1956)

As required under Section 173(2) of the Companies Act, 1956, the following explanatory statement sets out the matter in relation to item no. 4.

### ITEM NO. 4

M/s R.K. Rathi & Co., Chartered Accountants, the present auditors of the Company would be retiring at the conclusion of this Annual General Meeting. They have communicated that they do not wish to offer themselves for re-appointment at the conclusion of their present term of appointment, at this Annual General Meeting of the Company, which has been accepted by the Board of Directors of the Company in their meeting held on July 31, 2013.

Further, M/s Akhil Mittal & Co., Chartered Accountants, being eligible, have indicated their willingness to serve as the statutory auditors of the Company, if appointed at this Meeting. The same has been recommended by the Audit Committee of the Board and approved by the Board of Directors of the Company, in their respective meetings held on July 31, 2013, subject to approval of the members of the Company at this Annual General Meeting.

The appointment of M/s Akhil Mittal & Co., Chartered Accountants, if approved by the members of the Company, will take effect from the conclusion of this Annual General Meeting.

Further, as required under the provisions of Section 224 (1B) of the Companies Act, 1956, M/s Akhil Mittal & Co., Chartered Accountants, provided a certificate to the effect that their appointment, if made at this Annual General Meeting, shall be in accordance with the limits specified in the sub-section (1B) of Section 224 of Companies Act, 1956.

None of the Directors of the Company are in any way concerned or interested in this resolution.

The Board recommends the ordinary resolution set forth at item no. 4 of the Notice, for the approval of the members.

Dated: 31<sup>st</sup> July, 2013  
Place: New Delhi

By Order of the Board  
For Sahyog Credits Limited

  
  
Sachin Dewan  
Director

# SAHYOG CREDITS LIMITED

## DIRECTOR'S REPORT

To the Members,

Yours Directors have pleasure in presenting the 22<sup>nd</sup> (Twenty Second) Annual Report of your Company and Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2013.

### FINANCIAL OPERATIONS

The Financial results of the Company for the year ended 31<sup>st</sup> March, 2013 are as follows:-

Particulars	Amount (Rupees)	
	2012- 2013	2011- 2012
Profit/Loss Before Tax and Depreciation	217,560	46,890
Less: Depreciation	0.00	0.00
<b>Profit/(Loss) Before Tax</b>	<b>217,560</b>	<b>46,890</b>
Add: Excess Provisions W/Back FBT Previous year	0.00	0.00
Less: Provision for Income Tax	<b>67,226</b>	<b>14,500</b>
Less: Taxes for earlier years	34,194	-
Deferred Tax Net	-	26,010
<b>Profit/(Loss) after Tax</b>	<b>116,140</b>	<b>6,380</b>
Provision of Deferred Tax of Earlier Years W/Back	<b>0.00</b>	<b>0.00</b>
Provision of Deferred Tax of Earlier Years W/Back	0.00	0.00
Add: Previous Year Profit/Loss Brought Forward	0.00	0.00
<b>Profit/(Loss) for the year carried to the Balance Sheet</b>	<b>116,140</b>	<b>6,380</b>

### FINANCIAL STATEMENTS

Your Directors have pleasure in attaching the Financial Statements pursuant to clause 32 read with clause 41 of the Listing Agreement with the Stock Exchanges and prepared in accordance with the Accounting Standards of the Institute of Chartered Accountants of India.

### DIVIDEND

Taking into consideration the future plans & policies of the Company and subsequently requirements of the funds, the management is of the view that the Company earned the profit during the year must be retained and redeployed for the operations of the Company. Therefore the Boards of Directors does not recommend any dividend for the year ended on March 31<sup>st</sup>, 2013.

### DIRECTORS

Mr. Ramesh Kumar Dudani and Mr. Manoj Bansal Directors of the Company retire by rotation and being eligible offers themselves for re-appointment. The Board recommends their re-appointment at the ensuing Annual General Meeting.



# SAHYOG CREDITS LIMITED

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## LISTING OF SECURITIES

The Company Securities are listed at the Delhi Stock Exchange Limited. The Annual Listing Fee including service tax for the year 2013-14 has been paid to the Stock Exchange.

## AUDITORS

M/s R.K. Rathi & Co., Chartered Accountants, being the Statutory Auditors of the Company will retire at the conclusion of forthcoming Annual General Meeting and M/s. Akhil Mittal & Co., Chartered Accountants, be and are hereby appointed as the Auditors of the Company, in place of retiring auditors M/s R.K. Rathi & Co, Chartered Accountants, to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting at such terms and conditions, including remuneration, as may be determined by the Directors.

## AUDITORS' OBSERVATIONS

The notes to accounts forming part of Balance Sheet and the Profit & Loss Account as at 31<sup>st</sup> March, 2013, referred to in the Auditors Report are self explanatory and do not call for any further particulars.

## COMPLIANCE CERTIFICATE

A certificate issued by M/s. Arun Goyal & Associates, Company Secretaries, in terms of the provisions of Section 383A of the Companies Act, 1956 to the effect that the company has complied with the applicable provisions of the said Act is attached to this Report.

## DIRECTOR'S RESPONSIBILITY STATEMENT

Director's Responsibility Statement pursuant to section 217(2AA) of the Companies Act, 1956, the Directors of the Company hereby confirm:

1. That in the preparation of Annual Accounts the applicable accounting standards had been followed along with proper explanation relation to material departures;
2. That your 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 affairs of the company at the end of financial year and of the Profit and loss of the Company for that period;
3. That your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. That your Directors have prepared the Annual Accounts on a Going Concern Basis.

## PUBLIC DEPOSITS

The Company has not invited, accepted or renewed any deposits from the public covered under section 58A of the Companies Act, 1956 during the year under review.



# SAHYOG CREDITS LIMITED

## INFORMATION AS REQUIRED UNDER PARAGRAPH 10 OF THE PART II OF NBFC (RB) DIRECTIONS 1977 OF RESERVE BANK OF INDIA

- a. The total number of depositors of the Company whose deposits have not been claimed by the depositors or paid by the Company after the date on which the deposit become due for repayment or renewal as the case may be according to the contract with the depositors or the provision of these directors whichever may applicable.....NIL.
- b. The total amount due to depositors and remaining unclaimed or unpaid beyond the date referred to in clause (a) as aforesaid.....NIL.

## INFORMATION PURSUANT TO SECTION 217 (2A) OF THE COMPANIES ACT, 1956

The statement of information as required under section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 in respect of employees of SAHYOG CREDITS LIMITED does not apply.

## PARTICULARS REQUIRED TO BE FURNISHED IN TERMS OF COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988

### **A. Conservation of Energy**

The disclosure of particulars with respect of conservation of energy pursuant of Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are not applicable to the Company. However the company has made best efforts and adopted all relevant measure for conservation of the energy.

### **B. Technology Absorption**

The Company has not carried out any specific research and development activities. Accordingly the information related to technology absorption, adaptation and innovation is reported to be NIL.

### **C. Foreign Exchange Earnings and outgo**

There was no transaction of foreign exchange during the period under review.

## ACKNOWLEDGEMENT

Your Directors highly appreciate the unconditional co-operation and support extended by the Bankers, other financial agencies, Customers and above all employees of the Company, without whom the Company would not have reached up to this level.

Dated: 31<sup>st</sup> July, 2013

Place: New Delhi

By Order of the Board  
For Sahyog Credits Limited

  
  
Sachin Dewan  
Director

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**AUDITOR'S REPORT**

**TO**  
**THE SHAREHOLDERS**  
**Sahyog Credits Limited**

**1 Report on the Financial Statements**

We have audited the accompanying financial statements of Sahyog Credits Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2013 and, the Statement of Profit and Loss and Cash Flow Statement of the Company for the year ended on that date, and a summary of significant accounting policies and other explanatory information ("financial statements").

**2 Management's Responsibility for the Financial Statements**

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

**3 Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 controls relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. 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.





#### 4 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:

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

#### 5 Report on Other Legal and Regulatory Requirements

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



FOR R.K. RATHI & CO.  
CHARTERED ACCOUNTANTS  
Firm Registration No:010695N

*R.K. Rathi*

R.K. RATHI  
PROPRIETOR

(M.No. 086189)

Place: New Delhi  
Date: 30<sup>th</sup> May, 2013

**Annexure to the Auditors Report on the Accounts of Sahyog Credits Limited.**

**(Referred to in Paragraph 5 of our report of even date on the accounts for the year ended 31<sup>st</sup> March, 2013)**

1. The company does not have any fixed asset. Thus, paragraph 4(i) of the Order is not applicable
2. The Company is a Non-Banking Financial Company (NBFC), primarily engaged in the lending business and does not hold any physical inventories. Accordingly, paragraph 4 (ii) of the Order is not applicable to the Company.
3. (a) The Company has granted loan to a company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount outstanding during the year was Rs. 22,400,000 and the year-end balance of such loan was Rs. Nil
- (b) In our opinion and according to the information and explanation given to us, the terms and condition of the loan are not, prime facie, prejudicial to the interest of the company.
- (c) According to the information and explanation given to us, the above interest free loan was receivable on demand and has been received back to the extent recalled during the year.
- (d) There is no overdue amount of more than Rupees one lakh in respect of loans granted to the Company listed in the register maintained under section 301.
- (e) According to the information and explanations given to us, the Company has taken loan from a company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount outstanding during the year was Rs. 32,890,000 and the year-end balance of such loan was 23,698,790.
- (f) In our opinion, the rate of interest and other terms and conditions on which loan has been taken from a company listed in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the Company.
- (g) According to the information and explanations given to us, the above loan was repayable on demand.
4. In our opinion and according to the information and explanation given to us during the course of our audit, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business of trading in shares and securities. During the course of our audit, no major weakness has been noticed in the internal controls.
5. (a) According to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956, have been entered in the register required to be maintained under that section..
- (b) In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of contracts and arrangements referred to in (a) above and exceeding the value of Rs 5 lakh with any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time..
6. Since the Company has not accepted any deposits from public accordingly the provision requiring that, whether the directives issued by the Reserve Bank of India and the provision of Section 58A and 58AA of the Act and the rules framed there under, were applicable have been complied with, is not applicable to the Company.
7. The Company has internal audit system commensurate with its size and nature of its business.



8. The Central Government has not prescribed maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956, in respect of products dealt with by the Company.
9. (a) The provisions of Provident Fund Act, Investor Education and Protection Fund, Employees State Insurance, Sales Tax, Wealth Tax, Customs Duty, Excise Duty and cess etc. are not applicable to the Company. The Company is regular in depositing its statutory dues in respect of Income Tax with the appropriate authorities. The Company does not have any arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they become payable.  
  
(b) As per records of the Company, there are no undisputed amounts payable as at 31<sup>st</sup> March, 2013 in respect of Income Tax, Wealth Tax, and Custom Duty & Excise Duty etc.
10. The Company has been registered for a period of more than five years and the Company has neither incurred any cash losses in such financial year nor incurred any cash losses in the financial year immediately preceding such financial year.
11. The Provisions requiring that, whether the Company has defaulted in repayment of dues to a financial institution or Bank or Debenture holders etc. are not applicable to the Company.
12. The Provisions requiring that, whether adequate documents and records are maintained, in cases where the Company has granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities, are not applicable to the Company.
13. The Provisions requiring that, whether the provisions of any special statute applicable to chit fund have been duly complied with, are not applicable to the Company.
14. The Company is dealing in shares and securities. The Company has maintained proper records of the transactions and contracts and also has made timely entries of the transactions. We also report that the Shares, Securities, Debenture and other Securities have been held by the Company in its own name.
15. The Company has not given any guarantee for loans taken by others from Banks or financial institutions, hence the provisions requiring whether the terms and conditions whereof are prejudicial to the interest of the Company, are not applicable to the Company.
16. The provisions requiring that, whether term loans were applied for the purpose for which the loans were obtained, are not applicable to the Company.
17. The Provisions requiring that, whether the funds on short-term basis have been used for long term investment and vice-versa, are not applicable to the Company.
18. The Company has not made any preferential allotment of shares to Companies, firm or other parties covered in the Register maintained under section 301 of the Act. Accordingly, the provisions requiring that, the price at which shares have been issued is prejudicial to the interest of the Company are not applicable to the Company.
19. The provisions requiring that, securities have been created in respect of debentures issued, are not applicable to the Company.
20. The provisions requiring that, whether the management has disclosed the end use of money raised by public issues and the same has been verified, are not applicable to the Company.
21. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

Place: New Delhi  
Date: 30<sup>th</sup> May, 2013

FOR R.K. RATHI & CO.  
CHARTERED ACCOUNTANTS

  
R.K. RATHI  
PROPRIETOR  
(M.No. 86189)



**SAHYOG CREDITS LIMITED**  
**Balance Sheet as at 31st March, 2013**  
**(All amounts in Rupees, unless otherwise stated)**

<b>EQUITY AND LIABILITIES</b>	<b>Note</b>	<b>As at 31.03.2013 Rs.</b>	<b>As at 31.03.2012 Rs.</b>
<b>Shareholder Funds</b>			
Share Capital	3	30,600,000	30,600,000
Reserve & Surplus	4	(209,083)	(325,223)
		<u>30,390,917</u>	<u>30,274,777</u>
<b>Current Liabilities</b>			
Trade payable	5	-	-
Other Current Liabilities	6	23,738,498	4,278,977
		<u>23,738,498</u>	<u>4,278,977</u>
<b>Total</b>		<u><b>54,129,415</b></u>	<u><b>34,553,754</b></u>
<b>ASSETS</b>			
<b>Non Current Assets</b>			
<b>Fixed Assets</b>			
Long-term loans and advances	7	125,662	252,577
<b>Current Assets</b>			
Inventories	8	400,000	
Cash and bank balances	9	299,460	612,964
Short Term loans and advances	10	53,304,293	33,688,213
		<u>54,003,753</u>	<u>34,301,177</u>
<b>Total</b>		<u><b>54,129,415</b></u>	<u><b>34,553,754</b></u>
Significant accounting policies	2		

See accompanying notes 1 to 21 which form an Integral part of financial statements

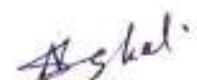
As per our report attached even date

For **R.K.RATHI & CO.**  
Chartered Accountants  
Registration No.:10695N  
  
**R.K.Rathi**  
Proprietor  
Membership No.: 86189



For and on behalf of the Board of Directors  
**Sahyog Credits Limited**

  
**Sachin Dewan**  
Director

  
**Naresh Kumar Singhal**  
Director

Place:New Delhi  
Date :30th May 2013

Place:New Delhi  
Date :30th May 2013

Place:New Delhi  
Date :30th May 2013

## SAHYOG CREDITS LIMITED

### Notes to financial statements for the year ended 31 March 2013

(All amounts in Indian Rupees unless otherwise stated)

#### 1. Background

Sahyog Credits Limited is a company incorporated on 10<sup>th</sup> January 1992 under Companies Act, 1956. The Company is a Non Banking Finance Company duly registered with Reserve Bank of India under section 45 -1A of Reserve Bank of India Act, 1934. The Company was incorporated to carry on business of financing, trading in shares & securities and Investment.

#### 2. Significant accounting policies

##### a. Basis of preparation of financial statements

The financial statements of the Company are prepared and presented under the historical cost convention on the accrual basis of accounting, as a going concern and in accordance with the Companies (Accounting Standards) Rules, 2006 notified by the Central Government, generally accepted accounting principles in India ('GAAP') and the provisions of the Companies Act, 1956, as applicable to the Company and applied consistently.

This is the first year of application of the revised schedule VI to the Companies act, 1956 for the preparation of the financial statements of the Company. The revised schedule VI introduces some significant conceptual changes as well as new disclosures. These include classification of all assets and liabilities into current and non- current. The previous year figures have also undergone a major reclassification to comply with the requirements of revised schedule VI.

##### b. Current and non- current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current & non-current classification of assets and liabilities.

##### Assets

An asset is classified in to current when it satisfies any of the following criteria:

- It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle.
- It is held primarily for the purpose of being traded.
- It is expected to be realized within 12 months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non- current financial assets,

All other assets are classified as non – current.

##### Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- It is expected to be settled in the Company's normal operating cycle.
- It is held primarily for the purpose of being traded.
- It is expected to be realized within 12 months after the reporting date; or
- The Company does not have unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of non- current financial liabilities.

All other liabilities are classified as non – current.

##### Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents.



*Sashi Dewan*

*Ashal*

## SAHYOG CREDITS LIMITED

### Notes to financial statements for the year ended 31 March 2013

(All amounts in Indian Rupees unless otherwise stated)

**c. Use of estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods. The management believes that the estimates made in the preparation of the financial statements are prudent and reasonable.

**d. Fixed Assets**

Tangible fixed assets are stated at cost less accumulated depreciation and impairment loss, if any. Cost of acquisition is inclusive of freight inward, duties, taxes and other directly attributable expenses incurred to bring the assets to their working condition for intended use.

Intangible fixed assets purchased comprising computer softwares, are stated at acquisition cost less accumulated amortization and impairment loss, if any. Intangible fixed assets are capitalized where it is expected to provide future enduring economic benefits. Capitalization costs include license fees and cost of implementation/system integration services. The costs are capitalised in the year in which the software is fully implemented for use.

**e. Depreciation and amortization**

Depreciation on tangible fixed assets is provided on written down value method, at rates specified in Schedule XIV to the Companies Act, 1956.

Depreciation is calculated on pro-rata basis from the date of additions, except in case of assets costing Rs. 5,000 or less, where each such asset is fully depreciated in the year of purchase. Depreciation on assets sold / discarded during the year is provided till the date of such sale / disposal.

**f. Revenue recognition**

Interest on loans is recognised in the Statement of Profit and Loss on an accrual basis, except in the case of non-performing assets where it is recognized upon realization in accordance with the prudential norms of the RBI

**g. Income-tax expense**

Income-tax expense comprises current tax (i.e. amount of tax for the year determined in accordance with the income-tax laws) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year). The deferred tax charge or credit and the corresponding deferred tax liabilities and / or assets are recognized using the tax rates that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed as at each Balance Sheet date and are written down or written-up to reflect the amount that is reasonably/ virtually certain (as the case may be) to be realized.

**h. Transactions in foreign currency**

Transactions in foreign currency are recorded at the exchange rates prevailing at the date of the transaction. Exchange differences arising on settlement of foreign currency transactions are recognized in the Statement of Profit and Loss.

Monetary assets and liabilities denominated in foreign currencies and remaining unsettled as at the balance sheet date is translated using the closing exchange rates on that date and the resultant net exchange difference is recognized in the Statement of Profit and Loss.



*Sachi Arora*

*B. Ghai*

**SAHYOG CREDITS LIMITED****Notes to financial statements for the year ended 31 March 2013**

(All amounts in Indian Rupees unless otherwise stated)

**i. Earnings/ (loss) per share**

Basic earnings/ (loss) per share is computed by dividing the net profit/ (loss) for the year attributable to equity shareholders by using the weighted average number of equity shares outstanding during the year.

**j. Provisions, contingent liabilities and contingent assets**

The Company recognizes a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

**k. Provision for Non-Performing Assets**

Provision for standard and non-performing assets

- In accordance with Prudential Norms, contingent provision at 0.25% has been created on outstanding standard assets
- In accordance with Para 10 of Prudential Norms, the Company has shown provision for loans under 'Provisions' forming part of 'Current liabilities and provisions'

Provision for non-performing assets is recorded at rates which are equal to or higher than the rates specified by Reserve Bank of India in their guidelines on prudential norms. The rates used by the Company are as follows:

<i>Asset Classification</i>	<i>Period of Arrears (in Months)</i>	<i>Rates as per Company percentage of Portfolio</i>
Standard	0 – 1	0.25
Substandard	1 – 2	10
Substandard	2 – 3	25
Doubtful	3 – 4	50
Loss	Above 4	100

**L. As per regulation 6 of NBFC Prudential Norms (Reserve Bank) Directions, 1998 regarding accounting for investment:**

- The company value its current investments in unquoted equity shares at cost or breakup value, whichever is less
- The Company values its long-term investment in unquoted equity shares in accordance with the accounting standard issued by ICAI. The Institute of Chartered Accountant of India has issued Accounting Standard "AS-13" pertaining to Accounting for investment



*Sachu Dewan*

*A. Ghal.*

**SAHYOG CREDITS LIMITED**

Notes to financial statement for the year ended 31 March 2013

(All amounts in Rupees, unless otherwise stated)

	As at 31 March 2013 Rs.	As at 31 March 2012 Rs.
<b>3 Share Capital</b>		
<b><u>Authorised:</u></b>		
Equity shares of Rs. 10 each *	35,000,000	35,000,000
	<u>35,000,000</u>	<u>35,000,000</u>
<b><u>Issued, Subscribed &amp; Paid up:</u></b>		
Equity shares of Rs. 10 each, fully paid up *	30,600,000	30,600,000
	<u>30,600,000</u>	<u>30,600,000</u>

\*The Company has one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share with a right to receive per share dividend declared by the Company. In the event of liquidation, the equity shareholders are entitled to receive remaining assets of the Company (after distribution of all preferential amounts) in the proportion of equity shares held by the shareholders.

i) During the current year and in the previous year, there has been no movement in the issued, subscribed and paid up share capital of the company.

ii) The Company does not have any shareholder holding more than 5% of the shares of the company

**4 Reserve & Surplus**

	As at 31 March 2013	As at 31 March 2012
Surplus / (Deficit) in the Statement of Profit and Loss		
At the beginning of the year	-325,223	-331,603
Add: Profit / (loss) for the year	116,140	6,380
At the end of the year	<u>-209,083</u>	<u>-325,223</u>

**5 Trade payables**

	As at 31 March 2013	As at 31 March 2012
Payable to:		
-Micro, small and medium enterprises	-	-
	<u>-</u>	<u>-</u>

\* Based on the information available with the management, there are no outstanding dues to enterprises covered under "The Micro, Small and Medium Enterprises Development Act, 2006". Further no interest has been paid or is payable during the year under the provision of that act.



*Sachin Dewan*

*Agal*



**6 Other Current Liability**

Audit fee's Payable	39,708	19,854
Advance from customer	23,698,790	-
Book Overdraft	-	4,259,123
	<u>23,738,498</u>	<u>4,278,977</u>

**7 Long-term loans and advances**

	As at 31 March, 2013	As at 31 March, 2012
Advance tax	125,662	252,577
[net of provision for income tax of Rs.81726(previous year Rs.377500)]	<u>125,662</u>	<u>252,577</u>

**8 Inventories****Stock in Trade**

	As at 31 March, 2013		As at 31st March 2012	
	Quantity	Amount	Quantity	Amount
-Unquated				
Pride Buildtech Private Limited	40,000	400,000	-	-
	40,000	400,000	-	-

**9 Cash and bank balances****Cash and cash equivalents:**

	As at 31 March, 2013	As at 31 March, 2012
Cash on hand	266,142	612,964
Balances with banks		
- on current accounts	33,318	-
	<u>299,460</u>	<u>612,964</u>

**10 Short Term Loans & Advances**

*Unsecured considered good unless otherwise stated*

*Advance for property booking  
Loans*

	As at 31 March, 2013	As at 31 March, 2012
Advance for property booking	37,000,000	-
Loans	16,304,293	33,688,213
	<u>53,304,293</u>	<u>33,688,213</u>



*Sachin Dubey*

*Agal*

**SAHYOG CREDITS LIMITED**

Notes to financial statement for the year ended 31 March 2013

(All amounts in Rupees, unless otherwise stated)

<b>11 Revenue from Operation</b>	<b>For the year ended 31 March 2013</b>	<b>For the year ended 31 March 2012</b>
<b>Interest income</b>		
Interest on loans	247,735	1,375,722
Commission income	545,789	-
	<u>793,524</u>	<u>1,375,722</u>
<b>12 Other Income</b>		
Profit on sale of investment	-	5,000
Interest received on income tax refund	4,938	2,768
	<u>4,938</u>	<u>7,768.00</u>
<b>13 Employee Benefit Expenses</b>		
Salary	224,400	614,675
Staff Welfare Expenses	22,919	47,426
	<u>247,319</u>	<u>662,101</u>
<b>14 OTHER EXPENSES</b>		
Advertisement	-	21,120
Travelling & conveyance	24,774	52,818
Printing and stationery	19,553	48,829
Books and periodicals	14,734	26,722
Legal and professional expense	-	11,030
Listing fees	8,428	8,273
Repair and Maintenance	16,195	46,154
Auditors Remuneration (refer below)	19,854	19,854
AGM Expenses	7,360	12,235
Business Promotion Exp.	7,447	28,566
Visitor expenses	-	33,154
Office expenses	17,533	53,380
Office rent	90,000	180,000
Electricity and water expenses	50,069	67,086
Bank charges	4,976	1,048
Courier Charges	6,185	15,114
Telephone Expenses	19,223	47,616
Filing fees	8,472	1,500
Computer Repair and Maintance	18,780	-
<b>Total</b>	<u>333,583</u>	<u>674,499</u>

**Auditor's remuneration**

As auditor			
	Audit fee	19,101	19,101
	Out of Pocket Expenses	753	753
		<u>19,854</u>	<u>19,854</u>



*Sachin Dewans*

*Agal.*

**SAHYOG CREDITS LIMITED****Notes to financial statements for the year ended 31 March 2013**

(All amounts in Indian Rupees unless otherwise stated)

**15. Earnings per share:**

Particulars	Year ended 31 March 2013	Year ended 31 March 2012
Net Profit / loss after tax (A)	1,16,140	6380
Weighted average of number of equity shares * (B)	30,60,000	30,60,000
Face value per share	10	10
Basic earnings per share (A/B)	.038	.002

**16. Related party disclosures****List of parties with whom transactions have taken place during the year:***a. Enterprises over which key management personnel have significant influence*

Goodlife Impex Private Limited

**b. Transactions with related parties during the year***Goodlife Impex Private Limited*

	Nature of transaction	For Year ended 31 March 2013	For Year ended 31 March 2012
1	Loan taken	32,890,000	-
2	Loan given	22,400,000	19,600,000
3	Commission received	545,789	-

**c. Balances outstanding with related parties***Goodlife Impex Private Limited*

S. No.	Nature of transaction	Year ended 31 March 2013	Year ended 31 March 2012
1	Loan payable	23,698,790	-
2.	Loan Receivable	-	19,600,000

17. The Company has no Sub-Standard, Doubtful or loss Assets, Therefore provision's required as per Regulation 7 and 8 of NBFC Prudential Norms (reserve Bank) Directions, 1998 are not applicable to the Company.

18. In our opinion the Board and to the best of their knowledge, the value of the current Assets, Loans & Advances in the ordinary course of business would not be less than the amount at which they are stated in the balance sheet.

**19. Expenditure in Foreign Currency**

	Rs. In Lacs	Previous Year Rs. In Lacs
Foreign Travel	Nil	Nil

**20. Segment reporting**

In the opinion of the management, there is only one reportable business segment (Loan Financing) as Envisaged By AS 17 'Segment Reporting', prescribed by the Companies (Accounting Standards) Rules, 2006. Accordingly, no separate disclosure for segment reporting is required to be made in the financial statements of the Company



*Sachin Arora*

*A. Shal.*

**SAHYOG CREDITS LIMITED**

**Notes to financial statements for the year ended 31 March 2013**

(All amounts in Indian Rupees unless otherwise stated)

Secondary segmentation based on geography has not been presented as the Company operates primarily in India and the Company perceives that there is no significant difference in its risk and returns in operating from different geographic areas within India

21. Previous year figures have been re-grouped or re-arranged, wherever found necessary to make them comparable with current year figures and are rounded off to the nearest rupee.

For **R.K Rathi & Co**  
Chartered Accountants  
Firm Registration No.: 10695N

  
**K.K. Rathi**  
Proprietor  
Membership No: 86189



For and on behalf of the Board of Directors of  
**Sahyog Credit Limited**

  
**Sachin Dewan**  
Director

  
**Naresh Kumar Singhal**  
Director

Place: New Delhi  
Date: 30<sup>th</sup> May, 2013

Place: New Delhi  
Date: 30<sup>th</sup> May, 2013